

Ref: IPCL/SE/LODR/2019-20/34

17th July, 2019

**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: DPSCLTD

**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: DPSCLTD

Dear Sir(s),

**Sub: Annual Reports for financial year 2018-19 and Notice convening the 99th Annual General Meeting**

Pursuant to Regulations 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for financial year 2018-19 and the Notice convening the 99th Annual General Meeting of the Company scheduled to be held on Saturday, 10th August, 2019 at 11.30 a.m. at the Registered Office of the Company situated at Plot No. X1-2&3, Block-EP, Sector-V, Salt Lake City, Kolkata – 700091.

The Annual Report is available on the website of the Company at the link <https://www.indiapower.com/pdf/Annual%20Report%2018%20-%2019.pdf> and the Notice convening the 99th Annual General Meeting of the Company is available on the website at the link <https://www.indiapower.com/pdf/AGM%20NOTICE%202018%20-%2019.pdf>

This is for your kind information and records.

**Yours faithfully**  
**for India Power Corporation Ltd**

**(Prashant Kapoor)**  
**Company Secretary & Compliance Officer**



Encl: as above

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

**Central Depository Services (India) Limited**  
Marathon Futurex, A-Wing, 25th floor  
NM Joshi Marg, Lower Parel, Mumbai – 400013

**India Power Corporation Limited**

**CIN: L40105WB1919PLC003263**

**[formerly DPSC Limited]**

**Registered Office:** Plot No. X1- 2&3, Block-EP, Sector –V, Salt Lake City, Kolkata – 700 091

**Tel.:** + 91 33 6609 4308/09/10, **Fax:** + 91 33 2357 2452

**Central Office:** Sanctoria, Dishergarh 713 333, **Telephone:** (0341) 6600454/457 **Fax:** (0341) 6600464

**E:** [corporate@indiapower.com](mailto:corporate@indiapower.com) **W:** [www.indiapower.com](http://www.indiapower.com)

# CELEBRATING THE POWER OF 100



**Kanoria  
Foundation**  
WORK WITH DEVOTION



**INDIA POWER**  
Adding power to life

ANNUAL REPORT 2018-19





## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Mr. Hemant Kanoria** - Non-Executive Chairman  
**Mr. Amit Kiran Deb** - Independent Director  
**Mr. Nand Gopal Khaitan** - Independent Director  
**Mr. Tantra Narayan Thakur** - Independent Director  
**Mr. Debi Prasad Patra** - Independent Director  
**Ms. Dipali Khanna** - Independent Director  
**Mr. Jyoti Kumar Poddar** - Non-Executive Director  
**Mr. Raghav Raj Kanoria** - Managing Director

### CHIEF EXECUTIVE OFFICER

**Mr. Sanjeev Seth**

### CHIEF FINANCIAL OFFICER

**Mr. Amit Poddar** (w.e.f. 5th February, 2019)

### COMPANY SECRETARY

**Mr. Prashant Kapoor**

### BOARD COMMITTEES

#### AUDIT COMMITTEE

**Mr. Amit Kiran Deb** - Chairman  
**Mr. Nand Gopal Khaitan**  
**Mr. Debi Prasad Patra**  
**Mr. Jyoti Kumar Poddar**

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

**Mr. Hemant Kanoria** - Chairman  
**Mr. Debi Prasad Patra**  
**Mr. Jyoti Kumar Poddar**  
**Mr. Raghav Raj Kanoria**

#### NOMINATION AND REMUNERATION COMMITTEE

**Mr. Nand Gopal Khaitan** - Chairman  
**Mr. Hemant Kanoria**  
**Mr. Amit Kiran Deb**  
**Mr. Debi Prasad Patra**  
**Mr. Jyoti Kumar Poddar**

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

**Mr. Hemant Kanoria** - Chairman  
**Mr. Amit Kiran Deb**  
**Mr. Jyoti Kumar Poddar**

#### RISK MANAGEMENT COMMITTEE

**Mr. Tantra Narayan Thakur** - Chairman  
**Mr. Hemant Kanoria**  
**Mr. Amit Kiran Deb**  
**Mr. Debi Prasad Patra**  
**Mr. Jyoti Kumar Poddar**  
**Mr. Raghav Raj Kanoria**

### COMMITTEE OF DIRECTORS

**Mr. Hemant Kanoria** - Chairman  
**Mr. Jyoti Kumar Poddar**  
**Mr. Raghav Raj Kanoria**

### STATUTORY AUDITORS

**S S Kothari Mehta & Co.**

### BANKERS

**Axis Bank Limited**  
**Corporation Bank Limited**  
**IDBI Bank Limited**  
**RBL Bank Limited**  
**South Indian Bank Limited**

### REGISTRAR & SHARE TRANSFER AGENT

[Equity Shares & Non-Convertible Debentures]  
**CB Management Services Private Limited**  
P-22, Bondel Road,  
Kolkata - 700 019  
Phone: 91 33 4011 6700, 2280 6692/93/94/2486  
Fax: 91 33 2287 0263  
E-mail: rta@cbmsl.com

### DEBENTURE TRUSTEE

**Axis Trustee Services Limited**  
The Ruby, 2nd Floor, SW  
29, Senapati Bapat Marg,  
Dadar West, Mumbai - 400 028  
Phone: 91 22 6230 0451  
E-mail: debenturetrustee@axistrustee.com

### REGISTERED OFFICE

Plot No. X1-2 & 3, Block - EP,  
Sector - V, Salt Lake City,  
Kolkata - 700 091, West Bengal, India  
Phone: 91 33 6609 4300/08/09/10  
Fax: 91 33 2357 2452  
E-mail: corporate@indiapower.com;  
pr@indiapower.com  
Website: www.indiapower.com  
CIN: L40105WB1919PLC003263

### 99TH ANNUAL GENERAL MEETING

**Date:** Saturday, 10th August, 2019

**Time:** 11:30 a.m.

**Venue:** Registered Office: Plot No. X1-2 & 3, Block - EP,  
Sector - V, Salt Lake City,  
Kolkata - 700 091



# TABLE OF CONTENTS

## CORPORATE OVERVIEW

India Power at a glance	2
Journey of a Century	4
A 100 years of powering India	5
Board of Directors	6
Chairman's Message	7
Q&A with MD	8
Embracing Smart Technology	10
Digital Initiatives @ India Power	11
Powering India Since 100 Years	12
Financial Highlights	17
Serving our Communities	18
Recognition for India Power	20
Testament to our efforts	21
India Power in Media	22

## STATUTORY REPORTS

Board's Report and its Annexures	24
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## FINANCIAL STATEMENTS

Standalone Financial Statements	75
Consolidated Financial Statements	133

### FORWARD-LOOKING STATEMENTS

In this Annual Report, we have disclosed information for the financial year 2018-19 and also certain forward-looking information/statements to enable investors to comprehend our prospects and take investment decisions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly revise or update any forward-looking statement, whether as a result of new information, future events or otherwise.

## INDIA POWER AT A GLANCE



India Power Corporation Limited (IPCL) is an integrated power utility headquartered in Kolkata, West Bengal with presence in four states across the country. IPCL is engaged in the business of generation as well as distribution of power. On the generation front it has a diversified portfolio of around 1050 MW with renewable and conventional modes of power generation. It operates 35.2 MW of wind assets in Gujarat and Karnataka, 2 MW solar asset in West Bengal and coal fired thermal power plants of 12 MW at Asansol, West Bengal and 1000 MW at Nellore, Andhra Pradesh. It has a Distribution License spread across 618 sq. kms. in Asansol - Raniganj area of West Bengal.

Another significant feather in IPCL's cap is the successful connectivity to the state grid through the commissioning of the 220 kV J.K. Nagar Substation. Purchasing of power is done daily through various sources throughout the country including Indian Energy Exchange which provides flexibility to source power at competitive rates and meet the rising power demand in the Asansol-Raniganj area.

The Company, over the last 100 years of its existence, has contributed to the growth and prosperity of its consumers, which includes government utilities, hospitals, industrial, commercial and residential consumers. With a strong expertise in Power Distribution Management, the Company today has a diversified portfolio of power distribution, O&M services and a burgeoning portfolio of conventional and renewable energy generation.





## VISION

A leading and reliable end-to-end energy solutions provider

## MISSION

- To empower industries and millions of humans by being the lowest cost, most reliable and environmentally sound conventional and non-conventional energy provider
- To provide employees a strong sense of ownership, professional respect and pride resulting in high morale and performance
- To increase stakeholder value through growth and profitability

## CORPORATE PHILOSOPHY

### Values

- Performance – target oriented
- Imagination and resourcefulness
- Support for employee empowerment
- Integrity, ownership & sense of belongingness

### Culture

A unique culture comprising three 'D's':

- Discipline
- Dedication
- Devotion

### Focus Areas

Together, we will achieve our vision by consistently growing through:

- Competitiveness and cost efficiency
- Constant search for opportunities
- Complementary strategic alliances
- Competency enhancement
- Customer orientation





## JOURNEY OF A CENTURY

India Power Corporation Limited through IPCL Pte Limited, a foreign Subsidiary partnered to implement the first 100 MW Solar Projects in Albania, a project launched by the Government of Albania

2018

IPCL formed a Joint Venture, India Uniper Power Services Private Limited, with Uniper Kraftwerke GmbH to provide operation and maintenance services to power plants in India

2016

Acquired Meenakshi Energy Limited having a capacity of 1000 MW Port-based thermal power plant (with 300 MW operational capacity) in Nellore, Andhra Pradesh

Erstwhile IPCL merged with DPSC Limited and the name of DPSC Limited was changed to India Power Corporation Limited

2013

Commissioned 60 MW wind power plants in Rajasthan, India

2012

Developed and commissioned 2 MW Solar Plant at Seebpore, West Bengal in association with West Bengal Green Energy Development Corporation Limited which was the first grid connected solar plant in Asia

2008

Commissioned 24.8 MW wind power plant in Gujarat, India

2007

Commissioned 10.4 MW wind power plant in Karnataka, India

2006

The name of Dishergarh Power Supply Company Limited changed to DPSC Limited

2003

Awarded License to distribute electric energy in the Asansol-Raniganj areas

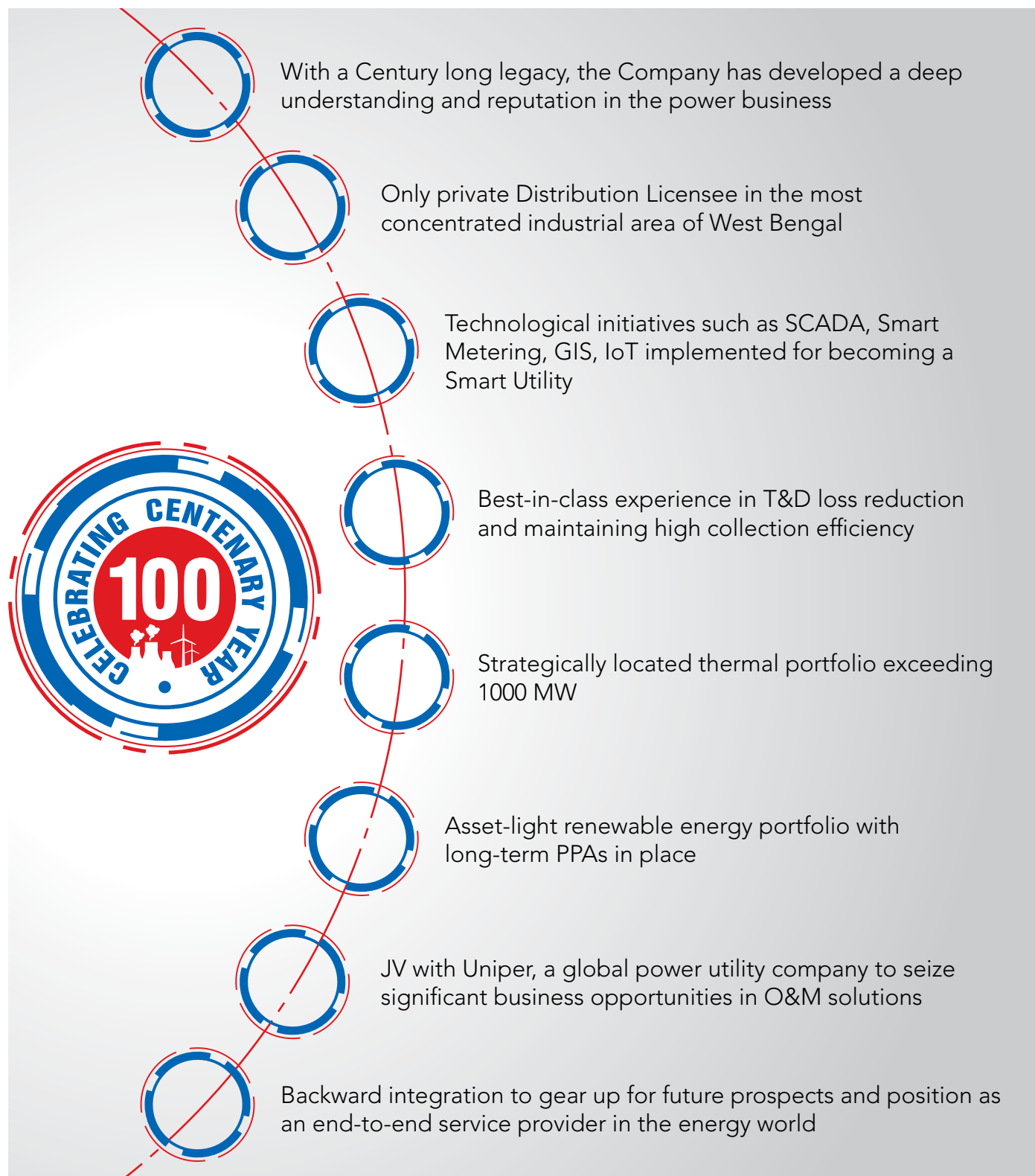
1932

Dishergarh Power Supply Company Limited was incorporated primarily to supply power to the collieries of Bengal Coal Company Limited (the then largest producer of Coal in Asia), to the Railways, Industrial Units and Townships in the Asansol-Raniganj areas

1919



## A 100 YEARS OF POWERING INDIA





## BOARD OF DIRECTORS



**Mr. Hemant Kanoria**  
 Chairman

Mr. Hemant Kanoria has over 39 years of experience in industry, trade and financial services. He is currently serving as Board Member in Indian Institute of Information Technology, Guwahati, Neotia University and New Delhi Institute of Management. He is a Member of India-Russia CEOs Council and India-Singapore CEOs Forum.

He is a Member of the Advisory Committee of Indian Institute of Cerebral Palsy and also a Member of Council of Advisors of Friends of Kolkata. He has held several prestigious positions like President of Calcutta Chamber of Commerce, Chairman of FICCI National Committee on Infrastructure and also served on the Board of Governors of Indian Institute of Management, Calcutta. He has also been a Member of Regional Direct Taxes Advisory Committee, Government of India.



**Mr. Nand Gopal Khaitan**  
 Independent Director

Mr. Nand Gopal Khaitan is an Attorney-At-Law, Advocate and Notary Public, practicing in the Hon'ble High Courts and the Hon'ble Supreme Court of India and is a Senior Partner of Khaitan & Co., one of the largest law firms in India. He has worked on a number of transactions including arbitration, civil and commercial

litigation, competition and anti-trust law, corporate law, demergers, infrastructure projects, intellectual property, mergers and acquisitions, project finance, real estate, restructuring and taxation. As the President of Indian Council of Arbitration, Committee Member of Federation of Indian Chamber of Commerce and Industry and Vice President of Bharat Chamber of Commerce, he regularly participates as a key speaker on subjects pertaining to different branches of law.



**Mr. Debi Prasad Patra**  
 Independent Director

Mr. Debi Prasad Patra holds a Master's Degree in Political Science from Delhi University. He joined the Indian Administrative Service in the year 1979 assigned then to the West Bengal Cadre and thereafter had a distinguished period spanning over 24 years in Government wherein he held several key portfolios including post of Under

Secretary, Home Department, District Magistrate of Darjeeling and South 24 Parganas, Director of Industries, Managing Director, West Bengal Industrial Development Corporation and Secretary, Information Technology.



**Mr. Jyoti Kumar Poddar**  
 Non-Executive Director

Mr. Jyoti Kumar Poddar has rich experience as an industrialist with interests in multifarious sectors like tea gardens, real estate and power. He has handled the entire Indian & Sri Lankan operations in solar business for Shell Solar Limited, Netherlands and is actively involved towards contributing to the green energy mission of the

country by way of setting up solar photovoltaic cell manufacturing unit and other power projects in India.



**Mr. Amit Kiran Deb**  
 Independent Director

Mr. Amit Kiran Deb holds a Master's Degree in Political Science from Allahabad University. He joined the Indian Administrative Service in the year 1971 assigned then to the West Bengal Cadre. Thereafter, he served the Government in various critical departments and portfolios, including being

the District Magistrate in Darjeeling and Midnapore, Commissioner-cum-Secretary, Education and Social Welfare Department, Government of Tripura, Joint Secretary, Cabinet Secretariat and Joint Secretary, Department of Electronics and had also represented Government of India in GATT negotiations in services in Geneva. Thereafter, he had held several key positions in Government of West Bengal like Special Secretary, Power Department and many more.



**Mr. Tantra Narayan Thakur**  
 Independent Director

Mr. Tantra Narayan Thakur has over 40 years of experience in Power Sector, Treasury Management & Financial Management. He is the Former Chairman cum Managing Director of PTC India Limited & PTC India Financial Services Limited. He is also the Former Chairman of PTC Energy Limited. He has been instrumental for setting up

of first Power Exchange in India. He was a Member of the Management Board of TERI University and a Faculty of the Faculty of Management Services of Delhi University. He was also a Member of the Advisory Board of TERI for a number of years and was Member of the Finance Committee of Jawahar Lal Nehru University.



**Ms. Dipali Khanna**  
 Independent Director

Ms. Dipali Khanna holds Masters Degree in History from Delhi University, M.Sc. (National Security) from National Defence College and has completed a Certificate Course (Cost & Management Accountancy). She is a former officer of the Indian Railway Accounts Service and has worked as the CEO of the Indira Gandhi National Centre of

Arts (IGNCA), New Delhi. Prior to her joining IGNCA, she has worked in various capacities in the realm of Finance and Administration during her years of civil service. She also served on the Boards of four large Public Sector Undertakings (PSUs) under the Ministry of Defence (HAL, MDL, GRSE & GSL), two PSUs under the Ministry of Power (NEEPCO & THDC), one PSU each under Ministry of Tourism (ITDC) and Ministry of Information & Broadcasting (NFDC).



**Mr. Raghav Raj Kanoria**  
 Managing Director

Mr. Raghav Raj Kanoria has eight years of experience in power and financial services sector. He is presently the Chairman of Infrastructure Committee of Indian Chamber of Commerce, Chairperson of East & North East Regional Council of The Indo-Canadian Business Chamber, Member of Task Force - Electricity Distribution,

Government of Rajasthan and Managing Committee Member of Bengal Chamber of Commerce.



## CHAIRMAN'S MESSAGE



### Dear Shareholders,

This year your Company is celebrating its centenary year and we would like to compliment all the stakeholders – customers, employees, shareholders, directors, government and all the people for their faith, dedication and support throughout the century.

Power sector is considered to be a core industry for economic progress and development of any country. In case of a developing country like India, it is imperative to have a vibrant and well performing power sector so that the country's development can be accelerated.

India's power sector is one of the fastest growing in the world. Demand for electricity is seeing a steady growth with a pick-up in the economy, especially manufacturing activity as well as favourable government policies. India has become one of the world's leading countries in energy development in 2018. As on May 2019, India's total installed generation capacity stood at 356.8 GW. India is the third largest power generator as well as consumer in the world. This demand for electricity will continue to grow to cater to the economic growth of the country, creating more volume in the power market with strengthening of financials of Discoms. India is expected to have a peak demand for power up to 226 GW by FY21-22 from the current 177 GW.

The power sector is undergoing a noteworthy change not only globally but in India as well, and this has redefined the industry outlook. Up until now, with the consistently developing demand for power, India has been focusing to include large scale conventional power limits with restricted accomplishment on meeting these objectives. The spotlight has always been on conventional power generation. Now, however, with solar and wind power becoming commercially viable there are additional choices available for a future power system that can keep pace with the economic growth. India's Intended Nationally Determined Contribution (INDC) aims to base 40% of the total installed power generation capacity on non-fossil fuel resources by 2030 with international support on technology transfer and financing.

With the robust outlook of the sector, India will see foreign participation in the development and financing of generation and transmission assets, engineering services, equipment supply and technology partnership in clean technologies and in distribution sector going forward. India's power sector is forecasted to attract investments worth ₹ 9 to 9.5 trillion between FY19-23.

For India to sustain the growth momentum, the next round of power sector reforms must focus on ensuring availability of reliable power distribution for all user groups. Now that the NDA government has got re-elected with a greater mandate, the power sector reforms will gather pace especially distribution sector, as clearly hinted by the Power Minister in his recent interviews. Going forward, Open Access and Parallel License will play a major role in making that happen. Also, technology is poised to be a key role across the power sector value chain – be it in terms of smart metering to cut down on losses or in efficient handling of grid load through smart grid technology. New technology has the potential to alleviate some of the key issues of the sector along with maximum return for Discoms.

Undoubtedly, power is an essential element for fast infrastructure development and for this, the government has set itself the objective of providing power access to all families over next few years. To achieve this objective, government has put resources and invested heavily in the sector through progressive initiatives like Deen Dayal Upadhyaya Gram Jyoti Yojana as well as Saubhagya. Across all regions, policy choices made by governments will determine the shape of the energy sector of the future.

In today's day and age, with disruption in every segment, every form and every shape, being a continuous process, your Company has incorporated strategy, processes, rationale and expeditious implementation as a way of conducting its business. Therefore, the fabric which has been woven is of continuous change and remain contemporary while servicing the needs of the customers in a cost efficient way.

Your Company has over the last 100 years emerged as an integrated power company. Your Company has one of the oldest distribution license across an area of 618 sq. kms. in Asansol – Raniganj area of West Bengal with one of the lowest T&D losses in the country of around 3% and collection efficiency of more than 99%. On the generation front, your Company has a total capacity both conventional and renewable of around 1050 MW. Your Company closed FY19 with a consistent performance. The total revenue on a standalone basis stood at ₹ 567.99 crore for FY19 as compared to ₹ 520.78 crore for FY18. The EBITDA and Profit after Tax for FY19 stood at ₹ 118.42 crore and ₹ 18.70 crore respectively.

Your Company, with a century of experience in Transmission & Distribution as a utility, and a significant presence in generation business across coal, wind and solar, is confident on capitalizing on the opportunities in the power sector in the future.

With best wishes,

**HEMANT KANORIA**  
Chairman



## Q&A WITH MD



**Mr. Raghav Raj Kanoria**  
 Managing Director

**Q** What were the key challenges faced by the power sector in FY19 and what is the outlook for FY20?

**A** The power sector is one of the most talked about sectors in India because of the complex issues and far-reaching impact it has for the Country. The key issue remains the financial viability of state owned discoms. The distribution companies owned by states are marred with high AT&C losses, high debt, poor operational efficiencies, sub-optimal governance amongst other issues. The worsening condition of discoms has led to stress in the power generation sector (both thermal and now renewable) making it difficult for investors and banks to fund the sector. The discom challenges have affected most stakeholders in the value chain and continue to be the biggest issue for the country's growth.

FY20 should see muted investments in the generation sector due to little assurance from discoms but there are some good opportunities in the T&D sector. I think that the spotlight should be on the transmission and distribution segments with new capital expenditure and investments on bringing more operational efficiency. I believe from a demand-supply perspective also FY20 is a crucial year as the revival in economic growth is expected to bring increased electricity demand and utilisation for the generating capacity.

**Q** How would you summarise the Company's performance for FY19?

**A** The performance for FY19 has been in line with our expectations. The distribution business has been a consistent performer and the segment recorded revenue growth of 10.94% and energy sales growth of 11.68%. We successfully completed projects worth ₹ 23.59 crore including SCADA Phase I, augmentation of 33/11 kV and a number of projects to strengthen and expand the distribution infrastructure at various locations in Asansol - Raniganj region. The renewable division has had a stable generation for 35 MW in Karnataka and Gujarat. Rajasthan wind assets of around 60 MW has been transferred and therefore the overall wind generation seems to be apparently on the lower side. The Company was successful in reducing its debt from ₹ 645 crore to around ₹ 338 crore with a closing debt equity ratio of 0.19. This is a significant achievement towards making it the Company with the lowest leverage in the sector.

**Q** How has the Company been able to maintain its consistent performance over the years despite the challenges in the power sector?

**A** The Company has been consistently investing in network improvement and new technology to serve the customers better. Customer satisfaction is one of the key success factors for the Company which leads to steady performance over 100 years. Very active stakeholder management with focus on people management is a core value for the Company. Our HR practices promote proactive learning and development across the workforce including senior management to adopt from global best practices. Lastly, the Company is always looking to create new business verticals and get into business areas with the sector that would be relevant in the future and therefore de-risking itself from any regulatory or technology shocks.

**Q** What are the key elements that are going to drive the T&D segment for FY20?

**A** The T&D segment is going to witness a surge in investments from the government as the focus turns to 24X7 electricity for all households in India. The transmission sector is expected to witness investments of more than ₹ 2 lakh crore in the next 2-3 years to strengthen the backbone of the national grid. This will attract private investments under the BOOT model. In the distribution segment, major investments will be done by the Central Government and the State Governments for new substations, increasing last mile infrastructure (including Saubhagya) and Smart metering / AMI. The AMI space will attract private investments to some extent given the right business model and strong contracts with discoms. These have a potential to increase efficiencies substantially. Overall, the distribution sector is expected to have an investment of around ₹ 1 lakh crore in the next 2-3 years.



**Q With several Government initiatives to promote renewable energy, what is the Company's outlook for FY20.**

**A** Renewable energy is important source of power for the country going forward. The target of 175 GW by 2022 is an ambitious one and has to be looked holistically from various perspectives. Firstly, with roughly 40 GW of thermal assets under stress due to no PPAs or FSAs, there is spare capacity in the country that needs to be operationalised before building new renewable energy plants. This may take next few years. Secondly, the transmission capacity should be the pre-condition of building new renewable plants. There are a number of solar / wind assets which face curtailment from discoms and this is still a problem. Transmission assets are more complex and involve longer duration due to ROW and other problems. Therefore as a policy, new renewable bids should only be called upon when 50% of transmission infrastructure in the area is ready. Lastly, the existing tariff levels are very sensitive to material prices and interest rates and the government should ensure that all stakeholders are protected. The existing tariff levels are very aggressive and we are seeing examples of large companies backing out of their commitments. The Company is of the view that sustainability should also include not only environmental security but also the protection of capital and the interest of all the stakeholders, including existing companies that are stressed in the power sector. Keeping this in mind we feel that FY20 will see subdued capacity addition in the renewable space and the Company will wait and watch for clear indicators to begin investing in the renewable sector in India. The Company continues to explore opportunities in other countries that do not face such challenges.

**Q Digital technologies are addressing some of the key challenges in the power sector. How is the Company working towards adopting modern technologies?**

**A** Digitisation is the need of the hour for any company in possibly any sector one can imagine. Power utilities have diverse applications of digitisation and technology and some of our global peers are definitely more advanced in these aspects. The Company has been consciously working towards a digital strategy for the last few years and I think FY19 has been a landmark year for us. The Company has successfully completed initiatives such as SCADA Phase I, IoT enabled Distribution Transformer health monitoring, AMR / Prepaid enabled meters for almost all the customers. We evaluate the new technologies available both on the network side as well as the customer end. The former helps in increasing efficiency and reliability of network whereas the latter creates better customer experience and helps us to understand the issues and opportunities better. The Company is also partnering with innovative companies in the space to move towards the model of a digital utility.

**Q Which is the most promising segment that the Company should be looking forward to in the coming year?**

**A** I would say that the core distribution vertical is still the focus of our Company. We are looking at expanding our network in the Asansol - Ranigunj region along with maintaining losses of around 3% which would give us a leadership position in the industry in terms of efficiency. The Company would like to leverage its

century old experience in this business and strong team of around 550 employees to grow the distribution vertical through licensee mode as well as through emerging areas such as smart metering and storage which compliments the core network business. The Company is participating in bids with global technology partners and utilities to leverage their strengths in new areas.

**Q What is the Company's strategy for the coming years in the segments they have presence in?**

**A** The Company has the goal of being a global power utility in the next 5 years and is moving towards with a focus on the distribution business both as a network operator or licensed as well as a service provider for smart meters and storage. The other area of focus is renewable energy especially in countries with a supportive environment and strategic need for renewable energy. Our strategy is to adopt new technologies while growing in the distribution and renewable space. The near term focus of the Company is to optimise value out of the thermal plants as well.

**Q What are the key achievements of the Company during the century old period?**

**A** The Company has been a dedicated power supplier to the Asansol-Ranigunj belt of West Bengal for the last 100 years and has been a driver of economic and social growth in that region by supplying quality power to industries, mines, commercial and domestic consumers. In the last 10 years since its management change in 2009-10 the Company has ventured into areas of thermal and renewable generation and have a total generation capacity of around 1050 MW mark making it a serious player in the generation business. With the Singapore subsidiary taking up a 100 MW solar concession project in Albania, the Company has also taken the first step for international expansion. In the past the Company has had some marvellous achievements such as developing and commissioning 2 MW solar power plant in Seebpore which was the first grid connected solar plant at MW scale in Asia in the year 2008, completion of AMR project for all HT consumers in the year 2011 and in the year 2018 the Company became the first distribution company to receive approval for PGCIL connectivity at 400 kV substation.

**Q What is your message for the stakeholders?**

**A** The Company having completed 100 years of operations is counted amongst a handful of companies in the country and globally to have achieved this distinction. This has only been possible due to the support of our employees, customers, contractors, shareholders, bankers and all the other stakeholders who have supported the Company in its long journey. The Company's major achievement has been maintaining long relationships with its key stakeholders be it shareholders, customers or employees. A case in point is many of the Company's employees having completed up to 4 generations of service to the Company displaying dedication and trust on the Company.

We hope that with the support of all the key stakeholders we can achieve our vision and be one of the largest and most admired companies in the country.



# Embracing Smart Technology



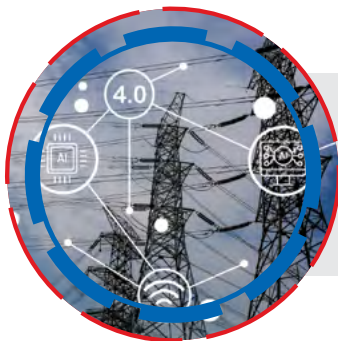
With over 100 years of supplying power, India Power has gradually started adopting technology and upgrading its traditional process to make it automated in order to improve operational efficiencies and enhance customer satisfaction. India Power believes in being at par with its global peers and is leveraging technology to understand challenges and opportunities better. New age digital technologies like SCADA,

IoT, artificial intelligence and smart meters have helped the Company to manage energy audits on real time basis with faster outage responses. As India is on a path of moving towards digital, India Power too has joined this movement with a focus on improving its digital capabilities to increase reliability and give its customers a better experience.



## DIGITAL INITIATIVES @ INDIA POWER

India Power Corporation Limited has embarked on a digital transformation journey. In this journey, the various elements of electrical grid are being converted to smart grid to benefit the consumers as well as the Company. Taking advantage of current technologies like Smart Meters, IoT and SCADA, these have been deployed to enhance control over the grid, substations, feeders thus leading to improved supply reliability & enhanced consumer satisfaction



### Adoption of Smart Grid

- SCADA implementation undertaken in phases to have better control on grid, thus reducing tripping significantly
- Ongoing implementation of Outage Management System and Geographical Information System for reducing outage response time

### Internet of Technology (IoT) and Smart Meters

- IoT on Distribution Transformers and AMI Smart Meters introduced enabling real time Energy Audit & faster outage response
- Smart Meters introduced at consumer's end for demand side management and is a step towards 'Grid to Consumer' digitization



### Intelligent Reporting using Analytics

- Reporting moved from Plain Reports to Intelligent Reports, including interactive format for various stakeholders for ease of access to all critical information, which is a precursor to Artificial Intelligence/Machine Learning
- Extension of Reporting Platforms to bring and consolidate varied data sources like SCADA, IoT, Smart Meters (Pre-paid and Post-paid)

### Process automation

- Launched consumer portal for both HT and LT consumers that allows consumers to track their consumption directly
- Launched consumer portal and mobile app including online payment facility, complaint management, 24x7 call centres, etc. for enhanced consumer satisfaction





# Powering India Since 100 Years



India Power has been supplying power to India since pre-independence. When India became independent in 1947, the country had a power generating capacity of 1,362 MW. Power was available only in a few urban centres; rural areas and villages did not have electricity. However, today the power generating capacity of India stands at 356.817 GW and almost **all rural villages have been electrified.**

India Power has contributed to this vision for 100 years and has played significant role to help India achieve its dream with expertise in power generation, distribution and O&M services. The focus remains on delivering customer satisfaction through reliable power supply, instant customer care, online and doorstep services. With recent advancements in technology, India Power has been able to improve the efficiency of the production and distribution of energy. India Power, with its expertise in conventional as well as renewable power, is well positioned to support growing demands and help India to achieve new milestones in the power sector.





## DISTRIBUTION

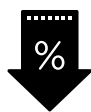


### Distribution License - Asansol, West Bengal

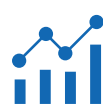
India Power Corporation Limited has one of the oldest Distribution License with a century of experience in power distribution across 618 sq. kms. in Asansol-Ranigunj area in Burdwan District of West Bengal. The Company has managed to reduce the T&D losses over a period of time to one of the lowest in the country of around 3%.



618 sq. kms.  
License area



~3%  
T&D Losses



16.5%  
RoE



~99%  
Collection  
Efficiency

### Key Highlights

- Supply @ all voltage levels including 33 kV & 132 kV
- Best in class supply reliability of 99.99%
- 100% AMR, pre-paid meter and SAP system implemented
- SCADA, IoTs & smart metering implemented
- Established distribution control room at JK Nagar substation
- BI Dashboards implemented
- Constructed 16 substations to reduce average length of 11 kV feeders resulting in loss reduction
- Competitive market – Preferred Utility
- Application of energy-efficient transformers and capacitor banks
- Positive sales growth higher than national average
- Expanding consumer base
- Moved towards smart utility & total digitization/automation



## WIND ENERGY



India Power Corporation Limited has over a decade of experience in operating wind energy projects.

### Key Highlights

- The Company operates the wind projects on an asset-light structure, wherein, it exclusively operates the wind farms for a fixed lease payment
- All projects have secured long-term PPAs
- The Company ensures energy availability of above 90% and a Plant Load Factor (PLF) of over 18% across all units

State	District	Project Capacity	Commercial Operation Date	PPA Term and Authority	Tariff INR/kWh
Karnataka	Chitradurga	10.4 MW	March 2006	20 Years – executed with Bangalore Electricity Supply Company Limited	3.4
Gujarat	Rajkot, Jamnagar and Kutch	24.8 MW	March 2007	20 Years – executed with Gujarat Urja Vikas Nigam Limited	3.37

## SOLAR ENERGY

India Power Corporation Limited in association with West Bengal Green Energy Development Corporation Limited has set up a 2 MW Photo Voltaic solar power plant in Jamuria, West Bengal. Power generated from the solar plant is directly fed into the Company's Distribution License at Asansol. The solar plant has helped to reduce 0.7 metric tons of CO<sub>2</sub> emission per day.

### Key Highlights

- First in India to cross the Megawatt threshold in solar
- First grid connected solar power plant in India
- First significant climate responsive project in South Asia





## THERMAL ENERGY



### Meenakshi Energy Limited

#### - Nellore, Andhra Pradesh

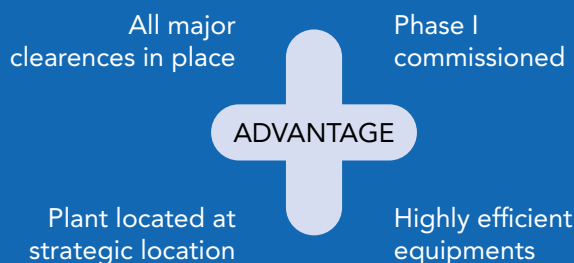
India Power Corporation Limited acquired Meenakshi Energy Limited in the year 2016 which is an Independent Power Producer in India that owns and operates 300 (2 x 150) MW coal fired plant and also owns 700 (2 x 350) MW coal fired plant which is under advanced stage of implementation in Thamminapatnam village of Nellore, Andhra Pradesh.

#### Key Highlights (Phase I - 2 x 150 MW)

- Established Central Laboratory to standardise testing methodology of coal as per International Standards (ASTM method)
- Introduced LDO firing in place of HSD for unit start-up, saving approximately 30 percent in the start-up fuel cost.
- Significant auxiliary power reduction within the stipulated short duration
- Fine tuning the O&M processes and parameters to reduce the consumption of station auxiliary power

#### Key Highlights (Phase II - 2 x 350 MW)

- Unit – III synchronised and 350 MW achieved successfully in April 2018
- Unit – IV synchronised in April 2019
- The balance of plant is available for operations



Features	
<b>Plant Capacity</b>	300 (2 x 150) MW and 700 (2 x 350) MW
<b>Generation Type</b>	Coal fired thermal power plant
<b>Fuel Source</b>	Domestic & Imported Coal
<b>Power Offtake</b>	200 MW will kick in January, 2020 and other PPA opportunities are being explored
<b>Resource Availability</b>	Land - Acquired entire land required for the project Water - Kandaleru creek at a distance of 1 km from the project site
<b>Control and optimization of fuel supply chain</b>	<ul style="list-style-type: none"> <li>• Strategically located adjacent to Krishnapatnam Port</li> <li>• Flexibility to fire wide range of fuel</li> </ul>

### Operational Excellence

High plant availability	Flexible operations	Zero-discharge plant	Efficient operations (Low SHR)	Low operating cost (O&M, spares & consumables, etc.)
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## VALUE ADDED SERVICES



India Power Corporation Limited has mastered the technique to leverage its local network and decades of international experience of Uniper Kraftwerke GmbH, an international leading energy company with operations in more than 40 countries with a portfolio of more than 38 GW of Power Assets in various countries to build a strong and recognised value proposition for power plant services.

India Uniper Power Services Private Limited, a Joint Venture of India Power Corporation Limited and Uniper Kraftwerke GmbH, aims to be the customer's first-choice energy service provider. India Uniper Power Services Private Limited offers professional Asset Management, Operations and Maintenance services based on the collective experience and expertise of India Power Corporation Limited and Uniper Kraftwerke GmbH.

### Benefit of O&M

- Bottom line performance is enhanced by flexible operation of plants
- Optimal organizational design & development
- Fuelling strategies linked to expanded site-specific combustion envelopes

### Opportunities

- In India, all thermal plants combined spend approximately 60,000 Crores on value-added services
- There is no organized player in this segment who provides end to end value-added services
- The present value-added service market consists of only basic services whereas India Uniper Power Services Private Limited provides end to end services under this segment

### Our service offerings



Operations and Maintenance services



Asset Management & Optimisation



Through-life engineering services



Feasibility and construction support



Commissioning support



Digital tools

### Benefits for our customers



Increased reliability and flexibility



Open new possibilities through enhanced plant flexibility and plant responsiveness



Increased capacity and efficiency



Realize the potential and maximize value of assets



Reduced risks and financial outgo

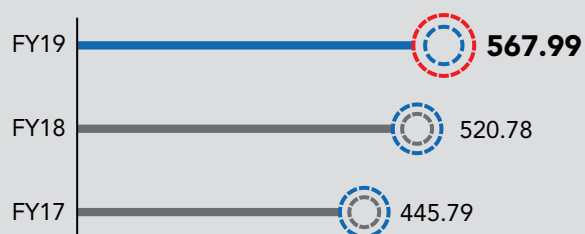


Understand, minimize, and mitigate asset and operational risk

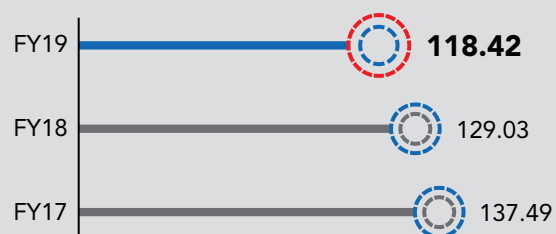


## FINANCIAL HIGHLIGHTS

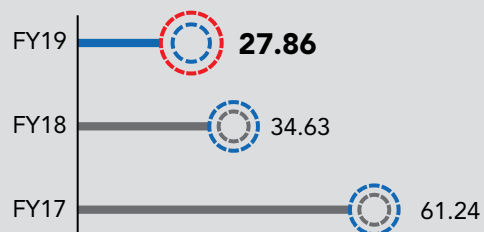
### Revenue (₹ Cr)



### EBITDA (₹ Cr)



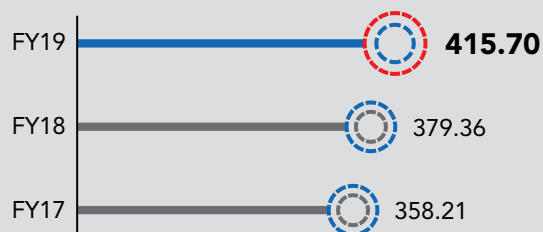
### Profit Before Tax (₹ Cr)



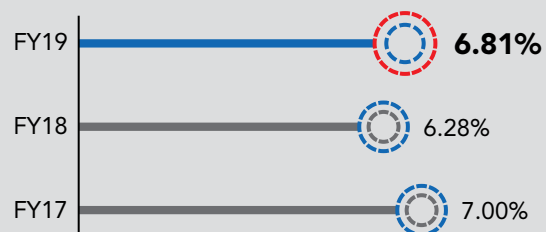
### Gross Block (₹ Cr)



### Net Block (₹ Cr)



### Return on Capital Employed (%)



#### Notes:

1. Figures taken from respective year's Standalone Financial Statement
2. Revenue includes total income and regulatory income



## SERVING OUR COMMUNITIES

### Ananya 2019 – Honouring the women of Will

India Power Corporation Limited in association with Sri Hari Global School, introduced a new initiative, Ananya 2019 to honour strong-willed women from the rural areas in the Asansol-Ranigunj region who have overcome stiff odds by dint of their never-say-die spirit, to become agents of change. The initiative has been highly appreciated by political leaders and administrative functionaries in Asansol.



### Project "Shakti" - Empowering the women

With the thrust to empower women by equipping them with skills, providing livelihood for a secure future and making them self-reliant, India Power Corporation Limited partnered with Pyari Foundation and rolled out Project Shakti, a vocational training programme, to empower 40 women from the special-area leprosy colony in Jamuria, part of the Company's license area.



### Providing Shelter - Gift for a joyful future

As a part of India Power Corporation Limited's rural development and social welfare initiatives, the Company constructed and handed over to the Asansol Municipal Corporation an air conditioned bus shelter at the busy Searsole Rajbari More primarily for the benefit of women, children and the elderly.



Another bus shelter has been constructed by the Company at Dhemo Main More in Kulti to bring a positive change to the community.



## Education – Nurturing the young ones

India Power Corporation Limited with the objective of providing a fillip to the local education scenario, partnered with Rotary Club of Ranigunj and donated 50 sets of hard wood high and low benches to Anjuman Urdu Girls' Primary School, Ranigunj on the occasion of Teachers' Day.



To mark the Company's support towards education, the Company donated cupboards, ceiling fans, carpets, wooden chairs low and high bench sets and water purifier to primary schools in Dishergarh and Kulti area. The occasion was graced by Ms. C K Reshma, Local Councillor, Asansol Municipal Corporation.



## Healthcare - Health is Wealth

India Power Corporation Limited in order to provide affordable healthcare services to the poor and marginalised communities, organised free health check-up camps in collaboration with Medica Hospitals and United Religions Initiatives India (URI) in Pandabeshwar, Benali & Ushagram. These health camps aimed at providing free health screening and distribution of free medicines to the deprived.



## Rural Development - Building the road for tomorrow

In a bid to create better road connectivity to neighbouring villages, Meenakshi Energy Limited (MEL) have decided to lay 330 metres cement concrete road at Momidi Gram Panchayat. Mr. Kamal Kant, CEO of MEL, laid the foundation stone for commencement of the construction activity.





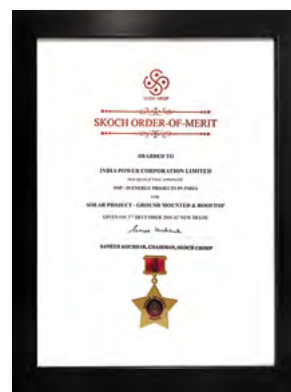
## RECOGNITION FOR INDIA POWER

### SKOCH AWARD FOR TECHNOLOGICAL INITIATIVES

The Skoch Awards celebrate human excellence and agents of change in Indian society and salute individuals, highlight projects and focus institutions that go the extra mile to make India a better nation



India Power Corporation Limited won the SKOCH Energy Gold Award for its Cent Billing Programme for Asansol operations



India Power Corporation Limited has been conferred the Order-Of-Merit in three categories for its Asansol operations for the Cent Billing Programme and Continuous Improvement Programme and for its first grid-connected ground-mounted solar plant in India

### ICC 6TH INNOVATION WITH IMPACT AWARDS FOR DISCOMS 2018

India Power Corporation Limited has been awarded for "Quality of Service" by Indian Chamber of Commerce at the 12th India Energy Summit 2018





## TESTAMENT TO OUR EFFORTS



### Employee Testimonials



IPCL has become an integral part and a stepping stone in the aspiring career path, I have embarked. In my short stint, presenting the organization on reputed National Forums under the guidance of eminent leaders, and winning, has been a feather on the cap. The organization envisions rising above the challenges, upgrading with emerging trends and enhancing and enriching the talent pool – an ideal mix for my aptitude and appetite. Wish IPCL 100 more years of glory.

- Anurita Dey  
Department: Human Resource

Very recently I joined India Power considering that India Power has presence in multiple portfolios and is a very old organisation. Working at India Power gives me the opportunity to grow my skill, knowledge and career. Colleagues & seniors within the Company are very supportive and there is a good feeling of team spirit. All of this is strengthened by an open environment where all employees are respectfully and fairly treated.

- Pharindra Pratap Singh  
Department - Renewable Business

From the time I joined IPCL almost sixteen years ago, I became a part of their family. It has been a fantastic journey and a great learning experience for me, I enjoyed every moment and I appreciate having the opportunity to work here.

- Maya Sarkar  
Department: Accounts

I have been a part of India Power for over 40 years and in these 40 years I have cherished my association with the Company. People at IPCL are friendly and caring and are always ready to extend their support and help. I wish IPCL all the success so that the Company may continue to grow and prosper.

- Mr. Swaminath Prasad  
Workman



### Customer Testimonials



We have been availing supply of electricity from India Power Corporation Limited for the last two years at our commercial premises. We are extremely happy with the quality of power supply and the service standards of the Company.

- Great Eastern Infracon Private Limited

I am extremely satisfied with the service India Power has been providing with minimum power cuts.

- Mr. K. L. Rao

IPCL has been providing electricity to our factory since the last 5 years. We are very much happy with the quality of power supply and the standard of services provided to us. We are hopeful that our relationship will grow in the days to come.

- Mangalpur Cement Private Limited

I am very happy with India Power's services. Load shedding is close to nil. I will continue availing services from India Power.

- Ms. Kakali Roy Chowdhury



## INDIA POWER IN MEDIA

Times of India - 12th January, 2019

## India Power's tech push to Asansol ops

Mohammad Asif

**Asansol:** Stepping into its 100th year of existence, India Power Corporation (IPCL) is planning to make its Asansol operations a 'smart utility', keeping pace with global technology and digitalization trends.

"Calendar 2018 in the power sector threw up a bunch of challenges, ups and downs, hits and misses. However, we as a team could sustain such business-environment impacts, consolidate our position and look beyond the opportunity to re-engineer our operations with an eye to the future," said Raghav Raj Kanoria, MD, IPCL.

The company has embarked on a clutch of tech upgrades in the Asansol-Raniganj region. This includes installation of

tamper-proof smart meters at the consumer level and introduction of a mobile app which will enable the consumers to view payment-consumption history, download bills, lodge complaints, pay bills online, etc. It will help the consumers optimize power consumption by preventing loss of electricity and ensuring accurate billing against actual consumption.

Meanwhile, IPCL is geared up to supply traction power to Indian Railways for running locomotives on the Pandabeshwar line in Burdwan. Arrangements of overhead equipment to carry 132 KV traction power have already been made, said Somesh Dasgupta of IPCL. IPCL will also supply 132kv traction power to the JK Nagar to Pandabeshwar stretch.

Prabhat Khabar - 13th December, 2018

## आइपीसीएल को तीन श्रेणियों में मिला ऑर्डर ऑफ मेरिट

**कोलकाता.** आइपीसीएल की आसनसोल यूनिट को तीन श्रेणियों में ऑर्डर ऑफ मेरिट प्रदान किया गया है. कंपनी को देश में सेंट बिलिंग प्रोग्राम व देश में न्यूनतम ट्रांसमिशन व डिस्ट्रीब्यूशन हानि को बरकरार रखने, निरंतर सुधार कार्यक्रमों के माध्यम से प्रक्रिया में सुधार और स्वचालन और भारत में पहले ग्रीड से जुड़े ग्राउंड-माउंटेड सौर संयंत्र के लिए ऑर्डर ऑफ मेरिट दिया गया है. इसके साथ ही कंपनी को सेंट बिलिंग प्रोग्राम के लिए 54वें स्कोर अवार्ड समारोह में स्कोर गोल्ड अवार्ड प्रदान किया गया. स्टेट ऑफ पावर, ऑयल एंड गैस विषय पर आयोजित समिट में आइपीसीएल के सीइओ संजीव सेठ सम्मानीय अतिथि के रूप में उपस्थित रहे और इस मौके पर उन्होंने पावर सप्लाय चैन सहित अन्य मुद्दों पर अपने विचार रखे. इस दौरान आइपीसीएल के आसनसोल ऑपरेशंस के बिजनेस हेड देवाशीष सरकार, उपाध्यक्ष भवानी राव व एवीपी अमित मिश्रा भी उपस्थित रहे. इससे पहले इंडियन चैंबर ऑफ कॉमर्स की ओर से आयोजित 12वें इंडिया एनर्जी समिट के दौरान क्वालिटी ऑफ सर्विस के लिए अवार्ड प्रदान किया गया था और कंपनी के रजत सेकसरिया ने आइपीसीएल की ओर से यह अवार्ड ग्रहण किया था.

Power Line - September, 2018

## DEALING WITH DEBT

## Discoms' perspective:

The distribution segment has been high on the government's reform agenda for the last few years. While the outcomes of the Ujwal Discom Assurance Yojana (UDAY) have been mixed so far, a number of reforms were announced for overhauling the segment in the last year or so, raising industry expectations. Power Line invited leading discoms to share their views on the performance and outlook for the sector...



Raghav Kanoria, Managing Director  
India Power Corporation Limited

**Q. How do you think the sector progressed last year? What were the major positive and negative developments in the past 12 months?**

There were high expectations from the government for substantial sectoral reforms and regulatory interventions to help the stressed generating assets. More than 45,000 MW of generating assets are lying unattended on account of unavailability of coal, discoms' reluctance to enter into new power purchase agreements, etc. The Reserve Bank of India's notice has put the genscos in a state of conundrum and the Supreme Court and the high-level committee headed by the cabinet secretary is the last resort for these genscos. Referring these assets to the National Company Law Tribunal would not end this dilemma and it would be a huge loss of public money. Further, changing ownership would not revive this sector and the woes are likely to continue until the sector-specific problems are dealt with rationally through policy intervention.

Although on the renewable side, especially for solar, we saw a lot of capacity addition, and that too at a very low tariff.

It will continue to do so in the coming years and simultaneously, we should also be concerned about grid security and load scheduling for infirm generation sources.

**Q. Do you see an improvement in the health of the power distribution**

**segment in light of the reforms taken?**

The distribution sector has improved very marginally but whether they had actually gained anything is a big question. One can say that the distribution network has improved a lot but it has not had a positive impact on the financial health of discoms. We are always optimistic about the reforms and what they would bring with it, but to witness its impact it should also be practised its true spirit. First, the cross-subsidy proposed to be capped at +20 percent the average cost of supply, but how so this will happen is still indefinite. That it is also proposed that the cost account of aggregate technical and commercial (AT&C) losses above 15 percent should not be passed on to consumers in terms of tariff. This is hard to imagine seeing the reality and could further worsen the stress of discoms.

**"Woes are likely to continue until the sector-specific problems are dealt with rationally through policy intervention."**

Raghav Kanoria

We do acknowledge that everybody should get electricity, and that too at an affordable price. For that to happen, the government should take a rational stand by decommissioning ineffective generating plants and bringing efficient plants into operation. This will surely reduce the stress of stranded genscos as well as the liquidity problem of discoms on account of cheap power purchase. It will be a win-win situation for all as the average cost of generation would go down, and this benefit can be passed on to the consumer on account of decline in their energy charges. Surely, this would imply a reduction in the number of defaulters. As the purchasing power of suburban and rural

India is still low as compared to other countries, any reduction in the cost of supply will help convert them into regular-paying consumers.

It is imperative that we keep this reality in cognition because through government schemes like Saubhagya and DDUGJY, the load is increasing with the addition of rural consumers. This will further increase the financial burden on the already loss-making discoms.

**Q. What is your outlook for the power distribution sector in the next few years?**

As far as discoms are concerned, challenges still persist in the form of huge debts, and revenue realisation on account of high AT&C losses. Although our country has seen a drop in AT&C losses, it is still at a place where we need to work very aggressively at the ground level to bring down these losses because the government has also committed to enforce universal service obligation (USO), that is, 24x7 supply to consumers by early 2019. This will, in turn, worsen the financial condition of distributors or suppliers, if AT&C losses are not capped at 10 per cent to 15 per cent. Subsequently, this provides an opportunity for many players to contribute through private participation or the public-private partnership model, which has not happened yet. Another opportunity in this domain can be advanced metering infrastructure (AMI) / smart metering projects at intensive load centres where these projects can be successful and, at the same time, bring down huge losses. A number of business models can exist in smart metering and AMI projects, and we are also discovering a few and parallelly eyeing these opportunities as well.

If the Electricity (Amendment) Act, 2018 is enacted in the coming year, then it would open up a new market for the supply and retail business. However, it is very early to comment on how it would impact our power sector. The government is still seeking comments on the draft, and the policies are still in the formulation phase. We will soon witness how these would be rolled out.



## Electrical Mirror - June, 2018



Mr. Sanjeev Seth, CEO  
India Power Corporation Limited

**Q. India power corporation Ltd is name in distribution sector, what benefits does this brand name add on to your profile; what are your responsibilities in this sector?**

Sanjeev Seth is a Techno-Commercial Management Professional with 29 years of experience and has worked with diverse industries both Indian & Multinational Organizations handling Capital Equipment/ Projects in competitive market scenario and retail businesses. Past learnings and insights help him in his current assignment for understanding the need of EHV/HV and LV Customer segments. Prior to joining India Power Corporation Limited as President in 2016, he was heading power distribution business for one of the Delhi DISCOM.

**Currently he is heading Transmission and Distribution business of India Power Corporation Limited as CEO.**

India Power Corporation erstwhile DPSC Limited is a 99 years old organization started operations in 1919 at Asansol now West Burdwan district- 2nd largest City after Kolkata in West Bengal for power distribution initially in Collieries and Industrial belt of Asansol-Raniganj. There are 2 other utilities that exist and since last few years all three are operating at all voltage levels supplying power to each and every segment of

market enabling a competitive environment which is unique in India. IPCL is a preferred supplier due to price competitiveness and maintaining all the supply reliability parameters apart from customer centric approach and technology adoption. IPCL has increased its foot print over the last couple of years in LT segment also and there has been accelerated growth. IPCL too has a respectable share in segments like Hotels, Hospitals, Residential Apartments, and Shopping Complexes etc and maintains one of the lowest T&D loss levels which is below 3% against national average level of 22%.

**Q. How the IPCL is working towards the modern technology on existing product?**

As explained, company is keeping pace with current trends in technology. Asansol Licensee business area has already adopted SCADA, AMR, GIS, Smart Technologies, Prepaid metering, SAP, etc and recently concluded a pilot for IoTs (Internet of things) and DT Health monitoring.

**Q. What is your market research on the specific areas?**

India has a huge potential in Power distribution space. Our per capita consumption is 1/3rd of world average and much below developed countries. National average T&D losses are huge as compared to world average. There is a need to unlock the electricity demand potential in the country followed by economic development and aggressive loss reduction and technology adoption programs.

We have demonstrated success of privatization of power distribution in country and this need to be aggressively taken up at State and central level.

Regulatory mechanism in country needs a thorough review with respect to independent functioning, time lines accountability, appointment of members, private sectors professionals participation, staffing needs etc. Regulatory certainty will send right signals for investment in sector.

Private discoms carry out the same public services as state owned discoms however they are not entitled for

grant/budgetary support from the Government in schemes as R-APDRP, UDAY etc. Even the allocation of power from central generating stations, they don't get any entitlement. These must be looked into at policy level as private discoms are also contributing to nation's development in their own way in their respective distribution area.

**Q. How the joint venture with UniperKraftwerke GmbH is executed what was the reason and beneficial areas of the same?**

India Uniper is a joint venture (JV) between India Power and Germany-based company Uniper, a key player in the thermal generation sector focussed on improving the efficiency of power plants in India. Uniper, a German energy company has 40GWs of installed generating capacity across technologies and geographies. Uniper has extensive experience managing large, complex portfolios of generation assets and continually optimizing these assets, provides services to reduce costs, enhances efficiency and ensures operational risk mitigation.

**Q. What strategy does IPCL following to upgrade the current situation in T & D sector?**

IPCL in its licensee area maintains T&D loss of below 3% inspite of accelerated growth in LT segment during last couple of years and also keeping a check on technical losses to remain under control through various measures.

Apart from all technical measures for plugging in leak areas in network to control theft and improve supply reliability, company has taken all other initiatives like aggressive vigilance, surveillance, electrification, community engagement and consumer education, service programs, smart metering etc.

**Q. What are your supports for after sale market?**

IPCL has been a customer focused culture organization and enabled many customer centric programs to facilitate its consumers in Asansol. It includes either addition of on line/digital modes of payment options, door step services, value added services, mobile/web applications or consumer education and awareness on usage, energy conservation, theft prevention etc.

## Sangbad Pratidin - 2nd March, 2019

মিটার বিল মিলবে আপো

# শতবর্ষে গ্রাহকদের উন্নত মানের পরিষেবা দেবে ইন্ডিয়া পাওয়ার

নিজস্ব সংবাদদাতা, আসানসোল : শতবর্ষ উদযাপন উপলক্ষে গ্রাহকদের আধুনিক ও উন্নত মানের পরিষেবা তুলে দিচ্ছে বিদ্যুৎ উৎপাদনকারী সংস্থা ইন্ডিয়া পাওয়ার। একেই 'স্মার্ট' পাওয়ার ইউটিলিটি এরিয়া হিসাবে আসানসোলাকে প্রজেক্ট করছে চলেছে এই সংস্থা। সংস্থার পক্ষ থেকে আসানসোল বিজনেস হেড সেরাশিস সরকার বলেন, ট্রান্সমিশন ও ডিস্ট্রিবিউশন নেটওয়ার্ককে পুরোপুরি ডিজিটাইজ ও স্বয়ংক্রিয় করা হবে। সংস্থার আয়ত্তে থাকা ৬১৮ বর্গ কিলোমিটার এলাকা আশামানসোল এই সিস্টেমের অন্তর্ভুক্তিতে আনা হবে। গ্রাহকরা মোবাইল আপোরে মাধ্যমে নিজের নিজের মিটারের বিল ও ইলেকট্রিক কন্ট্রোল জানতে পারবেন। ফলে যখন তখন মিটারের বিল জানা যাবে। মিটার ত্রিকম্পন কাজ করছে কিনা তাও সরাসরি জানতে পারবেন গ্রাহকরা। পুরোপুরি রিমোট সিস্টেমে সেই সমস্যা সমাধানও করা যাবে। সংস্থার তরফ থেকে দাবি করা হয় ১০ শতাংশ পর্যন্ত বিল সশ্রাব্য হতে পারে গ্রাহকদের।

ইন্ডিয়া পাওয়ারের বিজনেস হেড সেরাশিস সরকার জানান, পাইলট প্রকল্প হিসাবে জেকে নগর অঞ্চলের দু'টি সাবস্টেশনকে বেছে নেওয়া হয়েছে। যেখানে সুপারগ্রাইডারি কন্ট্রোল আউট বেটো একিউজিশন (SCADA)-র সহযোগিতায় ট্রান্সফর্মারগুলিকে আইওটি বা ইন্টারনেট অফ থিংস ডিভাইস ও 'স্মার্ট' মিটারের সঙ্গে সংযুক্ত করা হবে। অর্থাৎ অসলিহিন রিমোট সিস্টেম করা হবে। ফলে গ্রাহক ঘরে বসে নিরবিচ্ছিন্ন বিদ্যুৎ সরবরাহের সুবিধা পাবেন। গ্রাহক তাঁর 'স্মার্ট' মিটারের মাধ্যমে কত পরিমাণ বিদ্যুৎ তিনি খরচ করেছেন ও তার মূল্য কত দাঁড়াচ্ছে সেটিও সরাসরি জানতে পারবেন। মোবাইলে আপোরে মাধ্যমে গ্রাহক এই পরিষেবাটি পাবেন। পাশাপাশি 'স্মার্ট' মিটার ডিভাইসে সংস্থা বিদ্যুৎ সরবরাহ কোনও স্থানে ব্যাহত হলে সেটিও দ্রুত অনুসন্ধান করতে পারবে। দ্রুত ব্যবস্থা গ্রহণ করা যাবে। জানা গিয়েছে ট্রান্সফর্মারগুলি রিমোট কন্ট্রোলার হয়ে যাওয়ায় কত বিদ্যুৎ ঢুকলো ও কত বিদ্যুৎ বর্জন হল সরাসরি জানা যাবে স্বাস্থ্য কন্ট্রোল ক্রম থেকে। ফলে বিদ্যুৎ চুরিও অটোকালো যাবে। উল্লেখ্য ১৯১৯ সাল থেকে বিদ্যুৎ উৎপাদন ও বিদ্যুৎ বন্টনে সংস্থা হিসাবে কাজ করে চলেছে ইন্ডিয়া পাওয়ার কর্পোরেশন লিমিটেড। দেশের বিদ্যুৎ মানচিত্রে নজর পড়েছে আসানসোলেও স্থানীয় গণ। এখানকার মানুষ হাতে পেয়েছেন দ্রুত প্রকল্প। রাজ্য বিদ্যুৎ বন্টন সংস্থা, ডিপিএল, ডিভিসি এবং বিশেষজ্ঞ। দিসেরদা পাওয়ার স্যান্ডাই এখন ইন্ডিয়া পাওয়ারের আওতাধীন। ইতিমধ্যেই ইন্ডিয়া পাওয়ার সংস্থা তিন হাজার দুশো কোটি টাকা বিনিয়োগ করেছে আসানসোল ও হলদিয়ায়। সংস্থার মতে বিদ্যুৎ শিল্পে সর্বশ্রেষ্ঠ এমন যোগ্য প্রতিযোগিতা হলে বিদ্যুতের দাম কমতে বাধ্য। সুবিধা পাবেন গ্রাহকরা। তাই আসানসোলাকে 'স্মার্ট' পাওয়ার ইউটিলিটি এরিয়া হিসাবে প্রজেক্ট করা হয়েছে প্রথমবার।



The background of the image is a blurred, high-angle view of a modern office space. In the foreground, a long, dark conference table is surrounded by several white office chairs. The room has large windows on the right side, letting in natural light. The overall color palette is cool, with blues and greys. Overlaid on the center of the image is a circular graphic consisting of concentric rings, some solid and some dashed, in white and red. Several thin white lines radiate from the center of the circle towards the edges of the frame.

# **Board's Report**

## BOARD'S REPORT

*Dear Members,*

Your Directors are pleased to present the Ninety-Ninth Annual Report together with the Audited Financial Statements of your Company for the financial year ended 31st March, 2019.

### FINANCIAL RESULTS

The Consolidated and Standalone financial performance of your Company is summarised below:

Particulars	Consolidated		Standalone	
	Year ended 31st March, 2019 <sup>1</sup>	Year ended 31st March, 2018 <sup>2</sup>	Year ended 31st March, 2019	Year ended 31st March, 2018
Total income [including Regulatory income/(expense)]	59,501.95	93,030.11	56,798.89	52,077.59
Total expenditure	55,958.18	92,226.18	54,012.91	48,614.46
Exceptional items	111.27	3,749.38	-	-
Share of Profit/(Loss) of Joint Venture	(120.76)	87.53	-	-
<b>Profit before Tax</b>	<b>3,534.28</b>	<b>4,640.84</b>	<b>2,785.98</b>	<b>3,463.13</b>
Less: Provision for Taxation				
Current Tax	1,019.34	1,261.63	1,006.00	1,258.00
Deferred Tax	(326.92)	129.81	(89.87)	70.69
<b>Profit for the year from continuing operations</b>	<b>2,841.86</b>	<b>3,249.40</b>	<b>1,869.85</b>	<b>2,134.44</b>
Profit/(loss) from discontinued operations	(1,218.87)	(1,240.85)	-	-
<b>Profit for the year</b>	<b>1,622.99</b>	<b>2,008.55</b>	<b>1,869.85</b>	<b>2,134.44</b>

1. Figures does not include figures for Meenakshi Energy Limited (refer to Note no 7.3 of Consolidated Financial Statements), hence not comparable to that extent

2. Comparative figures have been rearranged on account of discontinued operations of India Power Corporation (Bodhgaya) Limited

### REVIEW OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Your Company has a diversified portfolio of renewable and conventional modes of power generation, distribution, transmission and operation & maintenance services. Your Company has been in the distribution business for a Century and has one of the largest distribution licenses across 618 sq. kms. in Asansol-Raniganj area of West Bengal. Your Company also has a burgeoning portfolio of conventional and renewable energy generation. As of 31st March, 2019, your Company had a total generation capacity both renewable and conventional of around 1050 MW out of which around 37 MW is from green sources (Wind and Solar).

Your Company maintained its consistent operating performance during the year under review. The total income (including Regulatory income/expense) was recorded at ₹ 56,798.89 Lakhs for the financial year ended 31st March, 2019, in comparison to the previous year figure of ₹ 52,077.59 Lakhs. Your Company supplied 787.49 Million

Units of power in its license area in West Bengal and 102.94 Million Units of wind power in the States of Rajasthan, Karnataka and Gujarat during the financial year ended 31st March, 2019 as against 705.16 Million Units and 121.83 Million Units respectively for the previous year. The Profit after Tax for the financial year ended 31st March, 2019 was recorded at ₹ 1,869.85 Lakhs, as compared to previous year's figure of ₹ 2,134.44 Lakhs.

India Uniper Power Services Private Limited is a Joint Venture of your Company with Uniper Kraftwerke GmbH, incorporated to provide a range of value added services which includes operation & maintenance services and asset management and optimisation services for power generating assets both for new build and plants under operation, whether operated by thermal, gas or renewable power.

Meenakshi Energy Limited ("MEL"), an Independent Power Producer, owns and operates a 300 MW coal fired plant and also owns a 700 MW coal fired plant which is under advanced stage of implementation in Nellore, Andhra Pradesh.

IPCL Pte Limited, a Wholly-owned Foreign Subsidiary of your Company was incorporated in the Republic of Singapore to explore business development activities including exploring opportunities of brown field acquisitions. Your Company through IPCL Pte Limited has during the year under review, partnered to implement the first 100



MW Solar Project in Albania, a project launched by the Government of Albania to diversify energy resources in Albania and lead the way in turning Albania into a centre of solar power.

During the year under review, the Distribution Franchisee Agreement ("DFA") awarded to India Power Corporation (Bodhgaya) Limited ["IPC(B)L"], a wholly owned subsidiary of your Company incorporated to undertake Distribution Franchisee business in Gaya and the adjoining areas in the State of Bihar has been terminated by the Bihar discom - South Bihar Power Distribution Company Limited. IPC(B)L has raised a dispute relating to illegal termination of the DFA and various claims including damages before the Arbitral Tribunal constituted in terms of the provisions of the DFA which is currently pending adjudication.

Detailed information on Company's operations, state of its affairs and outlook, are elaborated in the Management Discussion & Analysis Report as stipulated under Regulation 34(2) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") which is attached to this Report as **Annexure I**.

There is no material change and commitment affecting the financial position of your Company which have occurred after the end of the financial year till the date of this Report, other than those stated in this Report.

## DIVIDEND

In terms of Regulation 43A of the Listing Regulations your Company has a Dividend Distribution Policy approved and adopted by the Board of Directors which sets out the parameters and circumstances for declaration of dividend and utilization of retained earnings. The Policy reflects the intent of your Company to reward its Members by sharing a portion of its profits after retaining sufficient funds for the business and growth of your Company. The Dividend Distribution Policy is available on your Company's website at the link <http://www.indiapower.com/pdf/Dividend%20Distribution%20Policy.pdf>.

In line with the Dividend Distribution Policy of your Company and considering your Company's performance and financial position during the year under review, the Board of Directors are pleased to recommend a dividend of 5 (five) percent (₹ 0.05 per equity share) for the financial year ended 31st March, 2019, subject to approval of the Members at the ensuing Annual General Meeting.

## RESERVES

The amount carried to the reserves and surplus for the financial year 2018-19 are given in the Standalone Financial Statements of your Company for the financial year ended 31st March, 2019.

## DEPOSITS

Your Company has not accepted any deposits within the ambit of Section 73 of the Companies Act, 2013 ("Act") and the Companies (Acceptance of Deposits) Rules, 2014 during the financial year 2018-19.

## SHARE CAPITAL

In terms of the Scheme of Arrangement and Amalgamation of erstwhile India Power Corporation Limited ("erstwhile IPCL") (CIN: U40101WB2003PLC097340) into and with DPSC Limited (now known as India Power Corporation Limited) (CIN: L40105WB1919PLC003263) sanctioned by the Hon'ble High Court at Calcutta vide its order dated 17th April, 2013 ("Scheme"), the Shareholders of erstwhile IPCL are entitled to be allotted 11 equity shares of ₹ 1 each of your Company for every 100 equity shares of erstwhile IPCL held by them totaling to allotment of 112,02,75,823 equity shares of ₹ 1 each ("consideration shares"). The existing holding

of erstwhile IPCL in your Company i.e. 51,61,32,374 equity shares shall stand cancelled pursuant to the aforesaid Scheme and accordingly the paid-up equity share capital of your Company upon allotment of the consideration shares and cancellation as envisaged above will be increased from ₹ 97,37,89,640 to ₹ 157,79,33,089 comprising 157,79,33,089 equity shares of ₹ 1 each. Cancellation and allotment of the aforesaid shares has not been given effect due to certain pending clearance(s)/approval(s) from the Stock Exchanges. The paid-up equity share capital of your Company shall undergo requisite change upon the said cancellation and allotment.

## SUBSIDIARIES AND ASSOCIATES

In line with Section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, Listing Regulations and in accordance with Indian Accounting Standards, Consolidated Financial Statements prepared by your Company includes financial information of the Subsidiary and Associate Companies and their contribution to the overall performance of your Company during the year under review.

PL Sunrays Power Limited, PL Solar Renewable Limited and PL Surya Vidyut Limited became Wholly-owned Subsidiaries of India Power Green Utility Private Limited, a Wholly-owned Subsidiary of your Company w.e.f. 1st June, 2018 in terms of the provisions of the Act. Thereafter, India Power Green Utility Private Limited and IPCL Power Trading Private Limited (now known as Saranyu Power Trading Private Limited) ceased to be Subsidiaries of your Company w.e.f. 17th September, 2018. The Annual Accounts of these Subsidiaries have thus been consolidated with the Annual Accounts of your Company upto 16th September, 2018.

Matsya Shipping and Ports Private Limited ceased to be an Associate and a Joint Venture of your Company w.e.f. 26th February, 2019 and the Annual Accounts of Matsya Shipping and Ports Private Limited has been consolidated with the Annual Accounts of your Company upto 25th February, 2019.

Your Company's investment of 381,15,06,509 equity shares in MEL representing 92.75% of MEL's equity shares, which were fully pledged with SBICAP Trustee Company Limited on behalf of the Lenders of MEL, was invoked on 2nd May, 2018. This matter and lender interchangeability is presently pending with the High Court of judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh and is sub-judice. Based on your Company's holding of equity shares with differential voting rights in MEL and your Company challenging the invocation of pledge, MEL has been continued to be considered as Subsidiary of your Company. Pending outcome of the above judicial matters, MEL being a Subsidiary, its accounts not yet compiled and accordingly your Company has not consolidated MEL's account with its Annual Accounts as per Indian Accounting Standard 110 on accounting of Consolidated Financial Statements.

Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, the Statement in Form AOC-1 containing the salient features of the Financial Statements of your Company's Subsidiaries and Associate forms part of the Financial Statements of your Company which is in addition to this Report. Further, in terms of Rule 8 of the Companies (Accounts) Rules, 2014, the report on the highlights of the performance of each of the Subsidiary and Associate Companies also forms part of Form AOC-1.

Pursuant to the provisions of Section 136 of the Act, copies of the Annual Accounts in respect of each of the Subsidiaries would be available for inspection by a member or by the trustee of the holder of any debenture at the Registered Office of your Company during business hours on all working days (excluding Saturday) between 11:00 a.m. to 1:00 p.m. upto the conclusion of the ensuing Annual



General Meeting. Further, copies of the Annual Accounts of each of the Subsidiaries are available on your Company's website [www.indiapower.com](http://www.indiapower.com). Any member of the Company may obtain copies of these documents by writing to the Company Secretary at the Registered Office of your Company.

## BOARD OF DIRECTORS

Your Company recognises that the Board of Directors forms one of the pillars of a robust Corporate Governance framework. Your Board comprises of an optimum combination of Executive and Non-Executive Directors including Independent Directors having diversified skill, knowledge, thought, perspective, regional and industry experience, cultural and geographical background, age and ethnicity.

The Board of Directors of your Company have taken on record the declarations received from each of the Independent Directors confirming that they meet the criteria of independence prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence, after undertaking due assessment of veracity of the same.

The terms and conditions of appointment of Independent Directors are available on your Company's website at the link <http://www.indiapower.com/pdf/Terms%20&%20Conditions%20of%20Appointment%20of%20ID.pdf>.

Details of the Directors of your Company as on 31st March, 2019 and remuneration of the Directors for the financial year 2018-19 are given in the extract of Annual Return in Form No. MGT-9 annexed hereto and forming part of this Report. As per the declarations received by your Company, none of the Directors on the Board of your Company as on 31st March, 2019 are disqualified to be appointed as a Director of your Company under the applicable provisions of the Act and/or the Listing Regulations.

### • Appointment/re-appointment

In terms of Section 149(10) and other applicable provisions of the Act and Schedule IV to the Act read with the Rules framed thereunder and the Listing Regulations, the re-appointment of Mr. Amit Kiran Deb (DIN: 02107792), Mr. Nand Gopal Khaitan (DIN: 00020588), Mr. Debi Prasad Patra (DIN: 00067269) and Mr. Tantra Narayan Thakur (DIN: 00024322), Independent Directors of your Company, for a second term of 5 (five) consecutive years w.e.f. 1st April, 2019, was approved by the Members at the Annual General Meeting held on 22nd September, 2018 based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors.

Ms. Dipali Khanna (DIN: 03395440), Independent Director of your Company was appointed for term of 5 (five) consecutive years w.e.f. 31st March, 2015 to hold office till 30th March, 2020. In terms of Section 149(10) and other applicable provisions of the Act and Schedule IV to the Act read with the Rules framed thereunder and the Listing Regulations, the Board of Directors of your Company pursuant to the recommendation of the Nomination and Remuneration Committee and based on the report of performance evaluation, at their meeting held on 23rd May, 2019 decided to place the proposal for re-appointment of Ms. Dipali Khanna for a second term of 5 (five) consecutive years w.e.f. 31st March, 2020 at the ensuing Annual General Meeting, whose period of office shall not be liable to determination by retirement of Directors by rotation. Ms. Dipali Khanna has given her consent to be re-appointed and have furnished necessary

declarations to the Board of Directors that she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1) of the Listing Regulations.

The Board of Directors of your Company recommends the above re-appointment. Appropriate resolution for her re-appointment is included in the Notice convening the ensuing Annual General Meeting for seeking approval of the Members. Brief resume and other particulars relating to Ms. Dipali Khanna also forms part of the Notice convening the ensuing Annual General Meeting.

### • Director retiring by rotation

In accordance with the provisions of Section 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company, Mr. Hemant Kanoria (DIN: 00193015), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Board of Directors of your Company recommends the above re-appointment. Appropriate resolution for his re-appointment is included in the Notice convening the ensuing Annual General Meeting for seeking approval of the Members. Brief resume and other particulars relating to the Director proposed to be re-appointed also forms part of the Notice convening the ensuing Annual General Meeting.

### • Cessation

During the year under review, Mr. Sunil Kanoria (DIN: 00421564), Non-Executive Director and Vice-Chairman, Mr. S Sundarshan (DIN: 01675195), Independent Director and Mr. Asok Kumar Goswami (DIN: 03331661), Whole-time Director of your Company resigned from the Board of Directors of your Company w.e.f. 8th October, 2018, 13th February, 2019 and 30th March, 2019 respectively.

The Board of Directors of your Company has placed on records its sincere appreciation for the guidance and support rendered by them during their association as Directors with your Company.

## KEY MANAGERIAL PERSONNEL

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of your Company as on 31st March, 2019:

- i) Mr. Raghav Raj Kanoria, Managing Director
- ii) Mr. Sanjeev Seth, Chief Executive Officer
- iii) Mr. Amit Poddar, Chief Financial Officer
- iv) Mr. Prashant Kapoor, Company Secretary

During the year under review, Mr. Sushil Kumar Agarwal, Chief Financial Officer resigned from the services of your Company w.e.f. the close of business hours on 1st October, 2018 and Mr. Amit Poddar was appointed as the Chief Financial Officer of your Company w.e.f. 5th February, 2019. Mr. Asok Kumar Goswami, Whole-time Director (DIN: 03331661) and Key Managerial Personnel of your Company resigned from the Board of Directors w.e.f. 30th March, 2019.

The details of the remuneration of the Key Managerial Personnel of your Company for the financial year 2018-19 are given in the extract of Annual Return in Form No. MGT-9 annexed hereto and forming part of this Report.

## COMMITTEES OF THE BOARD

Your Company has 6 (six) Board level Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Committee of Directors set up



under the formal approval of the Board to carry out clearly defined roles and responsibilities. The composition and brief terms of reference of the Committees are given in the Report on Corporate Governance annexed hereto and forming part of this Report.

All observations, recommendations and decision of the above Committees are placed before the Board of Directors for their consideration. During the year under review, there has been no instance where the Board has not accepted the recommendations of the Committees.

## BOARD AND COMMITTEE MEETINGS

During the financial year 2018-19, 4 (four) meetings of the Board of Directors were convened and held on 29th May, 2018, 14th August, 2018, 12th November, 2018 and 5th February, 2019. The maximum time gap between any two consecutive Board meetings did not exceed 120 (one hundred and twenty) days.

Additionally, several Committee meetings were also held during the year under review. Detailed information of particulars of meetings held during the financial year 2018-19 and the attendance of the Directors at such meetings are given in the Report on Corporate Governance annexed hereto and forming part of this Report.

## PERFORMANCE EVALUATION

Pursuant to the provisions of Section 134 read with Code of Independent Directors (Schedule IV to the Act) and Section 178 of the Act, Listing Regulations and in line with the Guidance Note on Board Evaluation issued by Securities and Exchange Board of India ("SEBI") dated 5th January, 2017, the Nomination and Remuneration Committee carried out the annual evaluation of the performance of the Board, the working of the Committees of the Board and individual Directors (including Independent Directors and the Chairman of your Company) for the financial year 2018-19.

The performance evaluation was carried out through a structured questionnaire seeking feedback from the Directors on certain pre-defined parameters.

The performance evaluation of the Board was carried out on the basis of criteria such as Board structure and composition, Board culture and dynamics, effectiveness of Board processes, information and functioning, etc. The Committees of the Board were evaluated on parameters such as adequacy of Committee composition, frequency and effectiveness of Committee meetings, Committee dynamics, etc.

The Nomination and Remuneration Committee reviewed the performance of individual Directors (including Independent Directors) on parameters such as understanding the operating and business environment, contribution at the meetings, guidance/support to management, application of independent judgement while taking decisions at the meetings, etc. and the performance of the Chairman of your Company on criteria such as efficient leadership, professionalism, impartiality, safeguarding the interest of various stakeholders, etc.

The Nomination and Remuneration Committee expressed their satisfaction with the overall evaluation process.

Further, in the separate meeting of Independent Directors held during the year under review, performance of non-Independent Directors, performance of the Board and the performance of the Chairman was evaluated and the quality, quantity and timeliness of

flow of information between the Company's Management and the Board was assessed.

## DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Sections 134(3)(c) and 134(5) of the Act, your Directors to the best of their knowledge and ability and according to the information and explanations obtained by them, state and confirm that:

- a) in the preparation of the Annual Accounts for the financial year ended 31st March, 2019, the applicable Accounting Standards have been followed, along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2019 and of the profit of your Company for the year ended on that date;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d) the Annual Accounts have been prepared on a going concern basis;
- e) they have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and are operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## POLICIES AND PROCEDURES

Policies and Procedures are an essential component of your Company's Corporate Governance framework which outlines the organisational and operational structure. In line with this approach and in terms of the provisions of the Act and Listing Regulations, your Company has framed various Policies and Procedures duly approved and adopted by the Board of Directors. Your Company reviews its Policies and Procedures in view of the changing business environment and regulatory frameworks.

### • **Nomination & Remuneration Policy**

In terms of Section 178(3) of the Act and Regulation 19 of the Listing Regulations, your Company has in place a Nomination & Remuneration Policy which broadly lays down the guiding principles, procedures and basis for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel, including criteria for determining qualification, positive attributes, independence of a Director and payment of Remuneration to Directors, Key Managerial Personnel, Senior Management Personnel and other Employees.

During the year under review, the Board of Directors of your Company based on the recommendation of the Nomination & Remuneration Committee, reviewed and adopted a revised Nomination and Remuneration Policy, to align the Policy with the various amendments in the Act and the Listing Regulations. The amended Nomination & Remuneration Policy of your Company is attached to this Report as **Annexure II** and is also available on your Company's website at the link [https://www.indiapower.com/pdf/IPCL\\_Nomination\\_and\\_Remuneration\\_Policy.pdf](https://www.indiapower.com/pdf/IPCL_Nomination_and_Remuneration_Policy.pdf).



- **Corporate Social Responsibility**

The primary purpose of your Company's Corporate Social Responsibility ("CSR") philosophy is to make a meaningful and measureable impact on the lives of the economically, physically and socially challenged communities through an integrated approach of development. Your Company aims to continuously foster inclusive growth and a value based empowered society.

Community development interventions undertaken in previous years continued with further vigour and widening of portfolio of projects during the financial year 2018-19 which focused on creating sustainable livelihood, empowering women, promoting education and skill development, promoting environmental sustainability and rural development and supporting health & sanitation initiatives.

The details of the CSR initiatives and projects undertaken by your Company during the financial year 2018-19 are outlined in the Annual Report on CSR activities which is attached to this Report as **Annexure III**.

In terms of Section 135 of the Act, the Board of Directors of your Company based on the recommendation of the CSR Committee has approved and adopted a revised CSR Policy of your Company to align the Policy with the various amendments in the Act. The said policy is available on your Company's website at the link <https://www.indiapower.com/pdf/Corporate%20Social%20Responsibility%20Policy.pdf>.

- **Risk Management**

Your Company recognises that risk is an inherent part of its business which cannot be eliminated in its entirety. Risk has to be managed in a manner such that the potential range of outcomes is within acceptable boundaries. The management of your Company believes that a pro-active approach in identifying, analyzing, managing, evaluating, resolving and reporting risks associated with the business is the key to sustained operations thereby protecting Shareholders' value, improving governance process and achieving strategic objectives.

The Risk Management Policy of your Company defines how risks associated with your Company will be identified, analyzed and managed. It outlines how Risk Management activities will be performed and monitored by your Company and practices for recording and prioritizing risks.

The Board of Directors of your Company based on the recommendation of the Risk Management Committee has approved and adopted a revised Risk Management Policy of your Company with an objective to establish a systematic and disciplined approach to Risk Management and provide a more structured framework to identify various elements of risk that may threaten the existence of your Company.

The Risk Management Committee is responsible to frame, implement, monitor and review the Risk Management Plan of your Company and to lay down risk assessment and minimization procedures. The Risk Management Committee periodically reviews the major risks identified and finalises the mitigation plans. The identified major risk areas are also covered in the Internal Audit Report placed before the Audit Committee of your Company.

The details of various risks identified and assessed by your Company and their mitigation plans are also explained in the Management Discussion & Analysis Report annexed hereto and forming part of this Report.

- **Internal Control Systems and their Adequacy**

Your Company has proper and adequate Internal Control Systems commensurate with the nature of its business and the size, scale and complexity of its operations.

The Internal Audit Department continuously monitors the effectiveness and adequacy of Internal Control System in your Company, its compliance with the operating systems, accounting procedures and policies of your Company and suggests improvements. To maintain its objectivity and independence, the Internal Auditors presents a detailed report to the Audit Committee on a quarterly basis highlighting therein significant deviations, if any. The Audit Committee reviews these reports with the management and suggests improvements and corrective measures thereon. Based on the report of Internal Audit corrective actions are undertaken in the respective areas, thereby strengthening and maintaining a healthy Internal Control System.

- **Vigil Mechanism for Directors and Employees**

In terms of Section 177(9) of the Act and Regulation 22 of the Listing Regulations, the Board of Directors of your Company framed and adopted a revised Vigil Mechanism/Whistle Blower Policy to align the Policy with the various amendments in the Act, Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015 and to strengthen the Whistle Blowing Mechanism within your Company and to provide avenues to the Directors and Employees to escalate genuine concerns impacting and compromising with the interest of your Company and its stakeholders in any way.

The Policy provides for a detailed complaint and investigation process with provisions for direct access to the Chairman of the Audit Committee for redressal. Requisite safeguards against victimization or unfair treatment of Directors and Employees who avail the mechanism is also provided. The functioning of the Vigil Mechanism/Whistle Blower Policy is reviewed by the Audit Committee.

Your Company hereby affirms that no complaint under the Policy was received during the year under review and that no person was denied access to the Chairman of the Audit Committee. The Vigil Mechanism/Whistle Blower Policy is available on your Company's website at the link <https://www.indiapower.com/pdf/WHISTLE%20BLOWER%20VIGIL%20MECHANISM.pdf>.

- **Prevention, Prohibition and Redressal of Sexual Harassment of Women at the Workplace**

Your Company remains committed to provide and promote a healthy culture and congenial working environment for all its Employees.

Your Company in order to foster a positive workplace environment, free from harassment of any nature and in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, has in place a Policy on Prevention of Sexual Harassment. As a part of the Policy, an Internal Complaints Committee has been set up in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints, if any, received regarding sexual harassment. The Policy is available on your Company's website at the link [https://www.indiapower.com/pdf/Prevention\\_of\\_Sexual\\_Harassment.pdf](https://www.indiapower.com/pdf/Prevention_of_Sexual_Harassment.pdf).

During the year under review, no complaint pertaining to sexual harassment was received by your Company.



## AUDITORS AND AUDITOR'S REPORT

### • Statutory Auditors

M/s. S S Kothari Mehta & Co., Chartered Accountants (Firm Registration No. 000756N) was appointed as the Statutory Auditors of your Company, at the 97th Annual General Meeting held on 12th August, 2017 to hold office for a period of 5 (five) consecutive years, from the conclusion of the 97th Annual General Meeting till the conclusion of the 102nd Annual General Meeting of your Company to be held in the year 2022.

In accordance with the Companies (Amendment) Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Reports given by the Auditors on the Standalone and Consolidated Financial Statements of your Company for the year ended 31st March, 2019 forms part of the Annual Report.

There is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report on the Standalone Financial Statements of your Company for the year ended 31st March, 2019. The Auditors' Report on the Consolidated Financial Statements of your Company for the year ended 31st March, 2019 contains a qualification with regard to non-consolidation of accounts of MEL, a Subsidiary of your Company. Your Company's investment of 381,15,06,509 equity shares in MEL representing 92.75% of MEL's equity shares, which were fully pledged with SBICAP Trustee Company Limited on behalf of the Lenders of MEL was invoked on 2nd May, 2018. This matter and lender interchangeability is presently pending with the High Court of judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh and is sub-judice. Based on your Company's holding of equity shares with differential voting rights in MEL and your Company challenging the invocation of pledge, MEL has been continued to be considered as Subsidiary of your Company. Pending outcome of the above judicial matters, MEL being a Subsidiary, its accounts not yet compiled and accordingly your Company has not consolidated MEL's account with its financials as per Indian Accounting Standard 110 on accounting of Consolidated Financial Statements.

The emphasis of matter given in the Auditors' Report on the Standalone and Consolidated Financial Statements read with Note no. 9.2 of the Standalone and Consolidated Financial Statements are self-explanatory.

The Statutory Auditors of your Company have not reported any incident of fraud to the Audit Committee of your Company in terms of provisions of Section 143(12) of the Act.

### • Cost Auditors

Pursuant to Section 148(2) of the Act read with the Companies (Cost Records and Audit) Rules, 2014, your Company is required to maintain cost records and get its cost records audited by a Cost Accountant and accordingly such accounts and records are maintained by your Company. The Board of Directors of your Company at its meeting held on 23rd May, 2019, based on the recommendation of the Audit Committee, approved the re-appointment of M/s. Mani & Co., Cost Accountants (Firm Registration No. 000004) as the Cost Auditors to conduct the audit of the cost records of your Company for the financial year ended 31st March, 2020.

### • Internal Auditors

Protiviti India Member Private Limited has been appointed as the Internal Auditors of your Company for the financial year ended 31st March, 2020 pursuant to Section 138(1) of the Act to conduct the internal audit of the functions and activities of your Company. The Internal Auditors report to the Audit Committee. The Internal Audit Report is placed at the meetings of Audit Committee for their review.

### • Secretarial Auditors

Pursuant to Section 204 of the Act read with Rules framed thereunder and Regulation 24A of the Listing Regulations, M/s. H. M. Choraria & Co., a firm of Company Secretaries in Practice (Certificate of Practice No. 1499) has been appointed to undertake the secretarial audit of your Company for the financial year 2018-19. The Secretarial Audit Report is attached to this Report as **Annexure IV**.

The Secretarial Auditors have made certain observations in the Secretarial Audit Report with respect to non-compliance of Minimum Public Shareholding ("MPS") requirement as prescribed by SEBI, non-consolidation of accounts of MEL and on West Bengal Electricity Regulatory Commission ("WBERC") matter.

With regard to the non-compliance of MPS requirement, the Whole Time Member, SEBI has passed an ex-parte Interim Order No. WTM/PS/08/CFD/JUNE/2013 dated 4th June, 2013 directing your Company to comply with the MPS requirement. In terms of the Scheme, 24.69% of the equity share capital of your Company comprising 24,04,28,662 equity shares of ₹ 1 each was transferred by erstwhile IPCL to an independent irrevocable Trust named Power Trust having independent Board of Trustees which constituted members of Public in terms of the provisions of the Scheme and accordingly erstwhile IPCL's shareholding in your Company reduced from 93% to 68.31% and public shareholding increased from 7% to 31.69%.

SEBI, thereafter in December, 2013 made an application before the Hon'ble High Court at Calcutta seeking amendment to clause 3.3.3 of the Scheme which stated that Power Trust shall constitute members of the Public. In this regard, the Hon'ble High Court at Calcutta vide its Order dated 27th January, 2017 directed Power Trust to sell 32,63,16,563 equity shares to Public through Offer for Sale, by 30th April, 2017 which period was subsequently extended by the Hon'ble High Court to 31st December, 2017 with a further grace period of upto the end of February, 2018, vide its Order dated 25th August, 2017. During the period, Power Trust floated five Offer for Sale, wherein in aggregate 22,63,166 equity shares were sold. Thereafter, Power Trust filed an application before the High Court seeking extension of time to sell the balance shares held by it to the Public and permission to off load and/or sell balance shares by using any and/or all methods or any combination of methods as prescribed by SEBI including two methods additionally provided under SEBI's circular dated 22nd February, 2018. The Hon'ble High Court at Calcutta, vide its Order dated 18th May, 2018 has directed to dispose of the balance shares expeditiously by using any and all methods and/or combinations thereof as prescribed by the relevant statutory provisions, including the two methods additionally provided under SEBI's circular dated 22nd February, 2018 subject to such caps and limits as provided by the SEBI Regulations. In terms of the aforesaid Order dated 18th May, 2018, Power Trust floated one Offer for Sale, wherein 17,513 equity shares were sold.



The Independent Directors on the Board of your Company filed a suo-moto appeals before Securities Appellate Tribunal, Mumbai ("SAT") against the restrictions imposed on them by the SEBI's ex-parte Interim Order dated 4th June, 2013 passed by the Whole Time Member. SAT after hearing the said application, vide its Order dated 3rd April, 2019 amongst other observations stated that they are of the opinion that the Whole Time Member, SEBI has misinterpreted the Orders of the Calcutta High Court and has committed an error in holding that your Company and its Directors had not complied with the MPS requirement. SAT in their said Order also noted that since SEBI approached the Calcutta High Court for modification of the Scheme it was no longer available to SEBI to restrain the Directors for non compliance of the MPS requirement. SAT thereafter vide its Order dated 3rd April, 2019 held that the impugned ex-parte Interim Order dated 4th June, 2013 passed by the Whole Time Member, SEBI cannot be sustained and is quashed.

With regards to the observation regarding non-consolidation of accounts of a Subsidiary, the same has been detailed under the section "Statutory Auditors" under "Auditors and Auditor's Report" in this Report.

In relation to the WBERC matter, WBERC vide its Order dated 7th July, 2014 in its suo-moto proceedings against your Company in respect of the Scheme has held that the said arrangement needs prior approval of WBERC under Section 17(4) of the Electricity Act, 2003 and in absence of such prior approval, WBERC has held the Scheme as void as a licensee. The said Order was challenged by your Company before the Hon'ble High Court at Calcutta and the single member bench of Hon'ble High Court at Calcutta quashed the said Order dated 7th July, 2014 by allowing the Writ Application. WBERC has preferred an appeal against the Order of the single member bench before the division bench of the Hon'ble High Court at Calcutta. The disposal of the matter is currently pending.

## CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the Listing Regulations, the Report on Corporate Governance along with Certificate from the Statutory Auditors of your Company conforming compliance with the conditions of Corporate Governance is attached to this Report as **Annexure V**.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts or arrangements entered by your Company with the Related Parties during the financial year under review were in the ordinary course of business and on an arm's length basis and in accordance with the provisions of the Act, the Listing Regulations and the Related Party Transaction Policy of your Company.

All Related Party Transactions entered into by your Company are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for Related Party Transactions which are repetitive in nature and/or entered in the ordinary course of business and on an arm's length basis. All Related Party Transactions are reviewed by the Audit Committee on a quarterly basis.

During the financial year 2018-19, the Board of Directors based on the recommendation of the Audit Committee approved and adopted a revised Related Party Transaction Policy with an intend to ensure that proper reporting, approval and disclosure processes are in place

for all transactions between your Company and Related Parties. This Policy specifically deals with the review and approval of Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. The Policy on dealing with Related Party Transactions approved and adopted by the Board of Directors is available on your Company's website at the link <https://www.indiapower.com/pdf/Related%20Party%20Transactions%20Policy.pdf>.

The details of contract/arrangement/transaction entered by your Company with Related Parties during the financial year 2018-19 are set out in the Notes to the Financial Statements for the year ended 31st March, 2019. The disclosure of contract/arrangement/transaction entered into with Related Parties which could be considered material under the purview of Section 188(1) of the Act in Form AOC-2 is attached to this Report as **Annexure VI**.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company, being engaged in the business of providing infrastructure facilities, the loans made, guarantees given or security provided and the investments/acquisitions made by your Company by way of subscription, purchase or otherwise in the securities of any other body corporate are exempt from the applicability of provisions of Section 186 of the Act.

## PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The statement containing the information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo in accordance with Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is attached to this Report as **Annexure VII**.

## DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND YOUR COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the Regulators / Courts / Tribunals impacting the going concern status of your Company and its future operations.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The statement containing the information to be disclosed in terms of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached to this Report as **Annexure VIII & Annexure IX**.

## COMPLIANCES WITH APPLICABLE SECRETARIAL STANDARDS

The Company has proper systems in place to ensure compliance with the provisions of all applicable Secretarial Standards issued by The Institute of Company Secretaries of India which have mandatory application and the systems are adequate and operating effectively.



## BUSINESS RESPONSIBILITY REPORT

Since, your Company does not fall under the top 500 (five hundred) listed entities based on market capitalization as on 31st March, 2019, Business Responsibility Report in terms of Regulation 34(2)(f) of the Listing Regulations is not applicable to your Company.

## EXTRACT OF ANNUAL RETURN

The extract of Annual Return as on the financial year ended 31st March, 2019 in Form No. MGT-9 as required under Sections 92(3) and 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached to this Report as **Annexure X** and is also available on your Company's website at the link [https://www.indiapower.com/pdf/Annual%20Return18\\_19.pdf](https://www.indiapower.com/pdf/Annual%20Return18_19.pdf).

## DELISTING

During the year under review, your Company has voluntarily delisted its equity shares in terms of the provisions of SEBI (Delisting of Equity Shares) Regulations, 2009 from The Calcutta Stock Exchange Limited with effect from 14th August, 2018.

The equity shares of your Company are presently listed on National Stock Exchange of India Limited and Metropolitan Stock Exchange of India Limited, Recognised Stock Exchanges having nationwide trading terminals.

## OTHER DISCLOSURES / REPORTING

Your Directors state that no disclosure or reporting is required in respect of the following as there were no transactions done on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of sweat equity shares.
- Your Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

- Neither the Managing Director nor the Whole-time Director of your Company received any remuneration or commissions from any Subsidiary Company.
- There was no revision in the Financial Statements or the Report of the Board of Directors of your Company.
- There was no change in the nature of business.

## ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the co-operation and assistance extended to your Company by the Ministry of Power, West Bengal Electricity Regulatory Commission, Central Electricity Regulatory Commission, various Ministries of the Central and State Governments, particularly the Power Departments, State Discoms, Central and State Transmission Companies, West Bengal Green Energy Development Corporation Limited, Damodar Valley Corporation, Power Exchanges, Contractors, Fuel Suppliers, Department of Public Enterprises, SEBI, Stock Exchanges, Ministry of Corporate Affairs and other concerned Government departments/agencies.

The Board also conveys its gratitude to the valuable Stakeholders of your Company viz. the Shareholders, Debenture holders, Bankers, Credit Rating Agencies and other business associates for their continued trust and excellent support and the Consumers for their unwavering patronage. The Board also places on record their appreciation for the unstinted efforts and contributions made by the Employees of your Company.

**For and on behalf of the Board of Directors**

Place: Kolkata  
Date: 23rd May, 2019

**Hemant Kanoria**  
Chairman  
DIN: 00193015





## Annexure - I

## MANAGEMENT DISCUSSION AND ANALYSIS

## GLOBAL ECONOMIC OVERVIEW

The global economy is expected to grow by approximately 2.6% in 2019. As per the World Bank, growth among emerging and developing economy is forecasted to fall to a 4 year low of 4% in 2019. The growth is constrained by sluggish investment and risks including rising trade barriers, renewed financial stress and sharper than expected slowdowns in several major economies. Current economic momentum remains weak, while heightened debt levels and subdued investment growth in developing economies are holding countries back from achieving their potential. With growth in advanced economies projected to gradually decline to about 1.7% once economic slack is eliminated, the further pickup in global activity will entirely be driven by emerging markets and developing economies.

The ongoing US-China trade war is snowballing fears about damage to global economic growth. The repercussions can be more volatility in both commodity prices and currencies. However, India is amongst few economies that stand to benefit from the trade tensions as it can tap export opportunities for sectors like garments, agriculture, distillery, automobile and machinery sector.

## INDIAN ECONOMIC OVERVIEW

The Indian GDP has grown to 6.8% in financial year 2019. The decline in GDP growth is on account of multiple factors like fallout of NBFCs, low credit growth, tight liquidity conditions, dismal growth in wages and flat exports owing to a global slowdown. Indian Manufacturing continued its downtrend growing at 3.1%. However, GDP growth rate is expected to bottom out in the coming quarters. RBI has cut key policy rates for the third time in a row this calendar year, for improving liquidity scenario. With Government continuing to roll out policies focusing on rural population, there could be some relief to the ongoing distress and signs of recovery should be visible in the second half of the financial year.

## GLOBAL POWER SECTOR OVERVIEW

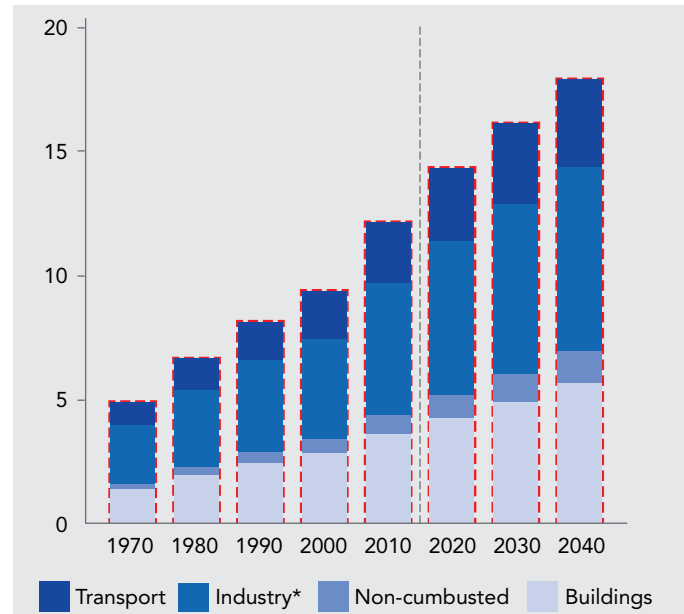
The world GDP stood at USD 88 Tn in March, 2019 and is expected to increase by USD 177 Tn by 2023. The current world population stands at 7.7 Bn and is projected to reach 9.7 Bn by 2050. The middle-class population in the Asia-Pacific region now stands at 1.38 Bn and by 2030, this population size will increase to nearly 3.5 Bn. In terms of energy consumption scenario, with GDP growth, billions of people move from low to middle incomes, allowing them to increase their energy consumption per head substantially.

The global energy sector grows at an average rate of 1.2% per annum. Despite significant growth in prosperity and energy consumption over the next 20 years, a substantial proportion of the world's population will still be consuming relatively low levels of energy till 2040.

Approximately 80% of the world's population today lives in countries where average energy consumption is less than 100 GJ per head. This proportion will still be around two-thirds even by 2040. And the CO<sub>2</sub> emissions from energy use will continue to edge up, increasing by almost 10% by 2040, rather than falling substantially.

Primary energy consumption by end-use sector<sup>†</sup>

Billion Toe

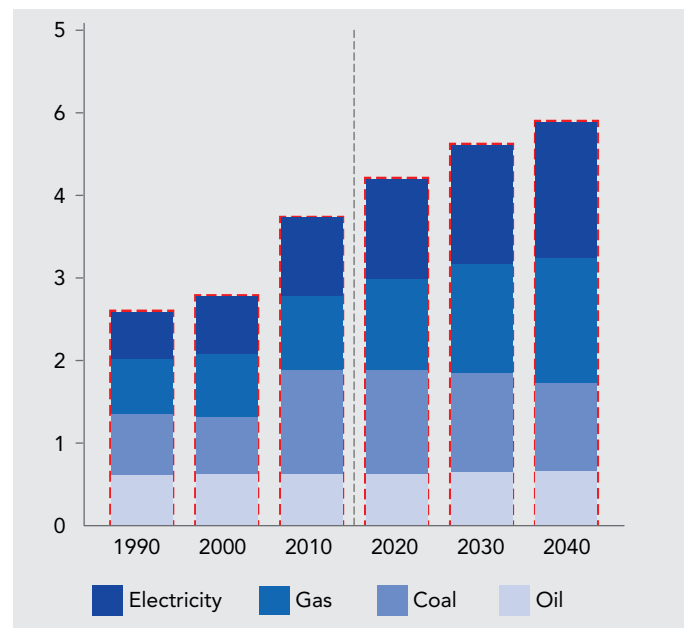


<sup>†</sup>Primary energy used in power is allocated according to final sector electricity consumption

\*Industry excludes non-combusted use of fuels

Final energy consumption in industry:  
Demand by fuel

Billion Toe



(Source: BP Energy Outlook 2019)

Around all of the net growth in industrial demand is met by natural gas and electricity, with these fuels expected to account for around two-thirds of the energy used in industry by 2040. Coal consumption within industry declined as China, the EU and North America switch to cleaner, lower-carbon fuels, partially offset by growth in India and other parts of Asia.

## INDIAN POWER SECTOR OVERVIEW

Power sector in India is undergoing a significant change that has redefined the industry outlook, with stable economic growth continuing to drive electricity demand in India. The Government of India's focus on attaining 'Power for All' has accelerated capacity addition in the country and helped in expanding household access to electricity and reducing power shortages over the last few years. Simultaneously, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances and manpower). Despite making remarkable progress in electricity distribution over the years, India still faces challenges in meeting its growing demand for power and reliable supply still remains low in the country.

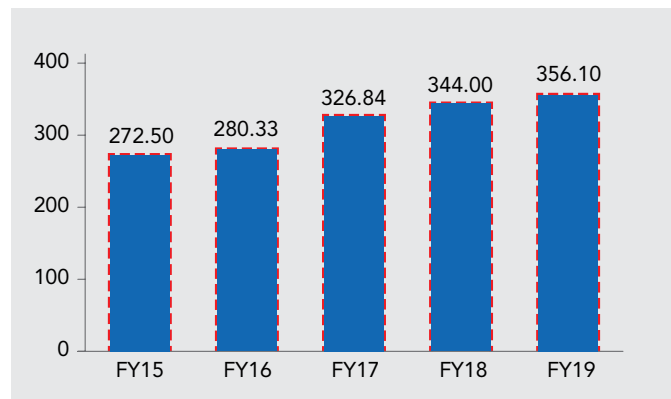
India's total installed capacity of power stations stood at 356.10 GW in FY19. Between 2000 and 2018, the industry attracted USD 14.18 Bn FDI, which is around 3.48% of total FDI inflows in India. Coal-based power generation capacity in India, which currently stands at 191.09 GW, is expected to reach 330 to 441 GW by 2040, as per the IBEF report. The Government of India has also released its roadmap to achieve 175 GW capacity in renewable energy by 2022, which includes 100 GW of solar power and 60 GW of wind power. The Union Government is preparing a 'rent a roof' policy for supporting its target of generating 40 GW of power through solar rooftop projects by 2022.

The Indian government has introduced the following schemes to boost this particular sector:

- Ujwal Discoms Assurance Yojana (UDAY) was launched by the Government of India to encourage operational and financial turnaround of State-owned Power Distribution Companies (DISCOMS), with an aim to reduce Aggregate Technical & Commercial (AT&C) losses to 15% by financial year 2019.
- In financial year 2018, the Ministry of New and Renewable Energy set solar power tariff caps at ₹ 2.50 and ₹ 2.68 per unit for developers using domestic and imported solar cells and modules, respectively.
- Government of India has launched "Saubhagya" yojana with the

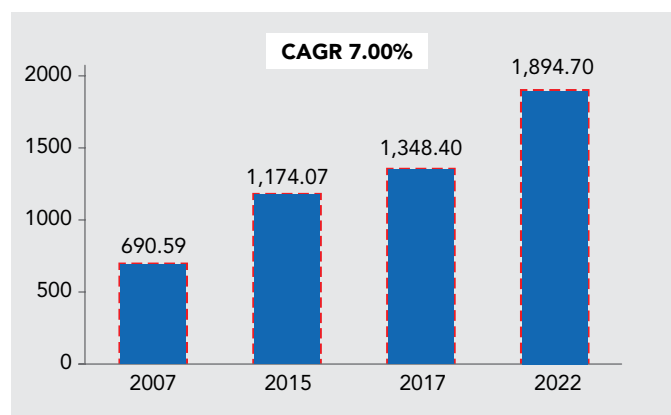
aim of achieving universal household electrification. By 2018, a total of 25 states have achieved 100% household electrification which included 23.1 million rural and 8,44,670 urban households. Under the Union Budget 2018-19, the Government of India has allocated ₹ 16,000 Cr (USD 2.47 Bn) towards this scheme.

## Installed electricity generation capacity (GW)



(Source: IBEF Report)

## Electricity demand forecast (TWh)

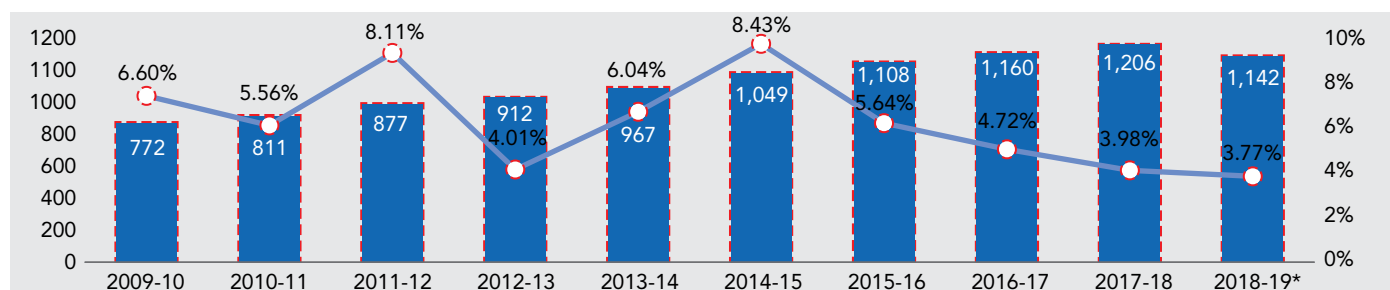


(Source: IBEF Report)

## GENERATION OVERVIEW

In India, electricity generation target of conventional sources for the year 2018-19 has been fixed at 1,265 BU comprising 1091.500 BU thermal; 130.000 BU hydro; 38.500 BU nuclear; and 5.000 BU import from Bhutan. This is a growth of around 4.87% over actual conventional generation of 1,206.31 BU for the previous year (2017-18).

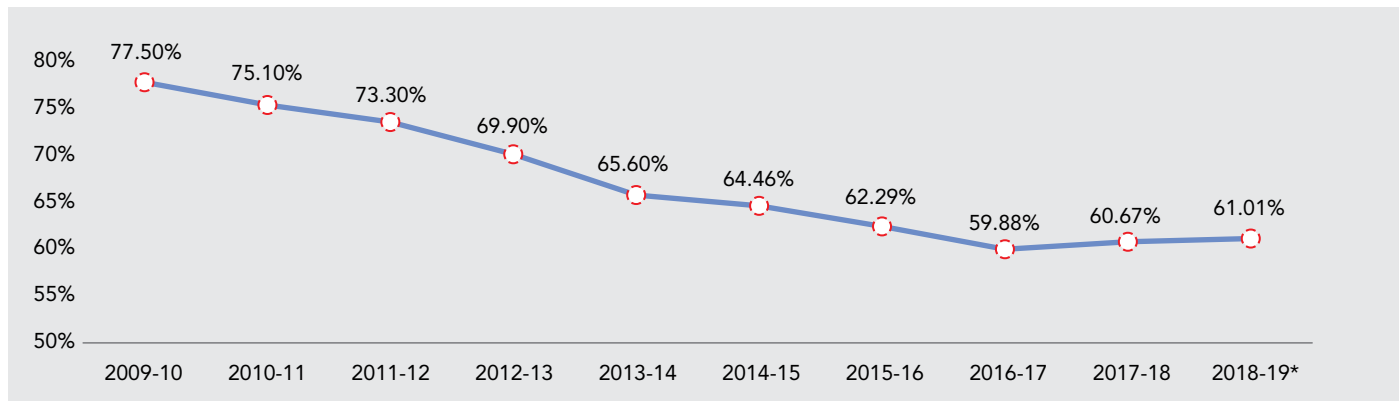
## Energy Generation from Conventional Source (BU)



\*Upto February 2019 (Provisional)  
(Source: Central Electricity Authority)



## Plant Load Factor (%)



\*Upto February 2019 (Provisional)

Source: Central Electricity Authority

Power consumption is estimated to increase from 1160.1 TWh in 2016 to 1,894.7 TWh in 2022. The Indian Government has electrified 14,955 un-electrified villages so far, out of the total 18,452 villages and is targeting electrification of all villages by 2019. India has achieved the highest-ever conventional power capacity addition of 60 GW in the last three years.

The private sector generates close to 45.2% of India's thermal power, whereas the States and the Centre have a share of 24.6% and 30.2% respectively. The share of large hydro and nuclear energy in total installed capacity is approximately 13.2% and 2% respectively. The Ministry of Power has taken various measures to achieve its aim of providing 24x7 affordable and environment-friendly 'Power for All' by 2019.

## TRANSMISSION

Transmission, an important element in the power-delivery value chain, facilitates evacuation of power from generating stations and its delivery to the load centres. For efficient dispersal of power to deficit regions, strengthening the transmission system network, enhancing the inter-state power transmission system, augmentation of the National Grid and enhancement of the transmission system network are utmost necessary.

The Centre has proposed to offer nearly 20 power-transmission projects, with an estimated cost of ₹~16,000 Cr, for bidding this year. Most of these would provide connection to renewable zones, generating solar and wind energy. These renewable energy projects include those bid for by private developers. They have sought transmission connectivity. The current tranche of projects covers the power-surplus western region, where huge renewable capacity is also coming up. Gujarat and Rajasthan will have most of these projects, followed by Maharashtra, Tamil Nadu and Punjab.

## DISTRIBUTION

The power distribution sector in India is still struggling because of a lot of inefficiencies due to high AT&C losses. Also, this sector is still far from reaching 24x7 availability status in non-metro cities, semi-urban areas and suffering heavily in rural areas. AT&C losses correspond to electricity produced but not paid for. These losses are caused by a variety of problems, including energy sold at low voltage, sparsely distributed loads over large areas, inadequate investments in the distribution system, improper billing and theft.

Towards this goal, many important milestones have been achieved. The year 2018 had been historic for electricity reaching every village on

28th April, 2018 under the Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) scheme. Now the focus is on electrifying every household under Saubhagya scheme. With 9 states already reaching 100% household electrification, this target is also expected to be achieved within its deadline.

UDAY scheme launched by the Government of India in November 2015, reduced average national AT&C losses from 21% to 18.8%. However, there is still lot of scope for improvement in this regard - particularly the billing efficiency of DISCOMs needs to be improved.

The Central Government has taken an initiative to install smart meters in all the states. With smart metering, DISCOMs will be in a position to engage with customers, meet peak demand and increase billing efficiency. Greater transparency and accountability will come into the system. DISCOMs are looking forward to adopting smart-metering solutions to reduce AT&C losses.

### Our contribution in India's Power Generation sector

The Indian power sector, specifically, the thermal segment has been grappling with uncertainty due to lack of long term PPAs, high fuel cost, low tariff regime, etc. for a long time. Power generators are sceptical to add more capacity in the thermal segment. India Power Corporation Limited looks to convert this uncertainty into opportunity. India Power Corporation Limited has over the years, been able to create a good mix of generation assets which includes thermal, wind and solar.

On the Conventional front, the Company has a 12 MW generating unit at Asansol, West Bengal, which is an embedded generation within the license area. The Company has asset-light renewable energy portfolio with long term PPAs in place. It has over a decade of experience in operating wind energy projects with 35.2 MW operational generation capacities in Gujarat and Karnataka. The Company in association with West Bengal Green Energy Development Corporation Limited has set up a Photo Voltaic Solar Power Plant, located in Jamuria area of West Bengal with an annual capacity of 2 MW. It is a first grid connected solar power plant in India. Meenakshi Energy Limited is an Independent Power Producer in India that owns and operates 300 MW coal fired plant and also owns 700 MW coal fired plant which is under advanced stage of implementation in Thamminapatnam village of Nellore, Andhra Pradesh. India Power Corporation Limited through IPCL Pte Limited, has during the year under review partnered to implement the first 100 MW Solar Project in Albania, a project launched by the Government of Albania to diversify energy resources in Albania and lead the way in turning Albania into a centre of solar power.



## Our contribution in India's Transmission & Distribution sector

The Company has been in the distribution business for a century. It is one of the oldest, most reliable and growing organisation with unique competitive business model in the distribution space, serving its consumers spread across an area spanning 618 sq. kms. region in West Burdwan, West Bengal. It is the only private distribution licensee in the most concentrated industrial area of West Bengal. The Company maintains one of the lowest T&D losses in the country which hovers around 3% despite accelerated growth in LT business over last couple of years, thereby competing against national and international benchmarks, which is remarkable given the space, socio-economic background, complex redundant network and legacy habits. Such a feat has been achieved through a multi-pronged approach of maintaining better HT/LT ratio, HVDS, multiple power sourcing points, entailing interventions in Information Technology like Supervisory Control and Data Acquisition (SCADA), Internet of Things (IoT) & Smart Metering, besides being operationally efficient.

Financial year 2018-19 has been a year of challenges on various fronts. The main challenge has been leveraging the culmination of technology interventions and process standardisations to uphold and improve operational efficiencies. The Company has shown growth in most of the key areas and has also successfully taken up various programmes in the areas of technology adoption, quality and safety focus, Information Technology enablement, customer services, etc.

### Key highlights for financial year 2018-19

The Company's revenue growth has been an impressive and positive after 3 years of decline. Connected load increased from 166 MVA to 194 MVA, recording an increase of 17%.

- Power Grid Corporation of India Limited approval for Central Transmission Utility Connectivity has been obtained from Maithon substation, which will eventually reinforce our network, thereby adding to reliability and consumer delight.
- Many new technological initiatives have been taken up, viz. SCADA, Gas Insulated Substation, Distribution Transformer health monitoring pilot, IoT pilot and addition of 132 kV network.
- Customer Relationship Management has had several metamorphoses with several digital initiatives rolling out. 24x7 call centre and data analytics, 24x7 online prepaid recharge facilities and independence of the consumer, pre-paid metering for customer convenience, new customer-care centres, enhanced tech-savvy vending machines for consumer convenience at customer-care centres.
- SAIFI and SAIDI improved by 43% and 36% respectively, thereby improving the reliability and quality of power supply which remains the backbone of the Company's supply standards, thereby adding the required cutting edge in a competitive landscape like West Burdwan.

### Our Future Growth Strategy

The Company looks forward to emphasize on flexibility of technology for preparedness for the next level of generation business. The Company is also open to capitalize on any potential inorganic growth opportunities that may arise. The Company is continuously looking for opportunities in renewable space since it wants to maintain a balance of both conventional and non-conventional sources of energy. In addition, the Company is also actively looking at opportunities in Waste to Energy segment.

The distribution business across the country has been a low-risk and regulated business. The Company ensures optimum T&D losses by sustained capex investment, investment in Information Technology infrastructure, IoT infrastructure, digital initiatives in infrastructure. Also, the Company is in constant endeavour to improve billing and collection to retain the T&D and AT&C losses as benchmark figures. Activities like smart metering, pre-paid metering, sealed feeder pillar boxes, HVDC transmission till the last mile, adhering to regulatory

norms, zero tolerance on safety issues are a few behind-the-curtain core activities upon which the foundation of the Company rests.

## VALUE-ADDED SERVICES

The business environment in the power sector is transforming in a big way. Power plants across the globe need to integrate various digital capabilities by adapting new technologies which will help the power plants to perform more efficiently and in turn, help the sector grow. Coal is the single-biggest source for power generation and more than two-third of the electricity in India is generated through coal-fired thermal power plants. At the same time, the efficiency of thermal plants matters the most; more efficient the plant, lesser is the consumption of coal and lesser is the emission of harmful gases. The global power sector is witnessing a lot of changes like environment laws getting stricter and large-scale renewable capacity addition done every year. Along with the changes, the sector is also facing a lot of challenges like frequent shutdown of power units, low lifecycle of power plants, etc. leading to interrupted power supply and low customer satisfaction. Also the Plant Load Factor of thermal plants across India is on a decreasing trend. In India, more than 35% of thermal power plants are more than 25 years old. The traditional Operations & Maintenance (O&M) practices in India are having multiple impacts like lower plant availability, higher station heat rate, higher auxiliary power consumption which in turn results in lower returns. This creates a need for better management of the assets of thermal power plants.

### Our Contribution

To tap this market, India Uniper Power Services Private Limited, a Joint Venture Company with Uniper Kraftwerke GmbH, offers O&M and related services for thermal power plants. The Joint Venture aims to empower customers and create operational efficiency and flexibility for thermal power plants by providing O&M services. India Uniper Power Services Private Limited plans to leverage the pioneering technology and expertise of Uniper Kraftwerke GmbH and their best-in-class operational systems. The services offered in this segment include:

- Plant operations and maintenance
- Asset-monitoring software
- Lifecycle extension

### Key highlights for financial year 2018-19

During the last financial year, India Uniper Power Services Private Limited has successfully supported the commissioning of a 2x800 MW super-critical power plant of Toshiba JSW Power Systems Private Limited for which it has received outstanding feedback for executing the assignment in a safe, compliant and efficient manner. Also, India Uniper Power Services Private Limited has bid for several O&M and engineering opportunities and supported the execution of a project to help a state power-generating company understand some of the technical challenges and options for getting into flexible operations.

### Our Future Growth Strategy

India still majorly depends on coal for its energy requirement. This will stimulate the demand for efficient O&M services. India Uniper Power Services Private Limited looks to tap this market by providing value-added services. It aims at becoming a leading energy service provider with a focus on creating and sustaining value for customers.

## FINANCIAL AND OPERATIONAL PERFORMANCE

India Power Corporation Limited supplied 787.49 Million Units of power in its license area in West Bengal and 102.94 Million Units of wind power during the financial year ended 31st March, 2019. The total income (including Regulatory income/expenses) was recorded at ₹ 56,798.89 Lakhs for the financial year ended 31st March, 2019, in comparison to the previous year figure of ₹ 52,077.59 Lakhs, total wind power sale amount was ₹ 4,010.71 Lakhs in comparison to previous year figure of



₹ 4,901.32 Lakhs. The Profit after Tax on the standalone basis for the financial year ended 31st March, 2019 was recorded at ₹ 1,869.85 Lakhs, as compared to previous year's figure of ₹ 2,134.44 Lakhs.

#### Key Financial Ratios on Standalone Financial Statements:

Particulars	Financial Year	
	2018-19	2017-18
Debtors Turnover Ratio	8.90	7.78
Interest Coverage Ratio	2.72	2.33
Current Ratio	1.26	1.63
Debt Equity Ratio <sup>1</sup>	0.19	0.39
Operating Profit Margin	18.64%	22.23%
Net Profit Margin	3.29%	4.10%
Return on Net Worth <sup>2</sup>	1.61%	1.87%

1. Reason for variation (>25%): The Debt Equity Ratio has improved due to repayment of borrowing during the financial year 2018-19

2. Reason for variation: The Return on Net Worth has changed due to lower rate of growth in Profit after Tax

3. Inventory Turnover Ratio is not applicable to the Company

## RISK MANAGEMENT

Risks are events with the potential to have a significant negative impact on the organization and Risk Management is a set of activities undertaken to mitigate the impact of such risks and ensure the best possible outcome after the event and/or achieve the most predictable consequences. Significant risks identified by the Company and its mitigation plans are as follows:

- Access to continuous power at optimum costs continues to be one of the biggest challenges faced by the Company. This requirement is in addition to its own capacity of generating power. In order to mitigate this risk, the Company has a 220 kV JK Nagar substation connected to the national grid. This connection helps in providing an option to procure power through open access by entering into a bilateral agreement with generators on short, medium or long-term basis.
- Power Sector is a highly regulated industry. With different governing authorities of the country pronouncing diverse verdicts directly affecting operations of the Power Sector, risk of regulatory uncertainty and heightened regulatory scrutiny remains one of the major critical risks facing the private power industry within the country. All regulatory pronouncements and actions directly affecting business operations of the Company are monitored on a continuous basis and related risks are quantified as far as practicable.
- Stagnated economic growth in markets in the Distribution License is significantly restricting growth.
- The Company requires specific grade of coal for running its power plant. In the absence of coal linkages the Company is procuring coal through e-auctions and open market. Prices of coal remains erratic resulting in unviable cost of generation. The Government of India has launched Shakti Scheme (Scheme for Harnessing and Allocating Koyala (Coal) Transparency in India) for supplying coal at notified price to certain generating plants. Allotment of coal under the scheme will help ensure uninterrupted operation from the Company's generating unit.
- Two other utilities operate simultaneously in the Company's distribution business, resulting in increased competition for expanding consumer base and retention thereof. To mitigate such challenges, the Company keeps its tariffs competitive. The Company strives to continuously expand its network spread to

cover domestic as well as commercial consumers. The Company endeavours to go an extra mile to understand the power requirements of its customers in order to offer customised solutions for them. The Company has introduced online payment facility for the consumers. The Company has established efficient system for logging of consumer complaints so that consumers can log on their complaints 24x7 online leading to higher consumer satisfaction.

## HUMAN RESOURCES

The Company recognizes that people are its greatest asset and continuously strives to provide its human capital with a strong sense of ownership, professional respect and pride, resulting in high morale and accelerated performance. The Company has a diversified workforce, consisting of 532 permanent employees as on 31st March, 2019 including 27 women employees. The Company has a healthy mix of fresh blood and seasoned workforce who have passionately contributed in certifying the Company as a "Great Place to Work" for the year 2018-19.

The Company attaches paramount importance to the all-round development of its intellectual capital. The Company promotes a culture of valuing people, trust, empowerment and open communication and encourages a process of continuous feedback from all corners in its quest for excellence through continuous process improvements.

The Company is focused on achieving organizational excellence through employee development, performance focus and synergy of its employees and is committed towards creating and enhancing values to all its stakeholders through a constant endeavour of productivity, penchant for quality, commitment, dedication and with a will to win its people.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains adequate internal control systems commensurate with the nature of its business and size and complexity of its operations. The internal control systems have been designed in a manner that ensures compliance with all applicable legislations, operating systems, policies and procedures and provides reasonable assurance with regard to recording and providing reliable financial and operational information, which in turn helps improve operational efficiency.

Internal audit play a critical role in the Company's operations and corporate governance. The Internal Auditors evaluates the Company's internal controls and helps maintaining operational efficiency by identifying deviations and correcting lapses, if any. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations made by the Internal Auditors. The Internal Control Systems of the Company is being constantly evaluated and improved to make business operations run more effectively and efficiently.

**For and on behalf of the Board of Directors**

**Hemant Kanoria**  
Chairman  
DIN: 00193015

Place: Kolkata  
Date: 23rd May, 2019

## NOMINATION & REMUNERATION POLICY

India Power Corporation Limited (hereinafter referred to as the "Company") continuously strives to provide Employees, a strong sense of ownership, professional respect and pride, resulting in high morale and performance. The Company also embraces the benefits of having a diverse Board with an optimal combination of qualification, professionalism, knowledge and experience. The Nomination & Remuneration Policy (hereinafter referred to as the "Policy") of the Company is based on this philosophy.

The Policy has been formulated in terms of the provisions of the Companies Act, 2013 (hereinafter referred to as the "Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations"), by the Nomination and Remuneration Committee (hereinafter referred to as the "Committee") and is approved and adopted by the Board of Directors (hereinafter referred to as the "Board") of the Company.

### Objectives and purpose of the policy

In line with the requirements of the Act and the Listing Regulations, the objectives and purpose of the Policy are as follows:

- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Board, Key Managerial Personnel (hereinafter referred to as "KMPs"), Senior Management Personnel (hereinafter referred to as "SMPs") of the Company to run the Company successfully;
- To ensure that the relationship of remuneration to performance is clear and meets appropriate benchmarks;
- To ensure that remuneration to Directors, KMPs and SMPs of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

**SMPs** shall mean Officers/Personnel of the Company who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer.

For the purpose of the Policy, members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager shall cover all Employees of the Company designated as President and above.

### Appointment and removal of Directors, KMPs and SMPs

#### • Directors

The Committee shall based on the recommendations of any Director/Management of the Company, identify potential candidates with appropriate qualification, knowledge, expertise and experience.

A person, to be appointed as Director should possess impeccable reputation, deep expertise and insights in sectors/areas relevant to the Company, ability to contribute to the Company's growth,

complementary skills in relation to the other Board Members amongst other attributes.

The Committee shall ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director and recommend to the Board their appointment. Such Director shall be appointed in accordance with the procedure prescribed under the Act and the Listing Regulations for the time being in force.

Factors like eligibility criteria, independence, term and tenure of a Director shall be in accordance with the provisions under the Act and the Listing Regulations for the time being in force.

The Committee may recommend with reasons, removal of a Director subject to and compliance of the provisions of the Act and Listing Regulations.

#### • KMPs and SMPs

The Head of Human Resource Department of the Company shall in consultation with the Managing Director of the Company identify suitable candidates for appointing them as KMPs (excluding Executive Directors) or SMPs of the Company on the basis of their academic, professional qualifications, relevant work experience, skill and other capabilities suitable to the position of the concerning KMPs or SMPs.

Further, in case of KMPs (excluding Executive Directors) and SMPs, the appointment or removal shall be recommended by the Committee and subsequently approved by the Board in accordance with provisions of the Act and Listing Regulations for the time being in force.

### Remuneration of Directors, KMPs, SMPs and other Employees

#### • Remuneration to Non-Executive Directors including Independent Directors

The Non-Executive Directors including Independent Directors of the Company may be paid sitting fees for attending the Meetings of the Board of Directors or its Committees thereof, as may be determined by the Board from time to time, within the limit prescribed under the Act.

Non-Executive Directors including Independent Directors may also be paid commission as may be approved by the Shareholders of the Company subject to the limits prescribed under the Act. The commission payable shall be determined by the Board of Directors of the Company from time to time.

Besides the sitting fees and commission, the Non-Executive Directors including Independent Directors shall also be entitled to reimbursement of expenses as may be incurred by the Directors while performing their role as a Director of the Company.

An Independent Director shall not be entitled to any stock option of the Company.

#### • Remuneration to Executive Directors

The remuneration to be paid to Executive Directors shall be governed by the provisions of the Act and the Listing Regulations. The remuneration shall be recommended by the Committee and approved by the Board and Shareholders of the Company.





The Executive Directors may also be paid commission in accordance with the provisions of the Act and the Listing Regulations, if authorised by the Shareholders of the Company. The commission payable shall be determined by the Board of Directors of the Company from time to time based on the recommendation of the Committee.

Any increase in remuneration, if authorised by the Shareholders of the Company, shall be approved by the Board and/or any Committee thereof as may be authorised in this regard and shall be within the overall limits approved by the Shareholders and prescribed under the Act and the Listing Regulations.

The Executive Directors shall not be paid any fees for attending the Meeting of the Board and its Committees thereof. The Executive Directors shall be entitled to any stock option of the Company.

- **Remuneration to KMPs & SMPs**

The remuneration to be paid to KMPs (excluding Executive Directors) and SMPs shall be recommended by the Committee and approved by the Board. Any increments to the remuneration shall also be recommended by the Committee and approved by the Board. The KMPs & SMPs shall be entitled to any stock option of the Company.

- **Remuneration to other Employees**

The remuneration to be paid to Employees (excluding Executive Directors, KMPs and SMPs) shall be determined from time to time on the basis of evaluation by Human Resource Department in consultation with the respective Head of Department. All

Employees of the Company shall be entitled to any stock option of the Company.

### Supplementary provisions

- Unless the context otherwise requires, the words and expressions used in this Policy and not defined herein but defined under the Act and/or the Listing Regulations shall have the meaning respectively assigned to them therein.
- The implementation of the Policy shall be monitored by the Committee from time to time. The Committee may review the Policy as and when it deems fit and recommend any changes or modifications for approval of the Board of Directors.
- In case of any subsequent changes in the provisions of the Act or the Listing Regulations which makes any of the provisions in the Policy inconsistent with the Act or the Listing Regulations, then the provisions of the Act or the Listing Regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with the Act or the Listing Regulations.

**For and on behalf of the Board of Directors**

**Hemant Kanoria**  
Chairman  
DIN: 00193015

Place: Kolkata  
Date: 23rd May, 2019

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of the projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	The Company recognizes its responsibility towards the community and the environment in which it operates.
	The Company is committed to undertake CSR projects which are sustainable and designed to have a long-term impact towards improving the quality of lives of the underprivileged and protecting the environment.
	A brief overview of CSR projects/programmes undertaken by the Company during the financial year 2018-19 is given below:
	<b>Education:</b> Promoting education and vocational skill development, helping augment school infrastructure to ensure student safety, hygiene and comfort, extending opportunities to deserving, yet indigent students and working towards making education accessible for all.
	<b>Women's empowerment &amp; social upliftment:</b> Conducting self-help training programmes and imparting life skill lessons and entrepreneurial inputs to economically backward women and underprivileged adolescent girls. Creating a unique platform to recognize and honour gritty women who have overcome stiff odds.
	<b>Health care &amp; sanitation:</b> Promoting health care and sanitation by organizing free health-screening camps and providing free medical aids. Conducting awareness programmes on safe drinking water and cleanliness and providing free diagnostic equipment to health care centres.
	<b>Rural Development:</b> Undertaking a clutch of activities in association with civic bodies in the Company's license area to improve rural and peri-urban infrastructure, thus improving quality of life of local residents.
	The details of the CSR activities undertaken by the Company are also available on the Company's website at the link <a href="http://www.indiapower.com/page/about-us">http://www.indiapower.com/page/about-us</a> .
	The Company's CSR Policy is available on the Company's website at the link <a href="http://www.indiapower.com/pdf/Corporate%20Social%20Responsibility%20Policy.pdf">http://www.indiapower.com/pdf/Corporate%20Social%20Responsibility%20Policy.pdf</a> .
2. The Composition of the CSR Committee	Mr. Hemant Kanoria, Chairman (Non-Executive Director) Mr. Amit Kiran Deb (Non-Executive Independent Director) Mr. Jyoti Kumar Poddar (Non-Executive Non-Independent Director)
3. Average net profit of the Company for last three financial years	₹ 4,669.60 Lakhs
4. Prescribed CSR expenditure (two percent of the amount as in item 3 above)	₹ 93.39 Lakhs
5. Details of CSR spent during the financial year	
a. Total amount to be spent for the financial year	₹ 93.39 Lakhs
b. Amount unspent, if any	₹ 5.22 Lakhs
c. Manner in which the amount spent during the financial year	The manner in which the amount is spent is detailed in Annexure A.



6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Boards' Report

The Company recognises that CSR is not merely compliance it is a commitment to support initiatives that measurably improve the lives of the underprivileged.

The Company has always proactively contributed to the well-being of the society, its communities and the environment in which it operates. In its constant endeavour to bring about a positive change, the Company has touched and transformed the lives of people through sustainable community-development programs.

The Company had utilised the entire amount allocated towards CSR during the financial year 2017-18. However, during the year under review, the Company could not spend the amount of ₹ 5.22 Lakhs out of the prescribed CSR budget. The Company had earmarked funds in line with the CSR Policy but the entire CSR budget could not be utilised on account of delay in execution of certain CSR project(s) from the implementing partner's/organisation's end.

The Company exercises discretion in undertaking and investing in projects that are unique, justifiable and sustainable. The Company, in its endeavour to augment its CSR impact, is making all efforts to partner/ collaborate with committed implementing partners/organisations whose ideology align with the Company's CSR philosophy to bring about sustainable development.

The Company remains committed to meet its obligations related to CSR during the financial year 2019-20.

7. Responsibility Statement of the CSR Committee

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR Objectives and Policy of the Company.

Place: Kolkata  
Date: 23rd May, 2019

**Hemant Kanoria**  
Chairman, Corporate Social Responsibility Committee  
DIN: 00193015

**Sanjeev Seth**  
Chief Executive Officer



**Annexure A**

(₹ in Lakhs)

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local areas or other (2) Specify the State and District where projects or programs was undertaken <sup>1</sup>	Amount outlay (budget) project or programs wise (as prescribed under Companies Act, 2013)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Education	License area of the Company, West Bengal and Andhra Pradesh		2.80	2.80	Rotary Club of Ranigunj
					2.35	2.35	Local Gram Panchayat
					61.37	61.37	Directly by the Company
2	Rural development projects	Rural development	License area of the Company		11.18	11.18	Directly by the Company
3	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Women empowerment & social upliftment	License area of the Company and West Bengal		0.07	0.07	United Religions Initiative India
					6.99	6.99	Pyari Foundation India Trust
					2.73	2.73	Directly by the Company
4	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Health care & sanitation	License area of the Company and West Bengal	93.39	0.18	0.18	United Religions Initiative India
					0.12	0.12	World Health Partnes
					0.16	0.16	Medica Hospitals
5	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga	Green Initiative	West Bengal		0.22	0.22	Directly by the Company
<b>Total</b>				<b>93.39</b>	<b>88.17</b>	<b>88.17</b>	

<sup>1</sup> License area of the Company covers 618 sq. kms. in Asansol, West Bengal.

**Hemant Kanoria**

Place: Kolkata  
Date: 23rd May, 2019

Chairman, Corporate Social Responsibility Committee  
DIN: 00193015

**Sanjeev Seth**

Chief Executive Officer

**Annexure - IV****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members,  
India Power Corporation Limited  
Plot No. X1-2 & 3, Block-EP,  
Sector-V, Salt Lake City,  
Kolkata - 700 091

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by India Power Corporation Limited (formerly known as DPSC Limited) (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by India Power Corporation Limited for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to the Company during the Audit Period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);

(vi) We further report that after considering the compliance system prevailing in the Company and after carrying out test checks of the relevant records and documents maintained by the Company, it has complied with the following laws that are applicable specifically to the Company:

- 1) The Electricity Act, 2003, Regulations framed thereunder and National Tariff Policy are applicable specifically to the Company.

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited, Calcutta Stock Exchange Limited (till 13th August, 2018) and Metropolitan Stock Exchange of India Limited and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. On 4th June, 2013, the Whole Time Member, Securities and Exchange Board of India (hereinafter referred to as "SEBI") passed an ex-parte Interim order No. WTM/PS/08/CFD/JUNE/2013 restraining the Promoter/Promoters Group and Directors of the Company from undertaking some of the corporate actions and directing the Company to comply with the minimum public shareholding of 25% as specified in rule 19(2) and rule 19A of the Securities Contracts (Regulation) Rules, 1957 and clause 40A of the erstwhile Listing Agreements.

In context of the above, we have been informed by the Management that the Company thereafter represented to SEBI that it has complied with the minimum public shareholding requirement pursuant to the provisions of the Scheme of Arrangement and Amalgamation (hereinafter referred to as "Scheme") of erstwhile India Power Corporation Limited (hereinafter referred to as "erstwhile IPCL") (CIN: U40101WB2003PLC097340) into and with the Company sanctioned by the Hon'ble High Court at Calcutta vide its order dated 17th April, 2013, whereby 24.69% equity share capital of the Company have been transferred by erstwhile IPCL to an independent irrevocable trust named as 'Power Trust', having independent Board of Trustees which constituted members

of the Public, and accordingly erstwhile IPCL's shareholding in the Company has come down from 93% to 68.31% and Public Shareholding in the Company has increased from 7% to 31.69%.

Further, pursuant to the above mentioned Scheme the shareholders of erstwhile IPCL are entitled to 11 equity shares of the Company against every 100 equity shares held by them. Accordingly 1,12,02,75,823 equity shares of ₹ 1 each of the Company aggregating to ₹ 11,202.75 lakhs are to be issued to the shareholders of erstwhile IPCL. Erstwhile IPCL being the Amalgamating / Transferor Company, its shareholding of 51,61,32,374 equity shares of ₹ 1 each aggregating to ₹ 5,161.32 lakhs in the Company shall stand cancelled in terms of the said Scheme approved by the Hon'ble High Court. The above referred allotment and cancellation, pursuant to the said Scheme, have not been given effect to in view of the order of the SEBI and due to certain pending clearance(s)/approval(s) from the Stock Exchanges.

Thereafter in December, 2013, SEBI filed an application before the Hon'ble High Court of Calcutta, seeking amendment to Clause 3.3.3 of the Scheme, contending that the Scheme flouted the minimum public shareholding requirement by providing that 'Power Trust', an irrevocable independent trust, would qualify as 'public shareholder' under Applicable Law. The Hon'ble High Court disposed off the application vide its order dated 27th January, 2017, directing Power Trust to Offer For Sale (hereinafter referred to as "OFS") 32,63,16,563 shares of the Company to the public by 30th April, 2017, which period was subsequently extended by the Hon'ble High Court to 31st December, 2017 with a further grace period of upto the end of February 2018, vide its order dated 25th August, 2017. During the period Power Trust (the Seller) floated five OFSs, wherein in aggregate 22,63,166 equity shares were sold. Subsequently, Power Trust filed an application before the High Court seeking an extension of time to sell the remaining 32,40,53,397 shares of the Company to the public, and for permission to offload and sell the balance shares by other methods as prescribed by SEBI in the circular dated 22nd February, 2018 (hereinafter referred to as "Circular"). The Hon'ble High Court vide its order dated 18th May, 2018 disposed off the said application, directing that all steps to dispose of the balance shares be taken expeditiously, using all methods and combinations thereof as prescribed by the relevant statutory provisions, including the methods provided under the Circular, subject to such caps and limits as provided by the SEBI Regulations.

In terms of the aforesaid order dated 18th May, 2018, Power Trust (the Seller) floated one OFS, wherein 17,513 equity shares were sold.

It was further informed by the Management that the Independent Directors on the Board of the Company filed suo-moto appeals before Securities Appellate Tribunal, Mumbai (hereinafter referred to as "SAT") against the restrictions imposed on them by the SEBI's ex-parte interim order dated 4th June, 2013 passed by the Whole Time Member. SAT after hearing the said applications, vide its order dated 3rd April, 2019 amongst other observations stated that they are of the opinion that the Whole Time Member, SEBI has misinterpreted the orders of the Calcutta High Court and has committed an error in holding that the Company and its Directors, had not complied with the minimum public shareholding requirement. SAT in their said order also noted that since SEBI approached the Calcutta High Court for modification of the Scheme it was no longer available to SEBI to restrain the Directors for non compliance of the minimum public shareholding requirement. SAT thereafter vide its order dated 3rd April, 2019 held that the impugned ex-parte interim order dated 4th June, 2013 passed by the Whole Time Member, SEBI cannot be sustained and is quashed. We are not in position to make any comments on future developments, if any in the matter.

2. West Bengal Electricity Regulatory Commission ("Commission") vide its order dated 7th July, 2014 in its suo-moto proceedings against the Company in respect of the said Scheme as sanctioned by the Hon'ble High Court at Calcutta vide its order dated 17th April, 2013 has held that the above arrangement needs prior approval of the Commission under section 17(4) of the Electricity Act, 2003 and in absence of such prior approval, the Commission has held the said Scheme as void as a licensee. The said order of the Commission has been challenged by the Company before the Hon'ble High Court at Calcutta and the single member bench of Hon'ble High Court at Calcutta has quashed the said order dated 7th July, 2014 and the impugned letter 12th March, 2014 read with letter dated 1st April, 2014 by allowing the Writ Application.

Thereafter, Commission has preferred an appeal before the Division Bench of the Hon'ble High Court at Calcutta. The disposal of the matter is presently pending.

3. Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 and Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is required to prepare consolidated financial statements/results. We have been informed that due to non-availability of the financial statements of Subsidiary Company i.e. Meenakshi Energy Limited for the year ended 31st March, 2019, the financial statements of the same have not been considered in the consolidated financial statements/results for the financial year ended 31st March, 2019.

#### **We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions were carried through and there were no dissenting members' views.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period no specific event has happened except as under and / or no action has been taken by the Company having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

The Shares of the Company has been voluntarily delisted from the Calcutta Stock Exchange Limited with effect from 14th August, 2018.

**H M Choraria & Co.**  
 Practising Company Secretary

**H M Choraria**  
 Proprietor

Place: Kolkata  
 Date: 23rd May, 2019

FCS No.: 2398, C P No.: 1499



## Annexure - V

### REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

#### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Corporate Governance framework is the ideology of transparency and openness in the effective working of the Management and Board. The Company is committed to doing things the right way and adopting best Corporate Governance practices at all times. The Company constantly endeavors to improve focus on it by increasing transparency, accountability, integrity, compliances, social responsibility and ethical values. The Company believes that the imperative for laying the foundation of good Corporate Governance lies not merely in developing the desired Corporate Governance framework but in practicing it.

The Company has rigorously stood by the core principles of Corporate Governance. The Company has laid the foundation of a sound and robust Corporate Governance framework by constituting an eminent, accomplished and diverse Board, forming a core group of competent top level management and putting in place appropriate and updated systems, well defined processes and modern technology.

#### BOARD OF DIRECTORS

The Board of Directors of the Company provides leadership, strategic guidance and objective to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Non-Executive Directors including Independent Directors impart balance to the Board processes by bringing independent judgement in its deliberations and decisions.

##### • Composition of the Board of Directors

The composition of the Board of Directors of the Company is in conformity with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Companies Act, 2013 ("Act"). The Board of the Company comprises of an appropriate combination of Executive and Non-Executive

Directors with Independent Directors forming majority. As on 31st March, 2019, the Board comprised of 8 (eight) Directors, details whereof is given below:

- 1 (one) Executive Director
- 2 (two) Non-Executive Non-Independent Directors including Chairman
- 5 (five) Non-Executive Independent Directors including 1 (one) Woman Director

The strength of the Board is accentuated by its diversity in terms of skills, professionalism, knowledge and experience. The Company recognizes that Board Diversity forms one of the pillars of a robust Corporate Governance framework. The Board of Directors of the Company has also formalised a policy on Board Diversity to ensure diversity of the Board in terms of skills, knowledge, information, thought, perspective, regional and industry experience, cultural and geographical background, age, ethnicity, etc.

The Board of Directors has identified that the Directors shall possess key skills such as goal oriented, experience in planning, policy-making, risk management and financial affairs, strategic thinking & decision making, leadership, integrity and maintaining of confidentiality, managing relationships with the Board, Management Team, Regulators, Bankers, Industry representatives and other Stakeholders, commitment, independence of behavior and judgment and ability to deploy knowledge and expertise in the best interest of the Company. The Directors shall possess knowledge or experience in domain areas such as Power Sector, Infrastructure Sector, Finance and Accounts, Statutory and Regulatory compliance, Risk Management, Information Technology, Human Resources, etc.

All the above required skills/expertise/competencies are available with the Board. The Directors are persons of repute with strength of character and professional eminence and bring a wide range of experience and expertise to the Board. A brief profile of the Directors of the Company is available on the Company's website [www.indiapower.com](http://www.indiapower.com).

**The details of composition of the Board including category of Directors, Directorship(s), Committees' Membership(s)/Chairmanship(s) and Directorship(s) held in other listed entities as on 31st March, 2019 are as follows:**

Name and category of Director	No. of other Directorships <sup>1</sup>	Other Committee positions <sup>2</sup>		Directorship in other listed companies and category of Directorship <sup>3</sup>
		As Chairman	As Member	
Mr. Hemant Kanoria Non - Executive Director & Chairman	2	-	2	<b>Executive Director</b> • Srei Infrastructure Finance Limited
Mr. Amit Kiran Deb Independent Director	6	3	1	<b>Independent Director</b> • Skipper Limited • Emami Limited
Mr. Nand Gopal Khaitan Independent Director	6	3	4	<b>Independent Director:</b> • Chase Bright Steel Limited • HSIL Limited • J K Lakshmi Cement Limited • Mangalam Cement Limited • Mangalam Timber Products Limited • Reliance Chemotex Industries Limited
Mr. Tantra Narayan Thakur Independent Director	5	1	2	None

Name and category of Director	No. of other Directorships <sup>1</sup>	Other Committee positions <sup>2</sup>		Directorship in other listed companies and category of Directorship <sup>3</sup>
		As Chairman	As Member	
Mr. Debi Prasad Patra Independent Director	2	-	-	None
Ms. Dipali Khanna Independent Director	5	1	3	<b>Independent Director</b> • Nitesh Estates Limited • Hindustan Aeronautics Limited
Mr. Jyoti Kumar Poddar Non-Executive Director	3	-	-	None
Mr. Raghav Raj Kanoria Managing Director	1	-	-	None

<sup>1</sup> Excludes Directorships in private limited companies, foreign companies and companies under Section 8 of the Act

<sup>2</sup> Represents Committee positions held in Audit Committee and Stakeholders Relationship Committee

<sup>3</sup> Represents Directorships held in Equity Listed Companies

As per declarations received from the Directors, as on 31st March, 2019 none of the Directors of the Company are related to each other in terms of Section 2(77) of the Act, except Mr. Raghav Raj Kanoria who is the son of Mr. Hemant Kanoria.

#### • Shareholding of the Board of Directors

None of the Directors of the Company hold any equity shares in the Company.

#### • Attendance of Directors at Board Meetings and the last Annual General Meeting

4 (four) meetings of the Board were held during the financial year 2018-19 on 29th May, 2018, 14th August, 2018, 12th November, 2018 and 5th February, 2019. The gap between any two consecutive meetings did not exceed 120 (one hundred and twenty) days. Necessary quorum was present at all the meetings.

The attendance of each Director at Board Meetings held during the financial year 2018-19 and at the last Annual General Meeting held on 22nd September, 2018 is as follows:

Name of Director	No. of Board Meetings during the tenure of the Director		Attendance at the last AGM held on 22nd September, 2018
	Held	Attended	
Mr. Hemant Kanoria	4	4	Yes
Mr. Sunil Kanoria <sup>1</sup>	2	-	No
Mr. Amit Kiran Deb	4	4	Yes
Mr. Nand Gopal Khaitan	4	4	Yes
Mr. Tantra Narayan Thakur	4	3	No
Mr. Debi Prasad Patra	4	3	Yes
Ms. Dipali Khanna	4	2	No
Mr. S. Sundareshan <sup>2</sup>	4	2	No
Mr. Jyoti Kumar Poddar	4	3	Yes
Mr. Raghav Raj Kanoria	4	4	No
Mr. Asok Kumar Goswami <sup>3</sup>	4	4	Yes

<sup>1</sup> Resigned with effect from 8th October, 2018

<sup>2</sup> Resigned with effect from 13th February, 2019

<sup>3</sup> Resigned with effect from 30th March, 2019

#### • Independent Directors

The Board comprised of 5 (five) Independent Directors as on 31st March, 2019. In the opinion of the Board, the Independent Directors

on the Board fulfill the criteria of independence as specified under Regulation 16 of the Listing Regulations and Section 149 of the Act and are independent of the Management. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies and where the Director is serving as a Whole-time Director in any listed company, such Director is not serving as an Independent Director in more than three listed companies. The maximum tenure of the Independent Directors is in compliance with the provisions of the Act.

During the year under review Mr. S Sundareshan (DIN: 01675195), Independent Director resigned from the Board of Directors of the Company w.e.f. 13th February, 2019.

The terms and conditions of appointment of the Independent Directors are set out in the appointment letter issued to the Directors at the time of their appointment/re-appointment. The terms and conditions are also disclosed on Company's website at the link <http://www.indiapower.com/pdf/Terms%20&%20Conditions%20of%20Appointment%20of%20ID.pdf>.

#### Familiarisation Programme

In terms of Regulation 25(7) of the Listing Regulations, the Company conducts familiarisation programmes for Independent Directors to familiarise them with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

The details of familiarisation programmes imparted to Independent Directors during the year under review and on cumulative basis till financial year 2018-19 are put up on the Company's website at the link <http://www.indiapower.com/pdf/Familiarization%20Programme%20of%20ID%20-%202018-19.pdf>.

#### Separate Meeting of Independent Directors

The Independent Directors of the Company meet at least once in a year without the presence of the Non-Independent Directors and the Members of the Management in terms of Schedule IV to the Act and Regulation 25 of the Listing Regulations. During the year under review, the Independent Directors met on 29th May, 2018 inter-alia to:

- Review the performance of the Non-Independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairperson, taking into account the views of Executive and Non-Executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the Company Management and the



Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

## COMMITTEES OF THE BOARD

Board Committees constitute an important element to good corporate governance practice. Various Board Committees comprising of Executive and Non-Executive Directors are set up under the formal approval of the Board, to focus on specific areas/activities and critical functions concerning the Company, to take informed decisions within the framework of delegated authority and make specific recommendations to the Board on matters in their areas or purview.

The Company had 6 (six) Board Committees as on 31st March, 2019 viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Committee of Directors.

All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval. The Minutes of the meetings of all the Committees are circulated to the Members of the Committee and are also placed before the Board for their noting. During the financial year 2018-19, there have been no instances where the Board has not accepted any recommendation of/submission by any Committee which is mandatorily required for approval of the Board of Directors.

The brief description of the Committees terms of reference, composition, meetings held during the financial year 2018-19, attendance of the Members at the meetings, etc. are as follows:

## AUDIT COMMITTEE

Constituted in terms of Regulation 18 of the Listing Regulations and Section 177 of the Act

### • Terms of reference

During the financial year 2018-19, the Board of Directors of the Company revised the terms of reference of the Audit Committee to align its role with the regulatory requirements mandated by the Act and the Listing Regulations as amended from time to time. The terms of reference of the Audit Committee inter-alia include the following:

- Oversight of the Company's financial reporting process;
- Reviewing with the Management the quarterly and annual financial statements of the Company and the auditor's report thereon before submission to the Board for approval;
- Recommending appointment/re-appointment, remuneration and terms of appointment of the Auditors to the Board;
- Reviewing with the Management the performance of Auditors and adequacy of internal control systems;
- Reviewing the functioning of the Whistle Blower/Vigil Mechanism;
- Reviewing and approving the Related Party Transactions;
- Scrutiny of inter-corporate loans and investments;
- Evaluation of internal financial controls and risk management systems;
- Reviewing the quarterly Internal Audit Report;
- Other matters specified under Regulation 18 of Listing Regulations read with Part C of Schedule II to the Listing Regulations and Section 177 of the Act or referred to the Committee by the Board of Directors from time to time.

### • Composition

As on 31st March, 2019, the Audit Committee comprised of 4 (four) Non-Executive Directors, 3 (three) of whom including the Chairman of the Committee were Independent Directors. The composition of the Committee as on 31st March, 2019 is detailed below:

Members	Category
Mr. Amit Kiran Deb, Chairman	Non-Executive Independent
Mr. Nand Gopal Khaitan	Non-Executive Independent
Mr. Debi Prasad Patra	Non-Executive Independent
Mr. Jyoti Kumar Poddar	Non-Executive Non-Independent

As per the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act, all Members of the Audit Committee including the Chairman are financially literate and have expertise in accounting or related financial management.

The Audit Committee Meetings are also attended by the Executive Director(s), Chief Executive Officer, Chief Financial Officer, Head of Internal Audit Department and other Senior Executives of the Company. The Representatives of Statutory Auditors, Internal Auditors and Cost Auditors are also invited to attend the Audit Committee Meetings at which their reports are considered by the Audit Committee. The Company Secretary is the Secretary to the Committee.

### • Meetings and Attendance

4 (four) meetings of the Audit Committee were held during the financial year 2018-19 on 29th May, 2018, 14th August, 2018, 12th November, 2018 and 5th February, 2019. The gap between any two consecutive meetings did not exceed 120 (one hundred and twenty) days. Requisite quorum was present at all the Audit Committee Meetings. The attendance of the Members at the Audit Committee Meetings are as follows:

Members	No. of meetings held during the tenure	No. of meetings attended
Mr. Amit Kiran Deb	4	4
Mr. Sunil Kanoria <sup>1</sup>	2	-
Mr. Nand Gopal Khaitan	4	4
Mr. Debi Prasad Patra	4	3
Mr. S. Sundaresan <sup>2</sup>	4	2
Mr. Jyoti Kumar Poddar	4	3

<sup>1</sup> Resigned with effect from 8th October, 2018

<sup>2</sup> Resigned with effect from 13th February, 2019

Mr. Amit Kiran Deb, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 22nd September, 2018.

## NOMINATION AND REMUNERATION COMMITTEE

Constituted in terms of Regulation 19 of the Listing Regulations and Section 178 of the Act

### • Terms of reference

During the financial year 2018-19, the Board of Directors of the Company revised the terms of reference of the Nomination and



Remuneration Committee to align its role with the regulatory requirements mandated by the Act and the Listing Regulations as amended from time to time. The terms of reference of the Nomination and Remuneration Committee inter-alia include the following:

- Formulate the criteria for determining qualifications, positive attributes and independence of Directors;
- Recommend to the Board a policy relating to remuneration of the Directors, Key Managerial Personnel and other Employees;
- To identify persons who are qualified to become Directors or Key Managerial Personnel and who may be appointed in Senior Management in accordance with the criteria laid down, either by itself or on the recommendation of the Management of the Company and recommend to the Board their appointment and removal;
- Formulate the criteria for evaluation of performance of all the Directors, Committees and the Board as a whole;
- Devise a policy on Board Diversity;
- Effective from 1st April, 2019, in line with the amendment made to the Listing Regulations, to recommend to the Board, all remuneration in whatever form, payable to the Senior Management;
- To decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- Other matters as specified under Regulation 19 of the Listing Regulations read with Part D of Schedule II to the Listing Regulations and Section 178 of the Act or referred to the Committee by the Board of Directors from time to time.

#### • Composition

As on 31st March, 2019, the Nomination and Remuneration Committee comprised of 5 (five) Non-Executive Directors, out of which 3 (three) Directors, including the Chairman of the Committee were Independent Directors. The composition of the Committee as on 31st March, 2019 is detailed below:

Name of the Member	Category
Mr. Nand Gopal Khaitan, Chairman	Non-Executive Independent
Mr. Hemant Kanoria	Non-Executive Non - Independent
Mr. Amit Kiran Deb	Non-Executive Independent
Mr. Debi Prasad Patra	Non-Executive Independent
Mr. Jyoti Kumar Poddar	Non-Executive Non - Independent

The Company Secretary is the Secretary to the Committee.

#### • Meetings and Attendance

2 (two) meetings of the Nomination and Remuneration Committee were held during the financial year 2018-19 on 29th May, 2018 and 5th February, 2019. Requisite quorum was present at all the meetings.

The attendance of the Members at these meetings are as follows:

Members	No. of meetings held during the tenure	No. of meetings attended
Mr. Nand Gopal Khaitan	2	2
Mr. Hemant Kanoria	2	2
Mr. Amit Kiran Deb	2	2
Mr. Debi Prasad Patra	2	2
Mr. Jyoti Kumar Poddar	2	1

Mr. Nand Gopal Khaitan, Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 22nd September, 2018.

#### • Performance evaluation

Pursuant to the provisions of the Act, Listing Regulations and in line with the Guidance Note on Board Evaluation issued by Securities and Exchange board of India ("SEBI") dated 5th January, 2017, the annual evaluation of the performance of the Board, the working of the Committees of the Board and individual Directors (including Independent Directors and the Chairman of the Company) for the financial year 2018-19 was carried out by the Nomination and Remuneration Committee.

The performance evaluation was carried out through a structured questionnaire seeking feedback from the Directors on certain pre-defined parameters applicable to them, including some specific ones for the Independent Directors. The Directors expressed their satisfaction with the overall evaluation process.

In respect of Independent Directors, the criteria or the attributes includes ensuring independence and avoiding conflict of interest, safeguarding the interest of minority shareholders, attendance at Board and Committees meetings, contribution at the meetings, guidance/support to management, application of independent judgement while taking decisions at the meetings of the Board and Committees, etc.

Further, in the separate meeting of Independent Directors held during the year under review, performance of Non-Independent Directors, performance of the Board and the performance of the Chairman was evaluated and the quality, quantity and timeliness of flow of information between the Company's Management and the Board was assessed.

#### • Remuneration of Directors

##### Remuneration to Executive Director(s)

Payment of remuneration to the Executive Director(s) of the Company is governed by the terms and conditions of their appointment as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and the Shareholders. The remuneration of Executive Director(s) comprises of the fixed components of salary, perquisites and allowances. The Executive Director(s) may be entitled to commission & annual increments, decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

The tenure of the office of Managing Director is for 5 (five) years w.e.f. 1st June, 2017. Appointment of the Managing Director is terminable by giving 3 (three) months notice in writing. The Company does not have any scheme for grant of Stock Options to its Directors. There is no separate provision for payment of severance fees.

##### Remuneration to Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending meetings of the Board and the Committees thereof as determined by the Board from time to time [at present, paid at the rate of ₹ 25,000/- (Rupees twenty five thousand only) for attending each meeting of the Board and ₹ 10,000/- (Rupees ten thousand only) for attending each meeting of the Committees thereof]. The Non-Executive Directors are also reimbursed out-of-pocket expenses wherever applicable, for attending such meetings.

The Members of the Company at the Annual General Meeting held on 13th September, 2014 approved the payment of commission



to the Non-Executive Directors not exceeding 1 (one) percent per annum of the net profits of the Company in accordance with the provisions of Section 198 of the Act as may be determined by the Board of Directors from time to time, not exceeding the limits prescribed under the Act.

None of the Directors of the Company hold any equity shares in the Company. No pecuniary relationship or transactions have been entered into by the Company with any of the Non-Executive Directors of the Company, except for the payment of sitting fees and commission to the Non-Executive Directors.

The details of remuneration paid/payable to the Directors for the financial year 2018-19 are as follows:

(₹ in Lakhs)

Name of the Director	Sitting Fees <sup>1</sup>	Salary & Perquisites <sup>2</sup>	Commission <sup>3</sup>	Total
Mr. Hemant Kanoria	2.40	-	-	2.40
Mr. Sunil Kanoria <sup>4</sup>	0.10	-	-	0.10
Mr. Amit Kiran Deb	1.90	-	5.00	6.90
Mr. Nand Gopal Khaitan <sup>5</sup>	1.60	-	5.00	6.60
Mr. Tantra Narayan Thakur	0.95	-	5.00	5.95
Mr. Debi Prasad Patra	1.45	-	5.00	6.45
Ms. Dipali Khanna	0.50	-	5.00	5.50
Mr. S. Sundareshan <sup>6</sup>	0.70	-	-	0.70
Mr. Jyoti Kumar Poddar	2.45	-	-	2.45
Mr. Raghav Raj Kanoria	-	134.35	-	134.35
Mr. Asok Kumar Goswami <sup>7</sup>	-	31.60	-	31.60
<b>Total</b>	<b>12.05</b>	<b>165.95</b>	<b>25.00</b>	<b>203.00</b>

- <sup>1</sup> Includes sitting fees excluding service tax paid/payable to the Non-Executive Directors for attending meetings of the Board and Committees thereof
- <sup>2</sup> Includes Basic Salary, House Rent Allowance, Medical Allowance, Special Allowance, One Time Payment, Conveyance Hiring Charges, Fixed Performance Incentive, Ex-gratia, Leave Travel Allowance, Provident Fund, Gratuity, Incentives and other Perquisites as may be applicable
- <sup>3</sup> Reflects the commission excluding service tax for the financial year 2018-19 which will be paid to the Directors during the financial year 2019-20. Commission of ₹ 4.75 lakhs has been paid to each Independent Director and Mr. Jyoti Kumar Poddar, Non-Executive Director, commission of ₹ 0.38 lakhs has been paid to Mr. Hemant Kanoria and Mr. Sunil Kanoria, Non-Executive Directors and commission of ₹ 34.63 Lakhs has been paid to Mr. Raghav Raj Kanoria, Managing Director during the financial year 2018-19 pertaining to the financial year 2017-18
- <sup>4</sup> Resigned with effect from 8th October, 2018
- <sup>5</sup> Khaitan & Co., Solicitor of the Company of which Mr. Nand Gopal Khaitan, Independent Director is a Partner, rendered professional services to the Company during the financial year 2018-19 on receipt of fee
- <sup>6</sup> Resigned with effect from 13th February, 2019
- <sup>7</sup> Resigned with effect from 30th March, 2019

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Constituted in terms of Regulation 20 of the Listing Regulations and Section 178 of the Act

### Change in Nomenclature

During the year under review, the Board of Directors approved the change in nomenclature of the "Shareholders'/Investors' Grievance and Stakeholders' Relationship Committee" to "Stakeholders Relationship Committee" in order to ensure conformity with Regulation 20 of the Listing Regulations and Section 178 of the Act.

### Terms of reference

The Committee deals with various matters relating to satisfactory redressal of the grievances of Shareholders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and recommends measures for overall improvement in the quality of investor services. In line with the amendments in Listing Regulations, the terms of reference of the Committee has been widened. The Committee shall now also review the measures taken for effective exercise of voting rights by Shareholders, adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent and the measures and initiatives taken by the Company for reducing the quantum of unclaimed

dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company.

### Composition

As on 31st March, 2019, the Stakeholders Relationship Committee comprised of 4 (four) Directors, out of which 3 (three) Directors, including the Chairman of the Committee were Non-Executive Directors. The composition of the Committee as on 31st March, 2019 is detailed below:

Name of the Member	Category
Mr. Hemant Kanoria, Chairman	Non - Executive Non - Independent
Mr. Debi Prasad Patra	Non - Executive Independent
Mr. Jyoti Kumar Poddar	Non - Executive Non - Independent
Mr. Raghav Raj Kanoria	Executive

The Company Secretary is the Secretary to the Committee.

### Meetings and Attendance

1 (one) meeting of the Stakeholders Relationship Committee was held during the financial year 2018-19 on 12th November, 2018. Requisite quorum was present at the meeting. The attendance of the Members at the meeting are as follows:

Members	No. of meetings held during the tenure	No. of meeting attended
Mr. Hemant Kanoria	1	1
Mr. Debi Prasad Patra	1	-
Mr. Jyoti Kumar Poddar	1	1
Mr. Raghav Raj Kanoria	1	1

Mr Hemant Kanoria, Chairman of the Stakeholders Relationship Committee attended the last Annual General Meeting of the Company held on 22nd September, 2018.

#### • Compliance Officer

Mr. Prashant Kapoor, Company Secretary of the Company has been designated as the Compliance Officer of the Company.

#### • Shareholders' Complaints

During the year under review, no Investor Complaints was received by the Company or by the Registrar and Share Transfer Agent of the Company or on SCORES, the web based redressal system of the SEBI.

Pursuant to Regulation 13(3) read with Regulation 13(4) of the Listing Regulations, Statements of Investor Complaints as received from the Registrar and Share Transfer Agent is filed with the Stock Exchanges on a quarterly basis and are also placed before the Board of Directors for their information and noting.

## OTHER COMMITTEES OF DIRECTORS

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE				
Brief Terms of Reference	Composition		Meetings	
	Name	Category	No. of meetings held during the tenure	No. of meetings attended
a) Formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the CSR activities to be undertaken by the Company as specified in the Act	Mr. Hemant Kanoria, Chairman	Non-Executive Non-Independent	1	1
	Mr. Amit Kiran Deb	Non-Executive Independent	1	1
	Mr. Jyoti Kumar Poddar	Non-Executive Non-Independent	1	-
b) Recommend to the Board the amount of expenditure to be incurred on CSR activities	The Company Secretary of the Company is the Secretary to the Committee.		1 (one) meeting was held on 29th May, 2018.	
c) Monitor the CSR Policy of the Company from time to time			Requisite quorum was present at the meeting.	
RISK MANAGEMENT COMMITTEE				
Brief Terms of Reference	Composition		Meetings	
	Name	Category	No. of meetings held during the tenure	No. of meetings attended
a) Monitor and review the Risk Management Policy of the Company	Mr. Tantra Narayan Thakur, Chairman	Non-Executive Independent	2	2
	Mr. Hemant Kanoria	Non-Executive Non-Independent	2	2
b) Develop the Risk Management Plan of the Company	Mr. Amit Kiran Deb	Non-Executive Independent	2	2
	Mr. Debi Prasad Patra	Non-Executive Independent	2	2
c) Reviewing risks including cyber security	Mr. Jyoti Kumar Poddar	Non-Executive Non-Independent	2	2
	Mr. Raghav Raj Kanoria	Executive	2	2
d) Preparing mitigation plans to minimize risk and monitoring the same	Mr. Asok Kumar Goswami <sup>1</sup>	Executive	2	2
	<sup>1</sup> . Resigned with effect from 30th March, 2019		2 (two) meetings were held on 14th August, 2018 and 5th February, 2019.	
	1. The Company Secretary of the Company is the Secretary to the Committee.		Requisite quorum was present at all the meetings.	
	2. Mr. Sanjeev Seth, Chief Executive Officer and Mr. Argha Ghosh, Vice President (Audit & Risk) are Invitees to the Committee.			



**COMMITTEE OF DIRECTORS**

Brief Terms of Reference	Composition		Meetings	
	Name	Category	No. of meetings held during the tenure	No. of meetings attended
a) Oversight of banking and borrowing related matters	Mr. Hemant Kanoria, Chairman	Non-Executive Non-Independent	11	8
b) To authorise the Company officials for signing various agreements, deeds and documents, etc.	Mr. Sunil Kanoria <sup>1</sup>	Non-Executive Non-Independent	6	1
	Mr. Jyoti Kumar Poddar	Non-Executive Non-Independent	11	10
c) To consider, approve and submit various Bid documents etc. for promotion, investment, joint venture and/or expression, etc.	Mr. Raghav Raj Kanoria	Executive	11	10
	Mr. Asok Kumar Goswami <sup>2</sup>	Executive	11	11
	<sup>1</sup> Resigned with effect from 8th October, 2018 <sup>2</sup> Resigned with effect from 30th March, 2019  The Company Secretary of the Company is the Secretary to the Committee.		11 (eleven) meetings were held on 7th May, 2018; 31st May, 2018; 23rd July, 2018; 2nd August, 2018; 14th August, 2018; 10th September, 2018; 12th October, 2018; 22nd November, 2018; 7th January, 2019; 16th February, 2019 and 13th March, 2019.  Requisite quorum was present at all the meetings.	

**GENERAL BODY MEETINGS****Details of last three Annual General Meetings held**

AGM	Financial Year	Venue	Day, Date and Time	Details of Special Resolution passed
98th	2017-18	Registered Office: Plot No. X1- 2 & 3, Block - EP, Sector - V, Salt Lake City, Kolkata - 700 091	Saturday, 22nd September, 2018 at 11:30 a.m.	Re-appointment of Mr. Amit Kiran Deb (DIN 02107792) as an Independent Director for a second term of 5 (five) consecutive years w.e.f. 1st April, 2019 and continuation of appointment as an Independent Director beyond the age of 75 (seventy five) years  Re-appointment of Mr. Nand Gopal Khaitan (DIN 00020588) as an Independent Director for a second term of 5 (five) consecutive years w.e.f. 1st April, 2019  Re-appointment of Mr. Debi Prasad Patra (DIN 00067269) as an Independent Director for a second term of 5 (five) consecutive years w.e.f. 1st April, 2019  Re-appointment of Mr. Tantra Narayan Thakur (DIN 00024322) as an Independent Director for a second term of 5 (five) consecutive years w.e.f. 1st April, 2019  Alteration of Object Clause (Clause 3) of the Memorandum of Association of the Company  Adoption of new Articles of Association of the Company  Issue and allotment of Non-Convertible Debentures and/or other Debt Securities on private placement basis
97th	2016-17	Registered Office: Plot No. X1- 2 & 3, Block - EP, Sector - V, Salt Lake City, Kolkata - 700 091	Saturday, 12th August, 2017 at 11:30 a.m.	Issue and allotment of secured and/or unsecured, listed and/or unlisted Non-Convertible Debentures and/or other debt securities, including Bonds, Commercial Papers etc., on private placement basis
96th	2015-16	Registered Office: Plot No. X1- 2 & 3, Block - EP, Sector - V, Salt Lake City, Kolkata - 700 091	Saturday, 10th September, 2016 at 11:30 a.m.	Creation of Charge/Mortgage/Hypothecation in terms of provisions of Section 180(1)(a) of the Act  Investment of the Company in excess of the prescribed limit in terms of the provisions of Section 186(2) of the Act  Variation in remuneration of Mr. Asok Kumar Goswami (DIN 03331661), Whole-time Director of the Company  Issue and allotment of secured and/or unsecured, listed and/or unlisted Non-Convertible Debentures and/or other debt securities, including Bonds, Commercial Papers etc., on private placement basis

### Postal Ballot Exercise:

No resolution was passed by the Company during the financial year 2018-19 through Postal Ballot and no special resolution is proposed to be conducted through Postal Ballot as on date of this report.

## MEANS OF COMMUNICATION

Timely communication of consistent, relevant, reliable and updated information to the stakeholders is at the core of good Corporate Governance for the Company.

The quarterly unaudited financial results and the annual audited financial results of the Company are approved by the Board of Directors and are disseminated to the Stock Exchanges immediately after the conclusion of the meeting of the Board of Directors in which financial results are considered and approved, in terms of the provisions of the Listing Regulations. The financial results of the Company are also published in the prescribed format in prominent English newspaper having nationwide circulation as well as vernacular newspaper and regularly hosted on Company's website [www.indiapower.com](http://www.indiapower.com).

During the financial year 2018 - 19, the quarterly unaudited financial results and the annual audited financial results were published in the prescribed format within 48 (forty-eight) hours of the conclusion of the meeting of the Board of Directors in Financial Express (English newspaper) and Aajkaal (vernacular (Bengali) newspaper).

The Company's website [www.indiapower.com](http://www.indiapower.com) contains a separate dedicated section "Investor Relations" where information for the shareholders is available. The quarterly/annual financial results, annual reports, shareholding pattern, policies, investors' contact details, details of unclaimed dividends/shares and all other corporate communications are posted on the website of the Company in addition to the information stipulated under the Listing Regulations and the Act. Any presentation made to institutional investors/analysts, are simultaneously disseminated on the Company's website. Official news releases are also displayed on the website of the Company under the "Media" section.

## OTHER DISCLOSURES

Particulars	Details	Website link of the Policy/Code
Disclosures on materially significant Related Party Transactions that may have potential conflict with the interests of the Company at large	<p>Details of all Related Party Transactions entered into by the Company during the financial year 2018 - 19 are disclosed under Notes to the Standalone Financial Statements for the year ended 31st March, 2019 in accordance with the Indian Accounting Standards.</p> <p>The Company has not entered into any materially significant Related Party Transaction during the financial year 2018 - 19 having potential conflict with the interests of the Company at large.</p>	<a href="http://www.indiapower.com/pdf/Related%20Party%20Transactions%20Policy.pdf">http://www.indiapower.com/pdf/Related%20Party%20Transactions%20Policy.pdf</a>
Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years	<p>SEBI vide its ex-parte interim order No. WTM/PS/08/CFD/JUNE/2013 dated 4th June, 2013 passed by Whole Time Member has, amongst other things, prohibited the Promoters/Promoter Group and Directors of the Company from buying, selling or otherwise dealing in securities of the Company, except for the purpose of complying with minimum public shareholding ("MPS") requirement until such time the Company complies with the MPS requirement and also restrained the Directors of the Company from holding any new position as a Director in any listed company, until such time the Company complies with MPS requirements.</p> <p>The Company thereafter represented to SEBI that it has complied with the MPS requirement pursuant to the provisions of the Scheme of Arrangement and Amalgamation ("Scheme") of erstwhile India Power Corporation Limited ("erstwhile IPCL") (CIN: U40101WB2003PLC097340) into and with the Company sanctioned by the Hon'ble High Court at Calcutta vide its order dated 17th April, 2013, whereby 24.69% equity share capital of the Company have been transferred by erstwhile IPCL to an independent irrevocable trust named as 'Power Trust', having independent Board of Trustees which constituted members of the Public, and accordingly erstwhile IPCL's shareholding in the Company has come down from 93% to 68.31% and Public Shareholding in the Company has increased from 7% to 31.69%.</p> <p>Thereafter in December, 2013, SEBI filed an application before the Hon'ble High Court of Calcutta, seeking amendment to Clause 3.3.3 of the Scheme, contending that the Scheme flouted the MPS requirement by providing that 'Power Trust', an irrevocable independent trust, would qualify as 'public shareholder' under Applicable Law. The Hon'ble High Court disposed off the application vide its order dated 27th January, 2017, directing Power Trust to Offer For Sale ("OFS") 32,63,16,563 shares of the Company to the public by 30th April, 2017, which period was subsequently extended by the Hon'ble High Court to 31st December, 2017 with a further grace period of upto the end of February, 2018, vide its order</p>	-



Particulars	Details	Website link of the Policy/Code
	<p>dated 25th August, 2017. During the period Power Trust floated five OFSs, wherein in aggregate 22,63,166 equity shares were sold. Subsequently, Power Trust filed an application before the High Court seeking an extension of time to sell the remaining 32,40,53,397 shares of the Company to the public, and for permission to offload and sell the balance shares by other methods as prescribed by SEBI in the Circular dated 22nd February, 2018 ("Circular"). The Hon'ble High Court vide its order dated 18th May, 2018 disposed off the said application, directing that all steps to dispose of the balance shares be taken expeditiously, using all methods and combinations thereof as prescribed by the relevant statutory provisions, including the methods provided under the Circular, subject to such caps and limits as provided by the SEBI Regulations. In terms of the aforesaid order dated 18th May, 2018, Power Trust floated one OFS, wherein 17,513 equity shares were sold.</p> <p>The Independent Directors on the Board of the Company filed a suo-moto appeal before Securities Appellate Tribunal, Mumbai ("SAT") against the restrictions imposed by the SEBI's ex-parte interim order dated 4th June, 2013 passed by the Whole Time Member. SAT after hearing the said application, vide its order dated 3rd April, 2019 amongst other observations stated that they are of the opinion that the Whole Time Member, SEBI has misinterpreted the orders of the Calcutta High Court and has committed an error in holding that the Company and its Directors had not complied with the MPS requirement. SAT in their said order also noted that since SEBI approached the Calcutta High Court for modification of the Scheme it was no longer available to SEBI to restrain the Directors for non compliance of MPS requirement. SAT thereafter vide its order dated 3rd April, 2019 held that the impugned ex-parte interim order dated 4th June, 2013 passed by the Whole Time Member, SEBI cannot be sustained and is quashed.</p>	
Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee	<p>With an aim of building a successful whistleblower mechanism, the one which is fair, non-vindictive and easily accessible to all, so that suspected unethical behaviour, improper/illegal practices and wrongful conduct taking place in the Company are detected and controlled at a nascent stage and also to provide for adequate safeguard against victimization of Directors and Employees, during the financial year 2018-19, the Board of Directors of the Company based on the recommendation of the Audit Committee approved and adopted a revised Whistle Blower Policy and established necessary Vigil Mechanism.</p> <p>The Company hereby affirms that no personnel of the Company have been denied access to the Audit Committee.</p>	<a href="http://www.indiapower.com/pdf/Vigil%20Mechanism%20(Whistle%20Blower%20Policy).pdf">http://www.indiapower.com/pdf/Vigil%20Mechanism%20(Whistle%20Blower%20Policy).pdf</a>
Compliance with all the mandatory requirements and adoption of non-mandatory requirements	<p>The Company has complied with all the mandatory requirements of Corporate Governance applicable to the Company as prescribed under the Listing Regulations.</p> <p>Additionally, the Company has complied with the following non-mandatory or discretionary requirements:</p> <ul style="list-style-type: none"> <li>The quarterly, half-yearly and annual financial results of the Company are published in newspapers and hosted on the Company's website.</li> <li>The Audit Report on Standalone Financial Statements for the financial year ended 31st March, 2019 is unmodified. The Audit Report on Consolidated Financial Statements for the financial year ended 31st March, 2019 contains a qualification with regard to non-consolidation of accounts of one Subsidiary Company.</li> <li>The Company has appointed separate persons to the post of Chairman and Managing Director.</li> <li>The Internal Auditors of the Company reports directly to the Audit Committee and presents Internal Audit Report to the Audit Committee on a quarterly basis.</li> </ul>	-
Web link where Policy for determining 'Material' Subsidiaries is disclosed	The Company has a Policy for determining Material Subsidiary in terms of Regulation 16(1)(c) of the Listing Regulations which has been disclosed on the Company's website.	<a href="http://www.indiapower.com/pdf/Policy%20for%20determining%20Material%20Subsidiaries.pdf">http://www.indiapower.com/pdf/Policy%20for%20determining%20Material%20Subsidiaries.pdf</a>
Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)	The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations during the year under review.	-



Particulars	Details	Website link of the Policy/Code
Certificate from a Company Secretary in practice regarding Director debarment/disqualification	The Company has obtained a Certificate from M/s. H. M. Choraria & Co., a firm of Company Secretaries in Practice (Certificate of Practice Number-1499), regarding Directors debarment/disqualification from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority which is annexed to the Report.	-
Confirmation that the Board has accepted the recommendation of the Committees of the Board of Directors	The Board of Directors has accepted all the recommendations received from the Committees of the Board of Directors.	-
Total fees paid to the Statutory Auditor of the Company	M/s. S S Kothari Mehta & Co., Statutory Auditors of the Company has not rendered any services to the Company's Subsidiaries during the financial year 2018-19. The Company and/or its Subsidiaries have not availed any services from entities in the network firm/network entity of which the Statutory Auditor is a part, if any.  The details of the fees paid/payable to the Statutory Auditors by the Company for the financial year 2018-19 are detailed in the Standalone Financial Statements of the Company.	-
Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	The Company has in place a Policy on Prevention of Sexual Harassment in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. As a part of the Policy, an Internal Complaints Committee has been set up to redress complaints, if any, received regarding sexual harassment. The following is the summary of sexual harassment complaints received and disposed of by the Company during the financial year 2018-19: a) Number of complaints filed during the financial year - None b) Number of complaints disposed of during the financial year - Not Applicable c) Number of complaints pending as on end of the financial year - Not Applicable	<a href="https://www.indiapower.com/pdf/Prevention_of_Sexual_Harassment.pdf">https://www.indiapower.com/pdf/Prevention_of_Sexual_Harassment.pdf</a>
Non-compliance of any requirement of Corporate Governance Report	There have been no instances of non-compliance of any requirement of Corporate Governance Report as mentioned in sub-paras (2) to (10) of para C of Schedule V to the Listing Regulations.	-
Disclosure of Compliance with Corporate Governance requirements	The Company has complied with the Corporate Governance requirements specified under Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.	-
Declaration affirming compliance with the Code of Conduct of Board of Directors and Senior Management	In terms of Regulation 17(5) of the Listing Regulations, the Board of Directors of the Company during the year under review, approved and adopted a revised Code of Conduct for the Board of Directors and Senior Management with an aim of enhancing ethical and transparent process in managing the affairs of the Company.  The Company has received confirmation from all the Members of the Board and Senior Management Personnel affirming compliance with the Code of Conduct for the financial year 2018-19.  Declaration in terms of Regulation 17(8) of the Listing Regulations, signed by the Chief Executive Officer stating that the Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management is annexed to the Report.	<a href="http://www.indiapower.com/pdf/Code%20of%20Conduct%20for%20Board%20and%20Senior%20Management%20Personnel.pdf">http://www.indiapower.com/pdf/Code%20of%20Conduct%20for%20Board%20and%20Senior%20Management%20Personnel.pdf</a>
Compliance Certificate by the Auditors regarding compliance of conditions of Corporate Governance	The Company has obtained a Compliance Certificate from M/s. S S Kothari Mehta & Co., Statutory Auditors of the Company, confirming compliance with the conditions of Corporate Governance which is annexed to the Report.	-
Disclosures with respect to demat suspense account/unclaimed suspense account	Not Applicable	-



## GENERAL SHAREHOLDER INFORMATION

<b>Annual General Meeting for financial year 2018-19</b>	<b>Day, Date and Time:</b> Saturday, 10th August, 2019 at 11:30 a.m. <b>Venue: Registered Office:</b> Plot No. X1-2 & 3, Block - EP, Sector - V, Salt Lake City, Kolkata – 700 091, West Bengal			
<b>Book Closure Date</b>	Monday, 5th August, 2019 to Saturday, 10th August, 2019 (both days inclusive)			
<b>Dividend Payment Date</b>	Dividend will be credited/dispatched on or after Wednesday, 14th August, 2019 (if approved by the Members at the Annual General Meeting)			
<b>Financial Year</b>	1st April to 31st March			
	Tentative financial reporting for financial year 2019-20:			
	Quarter ending 30th June, 2019	On or before 14th August, 2019		
	Quarter/Half year ending 30th September, 2019	On or before 14th November, 2019		
	Quarter/Nine months ending 31st December, 2019	On or before 14th February, 2019		
	Year ending 31st March, 2020	On or before 30th May, 2020		
<b>Listing on Stock Exchanges and Stock Code</b>	The Equity Shares of the Company are presently listed on the following Stock Exchanges			
	<b>Name of the Stock Exchanges</b>	<b>National Stock Exchange of India Limited (NSE)</b>	<b>Metropolitan Stock Exchange of India Limited (MSEI)</b>	
	<b>Address</b>	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	Vibgyor Towers, 4th floor, Plot No C 62, G - Block, Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E), Mumbai – 400 098	
	<b>Stock/Script Code</b>	DPSCCLTD	DPSCCLTD	
	During the year under review, the Company voluntarily delisted its equity shares in terms of the provisions of SEBI (Delisting of Equity Shares) Regulations, 2009 from The Calcutta Stock Exchange Limited with effect from 14th August, 2018.			
	Annual listing fees for the financial year 2019-20 have been paid to the Stock Exchanges.			
	The Debt Securities of the Company are listed on National Stock Exchange of India Limited.			
	None of the Company's Securities have been suspended from trading.			
<b>Market Price Data</b>	The monthly high, low and volume of Company's equity shares during the financial year 2018-19 are given below:			
	<b>Month</b>	<b>National Stock Exchange of India Limited</b>		
		<b>High (₹)</b>	<b>Low (₹)</b>	
			<b>Volume of Trade (₹ in Lakhs)</b>	
	April, 2018	30.00	26.00	405.94
	May, 2018	30.90	26.65	236.90
	June, 2018	29.50	22.00	932.27
	July, 2018	23.50	18.30	143.15
	August, 2018	19.80	15.50	141.50
	September, 2018	17.95	12.55	77.04
	October, 2018	16.20	11.05	37.39
	November, 2018	14.55	11.40	25.99
	December, 2018	14.00	11.05	16.40
	January, 2019	14.75	12.05	17.12
	February, 2019	13.30	9.40	22.62
	March, 2019	13.95	12.05	22.73
<b>Performance in comparison to broad-based indices</b>	Performance of Company's share price in comparison to NSE Nifty is presented below:			
	 DPSC Limited      NSE Nifty			

<b>Registrar &amp; Share Transfer Agent (Equity Shares and Debt Securities)</b>	CB Management Services Private Limited P-22, Bondel Road, Kolkata - 700 019 Phone: 91 33 4011 6700, 2280 6692/93/94/2486 Fax: 91 33 2287 0263 E-mail: rta@cbmsl.com Website: www.cbmsl.com				
<b>Debenture Trustee</b>	Axis Trustee Services Limited The Ruby, 2nd Floor, SW 29, Senapati Bapat Marg, Dadar West, Mumbai - 400 028 Phone: 91 22 6230 0451 E-mail: debenturetrustee@axistrustee.com Website: www.axistrustee.com				
<b>Share transfer system</b>	Requests for transfer of equity shares held in physical mode lodged with the Company's Registrar & Share Transfer Agent are processed within 15 (fifteen) days of receipt of such request, subject to the documents being valid and complete in all respects.  However, SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 read with SEBI Circular No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018 amended Regulation 40 of Listing Regulations, pursuant to which with effect from 1st April, 2019 no transfer of securities will be processed unless the securities are held in the dematerialized form with a depository.  In view of the above and to avail various benefits of dematerialization, Members holding shares in physical form are advised to dematerialise their holding at the earliest.				
<b>Shareholding Pattern as on 31st March, 2019</b>	<b>Category</b>	<b>No. of Shares held</b>		<b>(%)</b>	
	<b>A. Promoter/Promoter Group</b>	<b>57,93,31,667</b>		<b>59.49</b>	
	<b>B. Public</b>				
	<b>(1) Institutions</b>				
	i) Bank/Financial Institutions	11,96,230		0.12	
	<b>(2) Non-Institutions</b>				
	i) Bodies Corporate	23,89,317		0.25	
	ii) Non-Resident Indians	3,12,268		0.03	
	iii) Investor Education and Protection Fund Authority-Ministry of Corporate Affairs	9,25,731		0.10	
	iv) Indian Public & Others	38,96,34,427		40.01	
	<b>Sub Total (B)</b>	<b>39,44,57,973</b>		<b>40.51</b>	
	<b>Grand Total (A+B)</b>	<b>97,37,89,640</b>		<b>100.00</b>	
<b>Distribution of Shareholding as on 31st March, 2019</b>	<b>No. of Shares slab</b>		<b>Number of Shares</b>		<b>Number of Shareholders</b>
	<b>From</b>	<b>To</b>	<b>Total</b>	<b>%</b>	<b>Total</b>
	1	500	3,98,636	0.04	2,629
	501	1000	3,48,221	0.04	403
	1001	2000	4,50,091	0.05	286
	2001	3000	3,24,425	0.03	125
	3001	4000	1,29,039	0.01	36
	4001	5000	3,46,731	0.03	73
	5001	10000	8,84,013	0.09	115
	10001	50000	35,76,543	0.37	153
	50001	100000	24,36,673	0.25	33
	100001	And Above	96,48,95,268	99.09	44
	<b>TOTAL</b>		<b>97,37,89,640</b>	<b>100.00</b>	<b>3,897</b>
					<b>100.00</b>





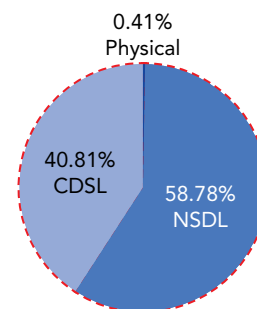
## Dematerialisation of Shares and liquidity

The Company's equity shares are traded in electronic form and are available for trading in Depository System of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders have an option to dematerialize their shares with either of the Depositories.

The International Securities Identification Number (ISIN) as allotted to the equity shares of the Company by NSDL and CDSL is INE360C01024.

The details of number of equity shares of the Company held in Physical and Demat form as on 31st March, 2019 is given below:

Physical/ Electronic	No. of Shares	%
Physical	40,00,494	0.41
NSDL	57,23,67,956	58.78
CDSL	39,74,21,190	40.81
<b>Total</b>	<b>97,37,89,640</b>	<b>100.00</b>



## Outstanding GDRs/ DRs/Warrants or any Convertible Instruments, conversions date and likely impact on equity

Nil

## Commodity price risk or foreign exchange risk and hedging activities

Not Applicable

## Details of all credit ratings obtained along with any revisions thereto during the financial year 2018-19

### 1. CARE Rating

Type of Facilities	Rating	Revisions during the financial year 2018-19
Long-term Bank Facilities	CARE BBB	<b>Revision 1:</b> CARE A to CARE A- <b>Revision 2:</b> CARE A- to CARE BBB
Short-term Bank Facilities	CARE A3	<b>Revision 1:</b> CARE A2+ to CARE A2 <b>Revision 2:</b> CARE A2 to CARE A3
Outstanding/Proposed Non-Convertible Debentures	CARE BBB	<b>Revision 1:</b> CARE A to CARE A- <b>Revision 2:</b> CARE A- to CARE BBB

### 2. Brickwork Ratings

Type of Facilities	Rating	Revisions during the financial year 2018-19
Long-term Fund Based	BWR A	Not Applicable (assigned during the financial year 2018-19)
Short-term Non Fund Based	BWR A2+	
Non-Convertible Debentures	BWR A	<b>Revision 1:</b> BWR AA- to BWR A

## Plant location

Dishergarh Power Station  
Sanctoria, P.O.: Dishergarh  
Burdwan – 713 333  
Phone: 0341 6600 452

## Address for Correspondence with the Company

The Company Secretary  
India Power Corporation Limited  
Plot No. X1- 2 & 3,  
Block-EP, Sector-V, Salt Lake City, Kolkata – 700 091  
Phone: 91 33 6609 4300/08/09/10  
Fax: 91 33 2357 2452  
E-mail: corporate@indiapower.com

For and on behalf of the Board of Directors

**Hemant Kanoria**  
Chairman  
DIN: 00193015

Place: Kolkata  
Date: 23rd May, 2019



## DECLARATION AFFIRMING COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

To  
The Members of  
India Power Corporation Limited

I, Sanjeev Seth, Chief Executive Officer of India Power Corporation Limited, pursuant to Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, declare to the best of my knowledge and belief, that all the Members of the Board and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct of Board Members and Senior Management Personnel for the financial year ended 31st March, 2019.

Place: Kolkata  
Date: 23rd May, 2019

**Sanjeev Seth**  
Chief Executive Officer

### CERTIFICATION BY CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER

[Pursuant to Regulation 17(8) read with Regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors  
India Power Corporation Limited  
Plot X1 - 2 & 3, Block-EP  
Sector-V, Salt Lake City  
Kolkata - 700 091

We, Sanjeev Seth, Chief Executive Officer and Amit Poddar, Chief Financial Officer of India Power Corporation Limited, certify to the Board of Directors that -

- A. We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended on 31st March, 2019 and that to the best of our knowledge and belief, state that:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken for rectifying these deficiencies.
- D. We have indicated, to the Auditors and the Audit Committee:
- (1) significant changes, if any in internal control over financial reporting during the year;
  - (2) significant changes, if any in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - (3) that there have been no instances of significant fraud, of which we have become aware and consequently no involvement therein, of the management or any employee having a significant role in the Company's internal control system over the financial reporting.

Place: Kolkata  
Date: 23rd May, 2019

**Sanjeev Seth**  
Chief Executive Officer

**Amit Poddar**  
Chief Financial Officer

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
India Power Corporation Limited,  
Plot No. X-1, 2 & 3, Block-EP, Sector-V,  
Salt Lake City,  
Kolkata - 700 091

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of India Power Corporation Limited having CIN: L40105WB1919PLC003263 and having registered office at Plot No. X-1,2 & 3, Block-EP, Sector-V, Salt Lake City, Kolkata-700 091 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that following Directors on the Board of the Company as on 31st March, 2019 were restrained from holding any new position as a director in any listed Company, by an ex-parte interim order passed by the Whole-time Member, Securities and Exchange Board of India (hereinafter referred to as 'SEBI') dated 04th June, 2013 save and except Ms. Dipali Khanna (DIN: 03395440) and Mr. Raghav Raj Kanoria (DIN: 07296482):

Sl. No.	Name of Director	DIN
1	Mr. Hemant Kanoria	00193015
2	Mr. Amit Kiran Deb- Independent Director	02107792
3	Mr. Nand Gopal Khaitan- Independent Director	00020588
4	Mr. Tantra Narayan Thakur- Independent Director	00024322
5	Mr. Debi Prasad Patra- Independent Director	00067269
6	Mr. Jyoti Kumar Poddar	00690650

However on the applications filed by the above Independent Directors of the Company, before Securities Appellate Tribunal, Mumbai (hereinafter referred to as "SAT"), against the restrictions imposed by the SEBI's ex-parte interim order dated 4th June, 2013 passed by the Whole Time Member, SAT vide its order dated 3rd April, 2019 held that the impugned ex-parte interim order dated 4th June, 2013 passed by the Whole Time Member, SEBI cannot be sustained and is quashed and the appeals were allowed. Thereafter, the restrains imposed on the Directors have been quashed.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For, H M Choraria & Co.**  
Practising Company Secretaries

Place: Kolkata  
Date: 22nd May, 2019

**(H M Choraria)**  
Proprietor  
CP. No.: 1499





## AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To  
The Members of  
**India Power Corporation Limited (formerly DPSC Limited)**

1. We S S Kothari Mehta & Co., Chartered Accountants, the Statutory Auditor of India Power Corporation Limited (formerly DPSC Limited) ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2019, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

### Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), to the extent relevant, the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2019.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

### Restriction on use

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For S S Kothari Mehta & Co.**  
Chartered Accountants  
Firm's ICAI Registration No.:000756N

**Neeraj Bansal**  
Partner  
(Membership No: 095960)

Place: New Delhi  
Date: 23rd May, 2019

**Annexure - VI****FORM NO. AOC-2**

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable						
2. Details of material contracts or arrangement or transactions at arm's length basis:						
Name(s) of the related party and nature of relationship	Nature of transaction	Duration of the transaction	Salient terms of the transaction	Value of the transaction till 16th September, 2018	Date(s) of approval by the Board, if any	Amount paid as advances, if any (as on 16th September, 2018)
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited) (Subsidiary till 16th September, 2018)	Purchase of power	1st April, 2018 to 16th September, 2018	Saranyu Power Trading Private Limited supplied power to India Power Corporation Limited	₹ 6,095 Lakhs	Not Applicable	₹ 124.00 Lakhs

**For and on behalf of the Board of Directors**

Place: Kolkata  
Date: 23rd May, 2019

**Hemant Kanoria**  
Chairman  
DIN: 00193015

## Annexure - VII

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014]

#### **A. Conservation of Energy**

The Company has always been conscious about the need for conservation of energy and has been taking measures to this effect in all possible domains.

##### **i) Steps taken or impact on conservation of energy:**

###### **Distribution:**

1. Continuous identification of high loss feeders and segregation of the feeders to reduce loss.
2. Upgradation of feeders from 11 kV to 33 kV and from 33 kV to 132 kV to reduce loss and improving system reliability.
3. Implementation of Distribution Transformer metering with remote monitoring of all the Distribution Transformers for proper energy accounting.
4. Implementation of SCADA connectivity to help ensure better monitoring of Sub-Stations upto 11 kV level.

###### **Power Station:**

1. Replacement of old 11 kV breakers, relays, meters, etc. with new upgraded system for accurate monitoring as well as for better reliability.
2. Modification of the Bottom Ash Disposal system for better handling & cost reduction.

##### **ii) Steps taken by the Company for utilising alternate sources of energy:**

The Company had 75.61% of its generation capacity (in MW terms) through clean and green sources (Wind and Solar) as on 31st March, 2019.

##### **iii) Capital investment on energy conservation equipments:**

It is a continuous process. After installation of Capacitor Bank in High Tensions feeders, monitoring of power compensation is under observation and necessary modification is being taken to get the maximum benefits.

#### **B. Technology Absorption**

##### **i) Efforts made towards technology absorption:**

The Company considers Information Technology (IT) support as a key factor to its strategy for growth. Adopting new technologies to improve the efficiency is an ongoing process. During the financial year 2018-19, the Company has initiated several steps to become a smart utility in its license area. Other than SCADA implementation, the Company has commissioned Distribution Transformer metering with remote monitoring features for 60 No.s of transformers with Internet of Things Technology & will extend these features to other Distribution Transformers within the financial year 2019-20.

##### **ii) The benefits derived like product improvement, cost reduction, product development or import substitution:**

1. Better availability, reliability and safety
2. Improved efficiency and quality of services

##### **iii) Information regarding imported technology (Imported during last three years reckoned from the beginning of the financial year):** Not Applicable

##### **iv) Expenditure incurred on Research and Development:**

The Company, as such, does not carry out any in-house Research and Development. However, for major activities or development, whenever contemplated in areas of power generation and distribution, the expertise of Central Electricity Authority and National Productivity Council is obtained.

#### **C. Foreign Exchange Earnings and Outgo**

Foreign Exchange earned in terms of actual inflows	:	Nil
Foreign Exchange outgo in terms of actual outflows	:	₹ 40.50 Lakhs

**For and on behalf of the Board of Directors**

**Hemant Kanoria**  
Chairman  
DIN: 00193015

Place: Kolkata  
Date: 23rd May, 2019

**Annexure - VIII****STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR 2018-19**

- i) **The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19:**

Name of Director	Designation	Ratio
Mr. Raghav Raj Kanoria	Managing Director	30.73:1
Mr. Asok Kumar Goswami	Whole - time Director	6.15:1
Mr. Hemant Kanoria	Non - Executive Director	0.07:1
Mr. Jyoti Kumar Poddar		0.94:1
Mr. Sunil Kanoria		0.07:1
Mr. Amit Kiran Deb		0.94:1
Mr. Debi Prasad Patra		0.94:1
Ms. Dipali Khanna	Independent Director	0.94:1
Mr. Nand Gopal Khaitan		0.94:1
Mr. S. Sundareshan		0.94:1
Mr. Tantra Narayan Thakur		0.94:1

- ii) **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 2018-19:**

Name of Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	Designation	% increase in remuneration in the financial year 2018-19
Mr. Raghav Raj Kanoria	Managing Director	Not Applicable
Mr. Asok Kumar Goswami	Whole - time Director	Not Applicable
Mr. Hemant Kanoria	Non - Executive Director	Nil
Mr. Jyoti Kumar Poddar		Nil
Mr. Sunil Kanoria		Nil
Mr. Amit Kiran Deb		Nil
Mr. Debi Prasad Patra		Nil
Ms. Dipali Khanna	Independent Director	Nil
Mr. Nand Gopal Khaitan		Nil
Mr. S. Sundareshan		Nil
Mr. Tantra Narayan Thakur		Nil
Mr. Sanjeev Seth	Chief Executive Officer	Not Applicable
Mr. Sushil Kumar Agarwal	Chief Financial Officer	Not Applicable
Mr. Amit Poddar	Chief Financial Officer	Not Applicable
Mr. Prashant Kapoor	Company Secretary	14.00



**iii) The percentage increase in the median remuneration of employees in the financial year 2018-19:**

The percentage increase in the median remuneration of the employees in the financial year 2018-19 is 24.06%.

**iv) The number of permanent employees on the rolls of the Company:**

There were 532 employees on the rolls of the Company as on 31st March, 2019.

**v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the financial year 2018-19 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Particulars	% Increase
Average increase in the salaries of employees other than the key managerial personnel	17.50
Average increase in the remuneration of managerial personnel	Nil
Justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Not Applicable

**vi) It is hereby affirmed that the remuneration paid during the financial year 2018-19 is as per the Nomination & Remuneration Policy of the Company.**
**Notes:**

- The remuneration paid to the Non-Executive Directors including Independent Directors reflects the commission paid to them during the financial year 2018-19 pertaining to the financial year 2017-18, as per the approval of the Members granted at the 94th Annual General Meeting of the Company held on 13th September, 2014 and as determined by the Board of Directors at their meeting held on 29th May, 2018. The remuneration does not include sitting fees paid to the Directors for attending the meetings of the Board of Directors and Committees thereof. The remuneration paid to the Managing Director does not reflect the commission paid to him during the financial year 2018-19 pertaining to the financial year 2017-18.
- Mr. Sunil Kanoria, Mr. S Sundareshan and Mr. Asok Kumar Goswami resigned from the Board of Directors of the Company w.e.f. 8th October, 2018, 13th February, 2019 and 30th March, 2019 respectively.
- Mr. Raghav Raj Kanoria was appointed as the Managing Director of the Company w.e.f. 1st June, 2017, hence percentage increase in his remuneration in the financial year 2018-19 vis-a-vis financial year 2017-18 is not comparable. Mr. Asok Kumar Goswami resigned as the Whole-time Director of the Company w.e.f. 30th March, 2019, hence percentage increase in his remuneration in the financial year 2018-19 vis-a-vis financial year 2017-18 is also not comparable.
- Mr. Sanjeev Seth was appointed as the Chief Executive Officer w.e.f. 1st September, 2017, hence the percentage increase in his remuneration in the financial year 2018-19 is not comparable with that of the previous year. Mr. Sushil Kumar Agarwal resigned as the Chief Financial Officer of the Company w.e.f. close of business of hours on 1st October, 2018 and Mr. Amit Poddar was appointed as the Chief Financial Officer w.e.f. 5th February, 2019, therefore, percentage increase in their remuneration in the financial year 2018-19 is also not comparable with that of the previous year.
- For both the financial years 2017-18 and 2018-19, the remuneration of the employees per annum and not the actual payout has been taken into consideration. Remuneration details include variable payout based on performance of the Company, if any. While calculating the Median remuneration, the remuneration of the Executive Director(s) has been included.
- Permanent employees on roll do not include Badli Workers, Retainers, Advisors, Trainees and Contractual persons.

**For and on behalf of the Board of Directors**

Place: Kolkata  
 Date: 23rd May, 2019

**Hemant Kanoria**  
 Chairman  
 DIN: 00193015

## Annexure - IX

### STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULES 5(2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR 2018-19

Name of the Employee	Designation	Remuneration (₹)	Qualification	Experience (in years)	Date of commencement of employment	Age (in years)	Particulars of last employment held
List of top ten employees of the Company in terms of the remuneration drawn and names of every employee who was employed for throughout and/or part of the year and was in receipt of remuneration exceeding the limits laid down in the Companies Act, 2013							
<b>Mr. Raghav Raj Kanoria</b>	Managing Director	1,34,34,860	B.Com (Hons)	7	1st June, 2017	28	India Power Corporation (Bodhgaya) Limited, Whole-time Director
<b>Mr. Sanjeev Seth</b>	Chief Executive Officer	96,36,355	3+CTP Sr. Management Residential Programme, B.E. - Electrical	30	10th August, 2016	54	Reliance Infrastructures - BSES - Senior Vice President & Head Business
<b>Mr. Sushil Kumar Agarwal*</b>	Chief Financial Officer	78,62,653	CA, PGDM	27	30th September, 2016	50	M B Power (Madhya Pradesh) Limited, Chief Financial Officer & Senior Vice President - Finance & Accounts
<b>Mr. Somesh Dasgupta</b>	Group President	59,93,147	TQM Cert., MIE, PGDM (HRD), B.E. - Mech	33	15th November, 1985	58	NA
<b>Mr. Prashant Kumar Chaudhury*</b>	President - Business Development & Strategy	52,60,113	MBA, ICWA	23	3rd April, 2018	49	Essel Infraprojects Limited - Vice President - Distribution
<b>Mr. Rajat Vijay Seksaria*</b>	President - Renewable Business	51,16,878	B.E. (Electrical), MBA (Finance & Strategy)	14	1st August, 2018	39	India Power Green Utility Private Limited - President - Renewable Business
<b>Mr. Argha Ghosh</b>	Vice President - Audit & Risk	48,06,022	CISA, CA, ICWA, B.Com (Hons)	23	4th April, 2013	53	GMR Group, Associate Vice President, Management Assurance Group
<b>Mr. Amit Poddar**</b>	Chief Financial Officer	47,43,553	CA, B.Com (Hons)	18	29th February, 2012	42	Tata Teleservices Limited, Senior Manager
<b>Mr. Prashant Kapoor</b>	Company Secretary	44,84,169	CS, B.Com (Hons)	21	23rd July, 2015	47	BMA Wealth Creators Limited - Senior Vice President & Company Secretary
<b>Mr. Debashis Sarkar</b>	Vice President & Business Head - Distribution Business	41,86,252	B.E. (Electrical)	32	1st June, 2015	54	Ranchi Power Distribution Company Limited - Head - Operations & Maintenance

\*Employed for a part of the financial year 2018-19

\*\* Mr. Amit Poddar was appointed as Chief Financial Officer of the Company w.e.f. 5th February, 2019. Prior to the appointment, Mr. Amit Poddar was the Vice President - Finance & Accounts of the Company.



**Notes:**

- (1) Remuneration includes Basic Salary, House Rent Allowance, Medical Allowance, Special Allowance, One Time Payment, Conveyance Hiring Charges, Fixed Performance Incentive, Ex-gratia, Leave Travel Allowance, Provident Fund, Gratuity, Incentives and other Perquisites.
- (2) The Remuneration of Mr. Raghav Raj Kanoria doesnot include commission of ₹ 34,63,000/- paid to him during the financial year 2018-19 pertaining to the financial year 2017-18.
- (3) The nature of employment is permanent in all the above cases.
- (4) None of the employees, as stated above, is a relative of any Director of the Company, except Mr. Raghav Raj Kanoria (Managing Director) who is son of Mr. Hemant Kanoria (Non-Executive Director & Chairman).
- (5) None of the employees, as stated above, hold more than 2% of the equity shares of the Company, along with their spouse and dependent children.
- (6) Other disclosures in terms of Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 was not applicable to the Company for the financial year 2018-19.

**For and on behalf of the Board of Directors**

Place: Kolkata  
Date: 23rd May, 2019

**Hemant Kanoria**  
Chairman  
DIN: 00193015

**Annexure - X**

**FORM NO. MGT - 9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31st March, 2019**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I - REGISTRATION AND OTHER DETAILS**

i)	Corporate Identity Number (CIN)	L40105WB1919PLC003263
ii)	Registration Date	2nd July, 1919
iii)	Name of the Company	India Power Corporation Limited (formerly DPSC Limited)
iv)	Category / Sub-Category of the Company	Public Company - Limited by Shares
v)	Address of the Registered Office and contact details	Plot No. X1- 2 & 3, Block - EP, Sector - V, Salt Lake City, Kolkata – 700 091 Phone: 91 33 6609 4300/08/09/10 Fax: 91 33 2357 2452 Email: corporate@indiapower.com
vi)	Whether Listed Company	Yes
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	CB Management Services Private Limited P-22, Bondel Road, Kolkata- 700 019 Phone: 91 33 4011 6700, 2280 6692/93/94/2486 Fax: 91 33 2287 0263 E-mail: rta@cbmsl.com

**II - PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY****All the business activities contributing 10% or more of the total turnover of the Company**

Name and description of main products / services	NIC Code of the products / services	% to total turnover of the Company (On the basis of gross turnover)
Electricity Generation & Distribution	351	100

**III - PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	India Power Corporation Limited [Erstwhile] <sup>1</sup> "Vishwakarma" 86C, Topsia Road (South), Kolkata-700046, West Bengal, India	U40101WB2003PLC097340	Holding	53.00	2(46)
2	India Power Corporation (Bodhgaya) Limited Plot X1,2&3, Block-EP, Sector-V, Salt Lake, Kolkata -700091, West Bengal, India	U40109WB2013PLC197173	Subsidiary	100.00	2(87)(ii)
3	IPCL Pte Limited 30 Cecil Street, #19-08, Prudential Tower, Singapore - 049712	Not Applicable	Foreign Subsidiary	100.00	2(87)(ii)
4	Meenakshi Energy Limited 405, Saptagiri Towers, 1-10-75/1/1 To 6, Begumpet Secunderabad, Hyderabad- 500016, India	U40101TG1996PLC054239	Subsidiary	2.44	2(87)(ii)
5	India Uniper Power Services Private Limited Plot X1 - 2 & 3, Block-EP Sector-V Salt Lake City, Kolkata- 700091, West Bengal, India	U74999WB2016PTC216929	Subsidiary	50.00	2(87)(i)

<sup>1</sup> India Power Corporation Limited (CIN: U40101WB2003PLC097340) (hereinafter referred to as "erstwhile IPCL") has merged with DPSC Limited (now known as India Power Corporation Limited) on and from 24th May, 2013 pursuant to the Scheme of Arrangement and Amalgamation sanctioned by the Hon'ble High Court at Calcutta vide its Order dated 17th April, 2013. However, erstwhile IPCL continues to hold shares in the Company as certain clearance(s)/approval(s) in respect of allotment of shares to the shareholders of erstwhile IPCL pursuant to Scheme and cancellation of the shares held by erstwhile IPCL are pending from the Stock Exchanges.



## IV - SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### i) Category - wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2018)				No. of Shares held at the end of the year (as on 31.03.2019)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	579331667	-	579331667	59.49	579331667	-	579331667	59.49	-
e) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub - total (A)(1)	579331667	-	579331667	59.49	579331667	-	579331667	59.49	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A) (1)+(A)(2)	579331667	-	579331667	59.49	579331667	-	579331667	59.49	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / Financial Institutions	143750	1052480	1196230	0.12	143750	1052480	1196230	0.12	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	143750	1052480	1196230	0.12	143750	1052480	1196230	0.12	-

**(2) Non-Institutions**

<b>a) Bodies Corporate</b>	<b>3337749</b>	<b>4600</b>	<b>3342349</b>	<b>0.34</b>	<b>2355717</b>	<b>4600</b>	<b>2360317</b>	<b>0.24</b>	<b>(0.10)</b>
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	8225964	321117	8547081	0.88	7905028	1909104	9814132	1.01	0.13
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	377415824	2763157	380178981	39.04	378784138	1034310	379818448	39.01	(0.03)
<b>c) Others (specify)</b>									
i) NRIs	263612	-	263612	0.02	312268	-	312268	0.03	0.01
ii) PSU	34500	-	34500	0.01	29000	-	29000	0.00	(0.01)
iii) Clearing Members/ Clearing Corporations	62409	-	62409	0.01	1847	-	1847	0.00	(0.01)
iv) Investor Education and Protection Fund Authority–Ministry of Corporate Affairs	832811	-	832811	0.09	925731	-	925731	0.10	0.01
<b>Sub-total (B)(2)</b>	<b>390172869</b>	<b>3088874</b>	<b>393261743</b>	<b>40.39</b>	<b>390313729</b>	<b>2948014</b>	<b>393261743</b>	<b>40.39</b>	<b>-</b>
<b>Total Public Shareholding(B)=(B)(1)+(B)(2)</b>	<b>390316619</b>	<b>4141354</b>	<b>394457973</b>	<b>40.51</b>	<b>390457479</b>	<b>4000494</b>	<b>394457973</b>	<b>40.51</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>969648286</b>	<b>4141354</b>	<b>973789640</b>	<b>100.00</b>	<b>969789146</b>	<b>4000494</b>	<b>973789640</b>	<b>100.00</b>	<b>-</b>

**ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2018)			Shareholding at the end of the year (as on 31.03.2019)			% change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total Shares	
1	<b>India Power Corporation Limited [Erstwhile]</b>	516132374	53.00	40.00	516132374	53.00	40.00	-
2	<b>Aksara Commercial Private Limited</b>	63199293	6.49	-	63199293	6.49	-	-
<b>Total</b>		<b>579331667</b>	<b>59.49</b>	<b>40.00</b>	<b>579331667</b>	<b>59.49</b>	<b>40.00</b>	<b>-</b>

**iii) Change in Promoters' Shareholding**

Sl. No.	Name	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>1</b>	<b>India Power Corporation Limited [Erstwhile]</b>				
	At the beginning of the year	<b>516132374</b>	<b>53.00</b>		
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease	No change during the year			
	At the end of the year			<b>516132374</b>	<b>53.00</b>
<b>2</b>	<b>Aksara Commercial Private Limited</b>				
	At the beginning of the year	<b>63199293</b>	<b>6.49</b>		
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease	No change during the year			
	At the end of the year			<b>63199293</b>	<b>6.49</b>

**iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

Sl. No.	Name of the Shareholder <sup>1</sup>	Shareholding at the beginning of the year (as on 01.04.2018)		Date-wise increase/decrease in Shareholding during the year			Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares	% of total Shares of the Company	Date	Reason	No. of Shares	No. of Shares	% of total Shares of the Company
<b>1</b>	<b>Dipak Rudra</b> (Trustee of Power Trust)	<b>324053397</b>	<b>33.28</b>	24/08/2018	Sale	17513	324035884	33.28
				31/03/2019			324035884	33.28
<b>2</b>	<b>Chandana Poddar</b>	<b>42827150</b>	<b>4.40</b>	No change during the year			<b>42827150</b>	<b>4.40</b>
<b>3</b>	<b>Aum Capital Market Private Limited</b>	<b>3716420</b>	<b>0.38</b>	06/04/2018	Sale	5691	3710729	0.38
				22/06/2018	Buy	2038500	5749229	0.59
				29/06/2018	Sale	2011955	3737274	0.38
				06/07/2018	Buy	490	3737764	0.38
				13/07/2018	Sale	535	3737229	0.38
				20/07/2018	Buy	500	3737729	0.38
				27/07/2018	Sale	500	3737229	0.38
				17/08/2018	Buy	9172	3746401	0.38
				24/08/2018	Sale	9172	3737229	0.38
				31/08/2018	Buy	205600	3942829	0.40
				07/09/2018	Buy	100100	4042929	0.42
				14/09/2018	Buy	116200	4159129	0.43
				12/10/2018	Buy	635311	4794440	0.49
				16/11/2018	Buy	1134000	5928440	0.61
				21/12/2018	Buy	4500	5932940	0.61
				28/12/2018	Buy	4000	5936940	0.61
				31/12/2018	Buy	851000	6787940	0.70
				04/01/2019	Buy	3000	6790940	0.70
				11/01/2019	Buy	4500	6795440	0.70
				18/01/2019	Buy	4500	6799940	0.70
				25/01/2019	Buy	4112	6804052	0.70
				01/02/2019	Buy	5000	6809052	0.70



Sl. No.	Name of the Shareholder <sup>1</sup>	Shareholding at the beginning of the year (as on 01.04.2018)		Date-wise increase/decrease in Shareholding during the year			Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares	% of total Shares of the Company	Date	Reason	No. of Shares	No. of Shares	% of total Shares of the Company
				08/02/2019	Buy	6000	6815052	0.70
				15/02/2019	Buy	5500	6820552	0.70
				22/02/2019	Buy	4500	6825052	0.70
				01/03/2019	Buy	4000	6829052	0.70
				08/03/2019	Buy	3050	6832102	0.70
				15/03/2019	Buy	4500	6836602	0.70
				22/03/2019	Buy	4000	6840602	0.70
				29/03/2019	Buy	6000	6846602	0.70
				31/03/2019			<b>6846602</b>	<b>0.70</b>
<b>4</b>	<b>Jagdish Prasad Agarwala<sup>2</sup></b>	<b>2000000</b>	<b>0.21</b>	15/06/2018	Sale	2000000	<b>0</b>	<b>0.00</b>
				31/03/2019			<b>0</b>	<b>0.00</b>
<b>5</b>	<b>Vandana Bharrgava</b>	<b>1623950</b>	<b>0.17</b>	No change during the year			<b>1623950</b>	<b>0.17</b>
<b>6</b>	<b>Nirnay Khator</b>	<b>832911</b>	<b>0.09</b>	27/07/2018	Sale	100	832811	0.09
				28/09/2018	Buy	92920	925731	0.10
				31/03/2019			<b>925731</b>	<b>0.10</b>
<b>7</b>	<b>Bank of India</b>	<b>766130</b>	<b>0.08</b>	No change during the year			<b>766130</b>	<b>0.08</b>
<b>8</b>	<b>Rekha D Shah</b>	<b>538430</b>	<b>0.06</b>	No change during the year			<b>538430</b>	<b>0.06</b>
<b>9</b>	<b>Ashok Kumar Bhargav</b>	<b>527483</b>	<b>0.05</b>	13/04/2018	Buy	102517	630000	0.06
				20/07/2018	Buy	22678	652678	0.07
				27/07/2018	Buy	8045	660723	0.07
				03/08/2018	Buy	32919	693642	0.07
				02/11/2018	Buy	50000	743642	0.08
				31/03/2019			<b>743642</b>	<b>0.08</b>
<b>10</b>	<b>Infosoft Global Private Limited<sup>2</sup></b>	<b>500000</b>	<b>0.05</b>	13/04/2018	Sale	500000	<b>0</b>	<b>0.00</b>
				31/03/2019			<b>0</b>	<b>0.00</b>
<b>11</b>	<b>Manju Jain<sup>3</sup></b>	<b>414000</b>	<b>0.04</b>	No change during the year			<b>414000</b>	<b>0.04</b>
<b>12</b>	<b>Rekha R Vora<sup>3</sup></b>	<b>391000</b>	<b>0.04</b>	No change during the year			<b>391000</b>	<b>0.04</b>
<b>13</b>	<b>Rachel David<sup>3</sup></b>	<b>381570</b>	<b>0.04</b>	No change during the year			<b>381570</b>	<b>0.04</b>
<b>14</b>	<b>Salma Fakhruddin Khambati<sup>3</sup></b>	<b>376740</b>	<b>0.04</b>	No change during the year			<b>376740</b>	<b>0.04</b>

<sup>1</sup>. Based on PAN of the shareholders, their shareholding has been consolidated. Hence not comparable with the previous year.

<sup>2</sup>. During the year ceased to be in the list of top ten shareholders.

<sup>3</sup>. Not in the list of top 10 Shareholders as on 1st April, 2018. The same has been reflected above since the Shareholder was one of the top 10 shareholders as on 31st March, 2019.



**v) Shareholding of Directors and Key Managerial Personnel**

Sl. No.	Shareholding for each Director	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company

At the beginning of the year

Date-wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease

None of the Directors held shares in the Company during the financial year 2018-19

At the end of the year

Sl. No.	Shareholding for each Key Managerial Personnel	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company

At the beginning of the year

Date-wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease

None of the Key Managerial Personnel held shares in the Company during the financial year 2018-19

At the end of the year

**V INDEBTEDNESS**
**INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT**

(₹ in Lakhs)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>				
i) Principal Amount	54,630.11	10,000.10	-	64,630.21
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	414.20	-	-	414.20
<b>Total (i+ii+iii)</b>	<b>55,044.31</b>	<b>10,000.10</b>	<b>-</b>	<b>65,044.41</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	3,206.66	19,491.44	-	22,698.10
Reduction	29,662.07	22,500.10	-	52,162.17
<b>Net Change</b>	<b>(26,455.41)</b>	<b>(3,008.66)</b>	<b>-</b>	<b>(29,464.07)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	28,174.70	6,991.44	-	35,166.14
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	327.72	-	-	327.72
<b>Total (i+ii+iii)</b>	<b>28,502.42</b>	<b>6,991.44</b>	<b>-</b>	<b>35,493.86</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Mr. Raghav Raj Kanoria Managing Director <sup>1</sup>	Mr. Asok Kumar Goswami Whole-time-Director <sup>2</sup>	Total Amount
1	Gross Salary	120.23	30.59	<b>150.82</b>
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify [Employer's Contribution to Provident Funds]	10.08	1.01	<b>11.09</b>
<b>Total (A)</b>		<b>130.31</b>	<b>31.60</b>	<b>161.91</b>
<b>Ceiling as per the Act</b>		<b>10% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013</b>		

<sup>1</sup>. Commission of ₹ 34.63 Lakhs has been paid during the financial year 2018-19 pertaining to the financial year 2017-18.<sup>2</sup>. Resigned with effect from 30th March, 2019.**B. REMUNERATION TO THE OTHER DIRECTORS**

(₹ in Lakhs)

1. Independent Directors								
Sl. No.	Particulars of Remuneration	Name of Directors						
		Mr. Amit Kiran Deb	Mr. Nand Gopal Khaitan	Mr. Tantra Narayan Thakur	Mr. Debi Prasad Patra	Ms. Dipali Khanna	Mr. S Sundareshan <sup>2</sup>	Total Amount
1	Fee for attending Board/ Committee Meetings	1.90	1.60	0.95	1.45	0.50	0.70	7.10
2	Commission <sup>1</sup>	5.00	5.00	5.00	5.00	5.00	-	25.00
3	Others, please specify	-	-	-	-	-	-	-
Total B(1)		6.90	6.60	5.95	6.45	5.50	0.70	32.10
2. Other Non-Executive Directors								
Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount	
		Mr. Hemant Kanoria	Mr. Jyoti Kumar Poddar	Mr. Sunil Kanoria <sup>3</sup>				
1	Fee for attending Board/ Committee Meetings	2.40	2.45	0.10			4.95	
2	Commission <sup>1</sup>	-	-	-			-	
3	Others, please specify	-	-	-			-	
Total B(2)		2.40	2.45	0.10			4.95	
Total (B) = B(1) + B(2)							37.05	
Total Managerial Remuneration <sup>4</sup>							186.91	
Overall ceiling as per the Act		11% of the Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013						

<sup>1</sup>. Reflects the Commission for the financial year 2018-19 which will be paid to the Directors during the financial year 2019-20

Commission of ₹ 4.75 lakhs has been paid to each Independent Director and Mr. Jyoti Kumar Poddar, Non-Executive Director during the financial year 2018-19 pertaining to the financial year 2017-18. Commission of ₹ 0.38 lakhs has been paid to Mr. Hemant Kanoria and Mr. Sunil Kanoria during the financial year 2018-19 pertaining to the financial year 2017-18

<sup>2</sup>. Resigned with effect from 13th February, 2019<sup>3</sup>. Resigned with effect from 8th October, 2018<sup>4</sup>. Total Managerial Remuneration does not include sitting fees paid to the Directors for attending Board/Committee Meetings

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WT**

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total Amount
		Chief Executive Officer	Chief Financial Officer	Chief Financial Officer	Company Secretary	
		Mr. Sanjeev Seth	Mr. Sushil Kumar Agarwal <sup>1</sup>	Mr. Amit Poddar <sup>2</sup>	Mr. Prashant Kapoor	
1	Gross Salary	79.46	71.88	4.80	35.31	<b>191.45</b>
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify [Employer's Contribution to Provident Funds]	3.50	1.57	0.22	1.63	<b>6.92</b>
<b>Total</b>		<b>82.96</b>	<b>73.45</b>	<b>5.02</b>	<b>36.94</b>	<b>198.37</b>

<sup>1</sup>. Resigned with effect from close of business hours on 1st October, 2018

<sup>2</sup>. Appointed with effect from 5th February, 2019

**VII) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

There were no penalties/punishments/compounding of offence under any Sections of the Companies Act, 2013 against the Company or its Directors or other officers in default during the year ended 31st March, 2019.

**For and on behalf of the Board of Directors**

 Place: Kolkata  
 Date: 23rd May, 2019

**Hemant Kanoria**  
 Chairman  
 DIN: 00193015



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# Financial Statements



# INDEPENDENT AUDITOR'S REPORT

To  
 The Members of  
 India Power Corporation Limited (Formerly DPSC Limited)

## REPORT ON THE STANDALONE FINANCIAL STATEMENTS

### OPINION

We have audited the accompanying Standalone financial statements of India Power Corporation Limited (Formerly DPSC Limited) ('the Company'), which comprise the Balance Sheet as at 31 March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### KEY AUDIT MATTERS

Key audit matters (KAM) are those matters that, in our professional judgment were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters (KAM) –

Sl. No.	Key Audit Matter	Auditor's Response
1.	Beneficial interest In Power Trust amounting to ₹ 82,384.55 Lakhs considered as financial assets.  Refer Note – 9.2 of the Standalone financial statement.	The trust being an independent entity, value of the said asset (beneficial interest) as considered has been taken based on report of an independent firm of chartered accountants appointed by the Power Trust, and the same has been relied upon for the purpose of these accounts and our opinion there upon.

## INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including annexures to Director's Report, but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Based on the records, information and explanation provided, we have nothing to report in this regard.

## MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance



# INDEPENDENT AUDITOR'S REPORT

of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our

auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the Standalone financial statements may be influenced. We consider quantitative and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters, communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss (Including other comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

## INDEPENDENT AUDITOR'S REPORT

- d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant Rules issued thereunder;
- e) On the basis of the written representations received from the directors as on 31st March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

As per the information and explanation given to us and on the basis of our examination of the records, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to

the best of our information and according to the explanations given to us:

- i. Pending litigations (Other than those already recognised in the accounts) having material impact on the financial position of the Company have been disclosed in the Standalone financial statements as required in terms of the accounting standards and provisions of the Act. (Refer Note 43 of the Standalone financial statements)
- ii. The Company does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 000756N

Place: New Delhi  
Date: May 23, 2019

**Neeraj Bansal**  
Partner  
Membership No. 095960



## ANNEXURE – “A” TO THE INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF INDIA POWER CORPORATION LIMITED (FORMELY DPSC LIMITED)

**Report on the matters specified in paragraph 3 of the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 (“the Act”) as referred to in paragraph 1 of ‘Report on Other Legal and Regulatory Requirements’ section**

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its assets. In accordance with this programme, fixed assets were physically verified by the management during the reporting period and no material discrepancies were noticed on such verification;
- (c) According to the information, explanations and representations provided to us and based on documents produced to us for our verification, in our opinion, except in the following cases, title deeds of immovable properties are held in the name of the Company. Lease deed has been taken as the basis for verification in respect of leasehold land as well as self-constructed building thereupon.

### Building

Total number of cases	Gross Block as at 31.03.2019 (₹ in lakhs)	Net Block as at 31.03.2019 (₹ in lakhs)	Remarks
12 (TWELVE) CASES	166.67	140.32	These buildings have been constructed on land owned by others . (Refer note 5.2 of the Standalone financial statements)

- (ii) As explained to us the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on such physical verification.
- (iii) The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) (a) to (c) of the order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us , the Company has complied with the provisions of section 185 and 186 of the Act in respect of loans, investments, guarantees or securities, wherever transacted and applicable.
- (v) The Company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed records have been made and maintained. We, however, have not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- (vii) (a) According to information and explanations given to us and the records of the company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues except in case of Electricity Duty where Company has generally delayed in making payments to the appropriate authorities. There are no arrears of outstanding undisputed statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to information and explanations given to us and the records of the company examined by us, the dues outstanding in respect of income tax, sales tax, service tax, duty of customs, duty of excise, goods and service tax and cess as at 31 March 2019 on account of disputes are as follows:

Name of Statute	Nature of Dues	Amount (₹. In lakhs.)	Forum where dispute is pending	Period to which the amount relates
Finance Act , 1994	Service tax	21.49	Commissioner of service tax (Appeals)	FY 2008-2009 to F.Y. 2012-2013





## **ANNEXURE – “A” TO THE INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF INDIA POWER CORPORATION LIMITED (FORMERLY DPSC LIMITED)**

- (viii) The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) No money has been raised by way of initial public offer or further public offer (including debt instruments). Further, the term loans raised by the Company during the year were applied for the purpose for which they were obtained.
- (x) To the best of our knowledge and according to information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company, hence clause (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, and on the basis of our examination of the records, the company has transacted with the related parties which are in compliance with sections 177 and 188 of the Act and the details have been disclosed in the financial statements – Refer Note 46 to the Standalone financial statements.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence paragraph 3 (xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into non-cash transactions with directors or persons connected with the directors and therefore provisions of section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 000756N

Place: New Delhi  
Date: May 23, 2019

**Neeraj Bansal**  
Partner  
Membership No. 095960



## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDIA POWER CORPORATION LIMITED (FORMELY DPSC LIMITED)

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section**

We have audited the internal financial controls over financial reporting of India Power Corporation Limited (Formerly DPSC Limited) ("the Company") as at March 31, 2019 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of Management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 000756N

**Neeraj Bansal**

Partner

Membership No. 095960

Place: New Delhi  
Date: May 23, 2019



# BALANCE SHEET

as at 31st March, 2019

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	5	34,596.54	33,966.59
(b) Capital work in progress		6,781.05	3,818.14
(c) Intangible assets	6	192.88	151.08
(d) Financial assets			
(i) Investments	7.1	10,747.29	11,573.11
(ii) Loans	8	476.27	1,241.33
(iii) Other financial assets	9	82,543.18	82,151.68
(e) Other non - current assets	10	62.77	5,677.44
<b>Total Non-current assets</b>		<b>1,35,399.98</b>	<b>1,38,579.37</b>
<b>Current assets</b>			
(a) Inventories	11	929.92	935.58
(b) Financial assets			
(i) Investments	7.2	-	30.00
(ii) Trade receivables	12	5,191.92	5,585.34
(iii) Cash and cash equivalents	13	561.06	967.76
(iv) Other bank balances	14	1,795.66	1,563.28
(v) Loans	15	9,817.84	4,906.90
(vi) Other financial assets	16	24,562.14	52,381.00
(c) Other current assets	17	486.95	902.01
<b>Total Current assets</b>		<b>43,345.49</b>	<b>67,271.87</b>
<b>Regulatory deferral account debit balances</b>	18(a)	<b>12,563.66</b>	<b>9,958.46</b>
<b>Total Assets</b>		<b>1,91,309.13</b>	<b>2,15,809.70</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	19	9,737.90	9,737.90
(b) Other equity	20	1,00,584.35	98,339.78
(c) Share capital suspense account	4.1	6,041.43	6,041.43
<b>Total Equity</b>		<b>1,16,363.68</b>	<b>1,14,119.11</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	16,185.95	39,242.40
(ii) Trade payables	22		
1 Total outstanding dues of micro enterprise and small enterprise		-	-
2 Total outstanding of Creditors other than micro enterprise and small enterprise		5,220.03	3,608.54
(iii) Other financial liabilities	23	5,700.31	6,114.18
(b) Provisions	24	343.90	359.53
(c) Deferred tax liabilities (net)	25	4,681.33	4,839.71
(d) Other non - current liabilities	26	2,803.02	1,284.55
<b>Total Non-current liabilities</b>		<b>34,934.54</b>	<b>55,448.91</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	27	12,201.79	20,154.75
(ii) Trade payables	28		
1 Total outstanding dues of micro enterprise and small enterprise		55.16	15.54
2 Total outstanding of Creditors other than micro enterprise and small enterprise		3,073.15	4,244.38
(iii) Other financial liabilities	29	8,607.18	9,662.04
(b) Other current liabilities	30	5,479.75	2,842.42
(c) Provisions	31	1,605.35	1,459.39
(d) Current tax liabilities (net)		3,297.69	2,849.08
<b>Total Current liabilities</b>		<b>34,320.07</b>	<b>41,227.60</b>
<b>Regulatory deferral account credit balances</b>	18 (b)	<b>5,690.84</b>	<b>5,014.08</b>
<b>Total Equity and Liabilities</b>		<b>1,91,309.13</b>	<b>2,15,809.70</b>

Significant Accounting Policies and other accompanying notes (1-53) are an integral part of the financial statements.

As per our report on even date  
For **S.S. Kothari Mehta & Co**  
Chartered Accountants  
Firm Registration No. 000756N

For and on behalf of the Board

**Neeraj Bansal**  
Partner  
Membership No. 095960

**Raghav Raj Kanoria**  
Managing Director  
(DIN:07296482)

**Amit Kiran Deb**  
Director  
(DIN:02107792)

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

**Amit Poddar**  
Chief Financial Officer

**Prashant Kapoor**  
Company Secretary

**Sanjeev Seth**  
Chief Executive Officer



# STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2019

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>INCOME</b>			
Revenue from operations	32	52,329.66	48,111.35
Other income	33	2,536.21	2,362.89
<b>Total Income</b>		<b>54,865.87</b>	<b>50,474.24</b>
<b>EXPENSES</b>			
Cost of coal consumed	34	988.28	1,676.50
Energy purchase	35	32,652.69	25,209.13
Lease rent	36	3,252.76	4,388.96
Employee benefits expense	37	4,910.34	5,260.24
Finance costs	38	7,443.14	7,759.78
Depreciation and amortisation expense	39	1,612.40	1,680.13
Other expenses	40	3,153.30	2,639.72
<b>Total Expenses</b>		<b>54,012.91</b>	<b>48,614.46</b>
<b>Profit before rate regulated activities and tax</b>		<b>852.96</b>	<b>1,859.78</b>
Regulatory income/(expense) (net)	18 (c)	1,933.02	1,603.35
<b>Profit before tax</b>		<b>2,785.98</b>	<b>3,463.13</b>
<b>Tax expense:</b>	42		
Current tax		1,006.00	1,258.00
Deferred tax		(89.87)	70.69
<b>Profit for the year</b>		<b>1,869.85</b>	<b>2,134.44</b>
<b>Other Comprehensive Income</b>			
i) Items that will not be reclassified to profit & loss			
(a) Beneficial interest in Power Trust and equity instruments through other comprehensive income		496.63	0.21
(b) Remeasurement gains/(losses) on defined benefit plans		(196.06)	(185.60)
ii) Income tax on items that will not be reclassified to profit or loss		68.51	64.85
<b>Total Comprehensive Income for the year</b>		<b>2,238.93</b>	<b>2,013.90</b>
Earnings per equity share:	47		
Basic and Diluted including Regulatory income/(expense) (₹)		0.12	0.14
Basic and Diluted excluding Regulatory income/(expense) (₹)		0.04	0.07

Significant Accounting Policies and other accompanying notes (1-53) are an integral part of the financial statements.

As per our report on even date  
For [S.S. Kothari Mehta & Co](#)  
Chartered Accountants  
Firm Registration No. 000756N

For and on behalf of the Board

**Neeraj Bansal**  
Partner  
Membership No. 095960

**Raghav Raj Kanoria**  
Managing Director  
(DIN:07296482)

**Amit Kiran Deb**  
Director  
(DIN:02107792)

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

**Amit Poddar**  
Chief Financial Officer

**Prashant Kapoor**  
Company Secretary

**Sanjeev Seth**  
Chief Executive Officer



# STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2019



## A. Equity share capital and Share capital suspense account

Particulars	₹ in lakhs	
	Share capital	Share capital suspense account
<b>Balance as on 1st April, 2017</b>	<b>9,737.90</b>	<b>6,041.43</b>
Changes in equity share capital during the year 2017-18	-	-
<b>Balance as on 31st March, 2018</b>	<b>9,737.90</b>	<b>6,041.43</b>
Changes in equity share capital during the year 2018-19	-	-
<b>Balance as on 31st March, 2019</b>	<b>9,737.90</b>	<b>6,041.43</b>

## B. Other Equity

B. Other Equity										
Particulars	Reserve and Surplus						Items of Other Comprehensive Income		Total	
	Capital Reserve		Debt redemption reserve	General Reserve	Reserve for unforeseen exigencies fund	Reserve for unforeseen exigencies interest fund	Retained earnings	Re-measurement of the net defined benefit plans		
	Contribution from consumers towards service lines	Other capital reserve								
Balance as on 1st April, 2017	2,103.76	82.47	2,350.00	77,403.62	516.95	224.08	13,964.05	(519.29)	82.36	96,208.00
Profit for the year	-	-	-	-	-	-	2,134.44	-	-	2,134.44
Capital contribution received during the year	393.85	-	-	-	-	-	-	-	-	393.85
Dividend payments including dividend distribution tax	-	-	-	-	-	-	(275.97)	-	-	(275.97)
Transfer to/(from) retained earnings	-	-	-	-	100.30	58.89	(159.19)	-	-	-
Re-measurements of equity instruments	-	-	-	-	-	-	-	-	0.21	0.21
Re-measurements of the net defined benefit plans (net)	-	-	-	-	-	-	-	(120.75)	-	(120.75)
Balance as on 31st March, 2018	2,497.61	82.47	2,350.00	77,403.62	617.25	282.97	15,663.33	(640.04)	82.57	98,339.78
Profit for the year	-	-	-	-	-	-	1,869.85	-	-	1,869.85
Capital contribution received during the year	281.51	-	-	-	-	-	-	-	-	281.51
Dividend payments including dividend distribution tax	-	-	-	-	-	-	(275.87)	-	-	(275.87)
Transfer to/(from) retained earnings	-	-	-	-	103.75	63.42	(167.17)	-	-	-
Re-measurements of equity instruments	-	-	-	-	-	-	-	-	-	-
Re-measurements of the net defined benefit plans (net)	-	-	-	-	-	-	-	(127.55)	496.63	496.63
Balance as on 31st March, 2019	2,779.12	82.47	2,350.00	77,403.62	721.00	346.39	17,090.14	(767.59)	579.20	1,00,584.35

Refer to Note 20 for nature and purpose of reserves

Significant Accounting Policies and other accompanying notes (1-53) are an integral part of the financial statements.

As per our report on even date  
For **S.S. Kothari Mehta & Co**  
Chartered Accountants  
Firm Registration No. 000756N

For and on behalf of the Board

**Neeraj Bansal**  
Partner  
Membership No. 095960

**Raghav Raj Kanoria**  
Managing Director  
(DIN:07296482)

**Amit Kiran Deb**  
Director  
(DIN:02107792)

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

**Amit Poddar**  
Chief Financial Officer

**Prashant Kapoor**  
Company Secretary

**Sanjeev Seth**  
Chief Executive Officer



# CASH FLOW STATEMENT

for the year ended 31st March, 2019

(₹ in lakhs)

Particulars	Year ended 31st March, 2019		Year ended 31st March, 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit/(Loss) before Taxation		2,785.98	3,463.13
<b>Adjustments for:</b>			
Depreciation and amortisation expense	1,612.40		1,680.13
Allowance for bad and doubtful debts & others (net)	40.87		7.58
Interest expense	7,443.14		7,759.78
(Gain)/loss on sale of rights/assets (net)	(419.55)		6.70
Interest income on unwinding of financial instruments	(617.61)		(609.56)
Gain on mutual fund valuation	(9.46)		(3.58)
Lease rent	(2.73)		(2.73)
Adjustment for employee loan and security deposit	0.18		0.18
Income from Investments	(21.10)		(31.91)
Interest on deposit and others	(1,192.56)		(1,570.00)
Profit on sale of non current investment	(72.85)		-
Liability no longer required written back	(4,186.55)		(3,109.40)
Foreign exchange (gain)/loss	(15.99)		(26.44)
		2,558.19	4,100.75
<b>Operating Profit before Working Capital Changes</b>		<b>5,344.17</b>	<b>7,563.88</b>
<b>Adjustments for:</b>			
Decrease / (Increase) - Inventories	5.78		43.52
Decrease / (Increase) - Regulatory deferral account balances	(1,928.44)		(147.01)
Decrease / (Increase) - Trade and other receivables	361.89		359.56
Decrease / (Increase) - Deposits	(564.70)		1.73
Decrease / (Increase) - Other financial assets	358.66		(126.89)
Decrease / (Increase) - Other assets	5,940.83		(657.16)
Increase / (Decrease) - Trade payables	4,482.72		200.23
Increase / (Decrease) - Other financial liabilities	(2,488.50)		538.47
Increase / (Decrease) - Financial liabilities	2,931.64		(1,183.88)
		9,099.88	(971.43)
<b>Cash Generated from Operations</b>		<b>14,444.05</b>	<b>6,592.45</b>
Direct Taxes Paid		(557.39)	(259.67)
<b>Net Cash flow from/(used in) Operating Activities</b>		<b>13,886.66</b>	<b>6,332.78</b>

# CASH FLOW STATEMENT

for the year ended 31st March, 2019

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for purchase of property, plant and equipment	(4,631.96)	(2,886.66)
Proceeds from disposal of property, plant and equipment	83.15	1.34
Proceeds from sale of investments in subsidiaries	600.66	-
Proceeds from sale of others non current investments	28,950.50	180.00
Purchase of non current investments	-	(4,523.38)
Interest received on fixed deposits and loans	447.19	1,718.30
Proceeds from earmarked deposits with bank	(22.34)	4,789.40
<b>Net Cash flow from/(used in) Investing Activities</b>	<b>25,427.20</b>	<b>(721.00)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loan to body corporates (net)	(3,565.06)	(3,825.04)
Proceeds from borrowings - non current	6,991.44	693.68
Repayment of borrowing - non current	(28,502.55)	(3,944.21)
Movement in cash credit facilities (net)	4,547.14	(974.64)
Proceeds from borrowings - current	-	10,000.10
Repayment of borrowings - current	(12,500.10)	(200.00)
Dividend paid (including tax on dividend)	(275.87)	(185.36)
Interest paid	(6,415.56)	(6,991.37)
<b>Net Cash flow from/(used in) Financing Activities</b>	<b>(39,720.56)</b>	<b>(5,426.84)</b>
Net increase/(decrease) in Cash and Cash Equivalents	(406.70)	184.94
Cash and Cash Equivalents at the beginning of the year (Refer Note 13)	967.76	782.82
Cash and Cash Equivalents at the closing of the year (Refer Note 13)	561.06	967.76

## Changes in Liability arising from financing activities

(₹ in lakhs)

Particulars	As at 1st April 2018	Cash Flow	Impact of effective interest rate	As at 31st March, 2019
Borrowing Non Current (Refer Note 21)	44,351.36	(21,511.11)	(1,242.24)	21,598.01
Borrowing Current (Refer Note 27)	20,154.75	(7,952.96)	-	12,201.79

Significant Accounting Policies and other accompanying notes (1-53) are an integral part of the financial statements.

As per our report on even date  
For **S.S. Kothari Mehta & Co**  
Chartered Accountants  
Firm Registration No. 000756N

For and on behalf of the Board

**Neeraj Bansal**  
Partner  
Membership No. 095960

**Raghav Raj Kanoria**  
Managing Director  
(DIN:07296482)

**Amit Kiran Deb**  
Director  
(DIN:02107792)

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

**Amit Poddar**  
Chief Financial Officer

**Prashant Kapoor**  
Company Secretary

**Sanjeev Seth**  
Chief Executive Officer



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 1. CORPORATE INFORMATION

India Power Corporation Limited is domiciled and incorporated in India and its shares are quoted on National Stock Exchange of India Limited (NSE) and Metropolitan Stock Exchange of India Limited (MSEI). The Registered Office of the Company is at Plot X1 2&3, Block -EP, Sector-V, Saltlake City, Kolkata- 700091.

During the year the Company has voluntarily delisted its equity shares from Calcutta Stock Exchange with effect from 14th August, 2018.

The Company is engaged in thermal power generation in the State of West Bengal and wind power generation in the State of Gujarat, Karnataka and Rajasthan. It is licensed to distribute power in and around Asansol region including the area covered under Asansol Municipal Corporation in the State of West Bengal.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) as prescribed under section 133 of the Companies Act 2013 ("the Act") ("to the extent notified") and the Regulations issued from time to time by "West Bengal Electricity Regulatory Commission" (WBERC) under the Electricity Act, 2003 (Tariff Regulations). Ind AS are prescribed under section 133 of the Act read with rule 3 of The Companies (Indian Accounting Standard) Rules 2015 and the relevant amendment rules issued there after.

Accounting Policy has been consistently applied except where a newly introduced Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

### 2.2 Recent pronouncements

**Ind AS 116, Leases:** On 30th March 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for the adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition :

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as :

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at the lessee's incremental borrowing rate at the date of initial application, or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

The Company is currently evaluating the impact on account of implementation of Ind AS 116.

**Ind AS 12 Appendix C: Uncertainty over income tax treatments:** On 30th March, 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition :

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight, and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

The Company is currently evaluating the impact on account of implementation of Ind AS 12. The effect on adoption of Ind AS 12 is expected to be insignificant.

**Ind AS 12, Income Taxes :** On 30th March, 2019, the Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, Income Taxes, in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit



# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The Company does not have any impact on account of this amendment.

**Amendment to Ind AS 19, plan amendment, curtailment or settlement :** On 30th March, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity :

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in statement of profit and loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

## 2.3 Basis of Preparation

The financial statements have been prepared on historical cost convention on accrual basis except for certain financial instruments, that are measured in terms of relevant Ind AS at fair value/amortised cost at the end of each reporting period, as explained in accounting policy below. Historical cost convention is generally based on fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

## 2.4 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.
- Level 3 : inputs for the asset or liability which are not based on observable market data.

## 2.5 Property, Plant and Equipment (PPE)

- Freehold land is carried at historical cost. All other items of PPE are stated at their cost of acquisition or construction and is net of accumulated depreciation. Carrying value of PPE on the date of transition has been considered to be deemed cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.
- All project related expenses viz. civil works, machinery under erection, construction and erection materials, pre-operative expenditure net of revenue incidental / attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations are shown under Capital Work -In-Progress (CWIP).
- Depreciation on property plant and equipment commences when the assets are ready for their intended use.
- Depreciation on PPE is provided on the straight-line method at the rates specified in the Tariff Regulation for regulated assets and for others on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013. The useful life of assets considered for depreciation as above are as follows:

Category	Useful life (years)
Building	15 to 50
Plant & Equipment	5 to 25
Mains, meters & transformers	7 to 35
Vehicles	5 to 10
Furniture & fixtures	7 to 15
Office equipments	7 to 15

- The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.
- Cost of leasehold lands are amortised under the straight line method over the related lease period.
- Assets constructed/acquired in relation to assets taken on operating lease are amortised over the primary period of lease.



# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 2.6 Intangible Assets

### *Recognition and initial measurement*

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amount of amortization and impairment losses. Such assets are amortised over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Accordingly, cost of computer software packages (ERP and others) has been amortised over a period of 5 years on straight line basis.

## 2.7 Derecognition of Tangible and Intangible Assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

## 2.8 Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the Statement of Profit and Loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

## 2.9 Leases

Leases are classified as finance leases whenever in terms of the lease all the risks and rewards incidental to the ownership of an asset are substantially transferred to the Company. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Any initial direct cost of the lessee is added to the amount recognized as an asset. Each Lease payment is apportioned between finance charge and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognized as expenses on a straight-line basis over the term of the lease unless the lease arrangement are structured to increase in the payments in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

## 2.10 Financial Assets and Financial Liabilities

Financial assets and financial liabilities (together known as financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the Company or otherwise these are classified as non current.

The financial instruments are classified to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) and such classification depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

### (i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

### (ii) Financial Assets and Financial Liabilities measured at amortized cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

## (iii) **Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, the principal is considered to be fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

## (v) **Financial Assets or Liabilities at Fair value through profit or loss (FVTPL)**

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the Statement of Profit and Loss.

## 2.11 Financial guarantee contracts

Financial guarantee contracts other than those which are in the nature of Insurance are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortization.

## 2.12 Impairment of Financial Assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial

recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

## 2.13 De-recognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in Statement of Profit and Loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

## 2.14 Inventories

Inventories are valued at lower of cost or net realisable value.

Cost is calculated on weighted average basis and includes expenditure incurred for bringing such inventories to their present location and condition. Adjustments in the carrying amount of obsolete, defective and slow moving items as may be identified at the time of physical verification is made where appropriate, to cover any eventual loss on their ultimate realisation.

## 2.15 Foreign Currency Transactions

### **Presentation currency:**

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

### **Transactions and balances:**

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

year are recognized as income or expense in the statement of profit and loss. Foreign exchange gain/loss to the extent considered as an adjustment to interest cost are considered as part of borrowing cost.

## 2.16 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent Assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

## 2.17 Post-employment, non-current and current employee benefits

### Defined contribution plans Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### Defined benefit plans Gratuity (Funded)

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statement in respect of gratuity is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to Other Comprehensive Income in the year in which such gains or losses are determined.

### Superannuation (Funded)

The Company's superannuation scheme, a defined benefit plan, covers certain category of employees and is administered through a trust fund. Investments of the fund are managed by LIC. Upon retirement, death or cessation of employment Superannuation Fund purchases annuity policies in favour of vested employees or their spouses to secure periodic pension. Such superannuation benefits are based on respective employee's tenure of employment and salary.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to Other Comprehensive Income in the year in which such gains or losses are determined.

The fund has been discontinued during the year on account of retirement of the sole beneficiary covered under the scheme.

### Lump sum payment (Unfunded)

The Company has a defined benefit plan which covers certain categories of employees for providing a lump sum amount at various scales to the vested employee or his nominee upon retirement, death or cessation of service based on tenure of employment. Vesting occurs upon completion of 20 years of service.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged Other Comprehensive Income in the year in which such gains or losses are determined.

### Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

### Current Employee Benefits

Recognised at the undiscounted amount as expense for the year in which the related service is provided.

### Voluntary Retirement Scheme

Expenditure on voluntary retirement scheme (VRS) is being charged to Statement of Profit and Loss as incurred.



# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 2.18 Revenue Recognition

Revenue from contracts with customers is recognised on supply of electricity or when services are rendered to the customers at an amount that reflects the consideration to which the Company is entitled under appropriate regulatory framework.

Revenue to be earned from sale of electricity supplied from regulated business is accounted for on basis of billing to consumers at rates approved by WBERC and are net of rebates and do not include electricity duty collected from consumers and payable to the State Government.

Sale of energy other than above is billed and accounted for at rates agreed with respective consumers.

Regulatory income and expense for the year recognised as per Regulations issued by WBERC are shown separately in the Statement of Profit and Loss.

## 2.19 Interest, Dividend and Claims

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Insurance claims/ other claims are accounted as and when admitted / settled.

## 2.20 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

## 2.21 Income Tax

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Taxable income differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense taxable on the basis different than that considered for recognition in the accounts and also due to the items that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between

the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

## 2.22 Earnings per equity share

Basic earnings per share including regulatory income/expense is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

Basic earnings per share excluding regulatory income/expense is calculated by dividing the net profit or loss for the period before regulatory income/expense attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share including regulatory income/expense, the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share excluding regulatory income/expense, the net profit or loss for the period before regulatory income/expense attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 2.23 Regulatory assets and liabilities

Regulatory assets and liabilities shown as Regulatory deferral account balance are recognised based on process defined in Tariff Regulations issued by WBERC. Any adjustment there of are recognised in the year in which order of WBERC are received. It includes amount recoverable from/ refundable to consumers on account of Fuel and Power Purchase Cost Adjustment (FPPCA), and other adjustments based on tariff regulations and orders. Consequential adjustments are given effect to upon confirmation by the relevant authorities.

## 3. CRITICAL ACCOUNTING JUDGEMENTS, ASSUMPTIONS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amount of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amount of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions and other key sources of estimation and uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year have also been discussed below:

### (a) Regulatory Deferral Account Balances

Regulatory deferral account balance consists of Fuel and Power Purchase Cost Adjustment (FPPCA) and other accruals as per the tariff Regulation as recognised in the accounts have been considered on the basis of available tariff order and as per the norms and formula prescribed in the regulations; this may vary requiring adjustments on determination by the regulator.

### (b) Fair Valuation of financial assets - Beneficial Interest in Power Trust

Beneficial interest in Power Trust have been evaluated and considered based on the valuation of underlying securities and the projected inflows of the investee entities as estimated by the respective management and evaluated by an independent valuer. Variation arising with respect to actual numbers in future may require adjustment effecting other comprehensive income.

### (c) Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes. Accordingly, such provision has been made considering concession/allowances including those based on expert advice/judicial pronouncements.

### (d) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations as it is not possible to predict the outcome of pending matters with accuracy.

### (e) Impairment loss on trade receivables

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment loss as a result of the inability of the debtors to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable vary, it may effect the amount of actual write-offs as estimated.

### (f) Determining whether an arrangement contain leases and classification of leases

The determination of lease and classification of the service/ hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

### (g) Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the DBO amount and the annual defined benefit expenses.

## 4. AMALGAMATION OF INDIA POWER CORPORATION LIMITED

Pursuant to the scheme of arrangement and amalgamation ('the scheme') sanctioned by the Hon'ble Calcutta High Court vide its order dated 17th April, 2013, erstwhile India Power Corporation Limited (IPCL), has been amalgamated with the Company with effect from 1st October 2011 (the appointed date). The scheme was therefore given effect to in the financial statements for the year ended 31st March 2013.

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 4.1 Consequent to the amalgamation as above:

The shareholders of erstwhile IPCL (the Transferor Company) are entitled to 11 equity shares of the Company (the Transferee Company) against every 100 equity shares held by them. Accordingly 1,12,02,75,823 equity shares of ₹ 1 each of the Company aggregating to ₹ 11,202.75 lakhs are to be issued to the shareholders of erstwhile IPCL. Erstwhile IPCL being the Amalgamating/Transferor Company, its shareholding of 51,61,32,374 equity shares of ₹ 1 each aggregating to ₹ 5,161.32 lakhs in the Company shall stand cancelled in terms of the scheme approved by the High Court leaving 38,95,15,856 equity shares held by Power Trust. The above referred allotment and cancellation has not been given effect due to certain pending clearance(s)/approval(s) from the Stock Exchanges in view of interim order relating to minimum public shareholding passed by SEBI. Pending this, a net amount of ₹ 6,041.43 lakhs, being the differential amount with respect to the equity shares to be allotted and to be cancelled as stated herein above, has continued to be shown as share capital suspense account.

In terms of the Orders dated 27th January, 2017, 25th August, 2017 and 18th May, 2018 of Hon'ble Calcutta High Court, Power Trust transferred/sold off through Offer for Sale 6,54,79,972 equity shares of the Company including 17,513 shares sold during the year. Therefore, Power Trust as on 31st March, 2019 holds 32,40,35,884 equity shares of the Company.

**4.2** In terms of the scheme, the Reserves arising pursuant to amalgamation constitutes free reserves available to the amalgamated company for such purpose including but not limited to declaration of dividend, issuance of Bonus shares etc. as the Board of Directors of the amalgamated Company may consider appropriate. Accordingly as per the Board resolution, the reserve of ₹ 20,079.84 lakhs arising on amalgamation has been shown under the General Reserve of the Company.

**4.3** Pursuant to the Scheme, the name of the Company has been changed to India Power Corporation Limited with effect from 27th August, 2013.

## 5 PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Mains, Meters and Transformers	Furniture and Fixtures	Office Equipment	Vehicles	Total
<b>Gross carrying value as at 1st April, 2017</b>	<b>288.20</b>	<b>1,417.83</b>	<b>5,989.16</b>	<b>6,712.04</b>	<b>22,377.95</b>	<b>176.32</b>	<b>391.74</b>	<b>94.94</b>	<b>37,448.18</b>
Addition	-	-	305.90	94.17	806.56	11.08	39.45	162.65	1,419.81
Disposal	-	-	-	-	20.37	0.29	11.02	2.71	34.39
Adjustments	-	-	-	-	-	-	-	-	-
<b>Gross carrying value as at 31st March, 2018</b>	<b>288.20</b>	<b>1,417.83</b>	<b>6,295.06</b>	<b>6,806.21</b>	<b>23,164.14</b>	<b>187.11</b>	<b>420.17</b>	<b>254.88</b>	<b>38,833.60</b>
Addition	-	228.58	272.60	-	1,746.80	9.48	28.14	-	2,285.60
Disposal	-	-	-	-	7.62	-	2.76	86.18	96.56
Adjustments	-	-	-	-	-	0.59	(0.59)	-	-
<b>Gross carrying value as at 31st March, 2019</b>	<b>288.20</b>	<b>1,646.41</b>	<b>6,567.66</b>	<b>6,806.21</b>	<b>24,903.32</b>	<b>197.18</b>	<b>444.96</b>	<b>168.70</b>	<b>41,022.64</b>
<b>Accumulated depreciation as at 1st April, 2017</b>	-	<b>47.55</b>	<b>596.65</b>	<b>546.76</b>	<b>1,859.00</b>	<b>34.99</b>	<b>97.76</b>	<b>45.93</b>	<b>3,228.64</b>
Charge for the period	-	24.47	278.55	276.98	968.73	17.83	47.35	35.08	1,648.99
Disposal	-	-	-	-	2.58	0.06	5.99	1.99	10.62
<b>Accumulated depreciation as at 31st March, 2018</b>	-	<b>72.02</b>	<b>875.20</b>	<b>823.74</b>	<b>2,825.15</b>	<b>52.76</b>	<b>139.12</b>	<b>79.02</b>	<b>4,867.01</b>
Charge for the period	-	26.40	195.07	276.94	992.54	18.35	42.92	28.04	1,580.26
Disposal	-	-	-	-	1.09	-	2.07	18.01	21.17
<b>Accumulated depreciation as at 31st March, 2019</b>	-	<b>98.42</b>	<b>1,070.27</b>	<b>1,100.68</b>	<b>3,816.60</b>	<b>71.11</b>	<b>179.97</b>	<b>89.05</b>	<b>6,426.10</b>
Net carrying value as at 31st March, 2018	288.20	1,345.81	5,419.86	5,982.47	20,338.99	134.35	281.05	175.86	33,966.59
<b>Net carrying value as at 31st March, 2019</b>	<b>288.20</b>	<b>1,547.99</b>	<b>5,497.39</b>	<b>5,705.53</b>	<b>21,086.72</b>	<b>126.07</b>	<b>264.99</b>	<b>79.65</b>	<b>34,596.54</b>

**5.1** The Company has elected to continue with the carrying value of its Property, Plant & Equipment (PPE) as on April 1, 2015 (transition date) measured as per previous GAAP and used that carrying value as its deemed cost.

**5.2** Gross Block and Net Block of buildings includes ₹ 166.67 lakhs and ₹ 140.32 lakhs (₹ 166.67 lakhs and ₹ 146.92 lakhs as on March 31, 2018) respectively being building constructed on land not owned by the Company.



## NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

**5.3** Refer note 21 & 27 for charge against PPE.

**5.4** Refer note 16.1 for disposal of Chinakuri Power Plant.

### 6 INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Software
<b>Gross carrying value as at 1st April, 2017</b>	<b>280.91</b>
Additions	87.96
Disposal	-
Adjustments	-
<b>Gross carrying value as at 31st March, 2018</b>	<b>368.87</b>
Additions	73.94
Disposal	-
Adjustments	-
<b>Gross carrying value as at 31st March, 2019</b>	<b>442.81</b>
<b>Accumulated depreciation as at 1st April, 2017</b>	<b>186.65</b>
Charge for the period	31.14
Disposal	-
<b>Accumulated depreciation as at 31st March, 2018</b>	<b>217.79</b>
Charge for the period	32.14
Disposal	-
<b>Accumulated depreciation as at 31st March, 2019</b>	<b>249.93</b>
Net carrying value as at 31st March, 2018	151.08
<b>Net carrying value as at 31st March, 2019</b>	<b>192.88</b>

### 7.1 NON-CURRENT INVESTMENTS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018	Face value (₹)	As at 31st March, 2019	As at 31st March, 2018
	(No.)	(No.)			
<b>Investment in equity instruments</b>					
<b>Fully paid up Equity Shares</b>					
<b>Unquoted, Carried at Cost</b>					
<b>Investment in Subsidiary Companies</b>					
India Power Corporation (Bodhgaya) Limited	1,00,000	1,00,000	10	10.00	10.00
IPCL Pte. Ltd. (Face value of SGD 1/- each)	12,000	12,000		5.94	5.94
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	-	52,00,000	10	-	520.00
India Power Green Utility Private Limited	-	1,10,000	10	-	11.00
Meenakshi Energy Limited	10,02,34,109	3,91,17,40,618	10	10,023.41	10,023.41
<b>Investment in Joint venture Companies</b>					
Matsya Shipping & Ports Private Limited	-	5,000	10	-	0.50
India Uniper Power Services Private Limited	35,25,000	35,25,000	10	352.50	352.50
<b>Investment in Other Body Corporate</b>					
<b>Carried at Fair value through Other Comprehensive Income</b>					



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 7.1 NON-CURRENT INVESTMENTS (CONTD.)

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018	Face value (₹)	As at 31st March, 2019	As at 31st March, 2018
	(No.)	(No.)			
<b>Quoted</b>					
Yule Financing & Leasing Co. Limited	2,97,930	2,97,930	10	-	-
Tide Water Oil Co. (I) Limited	-	4,024	5	-	245.36
<b>Unquoted</b>					
Transformer & Switchgear Limited	24,407	24,407	10	-	-
WEBFIL Limited	20,03,800	20,03,800	10	-	-
Woodlands Multispecialty Hospital Limited	500	500	10	0.05	0.05
Tuticorin Electricity Supply Private Limited (formerly known as India Power Corporation (Tuticorin) Private Limited)	-	3,87,600	10	-	40.54
<b>Investment in Debenture</b>					
<b>Fully Paid up Debentures</b>					
<b>Investment in Other Body Corporate</b>					
<b>Carried at Fair value through Other Comprehensive Income</b>					
18.00% Unsecured optionally fully convertible debentures of OSD Coke (Consortium) Private Limited	2,500	2,500	100	2.50	2.50
<b>Investment for Unforeseen Exigencies Reserve</b>					
<b>Carried at amortised cost</b>					
<b>Quoted - Bonds</b>					
9.05% Corporation Bank, 2019	3	3	10,00,000	30.00	30.00
11.05% IOB, 2018	-	2	10,00,000	-	20.00
9.20% Bank of Baroda Perpetual bonds, 2019	3	3	10,00,000	30.00	30.00
9.18% PFC, 2021	4	4	10,00,000	39.56	39.56
11.40% SREI IFL, 2022	2	2	10,00,000	19.99	19.99
10.50% SIFL, 2020	1	1	10,00,000	9.75	9.75
<b>Carried at Fair value through Profit and loss</b>					
<b>Quoted- Mutual Funds</b>					
UTI-GILT Advantage fund long term plan-Dividend payout	6,39,645	6,39,645	10	162.24	151.22
<b>Investment for Unforeseen Exigencies Reserve Interest</b>					
<b>Quoted - Bonds</b>					
<b>Carried at amortised cost</b>					
11.40% SREI IFL, 2022	2	2	10,00,000	19.99	19.99
10.50% SIFL, 2020	1	1	10,00,000	9.76	9.76
8.30% GOI 2040 Bond	3,000	3,000	100	2.92	2.92
<b>Carried at Fair value through Profit and loss</b>					
<b>Quoted- Mutual Funds</b>					
UTI Balanced Fund (Income Re-investment) Scheme	1,04,078	96,465	10	28.68	28.12
<b>Total</b>				<b>10,747.29</b>	<b>11,573.11</b>



# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 7.1 NON-CURRENT INVESTMENTS (CONTD.)

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018	Face value (₹)	As at 31st March, 2019	As at 31st March, 2018
Aggregate amount of Quoted Investments				352.89	606.67
Aggregate Market Value of Quoted Investments				350.47	605.58
Aggregate amount of Unquoted Investments				10,394.40	10,966.44

## 7.2 CURRENT INVESTMENTS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018	Face value (₹)	As at 31st March, 2019	As at 31st March, 2018
	(No.)	(No.)			
<b>Investment for Unforeseen Exigencies Reserve</b>					
<b>Carried at amortised cost</b>					
<b>Quoted - Bonds</b>					
11.00% PFC, 2018	-	3	10,00,000	-	30.00
<b>Total</b>				-	<b>30.00</b>
Aggregate amount of Quoted Investments				-	30.00
Aggregate Market Value of Quoted Investments				-	31.22

**7.3** 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 SBICAP Trustee Company Limited (SBI CAP) on behalf of the lenders of the 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.

Based on Company's holding of equity shares with differential voting rights in MEL and the Company challenging the invocation of pledge, MEL has been continued to be considered as subsidiary of the Company.

**7.4** The Company has disinvested its equity stake in IPCL Power Trading Private Limited (now known as Saranyu Power Trading Private Limited) and India Power Green Utility Private Limited and accordingly these companies have ceased to be subsidiary of the Company with effect from 17th September, 2018.

**7.5** The Company has disinvested its equity stake in Matsya Shipping & Ports Private Limited and accordingly it has ceased to be a Joint Venture of the Company with effect from 26th February, 2019.

## 7.6 Statement of investment in Subsidiaries and Joint ventures

### (a) Investment in Subsidiaries

Name of the Company	Country of Incorporation	% of holding as at 31st March 2019	% of holding as at 31st March 2018
India Power Corporation (Bodhgaya) Limited	India	100.00	100.00
IPCL Pte. Ltd.	Singapore	100.00	100.00
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	India	-	99.81
India Power Green Utility Private Limited	India	-	100.00
Meenakshi Energy Ltd (refer note no. 7.3)	India	2.44	95.19

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 7.6 Statement of investment in Subsidiaries and Joint ventures (Contd.)

### (b) Investment in Joint ventures

Name of the Company	Country of Incorporation	% of holding as at 31st March 2019	% of holding as at 31st March 2018
Matsya Shipping & Ports Private Limited	India	-	50.00
India Uniper Power Services Private Limited	India	50.00	50.00

## 8 NON-CURRENT FINANCIAL ASSET - LOANS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Unsecured Considered Good unless otherwise stated</b>			
<b>Carried at amortised cost</b>			
Deposits		0.44	0.40
Loan to Related Parties	8.1	474.15	1,239.14
Advances to employees		1.68	1.79
<b>Total</b>		<b>476.27</b>	<b>1,241.33</b>

## 8.1 Disclosure pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
i) Loans to Subsidiary company		
- India Power Corporation (Bodhgaya) Limited		
Outstanding balance	2,229.71	272.12
Maximum Amount due during the year	3,774.05	1,538.00
- IPCL Pte. Ltd.		
Outstanding balance	474.15	418.64
Maximum Amount due during the year	489.32	418.64
- India Power Green Utility Private Limited		
Outstanding balance	-	820.50
Maximum Amount due during the year	1,062.77	852.78
- Meenakshi Energy Limited		
Outstanding balance	3,094.42	3,069.00
Maximum Amount due during the year	3,194.42	13,117.40
- Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)		
Outstanding balance	-	-
Maximum Amount due during the year	-	2,230.00
ii) Advance to subsidiary company		
- Meenakshi Energy Limited		
Outstanding balance	-	25.42
Maximum Amount due during the year	25.42	114.34
- Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)		



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 8.1 Disclosure pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Contd.)

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Outstanding balance	-	169.61
Maximum Amount due during the year	2,105.56	1,232.45
iii) Loans to Joint Venture Companies		
- Matsya Shipping & Ports Private Limited		
Outstanding balance	-	5.00
Maximum Amount due during the year	5.00	5.00
iv) Advance to Joint Venture Companies		
- India Uniper Power Services Private Limited		
Outstanding balance	-	-
Maximum Amount due during the year	-	17.04

## 9 NON-CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Carried at amortised cost</b>			
Fixed Deposit with banks having maturity of more than 12 Months	9.1	158.63	279.84
<b>Carried at fair value through other comprehensive income</b>			
Beneficial interest in Power Trust	9.2	82,384.55	81,871.84
<b>Total</b>		<b>82,543.18</b>	<b>82,151.68</b>

9.1 (a) Includes ₹ 2.51 lakhs (₹ 22.11 lakhs as on 31st March, 2018) kept as margin money with bank and ₹ 111.12 lakhs (₹ 257.73 lakhs as on 31st March, 2018) kept with bank as lien against repayment of term loans.

(b) Includes ₹ 45 lakhs (₹ Nil as on 31st March, 2018) being investment against Unforeseen exigencies fund.

9.2 Beneficial interest in Power Trust 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 (refer note 4). 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 required in terms of Ind AS 109 has been carried out by an independent firm of chartered accountant and the resultant increase of ₹ 512.71 lakhs (decrease of ₹ 6.20 lakhs as on 31st March, 2018) in value thereof, has been adjusted from other comprehensive income.

## 10 OTHER NON-CURRENT ASSETS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Advance against goods, services &amp; Others</b>			
<b>Unsecured Considered Good unless otherwise stated</b>			
Prepaid Expenses		12.77	4.74
Capital Advance		50.00	262.82
Advance Others	41	-	1,204.33
Long term Deposit	41	-	4,205.55
<b>Total</b>		<b>62.77</b>	<b>5,677.44</b>



# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 11 INVENTORIES

(At lower of cost or net realisable value)

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Coal	85.04	313.33
Stores and spares	842.73	619.15
Loose tools	2.15	3.10
<b>Total</b>	<b>929.92</b>	<b>935.58</b>

11.1 Refer note 27 for charge against inventories.

## 12 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Secured</b>			
Considered good	12.1	1,297.46	1,430.42
<b>Total Secured</b>		<b>1,297.46</b>	<b>1,430.42</b>
<b>Unsecured</b>			
Considered good		3,894.46	4,154.92
Considered doubtful		35.42	91.81
		3,929.88	4,246.73
Less: Allowance for bad and doubtful debt	12.4	35.42	91.81
<b>Total Unsecured</b>		<b>3,894.46</b>	<b>4,154.92</b>
<b>Total</b>		<b>5,191.92</b>	<b>5,585.34</b>

12.1 Secured by security deposits received from the respective consumers.

12.2 The Company extends credit to consumers in normal course of business as per Regulation issued by West Bengal Electricity Regulatory Commission for regulatory business and as per Power Purchase Agreements (PPA) entered with DISCOMs for non regulatory business. Consumer's outstanding balances are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivable as low as outstanding from non regulatory business is covered with PPA with government undertakings and in case of regulated business outstanding are as governed by rate regulated body of the state government and customers can not shift to other distribution licensee without clearing dues and obtaining "No objection certificate" from the Company. The Company has also taken advances and security deposit from its consumers, to mitigate the credit risk to an extent.

(₹ in lakhs)

Particulars	Within Credit period	Upto 6 Months	6 to 12 Months	Above 12 months	Total
Trade Receivable					
As at 31st March 2019					
Secured	677.93	99.61	169.23	350.69	1,297.46
Unsecured	3,280.51	352.95	145.56	150.86	3,929.88
Gross Total	3,958.44	452.56	314.79	501.55	5,227.34
Less: Allowance for bad and doubtful debt	-	-	-	35.42	35.42
<b>Net Total</b>	<b>3,958.44</b>	<b>452.56</b>	<b>314.79</b>	<b>466.13</b>	<b>5,191.92</b>



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

(₹ in lakhs)

12.2 Particulars	Within Credit period	Upto 6 Months	6 to 12 Months	Above 12 months	Total
As at 31st March 2018					
Secured	1,049.09	156.53	207.33	17.47	1,430.42
Unsecured	3,497.99	206.47	90.08	452.19	4,246.73
Gross Total	4,547.08	363.00	297.41	469.66	5,677.15
Less: Allowance for bad and doubtful debt	-	-	-	91.81	91.81
Net Total	4,547.08	363.00	297.41	377.85	5,585.34

12.3 Refer note 27 for charge against the outstanding amount.

12.4 Movement in Allowance for bad and doubtful debt

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Opening Balance	91.81	84.63
Additions	-	17.93
Reversals	(56.39)	(10.75)
<b>Closing Balance</b>	<b>35.42</b>	<b>91.81</b>

## 13 CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Cash and Cash Equivalent</b>		
Balances with Banks		
Current Account	558.14	964.99
Cash on hand	2.92	2.77
<b>Total</b>	<b>561.06</b>	<b>967.76</b>

## 14 CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Other Balances with Banks</b>			
Fixed deposit	14.1	1,538.08	1,394.53
Current Account - unforeseen exigencies reserve fund		0.11	0.11
Unpaid dividend	29.1 & 29.2	257.47	168.64
<b>Total</b>		<b>1,795.66</b>	<b>1,563.28</b>

14.1 (a) Includes ₹ 425.29 lakhs (₹ 465.33 lakhs as on March 31, 2018) kept as margin money with bank and ₹ 468.99 lakhs (₹ 352.07 lakhs as on March 31, 2018) kept with bank as lien against repayment of term loans.

(b) Includes ₹ 374.71 lakhs (₹ 389.84 lakhs as on March 31, 2018) being investment against unforeseen exigencies fund and ₹ 269.09 lakhs (₹ 187.29 lakhs as on March 31, 2018) being investment against unforeseen exigencies interest fund.

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 15 CURRENT FINANCIAL ASSETS - LOANS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Unsecured Considered Good unless otherwise stated</b>			
<b>Carried at amortised cost</b>			
Loan to related parties	8.1	5,324.13	3,346.12
Loan to employees		0.10	1.38
Loan others		3,524.03	1,156.00
Security deposit		969.58	403.40
<b>Total</b>		<b>9,817.84</b>	<b>4,906.90</b>

## 16 CURRENT FINANCIAL ASSETS - OTHERS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Unsecured Considered Good unless otherwise stated</b>			
Interest accrued		962.84	198.49
Receivable from Power Trust	16.3	20,321.77	48,948.77
Receivable - others	16.1	3,220.80	3,015.70
Advance to related party	8.1	-	195.03
Advance - employees & others		56.73	23.01
<b>Total</b>		<b>24,562.14</b>	<b>52,381.00</b>

- 16.1** The lease of Chinakuri Power Station (CPS) with Eastern Coal Fields Limited (ECL) has expired on March 31, 2012 and in terms of lease agreement ECL is required to take over all assets at respective Written Down Value as on the date of termination of the lease. In terms of the arbitration order passed by Arbitration Tribunal, handing / taking over of vacant and peaceful possession of CPS has been completed on October 6, 2016, and thereby the resultant amount of ₹ 2,468.10 lakhs has been shown as recoverable from ECL.
- 16.2** The Company's claim/counter claim from ECL with respect to above and ECL's claim against the Company in this respect are under arbitration pursuant to the order of Hon'ble Supreme Court of India. Adjustment in this respect will be given effect to as and when determined.
- 16.3** Receivable from Power Trust represents amount receivable for sale of Compulsorily Convertible Preference Shares of Hiranmaye Energy Limited (formerly known as India Power Corporation (Haldia) Limited) in previous years and for which necessary approvals need to be obtained.

## 17 OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance to suppliers	197.18	585.03
Other advances	15.53	16.25
Prepaid expenses	274.24	300.73
<b>Total</b>	<b>486.95</b>	<b>902.01</b>



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 18 REGULATORY DEFERRAL ACCOUNT BALANCES

### (a) Debit balances

(₹ in lakhs)

Particulars	Fuel and Power Purchase Cost Adjustments	Other Adjustments based on Tariff Regulations	Total
<b>As at 1st April, 2017</b>	2,393.45	5,481.49	7,874.94
Balance arising in the period	-	3,539.86	3,539.86
Recovery/Reversal	(1,456.34)	-	(1,456.34)
<b>Closing Balance as at 31st March, 2018</b>	<b>937.11</b>	<b>9,021.35</b>	<b>9,958.46</b>
Balances arising in the period	-	2,609.78	2,609.78
Recovery/Reversal	(4.58)	-	(4.58)
<b>Closing Balance as at 31st March, 2019</b>	<b>932.53</b>	<b>11,631.13</b>	<b>12,563.66</b>

### (b) Credit Balances

(₹ in lakhs)

Particulars	Fuel and Power Purchase Cost Adjustments	Total
<b>As at 1st April, 2017</b>	3,077.57	3,077.57
Balance arising in the period	1,936.51	1,936.51
Recovery/Reversal	-	-
<b>Closing Balance as at 31st March, 2018</b>	<b>5,014.08</b>	<b>5,014.08</b>
Balances arising in the period	676.76	676.76
Recovery/Reversal	-	-
<b>Closing Balance as at 31st March, 2019</b>	<b>5,690.84</b>	<b>5,690.84</b>

### (c) Regulatory income/(expense) (net)

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Fuel and Power Purchase Cost Adjustment	18.2	(676.76)	(1,936.51)
Other Adjustments based on Tariff Regulations and orders	18.2	2,609.78	3,539.86
<b>Total</b>		<b>1,933.02</b>	<b>1,603.35</b>

### 18.1 Tariff regulations, risks and uncertainties

In the State of West Bengal tariff for electricity are determined by West Bengal Electricity Regulatory Commission (WBERC/Commission).

- Multi year tariff (MYT) proposal giving therein details for appropriate capital structure to meet the capital investment plan with details of cost of financing including interest cost on debt and return on equity, expected sales for the years and the 'Annual Revenue Requirement' (ARR) covering both variable and fixed cost is submitted

to WBERC. Commission examines the MYT proposals thereafter and tariff is determined for different categories of consumers. At the end of the financial year, "Annual Performance Review" (APR) petition for fixed cost and Fuel and Power Purchase Cost Adjustment (FPPCA) for variable cost is submitted to WBERC. WBERC reviews cost incurred under two categories as defined in Tariff regulation as "Controllable" and "Uncontrollable". In case of Uncontrollable cost all increase are allowed on actual basis and for Controllable cost, the commission may disallow any increase if these are not considered to be justifiable.

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

- b) The tariff regulation prescribes various normative operational and financial parameters for the Company. Any variation thereof may lead to disallowances. The Company is exposed to regulatory risk to the extent accruals are disallowed on assessment.
- c) As per the Tariff Regulation any increase in variable cost is allowed to be recovered from consumers based on formula prescribed in the tariff regulation for "Fuel and Power Purchase Cost Adjustment" (FPPCA) as 'monthly variable cost adjustment' (MVCA). FPPCA recoverable/ refundable, reliability incentive etc is accounted for as regulatory income/(expense) in the statement of Profit and Loss.
- d) Regulatory deferral account balances relate to FPPCA, Reliability incentives and other accruals recognised on the basis of latest declared tariff order and claims filed with WBERC.

Accruals on account of FPPCA and reliability incentives etc are recognised in books as per formula prescribed in Tariff Regulation. Reversal/accrual are carried out in the year in which Tariff, FPPCA and APR orders are received. Recovery of the regulatory deferral balances are carried out in the manner and instalments as allowed by WBERC.

- 18.2** Payable on account of FPPCA of ₹ 676.76 lakhs for the year has been recognised on the basis of formulae prescribed under the applicable Tariff Regulations. The Company is entitled for incentive and gains including incentive for reliability in power supply and accordingly based on applicable norms as per Tariff regulation and claims filed with WBERC ₹ 2,609.78 lakhs have been recognised. Adjustments in these respects are carried out and given effect to from time to time based on the order of West Bengal Electricity Regulatory Commission or directions from appropriate authorities.

## 19 EQUITY SHARE CAPITAL

(₹ in lakhs)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised</b>				
10% 'A' Cumulative preference shares of ₹ 100 each	16,000	16.00	16,000	16.00
10% 'B' Cumulative preference shares of ₹ 100 each	12,000	12.00	12,000	12.00
Equity Shares of ₹ 1 each	16,99,72,00,000	1,69,972.00	16,99,72,00,000	1,69,972.00
<b>Issued, Subscribed and fully paid up equity shares</b>				
Equity Shares of ₹ 1 each	97,37,89,640	9,737.90	97,37,89,640	9,737.90
<b>Total</b>	<b>97,37,89,640</b>	<b>9,737.90</b>	<b>97,37,89,640</b>	<b>9,737.90</b>

- 19.1** The Company has only one class of equity shares having a par value of ₹ 1 each. Each share has one voting right.

- 19.2** There is no movement in the number of shares outstanding and the amount of Share Capital as at 31st March, 2019 and 31st March, 2018.

- 19.3** Details of Shareholders holding more than 5% of equity shares each, are set out below:

Name of the Shareholders	As at 31st March, 2019	As at 31st March, 2018
	No. of Shares	No. of Shares
Erstwhile India Power Corporation Ltd. (refer Note 4.1)	51,61,32,374	51,61,32,374
Power Trust (held in the name of the Trustee of the trust)	32,40,35,884	32,40,53,397
Aksara Commercial Private Limited	6,31,99,293	6,31,99,293

- 19.4** The above disclosures, are without giving effect to the further issue and cancellation of equity shares pursuant to the scheme of amalgamation as given in note 4.1.





# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 20 OTHER EQUITY

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Capital Reserve			
- Contribution from consumers towards service lines	20.1	2,779.12	2,497.61
- Other capital reserve	20.2	82.47	82.47
Debenture redemption reserve	20.3	2,350.00	2,350.00
General reserve	20.4	77,403.62	77,403.62
Reserve for unforeseen exigencies fund	20.5	721.00	617.25
Reserve for unforeseen exigencies interest fund	20.5	346.39	282.97
Retained earnings	20.6	17,090.14	15,663.33
Other Comprehensive Income (OCI)	20.8		
- Remeasurement of defined benefit plans		(767.59)	(640.04)
- Fair value of beneficial interest in Power Trust and equity instrument through OCI		579.20	82.57
<b>Total</b>		<b>10,05,84.35</b>	<b>98,339.78</b>

**20.1** Considering that capital contribution from consumers toward service lines are not refundable to the consumers even after they cease to be consumers and the underlying assets there against being under ownership of the Company, such contribution are being treated as Capital Reserve.

**20.2** Reserve arising on amalgamation of Associated Power Company Limited with the Company in the year 1978 has been shown as other capital reserve.

**20.3** Debenture Redemption Reserve is required to be created out of the profits available for payment of dividend in terms of Section 71 of the Companies Act, 2013 which is equal to 25% of the face value of the debentures issued and outstanding. The reserve will be released on redemption of the debentures.

**20.4** (a) The general reserve is created from time to time by appropriating profits from retained earnings at the discretion of the company. As the general reserve is created by a transfer from one component of equity to another, and accordingly it is not reclassified to the Statement of profit and loss.

(b) General Reserve include ₹ 56,887.09 lakhs being general reserve of amalgamating company in terms of Note 4. Further, reserve of ₹ 20,079.84 lakhs arising on amalgamation as stated in note 4.2 has also been included therein.

**20.5** Reserve for unforeseen exigencies fund are created in terms of the Tariff Regulation issued by West Bengal Electricity Regulatory Commission. The sum appropriated to 'Reserve for unforeseen exigencies fund' are to be invested in specified securities and financial instruments (fixed deposit) at Nationalised bank. The interest accrued from such investment is reinvested and kept under - 'Reserve for unforeseen exigencies Interest fund'. The aforesaid reserves or fund shall be drawn upon only to meet such charges as the Commission may approve.

**20.6** Retained earnings generally represent the undistributed profits/ amount of accumulated earnings of the Company.

## 20.7 Dividend Distribution

The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013 and the dividend distribution policy of the Company.

On September 22, 2018 dividend pertaining to the financial year 2017-2018 of ₹ 0.05 per equity shares aggregating to ₹ 228.83 lakhs and the dividend distribution tax of ₹ 47.03 lakhs has been approved for payment to equity shareholders of the Company. (refer note 29.2)

In respect of the year ended 31st March, 2019, the Board of Directors has recommended a dividend of ₹ 0.05 per share to be paid on fully paid equity shares aggregating to ₹ 951.14 lakhs (including ₹ 162.17 lakhs dividend distribution tax). This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The actual dividend will be paid on equity share capital outstanding as on the record date/ book closure.

**20.8** (a) OCI represent actuarial gains and losses on defined benefit obligations and

(b) The Company has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are disposed. This will not be reclassified to statement of Profit and Loss.

**20.9** Refer Statement of changes in Equity for movement in balances of reserves.

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 21 NON CURRENT FINANCIAL LIABILITY - BORROWINGS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019			As at 31st March, 2018		
		Non Current Maturities	Current Maturities	Total	Non Current Maturities	Current Maturities	Total
Secured							
Non Convertible Debentures	21.1	3,234.94	2,322.41	5,557.35	5,557.35	2,353.00	7,910.35
Term Loan							
- From banks	21.2	7,242.76	3,089.65	10,332.41	33,662.87	2,755.96	36,418.83
Unsecured							
- From a body corporate	21.3	5,686.07	-	5,686.07	-	-	-
- Finance lease obligation		22.18	-	22.18	22.18	-	22.18
<b>Total</b>		<b>16,185.95</b>	<b>5,412.06</b>	<b>21,598.01</b>	<b>39,242.40</b>	<b>5,108.96</b>	<b>44,351.36</b>

**21.1 (a)** Includes 10.75 % Secured Redeemable Non Convertible Debentures aggregating to ₹ 3,957.35 lakhs (₹ 5,910.35 lakhs as on 31st March, 2018) redeemable in five instalments at the end of 6th, 7th, 8th, 9th and 10th year from the date of allotment i.e. 3rd November, 2010 and secured by mortgage of immovable properties consisting of 1.0749 acres of land and all the buildings including all structures 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 Iswarpura (Gujarat).

**21.1 (b)** Includes 12 % Secured Redeemable Non Convertible Debentures aggregating to ₹ 1,600 lakhs (₹ 2,000 lakhs as on 31st March, 2018) redeemable in five instalments at the end of 6th, 7th, 8th, 9th and 10th year from the date of allotment i.e. 19th September, 2012 and secured 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 56,633.94 sqft under Seebpore circle.

**21.2 (a)** Includes term loan of ₹ 1,769.54 lakhs (₹ 2,209.68 lakhs as on 31st March, 2018) at 1 year MCLR plus 3.2% and is repayable after moratorium of two years from 1st April, 2012 in 9 years in thirty six equal quarterly instalments and is secured by exclusive charge on assets of 1x12 MW plant project and immovable property consisting of land of 20.10 acres at Dishergarh, District Burdwan and second pari passu charge on assets charged to secure Non Convertible Debentures of ₹ 10,000 lakhs given in note 21.1 (a).

**21.2 (b)** Includes term loan of ₹ 5,327.91 lakhs (₹ 6,177.44 lakhs as on 31st March, 2018) at MCLR plus 1.9% and is repayable in 9 years from 10th September 2016 in equal quarterly instalments and is secured by first charge of entire fixed assets pertaining to 220/33 kv sub-station at J.K Nagar, Burdwan, both present and future.

**21.2 (c)** Includes Nil (₹ 22,655.99 lakhs as on 31st March, 2018) availed as renewal cum sanction of working capital facilities

at three months MCLR plus 1.40% renewable every year for a period upto seven years and is secured by subservient charge on the movable fixed assets and current assets of the Company except such assets which are exclusively charged/ to be exclusively charged to any other bank or financial institution.

**21.2 (d)** Includes term loan of ₹ 2,625.00 lakhs (₹ 4,000 lakhs as on 31st March, 2018) at 1 year MCLR plus 1% repayable in 16 quarterly instalments with effect from 8th December 2016 and is secured by exclusive first charge on movable and other fixed assets of Dishergarh Receiving Station, Parbelia Substation and Dishergarh Power Station of the Company and negative lien on certain immovable fixed assets.

**21.2 (e)** Includes term loan of ₹ 579.70 lakhs (₹ 682.05 lakhs as on 31st March, 2018) at 1 year MCLR plus 2.75% repayable in 40 instalments with effect from 31st March 2016 and is secured by first charge with other financing banks/financial institution on the assets created/to be created out of the term loan, both present and future and exclusive fixed charge on certain fixed assets of the Company.

**21.2 (f)** Includes term loan Nil (₹ 592.71 lakhs as on 31st March, 2018) at MCLR plus 1.25% and is repayable in 48 equal quarterly instalments with moratorium of 15 month from COD of the Project and is secured by hypothecation of the assets acquired out of the term loan i.e. 132 kv traction power to Eastern Railway Pandeweswar TS.

**21.2 (g)** Includes term loan of ₹ 30.26 lakhs (₹ 41.91 lakhs as on 31st March, 2018) at the rate of 8.80% repayable in 48 monthly instalments is secured against the asset purchased out of the loan.

**21.2 (h)** Includes term loan Nil (₹ 59.05 lakhs as on 31st March, 2018) at the rate of 8.76% repayable in 36 monthly instalments is secured against the asset purchased out of the loan

**21.3** Represents loan from a body corporate repayable on 31st March, 2021 at nil rate of interest.



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 22 NON CURRENT FINANCIAL LIABILITY - TRADE PAYABLES

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Carried at amortised cost</b>			
A) Total outstanding dues of micro enterprise and small enterprise		-	-
B) Total outstanding of Creditors other than micro enterprise and small enterprise	22.1	5,220.03	3,608.54
<b>Total</b>		<b>5,220.03</b>	<b>3,608.54</b>

**22.1** Includes ₹ 2,687.80 lakhs (₹ 2,430.98 lakhs as on 31st March, 2018) accounted for on the basis of tariff rates (including fuel cost adjustments) charged by DVC on a provisional basis, pending issuance of revised tariff order by the Hon'ble Central Electricity Regulatory Commission (CERC) for the years 2006-07 to 2008-09, in terms of the directions issued by the Hon'ble Appellate Tribunal for Electricity (ATE). The Tariff fixed by CERC and the directions issued by the Hon'ble ATE has been challenged by DVC before the Hon'ble Supreme Court of India.

## 23 NON CURRENT FINANCIAL LIABILITY - OTHERS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Carried at amortised cost</b>			
Advance from consumers		2,939.41	2,717.29
Security deposit received from consumers	12.1	2,760.90	2,572.69
Others		-	824.20
<b>Total</b>		<b>5,700.31</b>	<b>6,114.18</b>

## 24 NON CURRENT LIABILITY - PROVISIONS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits	48	343.90	359.53
<b>Total</b>		<b>343.90</b>	<b>359.53</b>

## 25 DEFERRED TAX LIABILITIES (NET)

The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet:

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred tax assets	1,916.07	1,893.06
Deferred tax liabilities	6,597.40	6,732.77
<b>Deferred tax liabilities (net)</b>	<b>4,681.33</b>	<b>4,839.71</b>

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 25 DEFERRED TAX LIABILITIES (NET) (CONTD.)

Significant component of net deferred tax liability and assets for the year ended 31st March, 2019 are as follows:

(₹ in lakhs)

Particulars	Opening Balance	Recognised through Profit or loss	Recognised in/ reclassified from other comprehensive income	Other Adjustments	Closing Balance
<b>Deferred tax assets in relation to:</b>					
Provision for employee Benefits	628.58	(22.68)	68.51	-	674.41
Voluntary retirement & Other benefits allowable on amortisation basis	30.71	(6.77)	-	-	23.94
MAT Credit	1,205.32	-	-	-	1,205.32
Receivable, loans and advances	0.18	0.07	-	-	0.25
Others	28.27	(16.12)	-	-	12.15
	<b>1,893.06</b>	<b>(45.50)</b>	<b>68.51</b>	<b>-</b>	<b>1,916.07</b>
<b>Deferred tax liabilities in relation to:</b>					
Property, Plant and Equipment	6,486.07	52.24	-	-	6,538.31
Unamortised borrowing Cost	35.37	(35.37)	-	-	-
Unrealised Gain/(loss) on security carried at fair value through P&L/OCI	15.19	1.91	-	-	17.10
Trade and other payables	196.14	(154.15)	-	-	41.99
	<b>6,732.77</b>	<b>(135.37)</b>	<b>-</b>	<b>-</b>	<b>6,597.40</b>
<b>Net Deferred tax liability</b>	<b>4,839.71</b>	<b>(89.87)</b>	<b>(68.51)</b>	<b>-</b>	<b>4,681.33</b>

Significant component of net deferred tax liability and assets for the year ended 31st March, 2018 are as follows:

(₹ in lakhs)

Particulars	Opening Balance	Recognised through Profit or loss	Recognised in/ reclassified from other comprehensive income	Other Adjustments	Closing Balance
<b>Deferred tax assets in relation to:</b>					
Provision for employee Benefits	540.84	22.89	64.85	-	628.58
Voluntary retirement & Other benefits allowable on amortisation basis	55.45	(24.74)	-	-	30.71
MAT Credit	1,268.12	-	-	(62.80)	1,205.32
Receivable, loans and advances	0.19	(0.01)	-	-	0.18
Others	29.27	(1.00)	-	-	28.27
	<b>1,893.87</b>	<b>(2.86)</b>	<b>64.85</b>	<b>(62.80)</b>	<b>1,893.06</b>
<b>Deferred tax liabilities in relation to:</b>					
Property, Plant and Equipment	6,336.86	149.21	-	-	6,486.07
Unamortised borrowing Cost	66.28	(30.91)	-	-	35.37
Unrealised Gain/(loss) on security carried at fair value through P&L/OCI	9.64	5.55	-	-	15.19
Trade and other payables	252.16	(56.02)	-	-	196.14
	<b>6,664.94</b>	<b>67.83</b>	<b>-</b>	<b>-</b>	<b>6,732.77</b>
<b>Net Deferred tax liability</b>	<b>4,771.07</b>	<b>70.69</b>	<b>(64.85)</b>	<b>62.80</b>	<b>4,839.71</b>



## NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

**25.1** Other adjustment represents MAT credit utilisation against regular income tax liability.

### 26 NON CURRENT LIABILITY - OTHERS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance from consumers	2,512.23	649.86
Deferred credit for long term payable	290.79	634.69
<b>Total</b>	<b>2,803.02</b>	<b>1,284.55</b>

### 27 CURRENT FINANCIAL LIABILITY - BORROWINGS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Secured -From banks			
Repayable on demand -Cash Credit	27.1	12,201.79	7,654.65
Short Term Loan	27.2	-	2,500.00
Unsecured			
From bank - Short Term Loan		-	10,000.10
<b>Total</b>		<b>12,201.79</b>	<b>20,154.75</b>

**27.1** (a) Includes ₹ 5,479.47 lakhs (₹ 2,992.30 lakhs as on 31st March, 2018) secured by first pari passu charge on current assets both present and future and second pari passu charge on fixed assets of the company charged against Non Convertible Debentures of ₹ 10,000 lakhs as given in note 21.1 (a).

(b) Includes ₹ 2,436.76 lakhs (₹ 2,173.99 lakhs as on 31st March, 2018) secured by first charge, ranking pari passu on current assets both present and future.

(c) Include ₹ 3,011.89 lakhs (₹ 1,275.43 lakhs as on 31st March, 2018) secured by first pari passu charge on current assets

both present and future.

(d) Include ₹ 1,273.67 lakhs (₹ 1,212.93 lakhs as on 31st March, 2018) secured by first pari passu charge on current assets both present and future and exclusive charge on certain movable fixed assets of Dhasal sub-station.

**27.2** Includes Nil lakhs (₹ 2,500 lakhs as on 31st March, 2018) towards working capital demand loan repayable after 6 months from disbursement i.e. January 5, 2018 and is secured by first pari passu charge on current assets of the company both present & future.

### 28 CURRENT FINANCIAL LIABILITY - TRADE PAYABLES

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
A) Total outstanding dues of micro enterprises and small enterprises	28.1	55.16	15.54
B) Total outstanding dues of creditors other than micro enterprises and small enterprises		3,073.15	4,244.38
<b>Total</b>		<b>3,128.31</b>	<b>4,259.92</b>



# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 28.1 Dues to Micro and Small Enterprise

The details of amount outstanding to micro and small enterprises as defined under micro, small and medium enterprise development act, 2006 based on information available with the Company are given below:

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year including payable for purchase of capital goods (refer note 29);	322.07	15.54
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	24.09	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

## 29 CURRENT FINANCIAL LIABILITY - OTHERS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Current maturity for long term borrowings	21.1 & 21.2	5,412.06	5,108.96
Interest accrued but not due on borrowings		327.72	414.20
Interest on consumer security deposit		524.39	439.96
Security deposit received		979.29	605.86
Payable for Purchase of Capital Goods to micro enterprises and small enterprises	28.1	266.91	-
Payable for Purchase of Capital Goods to creditors other than micro enterprises and small enterprises		839.34	910.09
Other payable		-	2,014.33
Unpaid/unclaimed dividend	29.1 & 29.2	257.47	168.64
<b>Total</b>		<b>8,607.18</b>	<b>9,662.04</b>

**29.1** Unclaimed dividend does not include any amount due and outstanding to be credited to Investor Education and Protection fund.

**29.2** Unpaid dividend includes ₹ 250.72 lakhs (₹ 162.71 lakhs as on 31st March 2018) kept in abeyance in view of SEBI exparte interim order dated 4th June, 2013.

## 30 OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance from consumers	362.37	163.49
Statutory dues payable	2,980.36	2,044.24
Deferred credit	2,137.02	634.69
<b>Total</b>	<b>5,479.75</b>	<b>2,842.42</b>



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 31 CURRENT LIABILITY - PROVISIONS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits	48	1,605.35	1,459.39
<b>Total</b>		<b>1,605.35</b>	<b>1,459.39</b>

## 32 REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Sale of Energy	32.1	47,976.78	44,669.68
Other operating revenues	32.2	4,352.88	3,441.67
<b>Total</b>		<b>52,329.66</b>	<b>48,111.35</b>

### 32.1.1 Regulatory

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Sale of Energy (₹ in lakhs)	43,966.07	39,768.36
Sale of Energy (in Kwh)	78,74,86,316	70,51,55,838

### 32.1.2 Non Regulatory

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Sale of Energy (₹ in lakhs)	4,010.71	4,901.32
Sale of Energy (in Kwh)	10,29,38,697	12,18,26,606

### 32.2 Other operating revenues includes

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Meter rent	28.73	27.68
Delayed payment charges	121.68	232.74
Incentive on wind power generation	1.18	53.37
Liabilities no longer required written back	4,186.55	3,109.40
Miscellaneous income	14.74	18.48
<b>Total</b>	<b>4,352.88</b>	<b>3,441.67</b>

## 33 OTHER INCOME

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest income on investment in bonds and securities	33.1	18.58	21.57
Interest income on deposits and others	33.1	1,192.56	1,570.00
Interest on income tax refund		51.37	48.76
Interest income on unwinding of financial instruments		617.61	609.56

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 33 OTHER INCOME (CONTD.)

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Gain on fair valuation of mutual funds		9.46	3.58
Gain on foreign exchange fluctuation		15.99	26.44
Dividend income on non current investments		2.52	10.34
Profit on sale of non current investments		72.85	-
Rent received		2.83	9.28
Insurance claim received		-	55.27
Gain/(loss) on sale of rights/assets (net)	33.2	419.55	-
Profit on sale of stores/scrap		131.06	2.32
Miscellaneous receipts		1.83	5.77
<b>Total</b>		<b>2,536.21</b>	<b>2,362.89</b>

**33.1** Interest income includes ₹ 63.42 lakhs (previous year ₹ 58.89 lakhs) being interest received/accrued during the year on reserve for unforeseen exigencies investment, which has been appropriated to reserve for unforeseen exigencies - interest in terms of Tariff Regulations as given below:

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest Accrued and Received during the year	25.94	30.04
Interest Accrued during the year but not received	37.48	28.85
<b>Total</b>	<b>63.42</b>	<b>58.89</b>

**33.2** Includes ₹ 427.95 lakhs accrued as revenue on transfer of Windmill business in the state of Rajasthan on going concern basis by way of slump sale.

## 34 COST OF COAL CONSUMED

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Opening Stock	313.33	326.09
Add: Coal Received	759.99	1,663.74
Less: Closing Stock	85.04	313.33
<b>Coal Consumed</b>	<b>988.28</b>	<b>1,676.50</b>

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Opening Stock (MT)	11,716.82	18,612.23
Add: Coal Received (MT)	25,500.41	62,465.24
Less: Closing Stock (MT)	3,651.46	11,716.82
<b>Coal Consumed (MT)</b>	<b>33,565.77</b>	<b>69,360.65</b>



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 35 ENERGY PURCHASE

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Energy Purchase	32,652.69	25,209.13
<b>Total</b>	<b>32,652.69</b>	<b>25,209.13</b>

35.1 Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Purchase of Energy (in kwh)	79,28,50,705	67,87,39,116

**35.2** Refer note 43.2 for Claim by one of the input energy supplier for arrear charges.

## 36 LEASE RENT

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Lease Rent of Wind Mill	45.2	3,252.76	4,388.96
<b>Total</b>		<b>3,252.76</b>	<b>4,388.96</b>

## 37 EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Salaries and Wages	37.1	4,225.97	4,604.83
Contributions to Provident and other funds		519.76	488.26
Staff Welfare expenses		164.61	167.15
<b>Total</b>		<b>4,910.34</b>	<b>5,260.24</b>

(₹ in lakhs)

37.1 Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Exclude amounts incurred for work for consumers and capital jobs	164.49	25.51
Include Voluntary Retirement Compensation Paid	30.28	33.49

## 38 FINANCE COSTS

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest	7,100.45	7,432.04
Other Borrowing Costs	342.69	327.74
<b>Total</b>	<b>7,443.14</b>	<b>7,759.78</b>

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 39 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Depreciation	5	1,580.26	1,648.99
Amortisation	6	32.14	31.14
<b>Total</b>		<b>1,612.40</b>	<b>1,680.13</b>

## 40 OTHER EXPENSES

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Consumption of Stores and Spare parts		185.16	199.57
Repairs			
Buildings	196.27		183.16
Machinery	31.35		17.72
Transmission and Distribution network	242.25		181.66
Others	391.40	861.27	213.80
Coal and Ash handling charges		73.61	139.72
Loss on discard/Sale of PPE (net)		-	6.70
Rent		7.70	4.42
Rates and Taxes		51.28	82.21
Insurance		104.50	51.71
Auditors' Remuneration			
Audit Fees	16.52		14.16
For Certification	18.59	35.11	25.62
Directors' Fees (inclusive of GST ₹ 2.12 lakhs, previous year ₹ 2.10 lakhs and service tax ₹ 0.46 lakhs)		13.87	17.25
Commission to Directors (inclusive of GST of ₹ 4.32 lakhs, previous year ₹ 5.94 lakhs)		31.68	38.94
Allowance for bad and doubtful debts & others (net)	12.4	40.87	7.58
Corporate Social Responsibility		88.17	95.51
Legal and professional expenses		736.21	544.47
Miscellaneous Expense	41	923.87	815.52
<b>Total</b>		<b>3,153.30</b>	<b>2,639.72</b>

- 41** The Company had appointed a facilitation agent to facilitate identification of an Asset Reconstruction Company (ARC) who intends to acquire the financial assets (debt and the security interests) of a power project from its lenders and ensure appointment of the Company as exclusive resolution agent for the said financial asset. In terms of the said arrangement, the company has paid a security deposit of ₹ 4,205.55 lakhs and maintenance amount of ₹ 598.44 lakhs to the facilitation agent to facilitate the ARC to procure the financial assets of the said project. The security deposit and other amounts recoverable from the facilitation agent are secured with the exclusive charge on certain receivables of the facilitation agent from the ARC. Similarly in terms of an arrangement arrived at with an ARC, the Company has been appointed as resolution agent for resolution of the financial assets (loan and the security interest) towards a power project acquired/ to be acquired by the said ARC from lenders. Pending completion of the transaction and settlement with the lenders by ARC, further maintenance amount of ₹ 1,021.89 lakhs has been paid as part of recoveries in this connection. During the year receivables against the above arrangement has been assigned to a third party and resultant impact of ₹ 5.42 lakhs is included in miscellaneous expenses.





# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 42 TAXES

(a) The major components of income tax expense for the year are as under:

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
(i) Income tax recognised in the Statement of Profit and Loss		
Current tax:		
- Current year	1,006.00	1,258.00
Deferred tax		
- Current year	(89.87)	70.69
<b>Total Income tax expenses recognised in Statement of Profit and Loss</b>	<b>916.13</b>	<b>1,328.69</b>
(ii) Income tax expense recognised in OCI		
Deferred tax expense on remeasurement of defined benefit plans	(68.51)	(64.85)
<b>Income tax expense recognised in OCI</b>	<b>(68.51)</b>	<b>(64.85)</b>

(b) Reconciliation of tax expense

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit before tax	2,785.98	3,463.13
Statutory income tax rate of 34.994% (31st March 2018: 34.608%)	974.93	1,198.52
Less: Exemptions/Deductions		
Dividend	(0.88)	(3.58)
Add: Non Deductible expenses for tax purpose		
CSR Expenditure	30.85	33.05
Add/(less) Others	(88.77)	100.70
<b>At effective income tax rate</b>	<b>916.13</b>	<b>1,328.69</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>916.13</b>	<b>1,328.69</b>

## 43(a) CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>43.1 Contingent Liabilities</b>			
(a) Demand from Sales tax authorities (previous year for 2004-05 against which Company's appeal is pending)		-	2.23
(b) Demand from Service tax authorities for 2008-09 to 2012-13 against which Company's appeal is pending		21.49	21.49
(c) Claim by one of the consumers pending litigation		2,939.93	-
(d) Performance Bank Guarantee	43.4	-	1,329.00
(e) Unexpired Letter of Credit for purchase of power		353.88	608.64
(f) Corporate Guarantee	43.5	-	2,000.00
(g) Bank Guarantee	43.6	1,393.00	-
Bank Guarantee	43.7	-	1,100.00
Bank Guarantee	43.8	500.00	-

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 43(a) CONTINGENT LIABILITIES AND COMMITMENTS (CONTD.)

(to the extent not provided for)

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Bank Guarantee	43.9	-	134.00
Bank Guarantee	43.10	-	289.50
Bank Guarantee	43.11	192.07	192.07
Bank Guarantee	43.12	171.80	-

**43.2** Claim of ₹ 6,437.47 lakhs and ₹ 14,389.24 lakhs by one of the Input Energy Supplier for arrear charges and increase in tariff rate respectively against energy purchased in earlier years and current year for which review petition of input supplier is pending before Tribunal. Such charges in the event of being held to be payable are recoverable from customers and as such it does not have any material impact on the working results of the Company.

**43.3** The Company's pending litigations comprises of claim against the Company and proceedings pending with tax/statutory/Government Authorities. The Company has reviewed all its pending litigation and proceedings and has made adequate provisions, and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of 43.1(b) above are determinable only on receipt of judgement/ decisions pending with various forums/ authorities.

**43.4** Given in terms of Distribution Franchise Agreement (DFA) for distribution of electricity which was carried on by India Power Corporation (Bodhgaya) Limited, a wholly owned subsidiary.

**43.5** Given to Bank for credit facility availed by wholly owned subsidiary India Power Corporation (Bodhgaya) Limited

**43.6** Given to FA & CAO Eastern Railways Kolkata as performance bank guarantee for 132 kv power supply to Eastern Railway Pandeweswar

**43.7** Given on behalf of Hiranmaye Energy Limited (formerly known as India Power Corporation (Haldia) Limited), for standby power purchase

**43.8** Given to Odisha Electricity Regulatory Commission for Central Electricity Supply Utility of Odisha bid guarantee.

**43.9** Given on behalf of India Uniper Power Services Private Limited a Joint venture of the Company

**43.10** Given to the deputy commissioner, appeals, commercial taxes, Alwar Rajasthan as security deposit for tax dispute in appeal

**43.11** Given to West Bengal State Electricity transmission Company limited for construction of 220 kv transmission line for LILO of STPS-Durgapur 220 kv S/C line at JK Nagar

**43.12** Given to Ministry of Infrastructure and Energy , Tirana Albania for Albania solar plant bid guarantee

## 43(b) COMMITMENT

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 36.86 lakhs, ₹ 233.36 lakhs as on 31st March, 2018)	1,056.56	2,785.15
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## NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

**43(c)** The Company had given Corporate Guarantee on 23rd September, 2016 in favour of lenders of Meenakshi Energy Limited (MEL) for the loan amount ₹ 2,79,963.76 lakhs (₹ 2,81,836.43 lakhs as on 31st March, 2018) subject to WBERC approval. WBERC has declined the approval vide their letter dated November 10, 2017, which has been accordingly intimated to the lenders. Accordingly the lenders of MEL were informed that the Corporate Guarantee given earlier is void.

Lenders of MEL on 20th December, 2017 demanded ₹ 93.58 crores from the Company against the Corporate Guarantee which is sub-judice

**43(d)** Corporate guarantees given in 43.1 (f) and 43 (c) above are in the nature of insurance contract

**44** Capital work in progress including contributory jobs includes cost of equipments and other civil and construction cost amounting to ₹ 6,045.78 lakhs (₹ 3,656.34 lakhs as on 31st March, 2018) for ongoing projects and pre-operative expenses as detailed below. These are allocated to respective assets on capitalisation.

Particulars	As at 31st March, 2019	As at 31st March, 2018
Brought forward from previous year	161.80	92.62
Interest expense	313.16	19.93
Salaries and wages	204.35	40.87
Vehicle running	27.54	22.55
Consultancy charge	78.87	26.67
Miscellaneous	0.99	10.60
	786.71	213.24
Less: Allocated to Property, plant and equipment	51.44	51.44
<b>Carried forward</b>	<b>735.27</b>	<b>161.80</b>

### 45 IN THE CAPACITY OF LESSEE

**45.1** Certain premises has been obtained on operating lease. The term for premises is 1-3 years and is renewable as per mutual agreement.

**45.2** The Company has taken certain plant and machinery on an operational lease basis.

Significant features of aforesaid lease arrangements are as follows:

- (i) The Company will pay the lease rent over the lease period. The lease rent is calculated on revenue receipt.
- (ii) Upon the expiry of the lease period by efflux of time, the lessor, may agree to have the lease renewed for a secondary lease period.
- (iii) There are no restrictions imposed on the Company by the existing lease agreements.

**45.3** The Company has taken certain land on Finance Lease. Carrying value of land taken on lease is ₹ 1,397.17 lakhs (₹ 1,397.17 lakhs as on March 31 2018). The Company is scheduled to pay lease rental as follows:

Particulars	31st March, 2019	Present Value of MLP	31st March, 2018	Present Value of MLP
(i) Not later than one year	2.73	-	2.73	-
(ii) Later than one year and not later than 5 years	10.94	0.02	10.94	0.02
(iii) Later than 5 years	159.60	20.67	162.34	20.67

**45.4** The Company has not made any sublease arrangement with other parties.

**45.5** The Company has recognised an amount of ₹ 3,252.76 lakhs (previous year ₹ 4,388.96 lakhs) towards lease rent (note 36) and ₹ 7.70 lakhs (previous year ₹ 4.42 lakhs) for rent of premises (note 40) for the year.

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 45.6 In the Capacity of Lessor

The Company had certain operating lease arrangements for office premises, which has been terminated during the previous year. In respect of such arrangements, lease earning for the year is nil (Previous year ₹ 5.54 lakhs) have been recognised in the Statement of Profit and Loss.

## 46 RELATED PARTY DISCLOSURES

**Related parties have been identified in terms of Ind As 24 on "Related Party Disclosure" as listed below :**

**List of Related Parties where control exists and also other Related Party with whom transactions have taken place and relationships:**

Name of the Related Party	Relationship
India Power Corporation (Bodhgaya) Limited	Wholly owned Subsidiary
IPCL Pte. Ltd.	Wholly owned Subsidiary
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	Subsidiary upto 16th September 2018.
India Power Green Utility Private Limited	Wholly owned Subsidiary upto 16th September 2018.
Meenakshi Energy Limited	Subsidiary
Hiranmaye Energy Limited (formerly known as India Power Corporation (Haldia) Limited)	Associate w.e.f. 31st March 2017 to 29th December 2017.
India Uniper Power Services Private Limited	Joint Venture
Matsya Shipping & Ports Private Limited	Joint Venture w.e.f. 27th March 2017 to 25th February 2019 and Enterprise over which KMP is able to exercise significant influence.
Edison Power Limited	Subsidiary of IPCL Pte. Ltd. upto 27th June, 2017.
PL Sunrays Power Limited	Subsidiary of India Power Green Utility Private Limited w.e.f. 23rd February, 2017.
PL Solar Renewable Limited	Subsidiary of India Power Green Utility Private Limited w.e.f. 23rd February, 2017.
PL Surya Vidyut Limited	Subsidiary of India Power Green Utility Private Limited w.e.f. 23rd June, 2017.
Sarvam Investment Private Limited	Enterprise over which KMP is able to exercise significant influence.
Srihari Global School Foundation	Enterprise over which KMP is able to exercise significant influence.
IISD Edu world	Enterprise over which KMP is able to exercise significant influence.
Khaitan & Co. LLP	Enterprise over which KMP is able to exercise significant influence.
Khaitan & Co.	Enterprise over which KMP is able to exercise significant influence.

Key Management Personnel (KMP)	Relationship
Mr. Hemant Kanoria	Chairman & Non Executive Director
Mr. Sunil Kanoria	Non-Executive Director upto 11th August, 2017 & Non-Executive Vice Chairman w.e.f. 12th August 2017 to 7th October 2018.
Mr. Amit Kiran Deb	Independent Director
Mr. Nand Gopal Khaitan	Independent Director
Mr. Tantra Narayan Thakur	Independent Director
Mr. Debi Prasad Patra	Independent Director
Mr. S. Sundareshan	Independent Director up to 12th February, 2019
Ms. Dipali Khanna	Independent Director
Mr. Jyoti Kumar Poddar	Non-Executive Director
Mr. Raghav Raj Kanoria	Managing Director w.e.f. 1st June, 2017
Mr. Asok Kumar Goswami	Whole time Director up to 29th March, 2019
Mr. Shrirang Karandikar	Chief executive officer up to 31st August 2017
Mr. Sanjeev Seth	Chief executive officer w.e.f. 1st September 2017



# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 46 RELATED PARTY DISCLOSURES (CONTD.)

Key Management Personnel (KMP)	Relationship
Mr. Sushil Kr. Agarwal	Chief Financial officer up to 1st October 2018
Mr. Amit Poddar	Chief Financial officer w.e.f. 5th February 2019
Mr. Prashant Kapoor	Company Secretary

Relative of Key Management Personnel	Relationship
Ms Neeru Seth	Spouse of Mr. Sanjeev Seth
Ms Tara Devi Poddar	Mother of Mr. Amit Poddar
Ms Nitu Kapoor	Spouse of Mr. Prashant Kapoor

### 46.1 Details of amount due to or from Related Parties:

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Outstanding Balance</b>			
<b>Loans Given</b>			
India Power Corporation (Bodhgaya) Limited		2,229.71	272.12
IPCL Pte. Ltd.		474.15	418.64
Matsya Shipping & Ports Private Limited		-	5.00
Meenakshi Energy Limited		3,094.42	3,069.00
India Power Green Utility Private Limited		-	820.50
<b>Investments</b>			
<b>Equity</b>			
India Power Corporation (Bodhgaya) Limited		10.00	10.00
IPCL Pte. Ltd.		5.94	5.94
Sarayu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)		-	520.00
India Power Green Utility Private Limited		-	11.00
Matsya Shipping & Ports Private Limited		-	0.50
India Uniper Power Services Private Limited		352.50	352.50
Meenakshi Energy Limited		10,023.41	10,023.41
<b>Receivable Others</b>			
India Power Corporation (Bodhgaya) Limited		-	60.29
Sarayu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)		-	1.39
<b>Interest Receivable</b>			
India Power Corporation (Bodhgaya) Limited		132.87	16.37
IPCL Pte. Ltd.		40.20	34.27
Matsya Shipping & Ports Private Limited		-	0.65
India Power Green Utility Private Limited		-	24.19
Meenakshi Energy Limited		455.62	59.03
<b>Advance Receivable</b>			
Meenakshi Energy Limited		-	25.42



# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 46.1 Details of amount due to or from Related Parties: (Contd.)

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Sarayu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)		-	169.61
Key Management Personnel		20.24	1.90
<b>Interest Payable</b>			
Sarayu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)		-	57.32
<b>Payable for Services/Supply</b>			
Key Management Personnel		14.63	1.89
Relative of Key Management Personnel		2.47	0.99
Enterprise over which KMP is able to exercise significant influence.		25.27	9.66
<b>Director commission</b>		25.85	33.00
<b>Security Deposit</b>			
Sarayu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)		-	500.00
<b>Bank Guarantee on behalf of</b>			
India Power Corporation (Bodhgaya) Limited	43.4	-	1,329.00
India Uniper Power Services Private Limited	43.9	-	134.00
<b>Corporate Guarantee on behalf of</b>			
India Power Corporation (Bodhgaya) Limited	43.5	-	2,000.00
Meenakshi Energy Limited	43 (c)	2,79,963.76	2,81,836.43

## 46.2 Details of transactions with Related Parties during the year:

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Loan given</b>		
India Power Corporation (Bodhgaya) Limited	8,419.20	3,834.12
IPCL Pte. Ltd.	9.56	30.45
Sarayu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	-	6,332.00
Meenakshi Energy Limited	100.00	7,103.40
India Power Green Utility Private Limited	360.30	510.42
<b>Loan repaid</b>		
India Power Corporation (Bodhgaya) Limited	6,461.61	3,587.00
Sarayu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	-	6,502.00
Matsya Shipping & Ports Private Limited	5.00	-
India Power Green Utility Private Limited	154.83	153.92
Meenakshi Energy Limited	100.00	375.00
<b>Advance given</b>		
India Uniper Power Services Private Limited	-	34.49
Meenakshi Energy Limited	-	26.77



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 46.2 Details of transactions with Related Parties during the year: (Contd.)

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	-	169.61
Key Management Personnel	35.86	0.92
<b>Inter Corporate deposit received</b>		
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	408.00	8,076.00
<b>Refund of advance given</b>		
India Uniper Power Services Private Limited	-	34.49
Meenakshi Energy Limited	-	36.94
Key Management Personnel	17.54	0.91
<b>Inter Corporate deposit refund</b>		
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	273.00	8,076.00
<b>Interest income</b>		
India Power Corporation (Bodhgaya) Limited	152.86	18.78
IPCL Pte. Ltd.	41.17	34.27
Matsya Shipping & Ports Private Limited	0.64	0.65
Meenakshi Energy Limited	402.49	979.13
India Power Green Utility Private Limited	60.02	95.07
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	-	40.13
<b>Sale of Investment</b>		
Sarvam Investment Private Limited	0.50	-
<b>Sale of store materials</b>		
India Power Corporation (Bodhgaya) Limited	-	18.57
<b>Interest expense</b>		
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	29.85	100.08
<b>Power Purchase and Subscription</b>		
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	6,907.89	8,266.54
Meenakshi Energy Limited	-	1,203.81
Hiranmaye Energy Limited (formerly known as India Power Corporation (Haldia) Limited)	-	834.74
<b>Services</b>		
Key Management Personnel	392.25	365.32
Relative of Key Management Personnel	18.00	9.00
Enterprise over which KMP is able to exercise significant influence.	21.18	66.97
<b>Director sitting fee</b>	11.75	14.70
<b>Director commission</b>	26.85	33.00
<b>Corporate Social Responsibility Expense</b>		
Enterprise over which KMP is able to exercise significant influence.	50.00	25.00

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 46.2 Details of transactions with Related Parties during the year: (Contd.)

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Purchase of Store Material</b>		
India Power Corporation (Bodhgaya) Limited	104.00	-
<b>Reimbursement against expense</b>		
India Power Corporation (Bodhgaya) Limited	-	22.04
India Uniper Power Services Private Limited	0.66	0.81
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	-	1.39

## 46.3 Details of transactions with Key Management Personnel during the year

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Remuneration to Key Management Personnel of the Company</b>		
Short term employee benefits	392.25	365.32
Post employment benefit	6.28	5.26
Long term employment benefit	10.41	7.01

## 47 EARNINGS PER EQUITY SHARE

Particulars	Basic and Diluted excluding Regulatory income/(expense)		Basic and Diluted including Regulatory income/(expense)	
	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit after tax (₹ In lakhs)	612.30	1,091.36	1,869.85	2,134.44
Number of Equity Shares	97,37,89,640	97,37,89,640	97,37,89,640	97,37,89,640
Number of equity Shares in Share Capital Suspense Account (Note 4.1)	60,41,43,449	60,41,43,449	60,41,43,449	60,41,43,449
Total Number of Shares	1,57,79,33,089	1,57,79,33,089	1,57,79,33,089	1,57,79,33,089
Earning per share (Basic and Diluted) (₹)	0.04	0.07	0.12	0.14
Face Value per equity share (₹)	1	1	1	1

## 48 EMPLOYEE BENEFITS

### Gratuity (Funded)

The Company's gratuity scheme, a defined benefit plan, covers the eligible employees and is administered through a gratuity fund trust. Such gratuity fund, whose investments are managed by Life Insurance Corporation of India (LIC), make payments to vested employees on their cessation of employment, death or incapacitation of an amount based on the respective employee's salary and tenure of employment subject to a maximum limit of ₹ 20.00 lakhs. Vesting occurs upon completion of five years of service.

The weighted average duration of the defined benefit obligation as on 31st March, 2019 is 5 years (7 years as on 31st March, 2018).



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## Post Retirement Obligation - Superannuation (Funded)

The Company's superannuation scheme, a defined benefit plan, covers certain category of employees and is administered through a trust fund. Investments of the fund are managed by LIC. Upon retirement, death or cessation of employment Superannuation Fund purchases annuity policies in favour of vested employees or their spouses to secure periodic pension. Such superannuation benefits are based on respective employee's tenure of employment and salary. The fund has been discontinued during the year on account of retirement of the sole beneficiary covered under the scheme.

The weighted average duration of the defined benefit obligation as on 31st March, 2019 is nil (1 year as on 31st March, 2018).

Superannuation fund has been discontinued during the year on account of retirement of the sole beneficiary covered under the scheme.

## Post Retirement Obligation -Lump sum payment in lieu of Pension (Unfunded)

The Company has a defined benefit plan which covers certain categories of employees for providing a lump sum amount at various scales to the vested employee or his nominee upon retirement, death or cessation of service based on tenure of employment. Vesting occurs upon completion of 20 years of service.

The weighted average duration of the defined benefit obligation as on March 31, 2019 is 5 years (5 years as on 31st March 2018).

### 48.1 Employee benefit obligation

(₹ in lakhs)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non-current	Current	Non-current
Gratuity (funded)	1,548.67	-	1,425.31	-
Superannuation (funded)	-	-	17.25	-
Pension	5.73	47.60	3.45	50.69
<b>Total</b>	<b>1,554.40</b>	<b>47.60</b>	<b>1,446.01</b>	<b>50.69</b>

### 48.2 Reconciliation of opening and closing balances of the present value of defined benefit obligations

(₹ in lakhs)

Particulars	Funded				Unfunded	
	Gratuity		Superannuation Fund		Lump sum payment in lieu of Pension	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Opening balance	1,469.48	1,311.61	25.62	20.91	54.14	38.92
Current service cost	78.57	69.69	-	-	1.98	1.84
Interest cost	102.34	84.07	-	1.31	3.83	2.45
Plan amendments	-	30.83	-	-	-	-
Actuarial (gain)/loss	176.01	170.25	-	3.40	0.86	20.05
Benefits paid	(245.93)	(196.97)	(25.62)	-	(7.48)	(9.12)
Closing balance	1,580.47	1,469.48	-	25.62	53.33	54.14

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 48.3 Reconciliation of opening and closing balances of the fair value of plan assets

(₹ in lakhs)

Particulars	Gratuity		Superannuation Fund	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Opening balance	44.17	69.48	8.37	7.88
Expected return on Plan Assets	2.78	3.54	-	0.49
Actuarial gain/(loss)	-	8.11	-	-
Contribution	230.77	160.02	-	-
Benefits paid	(245.92)	(196.98)	(8.37)	-
Closing balance	31.80	44.17	-	8.37

## 48.4 Amount recognised in Balance Sheet

(₹ in lakhs)

Particulars	Funded				Unfunded	
	Gratuity		Superannuation Fund		Lump sum payment in lieu of Pension	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Present value of obligation	(1,580.47)	(1,469.48)	-	(25.62)	(53.33)	(54.14)
Fair Value of Plan Assets	31.80	44.17	-	8.37	-	-
Net Asset/(Liability)	(1,548.67)	(1,425.31)	-	(17.25)	(53.33)	(54.14)

## 48.5 Amount recognised in Statement of Profit and Loss

(₹ in lakhs)

Particulars	Gratuity		Superannuation Fund		Lump sum payment in lieu of Pension	
	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
Current service cost	78.57	69.69	-	-	1.98	1.84
Past Service Cost- Plan Amendment	-	30.83	-	-	-	-
Interest cost	102.34	84.07	-	1.31	3.83	2.45
Expected return on Plan Assets	(2.78)	(3.54)	-	(0.49)	-	-
Recognised in Profit and Loss Account	178.13	181.05	-	0.82	5.81	4.29
Under	Contribution to Provident and Other Funds				Salaries, Wages and Bonus	





## NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

### 48.6 Amount recognised in the statement of Other Comprehensive Income

(₹ in lakhs)

Particulars	Gratuity		Superannuation Fund		Lump sum payment in lieu of Pension	
	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
Net Cumulative unrecognised actuarial (gain)/ loss opening	627.28	465.14	94.13	90.73	31.86	11.81
Experience adjustments on Plan Assets (Gains)/ Loss	-	(8.11)	-	-	-	-
Actuarial(gain)/ loss for the year	176.01	170.25	-	3.40	0.86	20.05
Unrecognised actuarial (Gain)/Loss at the end of the year	803.29	627.28	94.13	94.13	32.72	31.86

### 48.7 Experience adjustment on Plan Liabilities and Assets

(₹ in lakhs)

Particulars	Gratuity		Superannuation Fund		Lump sum payment in lieu of Pension	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Defined benefit obligations	1,580.47	1,469.48	-	25.62	53.33	54.14
Plan assets	31.80	44.17	-	8.37	-	-
Surplus/(Deficit)	(1,548.67)	(1,425.31)	-	(17.25)	(53.33)	(54.14)
Experience adjustments on Plan liabilities (Gains)/Loss	168.04	93.27	-	3.71	0.63	21.30
Experience adjustments on Plan Assets Gains/ (Loss)	-	(8.11)	-	-	-	-
Actuarial (gain)/loss on Plan liabilities due to change of assumptions	7.97	76.98	-	(0.31)	0.23	(1.25)

### 48.8 Breakup of Actuarial gain/loss:

(₹ in lakhs)

Particulars	Gratuity		Superannuation Fund		Lump sum payment in lieu of Pension	
	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
Actuarial (gain)/loss on arising from change in demographic assumption	-	-	-	-	-	-
Actuarial (gain)/loss on arising from change in financial assumption	7.97	76.98	-	(0.31)	0.23	(1.25)
Actuarial (gain)/loss on arising from experience adjustment	168.04	93.27	-	3.71	0.63	21.30
Total	176.01	170.25	-	3.40	0.86	20.05

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 48.9 Sensitivity analysis

(₹ in lakhs)

Particulars	Gratuity		Superannuation Fund		Lump sum payment in lieu of Pension	
	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Impact of the change in discount rate</b>						
-increase of 1 %	(75.55)	(86.26)	-	(0.24)	(2.26)	(2.43)
-decrease of 1 %	85.21	97.18	-	0.23	2.49	2.67
<b>Impact of the change in salary increase</b>						
-increase of 1 %	85.22	97.91	-	0.25	-	-
-decrease of 1 %	(77.16)	(88.76)	-	(0.25)	-	-
<b>Impact of Change in withdrawal rate</b>						
-increase of 2 %	25.16	2.83	-	-	(4.71)	-
-decrease of 2 %	(2.42)	(3.02)	-	-	0.04	-
<b>Impact of Change in Mortality rate</b>						
-increase of 10 %	-	0.79	-	0.01	-	0.05
-decrease of 10 %	-	(0.79)	-	(0.01)	-	(0.05)

Gratuity fund is maintained with LIC and HDFC and Superannuation fund is maintained with LIC

## 48.10 Principal Actuarial Assumptions used for estimating the Company's Defined benefit obligations are set out below:

Particulars	Gratuity		Superannuation Fund		Lump sum payment in lieu of Pension	
	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
Discount Rate	7.50	7.60	-	7.60	7.50	7.60
Expected rate of increase in salary	5.00	5.00	-	5.00	-	-
Expected rate of return of plan assets	7.50	7.60	-	7.60	-	-
Mortality rate	IALM* (2006-08) ultimate	IALM* (2006-08) ultimate	IALM* (2006-08) ultimate	IALM* (2006-08) ultimate	IALM* (2006-08) ultimate	IALM* (2006-08) ultimate

\*IALM- Indian Assured Lives Mortality

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

## 48.11 The contribution to the defined benefit plans expected to be made by the Company during the annual period beginning after the Balance Sheet date is yet to be reasonably determined.



## NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

**49** During the year ₹ 305.96 lakhs has been recognised as expenditure towards defined contribution plans of the company (previous year ₹ 284.88 lakhs).

**50** The business of the Company falls within a single primary segment viz, "Generation and Distribution of Power in India" and hence segment information in terms of Indian Accounting Standard (Ind- AS) 108 "Operating Segments" is not required. The Company operates only in India, hence additional information under geographical segments is also not applicable.

During the year sale to single consumer above 10% of the sale is ₹ 5,676.46 lakhs (previous year nil).

### 51 FINANCIAL INSTRUMENT - (FINANCIAL ASSETS AND FINANCIAL LIABILITIES)

#### 51.1 Categories of Financial Instruments

Details with respect to financial assets and financial liabilities are as follows:

(₹ in lakhs)

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
<b>Investments</b>						
- Equity investments (other than in Subsidiaries and joint venture)	-	0.05	-	-	285.95	-
- Bonds and Debentures	-	2.50	159.05	-	2.50	209.05
- Mutual Funds	190.92	-	-	179.34	-	-
- Government Securities	-	-	2.92	-	-	2.92
Trade Receivables	-	-	5,191.92	-	-	5,585.34
Loans	-	-	10,350.40	-	-	6,170.84
Cash and Cash Equivalents	-	-	561.06	-	-	967.76
Fixed Deposit	-	-	1,954.29	-	-	1,843.12
Beneficial interest in Power Trust	-	82,384.55	-	-	81,871.84	-
Receivable Others	-	-	23,543.01	-	-	52,159.90
Accrued Interest	-	-	962.84	-	-	198.49
<b>Total Financial Assets</b>	<b>190.92</b>	<b>82,387.10</b>	<b>42,725.49</b>	<b>179.34</b>	<b>82,160.29</b>	<b>67,137.42</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	28,387.74	-	-	59,397.15
Trade Payables	-	-	8,348.34	-	-	7,868.46
Consumer Advances	-	-	2,939.41	-	-	2,717.29
Others	-	-	11,368.08	-	-	13,058.93
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>51,043.57</b>	<b>-</b>	<b>-</b>	<b>83,041.83</b>

#### 51.2 Fair Value Hierarchy

The Company categorises assets and liabilities measured at fair value into one of the three levels depending on the ability to observe inputs employed in their measurements.

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 51.2 Fair Value Hierarchy (Contd.)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on recurring basis.

### (a) Financial Assets and Liabilities measured at Fair Value

(₹ in lakhs)

As at 31 March 2019	Date of Valuation	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Financial Investment at FVTPL</b>					
Mutual Funds	31.03.2019	190.92	-	-	190.92
<b>Financial Investment at FVTOCI</b>					
Listed Equity Investment	31.03.2019	-	-	-	-
Unquoted Equity Instruments	31.03.2019	-	-	0.05	0.05
Bonds and debentures	31.03.2019	-	-	2.50	2.50
Beneficial interest in Power Trust	31.03.2019	-	-	82,384.55	82,384.55
<b>Total Financial Assets</b>		<b>190.92</b>	<b>-</b>	<b>82,387.10</b>	<b>82,578.02</b>

As at 31 March 2018	Date of Valuation	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Financial Investment at FVTPL</b>					
Mutual Funds	31.03.2018	179.34	-	-	179.34
<b>Financial Investment at FVTOCI</b>					
Listed equity investment	31.03.2018	245.36	-	-	245.36
Unquoted equity instruments	31.03.2018	-	-	40.59	40.59
Bonds and debentures	31.03.2018	-	-	2.50	2.50
Beneficial interest in Power Trust	31.03.2018	-	-	81,871.84	81,871.84
<b>Total Financial Assets</b>		<b>424.70</b>	<b>-</b>	<b>81,914.93</b>	<b>82,339.63</b>

During the year ended 31st March, 2019 and 31 March, 2018 there were no transfer between level 1, level 2 and level 3 fair value measurement.

### b) Fair Value Technique

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

- The fair value of cash and cash equivalents, trade receivables, current trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The Board considers that the carrying amounts of financial assets and financial liabilities recognised at cost/amortised cost in the financial statements approximates their fair values.
- Non-current borrowing has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value of such non-current borrowings approximates fair value subject to adjustments made for transaction cost.
- Investments in liquid and short-term mutual funds are measured using quoted market prices at the reporting date multiplied by the quantity held.



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 51.2 Fair Value Hierarchy (Contd.)

- (iv) Valuation of Beneficial interest in Power Trust has been arrived by adopting Discounted Free Cash Flow method (DCF) and Profit Earning capacity value method (PECV) with respect to investment held by them. Due weightage has been given by the valuer to the methods adopted. The DCF method estimates the cash flows for each financial period included in the period for projections and discounts this to its present value at an appropriate weighted average cost of capital (WACC). Under PECV method, the equity is valued by multiplying the future maintainable earnings by an appropriate Price / Earnings (P/E) multiple. The valuation is based on the assumptions and estimates considered appropriate by the valuer.
- (v) Fair Value of unquoted equity instruments is Net Asset Value (NAV) computed based on the last audited financial statement of the respective companies.

### c) SIGNIFICANT UNOBSERVABLE INPUTS USED IN LEVEL 3 FAIR VALUES

As at March 31, 2019	Significant Unobservable Inputs	Sensitivity of input to fair value measurement
(i) Fair valuation of Beneficial interest in Power Trust	Forecast Revenue	Increase in revenue by 10% will have a positive impact of ₹ 94,890 lakhs
		Decrease in revenue by 10% will have a negative impact of ₹ 1,06,124 lakhs
	Discount factor and P/E multiple	Increase in discount rate by 1% will have a negative impact of ₹ 29,937 lakhs
		Decrease in discount rate by 1% will have a positive impact of ₹ 33,648 lakhs

## 51.3 Fair value of financial assets and liabilities measured at amortised cost

(₹ in lakhs)

Particulars	As at 31st March 2019		As at 31st March 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>				
<b>Investments</b>				
Bonds	161.97	161.97	211.97	211.97
Trade receivable	5,191.92	5,191.92	5,585.34	5,585.34
<b>Loans</b>				
Loan to related parties	5,798.28	5,798.28	4,585.26	4,585.26
Loans to employees	58.51	58.51	26.18	26.18
Loan to others	3,524.03	3,524.03	1,156.00	1,156.00
Receivable others	23,542.57	23,542.57	52,159.50	52,159.50
Cash & cash equivalent	818.64	818.64	1,136.51	1,136.51
Fixed deposit	1,696.71	1,696.71	1,674.37	1,674.37
Security deposits	970.02	970.02	403.80	403.80
Accrued interest	962.84	962.84	198.49	198.49
<b>Total financial assets</b>	<b>42,725.49</b>	<b>42,725.49</b>	<b>67,137.42</b>	<b>67,137.42</b>
<b>Financial liabilities</b>				
Borrowings	28,387.74	28,387.74	59,397.15	59,397.15
Trade payable	8,348.34	8,348.34	7,868.46	7,868.46
Others	11,368.08	11,368.08	13,058.93	13,058.93
Consumer advances	2,939.41	2,939.41	2,717.29	2,717.29
<b>Total financial liabilities</b>	<b>51,043.57</b>	<b>51,043.57</b>	<b>83,041.83</b>	<b>83,041.83</b>



# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 52 FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks – credit risk, liquidity risk and market risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The risks are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and approves policies for managing each of these risks, which are summarized below:

### 52.1 Credit Risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables). The Company's exposure to credit risk is influenced mainly by the individual characteristic of each consumer and the concentration of risk from the top few consumers.

The Company extends credit to consumers in normal course of business as per Regulation issued by West Bengal Electricity Regulatory Commission for regulatory business and as per terms of Power Purchase agreement (PPA) entered with DISCOMS for non regulatory business. Consumers outstanding are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivable as low as outstanding from non regulatory business is covered with PPA with government undertakings and in case of regulated business outstanding are as governed by rate regulated body of the state government and customers can not shift to other distribution licensee without clearing dues and obtaining "No objection certificate" from the Company. The Company has also taken advances and security deposit from its consumers, to mitigate the credit risk to an extent. (refer note no. 12.2)

Credit risk pertaining to regulatory receivables have been dealt with in note no. 18.1

### 52.2 Liquidity Risk

The Company objective is to maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The Company relies on borrowing and internal accruals to meet its need for fund. The current committed lines of credit are sufficient to meet its short to medium term expansion needs.

The table provides undiscounted cash flow towards non-derivative financial liabilities and net settled derivative financial liabilities into relevant maturity based on the remaining period at balance sheet date to contractual maturity date.

(₹ in lakhs)

Particulars	Upto 6 month	6 to 12 Months	Above 12 months	Total
<b>As at 31st March 2019</b>				
Interest bearing Borrowings (Including current maturity)				
- Principal	14,170.64	3,568.85	17,426.65	35,166.14
- Interest	1,958.25	1,260.97	3,438.87	6,658.09
Finance lease obligation	2.73	-	170.54	173.27
Trade and other payables	3,020.61	107.70	5,220.03	8,348.34
Other Financial Liabilities	1,630.64	1,307.01	5,957.78	8,895.43
<b>Total</b>	<b>20,782.87</b>	<b>6,244.53</b>	<b>32,213.87</b>	<b>59,241.27</b>
<b>As at 31st March 2018</b>				
Interest bearing Borrowings (Including current maturity)				
- Principal	22,602.57	3,590.21	38,437.44	64,630.22
- Interest	1,958.25	1,260.97	3,438.87	6,658.09
Finance lease obligation	2.73	-	173.28	176.01
Trade and other payables	3,324.87	249.56	4,294.03	7,868.46
Other financial liabilities	1,350.05	1,020.06	8,297.15	10,667.26
<b>Total</b>	<b>29,238.47</b>	<b>6,120.80</b>	<b>54,640.77</b>	<b>90,000.04</b>



# NOTES ON FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 52.2 Liquidity Risk (Contd.)

### Unused Lines of Credit

(₹ in lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Secured	2,498.21	1,831.35
<b>Total</b>	<b>2,498.21</b>	<b>1,831.35</b>

In terms of loan agreement the Company is required to fulfil specified covenants including maintaining debt service and other ratios, and failing which the lender has option to call back the loan.

The Company has current financial assets which will be realised in ordinary course of business. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining headroom on its undrawn committed borrowing facilities at all times so that Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

## 52.3 Market Risk

The Company does not have any material market risk.

## 52.4 Interest rate risk

### (i) Interest rate risk exposure

Interest rate exposure of the Company is mainly on borrowing from banks, which is linked to marginal cost of fund based lending rate (MCLR) of bank's lending and the Company does not foresee any risk on the same. Non Convertible Debentures were issued at fixed rate of interest and Inter Corporate Deposits were taken on fixed rate of interest.

(₹ in lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Variable rate borrowings	22,534.20	56,573.58
Fixed rate borrowings	11,243.42	7,910.35
<b>Total borrowings</b>	<b>33,777.62</b>	<b>64,483.93</b>

### Interest Rate of Borrowing

(₹ in lakhs)

Particulars	Total Borrowing	Floating Rate Borrowings	Fixed Rate Borrowing
<b>As at 31st March 2019</b>			
Secured	28,091.55	22,534.20	5,557.35
Unsecured	5,686.07	-	5,686.07
<b>Total</b>	<b>33,777.62</b>	<b>22,534.20</b>	<b>11,243.42</b>
<b>As at 31st March 2018</b>			
Secured	54,483.83	46,573.48	7,910.35
Unsecured	10,000.10	10,000.10	-
<b>Total</b>	<b>64,483.93</b>	<b>56,573.58</b>	<b>7,910.35</b>

# NOTES ON FINANCIAL STATEMENTS for the year ended 31st March, 2019

## 52.4 Interest rate risk (Contd.)

### (ii) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in lakhs)

Particulars	Impact on profit before tax	
	31st March, 2019	31st March, 2018
Interest rates – increase by 50 basis points	112.67	282.87
Interest rates – decrease by 50 basis points	(112.67)	(282.87)

## 52.5 Capital Management

### Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital, share capital suspense account and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Borrowings	33,799.80	64,506.11
Less: Cash and cash equivalents	561.06	967.76
Net debt (A)	33,238.74	63,538.35
Total equity	1,16,363.68	1,14,119.11
Total equity plus net debts (B)	1,49,602.42	1,77,657.46
<b>Gearing ratio (A/B)</b>	<b>22%</b>	<b>36%</b>

Refer note 20.4 (b) for General Reserve arising on amalgamation which is included for arriving at total equity.

**53** These financial statements has been approved and adopted by Board of Directors of the Company in their meeting dated 23rd May, 2019 for issue to the Shareholders for their adoption.

As per our report on even date  
 For **S.S. Kothari Mehta & Co**  
 Chartered Accountants  
 Firm Registration No. 000756N

For and on behalf of the Board

**Neeraj Bansal**  
 Partner  
 Membership No. 095960

**Raghav Raj Kanoria**  
 Managing Director  
 (DIN:07296482)

**Amit Kiran Deb**  
 Director  
 (DIN:02107792)

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

**Amit Poddar**  
 Chief Financial Officer

**Prashant Kapoor**  
 Company Secretary

**Sanjeev Seth**  
 Chief Executive Officer



# INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To  
The Members of  
India Power Corporation Limited (Formerly DPSC Limited)

## QUALIFIED OPINION

We have audited the accompanying consolidated financial statements of India Power Corporation Limited (Formerly DPSC Limited) (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its share of loss of its joint ventures, which comprise the consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the impact of the matter as described in the basis for qualified opinion paragraph, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated Profit and consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

## BASIS FOR QUALIFIED OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Attention is drawn to note no 7.3 of the consolidated financial statements dealing with the non-availability of the financials statements of subsidiary company i.e. Meenakshi Energy Limited (MEL) for the year ended March 31, 2019, as a result the financial statement for the same has not been considered in these consolidated financial statements as required in terms of the requirement of Ind AS 110 on "Consolidated financial statements". Hence, the comparative figures are not comparable to that extent. Consequently, the impact of the same on the consolidated financial statements and value of investment in the said subsidiary are not presently ascertainable.

## KEY AUDIT MATTERS

Key audit matters (KAM) are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters (KAM) –

Sl. No.	Key Audit Matter	Auditor's Response
1.	Beneficial interest in Power Trust amounting to ₹ 82,384.55 Lakhs considered as financial assets.  Refer Note – 9.2 of the consolidated financial statement.	The trust being an independent entity, value of the said asset (beneficial interest) as considered has been taken based on report of an independent firm of chartered accountants appointed by the Power Trust, and the same has been relied upon for the purpose of these accounts and our opinion there upon.

## EMPHASIS OF MATTER

We draw attention to Note No. 34.2 of the Consolidated financial statements regarding inclusion in other income of ₹ 1,438.49 lakhs by India Power Corporation (Bodhgaya) Limited, a wholly owned subsidiary of the Company, being interest to be received from South Bihar Power Distribution Corporation Limited on account of amount payable by them for the fixed assets and unrecovered arrears. The matter is sub judice and awaiting the final order of the honourable arbitration tribunal.

Our opinion is not modified in respect of the said matter.

## OTHER MATTERS

We did not audit the financial statements/financial information of 7 subsidiaries (including 3 step down subsidiaries) included in these Consolidated financial Statements whose financial statements reflect total assets of ₹ 35,040.60 lacs as at March 31, 2019 (excluding subsidiaries disposed off during the year), total revenues of ₹ 3,115.79 lacs, total net loss after tax of ₹ 168.20 lacs and total comprehensive loss of ₹ 185.17 lacs for the year ended March 31, 2019, as considered in the Consolidated financial statements. The Consolidated financial statements included in the Statement also include the Group's share of net loss of ₹ 120.76 lacs and total compressive loss of ₹ 119.29 lacs for the year ended March 31, 2019 as considered in the Consolidated financial statements in respect of two joint ventures whose Financial Statements has not been audited by us. The Financial Statements of the subsidiaries (including step down subsidiaries) and the joint ventures have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, is based solely on the reports of the other auditors.

# INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and financial statements/financial information certified by the management.

## INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including annexures to Director's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Based on the records, information and explanation provided, we have nothing to report in this regard.

## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going

concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for the overseeing the Group's financial reporting process.

## AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding company and its subsidiary company, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.





# INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters, communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated

Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the consolidated financial statements;

- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules issued thereunder;
- e. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";
- f. On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

As per the information and explanation given to us and on the basis of our examination of the records, managerial remuneration has been paid or provided as specified by the provisions of section 197 read with Schedule V to the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements as referred to in Note No. 46 of the consolidated financial Statements.
  - ii) there has been no material foreseeable losses on long term contracts including derivative contracts, therefore the Group has not made any provision as required under the applicable law or Indian accounting standards;
  - iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 000756N

Place: New Delhi  
Date: May 23, 2019

**Neeraj Bansal**  
Partner  
Membership No. 095960



## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDIA POWER CORPORATION LIMITED (FORMERLY DPSC LIMITED) (COMPANY) DATED MAY 23, 2019

**Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section of our report referred above**

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of INDIA POWER CORPORATION LIMITED (FORMERLY DPSC LIMITED) (hereinafter referred to as "Holding Company") and its subsidiary companies collectively referred to as "group" and Joint Ventures, which are companies incorporated in India, as of that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the

reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OPINION

In our opinion, the holding company, its subsidiary companies and joint ventures which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### OTHER MATTERS

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiaries and joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 000756N

**Neeraj Bansal**  
Partner  
Membership No. 095960

Place: New Delhi  
Date: May 23, 2019



# CONSOLIDATED BALANCE SHEET

as at 31st March 2019

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	5	39,671.01	1,83,969.02
(b) Capital work in progress		6,781.05	5,11,688.23
(c) Other intangible assets	6	192.88	5,771.41
(d) Intangible assets under development		-	444.33
(e) Financial assets			
(i) Investments	7.1	10,642.72	1,032.92
(ii) Loans	8	2.12	171.67
(iii) Other financial assets	9	82,543.18	83,651.68
(f) Other non - current assets	10	62.77	15,659.20
<b>Total Non-current assets</b>		<b>1,39,895.73</b>	<b>8,02,388.46</b>
<b>Current assets</b>			
(a) Inventories	11	956.91	7,425.13
(b) Financial assets			
(i) Investments	7.2	-	36,901.64
(ii) Trade receivables	12	20,938.62	24,569.91
(iii) Cash and cash equivalents	13	570.14	2,709.20
(iv) Other bank balances	14	1,799.55	9,981.93
(v) Loans	15	7,588.13	1,596.10
(vi) Other financial assets	16	31,285.82	86,977.25
(c) Other current assets	17	7,764.22	16,009.26
<b>Total Current assets</b>		<b>70,903.39</b>	<b>1,86,170.42</b>
<b>Regulatory deferral account debit balances</b>	18 (a)	<b>12,563.66</b>	<b>9,958.46</b>
<b>Total Assets</b>		<b>2,23,362.78</b>	<b>9,98,517.34</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	19	9,737.90	9,737.90
(b) Other equity	20	1,00,193.71	4,86,887.00
(c) Share capital suspense account	4.1	6,041.43	6,041.43
<b>Equity attributable to owners of the Company</b>		<b>1,15,973.04</b>	<b>5,02,666.33</b>
<b>Non-Controlling Interest</b>	21	-	20,124.39
<b>Total Equity</b>		<b>1,15,973.04</b>	<b>5,22,790.72</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	29,170.95	3,08,912.38
(ii) Trade payables	23	-	-
1. Total outstanding dues of micro enterprise and small enterprise		-	-
2. Total outstanding of creditors other than micro enterprise and small enterprise		5,220.03	3,608.54
(iii) Other financial liabilities	24	5,700.31	11,921.62
(b) Provisions	25	343.90	582.23
(c) Deferred tax liabilities (net)	26	4,623.58	4,985.16
(d) Other non - current liabilities	27	2,803.02	2,719.38
<b>Total Non-current liabilities</b>		<b>47,861.79</b>	<b>3,32,729.31</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	28	12,201.79	33,663.97
(ii) Trade payables	29	-	-
1. Total outstanding dues of micro enterprise and small enterprise		83.92	508.51
2. Total outstanding of creditors other than micro enterprise and small enterprise		19,882.75	24,671.66
(iii) Other financial liabilities	30	10,126.94	69,919.05
(b) Other current liabilities	31	6,605.67	4,438.38
(c) Provisions	32	1,605.35	1,993.83
(d) Current tax liabilities(net)		3,330.69	2,787.83
<b>Total Current liabilities</b>		<b>53,837.11</b>	<b>1,37,983.23</b>
<b>Regulatory deferral account credit balances</b>	18 (b)	<b>5,690.84</b>	<b>5,014.08</b>
<b>Total Equity and Liabilities</b>		<b>2,23,362.78</b>	<b>9,98,517.34</b>

Significant accounting policies and other accompanying notes (1-61) are an integral part of the consolidated financial statements.

As per our report on even date  
For **S.S. Kothari Mehta & Co**  
Chartered Accountants  
Firm Registration No. 000756N

For and on behalf of the Board

**Neeraj Bansal**  
Partner  
Membership No. 095960

**Raghav Raj Kanoria**  
Managing Director  
(DIN:07296482)

**Amit Kiran Deb**  
Director  
(DIN:02107792)

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

**Amit Poddar**  
Chief Financial Officer

**Prashant Kapoor**  
Company Secretary

**Sanjeev Seth**  
Chief Executive Officer



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2019

		(₹ in lakhs)	
Particulars	Note No.	Year ended 31st March 2019	Year ended 31st March 2018
<b>INCOME</b>			
Revenue from operations	33	52,599.97	73,624.52
Other income	34	4,968.96	17,802.24
<b>Total Income</b>		<b>57,568.93</b>	<b>91,426.76</b>
<b>EXPENSES</b>			
Cost of coal consumed	35	988.28	19,598.61
Energy purchase	36	32,625.77	23,924.96
Lease rent	37	3,252.76	4,388.96
Employee benefits expense	38	5,003.28	6,236.07
Finance costs	39	9,123.47	20,320.65
Depreciation and amortisation expense	40	1,612.88	9,320.04
Other expenses	41	3,351.74	8,436.89
<b>Total Expenses</b>		<b>55,958.18</b>	<b>92,226.18</b>
<b>Profit before exceptional items, rate regulated activities tax and share of Profit/(Loss) of Joint Venture</b>		<b>1,610.75</b>	<b>(799.42)</b>
Regulatory income/(expense) (net)	18 (c)	1,933.02	1,603.35
<b>Profit before exceptional items, tax and share of Profit/(Loss) of Joint Venture</b>		<b>3,543.77</b>	<b>803.93</b>
Exceptional Items	42	111.27	3,749.38
<b>Profit before tax and share of Profit/(Loss) of Joint Venture</b>		<b>3,655.04</b>	<b>4,553.31</b>
<b>Share of Profit/(Loss) of Joint Ventures</b>		<b>(120.76)</b>	<b>87.53</b>
<b>Profit before tax</b>		<b>3,534.28</b>	<b>4,640.84</b>
<b>Tax expense:</b>	45		
Current tax		1,019.34	1,301.13
MAT Credit Entitlement		-	(31.96)
Income tax for earlier years		-	(7.54)
Deferred tax		(326.92)	129.81
<b>Profit for the year from continuing operations</b>		<b>2,841.86</b>	<b>3,249.40</b>
<b>Profit/(loss) from discontinued operations</b>	43	<b>(1,218.87)</b>	<b>(1,240.85)</b>
<b>Tax expense of discontinued operations</b>		<b>-</b>	<b>-</b>
<b>Profit for the year</b>		<b>1,622.99</b>	<b>2,008.55</b>
Other Comprehensive Income			
i) Items that will not be reclassified to profit & loss			
(a) Beneficial interest in Power Trust and equity instruments through other comprehensive income		496.63	0.21
(b) Foreign exchange fluctuation		(16.97)	-
(c) Remeasurement gains/(losses) on defined benefit plans		(195.50)	(172.35)
(d) Share of Other Comprehensive Income of Joint Ventures		1.47	(0.96)
ii) Income tax on items that will not be reclassified to profit or loss		68.51	67.10
<b>Total Comprehensive Income for the year</b>		<b>1,977.13</b>	<b>1,902.55</b>
<b>Profit for the year attributable to:</b>			
- Owners of the Company		1,622.99	1,984.25
- Non Controlling interest		-	24.30
<b>Other Comprehensive Income attributable to:</b>			
- Owners of the Company		352.67	(106.97)
- Non Controlling interest		-	0.97
<b>Total Comprehensive Income for the year attributable to:</b>			
- Owners of the Company		1,977.13	1,877.28
- Non Controlling interest		-	25.27
<b>Earnings per equity share</b>	50		
<b>Earnings per equity share from continuing and discontinued operations:</b>			
Basic and Diluted including Regulatory income/(expense) (₹)		0.10	0.13
Basic and Diluted excluding Regulatory income/(expense) (₹)		0.02	0.06
<b>Earnings per equity share from continuing operations:</b>			
Basic and Diluted including Regulatory income/(expense) (₹)		0.18	0.21
Basic and Diluted excluding Regulatory income/(expense) (₹)		0.10	0.14
<b>Earnings per equity share from discontinued operations:</b>			
Basic and Diluted (₹)		(0.08)	(0.08)

Significant accounting policies and other accompanying notes (1-61) are an integral part of the consolidated financial statements.

As per our report on even date  
For **S.S. Kothari Mehta & Co**  
Chartered Accountants  
Firm Registration No. 000756N

For and on behalf of the Board

**Neeraj Bansal**  
Partner  
Membership No. 095960

**Raghav Raj Kanoria**  
Managing Director  
(DIN:07296482)

**Amit Kiran Deb**  
Director  
(DIN:02107792)

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

**Amit Poddar**  
Chief Financial Officer

**Prashant Kapoor**  
Company Secretary

**Sanjeev Seth**  
Chief Executive Officer

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2019

## A. Equity Share Capital and Share Capital suspense account

Particulars	(₹ in lakhs)	
	Share capital	Share capital suspense account
<b>Balance as on April 1, 2017</b>	<b>9,737.90</b>	<b>6,041.43</b>
Changes in equity share capital during the year 2017-18	-	-
<b>Balance as on March 31, 2018</b>	<b>9,737.90</b>	<b>6,041.43</b>
Changes in equity share capital during the year 2018-19	-	-
<b>Balance as on March 31, 2019</b>	<b>9,737.90</b>	<b>6,041.43</b>

## B. Other Equity

B. Other Equity	Particulars	Reserve and Surplus										Items of Other Comprehensive Income		Total
		Capital Reserve			Debture Redemp- tion Reserve	General Reserve	Reserve for un- foreseen exigencies fund	Reserve for un- foreseen exigencies interest fund	Foreign currency translation reserve	Retained earnings	Re-measure- ment of the net defined benefit plans	Beneficial interest in Power Trust and equity instruments through OCI		
		Contribution from Consumers Towards Service Lines	Other Capital Reserve	Capital Reserve on acquisition										
	Balance as on April 1, 2017	2,103.76	82.47	3,74,633.85	2,350.00	77,403.62	516.95	224.08	26.25	27,780.31	(543.10)	82.36	4,84,660.55	
	Profit for the year	-	-	-	-	-	-	-	-	1,984.25	-	-	1,984.25	
	Capital contribution received during the year	393.85	-	-	-	-	-	-	-	-	-	-	393.85	
	Dividend payments including dividend distribution tax	-	-	-	-	-	-	-	-	(275.97)	-	-	(275.97)	
	Transfer to/(from) retained earnings	-	-	-	-	-	100.30	58.89	-	(159.19)	-	-	-	
	Foreign currency translation reserve	-	-	-	-	-	-	-	(33.65)	-	-	-	(33.65)	
	Acquisition of subsidiaries	-	-	264.94	-	-	-	-	-	-	-	-	264.94	
	Re-measurements of equity instruments	-	-	-	-	-	-	-	-	-	-	0.21	0.21	
	Re-measurements of the net defined benefit plans (net)	-	-	-	-	-	-	-	-	-	(107.18)	-	(107.18)	
	Balance as on March 31, 2018	2,497.61	82.47	3,74,898.79	2,350.00	77,403.62	617.25	282.97	(7.40)	29,329.40	(650.28)	82.57	4,86,887.00	
	Profit for the year	-	-	-	-	-	-	-	-	1,622.99	-	-	1,622.99	
	Capital contribution received during the year	281.51	-	-	-	-	-	-	-	-	-	-	281.51	
	Dividend payments including dividend distribution tax	-	-	-	-	-	-	-	-	(275.87)	-	-	(275.87)	
	Transfer to/(from) retained earnings	-	-	-	-	-	103.75	63.42	-	(167.17)	-	-	-	
	Foreign currency translation reserve	-	-	-	-	-	-	-	(16.97)	-	-	-	(16.97)	
	Cessation of subsidiaries	-	-	(3,74,898.79)	-	-	-	-	-	(13,753.55)	(23.72)	-	(3,88,676.06)	
	Re-measurements of equity instruments	-	-	-	-	-	-	-	-	-	-	496.63	496.63	
	Re-measurements of the net defined benefit plans (net)	-	-	-	-	-	-	-	-	-	(125.52)	-	(125.52)	
	Balance as on March 31, 2019	2,779.12	82.47	-	2,350.00	77,403.62	721.00	346.39	(24.37)	16,755.80	(799.52)	579.20	1,00,193.71	

Refer to Note 20 for nature and purpose of reserves.

Significant accounting policies and other accompanying notes (1-61) are an integral part of the consolidated financial statements.

As per our report on even date  
For **S.S. Kothari Mehta & Co**  
Chartered Accountants  
Firm Registration No. 000756N

For and on behalf of the Board

**Neeraj Bansal**

Partner  
Membership No. 095960

**Raghav Raj Kanoria**  
Managing Director  
(DIN:07296482)

**Amit Kiran Deb**  
Director  
(DIN:02107792)

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

**Amit Poddar**  
Chief Financial Officer

**Prashant Kapoor**  
Company Secretary

**Sanjeev Seth**  
Chief Executive Officer





# CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2019

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before taxation		
Continuing operations	3,534.28	4,640.84
Discontinued operations	(1,218.87)	(1,240.85)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	1,682.90	9,756.02
Share of profit/(loss) of joint ventures	120.76	(87.53)
Provision for employee benefit	(91.07)	50.04
Provision for interest on delayed payment of income tax	-	2.24
Allowance for bad and doubtful debts & others (net)	40.87	7.58
Dividend income	-	(9,541.97)
Interest expense	10,040.38	22,340.08
(Gain)/loss on sale of rights/assets (net)	(419.55)	6.70
Interest income on unwinding of financial instruments	(617.94)	(610.31)
Gain on mutual fund valuation	(9.46)	(3.58)
Lease rent	(2.73)	(2.73)
Provision made/(reversed) for interest on income tax	(2.24)	-
Rent expense	-	2.47
Profit on sale/discard of investment	(3.69)	4.07
Adjustment for employee loan and security deposit	0.18	0.18
Advance written off	-	635.64
Exceptional items	(111.27)	(3,749.38)
(Gain)/loss on de-recognition of intangible assets and recognition of Property, plant and equipment	211.60	-
Income from investments	(21.10)	-
Interest on deposit and others	(4,010.70)	(1,908.88)
Liability no longer required written back	(4,264.82)	(7,086.23)
Foreign exchange (gain)/loss	(15.99)	(39.93)
	2,526.13	9,774.48
<b>Operating Profit before Working Capital Changes</b>	<b>4,841.54</b>	<b>13,174.47</b>
<b>Adjustments for:</b>		
Decrease / (Increase) - Inventories	290.12	965.30
Decrease / (Increase) - Regulatory deferral account balances	(1,928.44)	(147.01)
Decrease / (Increase) - Trade and other receivables	4,574.02	(4,877.01)
Decrease / (Increase) - Deposits	(564.70)	1.73
Decrease / (Increase) - Other financial assets	359.25	6,687.63
Decrease / (Increase) - Other assets	6,054.52	995.36
Increase / (Decrease) - Cessation of subsidiary	(298.74)	-
Increase / (Decrease) - Trade & other Payables	8,443.84	(630.61)
Increase / (Decrease) - Other financial liabilities	(2,488.49)	(642.35)
Increase / (Decrease) - Other current liabilities	(174.82)	(1,900.86)
Increase / (Decrease) - Financial liabilities	2,931.64	(2,822.26)
	17,198.20	(2,370.08)
<b>Cash Generated from Operations</b>	<b>22,039.74</b>	<b>10,804.39</b>
Direct taxes paid	(566.71)	(262.45)
<b>Net Cash flow from/(used in) Operating Activities</b>	<b>21,473.03</b>	<b>10,541.94</b>



# CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2019

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for purchase of property, plant and equipment	(5,553.73)	(89,154.01)
Acquisition of other intangible assets	(228.18)	(1,477.53)
Proceeds from disposal of property, plant and equipment	83.15	1.34
Proceeds from sale of non current investments	29,551.01	180.00
Proceeds from sale of current investments	-	95,704.91
Purchase of current investments	-	(25,569.38)
Purchase of non current investments	-	(96.71)
Investment in bank deposits (original maturity more than 3 months)	-	(0.89)
Other receivables	0.04	595.02
Dividend received	-	4,834.65
Interest received on fixed deposits and loans	481.56	2,068.02
Proceeds from earmarked deposits with bank	(22.34)	1,891.29
<b>Net Cash flow from/(used in) Investing Activities</b>	<b>24,311.51</b>	<b>(11,023.29)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loan to body corporates (net)	(1,573.70)	(1,156.00)
Proceeds from borrowings - non current	14,327.10	6,649.68
Repayment of borrowing - non current	(37,964.16)	(8,173.05)
Movement in cash credit facilities (net)	4,547.14	1,552.63
Proceeds from borrowings - current	-	10,000.10
Repayment of borrowings - current	(16,699.84)	(200.00)
Dividend paid (including tax on dividend)	(275.87)	(185.36)
Interest paid	(9,215.32)	(11,497.85)
<b>Net Cash flow from/(used in) Financing Activities</b>	<b>(46,854.65)</b>	<b>(3,009.85)</b>
Net increase/ (decrease) in Cash and Cash Equivalents	(1,070.11)	(3,491.20)
Cash and Cash Equivalents at the beginning of the year (Refer Note 13)	2,709.20	6,200.40
Less: Cash and Cash Equivalents of subsidiary	(1,068.95)	-
<b>Cash and Cash Equivalents at the closing of the year (Refer Note 13)</b>	<b>570.14</b>	<b>2,709.20</b>

## Changes in Liability arising from financing activities

(₹ in lakhs)

Particulars	As at 1st April, 2018	Cash Flow	Adjustments	Impact of effective interest rate	As at 31st March, 2019
Non-current borrowing (Refer Note 22)	3,50,648.60	(23,637.09)	(2,91,186.26)	(1,242.24)	34,583.01
Current borrowing (Refer Note 28)	33,663.97	(12,152.70)	(9,309.48)	-	12,201.79

Significant accounting policies and other accompanying notes (1- 61) are an integral part of the consolidated financial statements.

As per our report on even date  
For **S.S. Kothari Mehta & Co**  
Chartered Accountants  
Firm Registration No. 000756N

For and on behalf of the Board

**Neeraj Bansal**  
Partner  
Membership No. 095960

**Raghav Raj Kanoria**  
Managing Director  
(DIN:07296482)

**Amit Kiran Deb**  
Director  
(DIN:02107792)

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

**Amit Poddar**  
Chief Financial Officer

**Prashant Kapoor**  
Company Secretary

**Sanjeev Seth**  
Chief Executive Officer

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 1. CORPORATE INFORMATION

India Power Corporation Limited is domiciled and incorporated in India and its shares are quoted on National Stock Exchange of India Limited (NSE) and Metropolitan Stock Exchange of India Limited (MSEI). The Registered Office of the Company is at Plot X1 2&3, Block -EP, Sector-V, Saltlake City, Kolkata- 700091.

During the year the Company has voluntarily delisted its equity shares from Calcutta Stock Exchange with effect from 14th August, 2018.

The Consolidated Financial Statements relate to India Power Corporation Limited (the Company), and subsidiaries (collectively known as Group) and joint venture entities as detailed below:

Name of Company	Country of Incorporation	Nature of relationship	Proportion of ownership interest held by the Company
India Power Corporation (Bodhgaya) Limited	India	Subsidiary	100%
Meenakshi Energy Limited	India	Subsidiary	2.44%
IPCL Pte. Ltd.	Singapore	Subsidiary	100%
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	India	Subsidiary till 16.09.2018 (equity holding of 99.81% till 16.09.2018)	
India Power Green Utility Private Limited (IPGUPL)	India	Subsidiary till 16.09.2018 (equity holding of 100% till 16.09.2018)	
PL Solar Renewable Limited	India	Step-down subsidiary till 16.09.2018 (equity holding of 100% till 16.09.2018)	
PL Sunrays Power Limited	India	Step-down subsidiary till 16.09.2018 (equity holding of 100% till 16.09.2018)	
PL Surya Vidyut Limited	India	Step-down subsidiary till 16.09.2018 (equity holding of 100% till 16.09.2018)	
India Uniper Power Services Private Limited	India	Joint venture	50%
Matsya Shipping & Ports Private Limited	India	Joint venture till 25.02.2019 (equity holding of 50% till 25.02.2019)	

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. Pending outcome of the above judicial matters, MEL being a subsidiary, its accounts not yet compiled and accordingly Company has not consolidated MEL accounts with its financials. Hence the comparative figures are not comparable to that extent.

The Group is mainly engaged in thermal power Generation in the state of West Bengal and Andhra Pradesh, wind power generation in the state of Gujarat, Karnataka and Rajasthan. It is licensed to distribute power in and around Asansol region including the area covered under Asansol Municipal Corporation in the State of West Bengal.

prescribed under section 133 of the Companies Act 2013 ("the Act") ("to the extent notified") and the Regulations issued from time to time by "West Bengal Electricity Regulatory Commission" (WBERC) under the Electricity Act, 2003 (Tariff Regulations). Ind AS are prescribed under section 133 of the Act read with rule 3 of The Companies (Indian Accounting Standard) Rules 2015 and the relevant amendment rules issued there after.

Accounting Policy has been consistently applied except where a newly introduced Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

## 2.2 Recent Pronouncements

**Ind AS 116, Leases:** On 30th March 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for the adoption of Ind AS 116 is

## 2. SIGNIFICANT GROUP ACCOUNTING POLICIES

### 2.1 Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) as



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition :

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as :

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at the lessee's incremental borrowing rate at the date of initial application, or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application

The Group is currently evaluating the impact on account of implementation of Ind AS 116.

**Ind AS 12 Appendix C: Uncertainty over income tax treatments:** On 30th March, 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition :

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight, and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

The Group is currently evaluating the impact on account of implementation of Ind AS 12. The effect on adoption of Ind AS 12 is expected to be insignificant.

**Ind AS 12, Income taxes :** On 30th March, 2019, the Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, Income Taxes, in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The Group does not have any impact on account of this amendment.

**Amendment to Ind AS 19, plan amendment, curtailment or settlement :** On 30th March, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity :

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group does not have any impact on account of this amendment.

## 2.3 Basis of Preparation

The consolidated financial statements have been prepared on historical cost convention on accrual basis, except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/amortised cost at the end of each reporting period, as explained in accounting policy below. Historical cost convention is generally based on fair value of the consideration given in exchange for goods and services. Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The consolidated financial statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

## 2.4 Principles of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries (collectively referred as "the Group") and Joint venture entities. The Group

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

has investments in joint ventures which are accounted using equity method in these consolidated financial statements.

Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its:

- (i) Power over the investee,
- (ii) Exposure, or rights to variable returns from its involvement with the investee,
- (iii) The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if the facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The consolidated financial statements are prepared using uniform accounting policies consistently for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's Standalone Financials Statements except otherwise stated. Necessary adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

In preparing the consolidated financial statements, financial statements of the Holding Company and its subsidiaries have been combined on a line by line basis by adding the book values of the like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and unrealised profits or losses in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the Parent Company and its share in the post-acquisition increase in the relevant reserves of the consolidated entities.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests and the fair value of the considerations paid or received is recognised directly in equity and attributed to the owners of the Company.

## 2.5 Business Combinations and goodwill

In accordance with Ind AS 101 provisions related to first time

adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. The said exemption has also been availed by joint ventures.

The acquisition method of accounting is used to account for business combinations by the Group.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

## 2.6 Non-controlling Interest

Non-controlling interests represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Company's shareholders.

Non-controlling interests are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. Subsequent to the acquisition, the carrying amount of the non-controlling interests is the amount of the interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

## 2.7 Investment in joint ventures

Investments in joint ventures are accounted for using the equity method. The carrying amount of the investment in joint ventures is increased or decreased to recognize the Group's share of the profit or loss and other comprehensive income of the joint venture, adjusted where necessary to ensure consistency with the accounting policies of the Group. Unrealised gains and losses on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in those entities. Where unrealized losses are eliminated, the underlying asset is also tested for impairment.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in Other Comprehensive Income (OCI) of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

## 2.8 Foreign Subsidiaries

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing rate at the date of that balance sheet





# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

- (ii) income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).
- (iii) All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

## 2.9 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Group categorises assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

- (a) Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 : inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability
- (c) Level 3 : inputs for the asset or liability which are not based on observable market data.

## 2.10 Property, Plant and Equipment (PPE)

- (i) Freehold land is carried at historical cost. All other items of PPE are stated at their cost of acquisition or construction and is net of accumulated depreciation. Carrying value of PPE on the date of transition has been considered to be deemed cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.
- (ii) All project related expenses viz. civil works, machinery under erection, construction and erection materials, pre-operative expenditure net of revenue incidental / attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations are shown under Capital Work In Progress (CWIP).
- (iii) Depreciation on PPE commences when the assets are ready for their intended use.

- (iv) Depreciation on PPE is provided on the straight-line method at the rates specified in the Tariff Regulation for regulated assets and for others on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013. The useful life of assets considered for depreciation as above are as follows:

Category	Useful life (years)
Building	15 to 50
Plant & equipment	5 to 25
Mains, meters & transformers	7 to 35
Vehicles	5 to 10
Furniture & fixtures	7 to 15
Office equipments	3 to 15

- (v) The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (vi) Cost of leasehold lands are amortised under the straight line method over the related lease period.
- (vii) Assets constructed/acquired in relation to assets taken on operating lease are amortised over the primary period of lease.

## 2.11 Intangible Assets

### Recognition and initial measurement

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amount of amortization and impairment losses. Such assets are amortized over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Accordingly, cost of computer software packages (ERP and others) for India Power Corporation Limited has been amortized over a period of 5 years on straight line basis.

Right to charge users in case of India Power Corporation (Bodhgaya) Limited, a subsidiary of the Company has been amortized over a period of 15 years on straight line basis.

Right acquired in case of PL Solar Renewable Limited, PL Sunrays Power Limited and PL Surya Vidyut Limited, a step-down subsidiaries of the Company has been amortized over a period of 25 years on straight line basis.

## 2.12 Derecognition of Tangible and Intangible Assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 2.13 Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

## 2.14 Leases

Leases are classified as finance leases whenever in terms of the lease all the risks and rewards incidental to the ownership of an asset are substantially transferred to the Company. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Any initial direct cost of the lessee is added to the amount recognized as an asset. Each lease payment is apportioned between finance charge and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognized as expenses on a straight-line basis over the term of the lease unless the lease arrangement are structured to increase in the payments in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

## 2.15 Financial Assets and Financial Liabilities

Financial assets and financial liabilities (together known as financial instruments) are recognized when Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate,

on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non current.

The financial instruments are classified to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) and such classification depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

### (i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

### (ii) Financial Assets and Financial Liabilities measured at amortized cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### (iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income.



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

(iv) For the purpose of para (ii) and (iii) above, the principal is considered to be fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) **Financial Assets or Liabilities at Fair value through profit or loss (FVTPL)**

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Group's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

## 2.16 Financial guarantee contracts

Financial guarantee contracts other than those which are in the nature of insurance are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortization.

## 2.17 Impairment of Financial Assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

## 2.18 De-recognition of financial instruments

The Group derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

## 2.19 Inventories

Inventories are valued at lower of cost or net realisable value.

Cost is calculated on weighted average basis and includes expenditure incurred for bringing such inventories to their present location and condition. Adjustments in the carrying amount of obsolete, defective and slow moving items as may be identified at the time of physical verification is made where appropriate, to cover any eventual loss on their ultimate realisation.

## 2.20 Foreign Currency Transactions

### Presentation currency:

These consolidated financial statements are presented in Indian Rupee, which is the Company's functional currency and the Group's presentation currency.

### Transactions and balances:

Transactions in currencies other than the respective entities functional currency are recognised at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year end are translated at the year end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of profit and loss account. Foreign exchange gain/loss to the extent considered as an adjustment to interest cost are considered as part of borrowing cost.

## 2.21 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities is not recognized and are disclosed by way

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

of notes to the consolidated financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent Assets are disclosed in the consolidated financial statements by way of notes to accounts when an inflow of economic benefits is probable.

## 2.22 Post-employment, non current and current employee benefits

### Defined contribution plans

#### Provident Fund

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### Defined benefit plans

#### Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statement in respect of gratuity is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of Other Comprehensive Income (OCI) in the year in which such gains or losses are determined.

#### Superannuation (Funded)

The Group's superannuation scheme, a defined benefit plan, covers certain category of employees and is administered through a trust fund. Investments of the fund are managed by LIC. Upon retirement, death or cessation of employment Superannuation Fund purchases annuity policies in favour of vested employees or their spouses to secure periodic pension. Such superannuation benefits are based on respective employee's tenure of employment and salary.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

#### Lump sum payment (Unfunded)

The Group has a defined benefit plan which covers certain categories of employees for providing a lump sum amount at various scales to the vested employee or his nominee upon retirement, death

or cessation of service based on tenure of employment. Vesting occurs upon completion of 20 years of service.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

### Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to consolidated statement of profit and loss in the year in which such gains or losses are determined.

### Current Employee Benefits

Recognised at the undiscounted amount as expense for the year in which the related service is provided.

### Voluntary Retirement Scheme

Expenditure on voluntary retirement scheme (VRS) is being charged to consolidated statement of profit and loss as incurred.

## 2.23 Revenue Recognition

Revenue from contracts with customers is recognised on supply of electricity or when services are rendered to the customers at an amount that reflects the consideration to which the Company is entitled under appropriate regulatory framework.

Revenue to be earned from sale of electricity supplied from regulated business is accounted for on basis of billing to consumers at rates approved by WBERC and are net of rebates and do not include electricity duty collected from consumers and payable to the State Government.

Sale of energy other than above is billed and accounted for at rates agreed with respective consumers.

Regulatory income and expense for the year recognised as per Regulations issued by WBERC are shown separately in the Statement of Profit and Loss.

### In respect of subsidiary (India Power Corporation (Bodhgaya) Limited)

A customer of the Company is a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activities in exchange for consideration. The core principle of recognizing revenue from contracts with customers is that the Company recognizes revenue to depict the transfer of promised services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

At contract inception, the Company assesses provision of goods or services promised in a contract with a customer to identify as a performance obligation each promise to transfer to the customer goods or service (or a bundle of goods or services) that is distinct; or a series of distinct services that are substantially the same and that have the same pattern of transfer to the customer.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

If there is variable consideration, the Company includes in the transaction price some or entire amount of estimated variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

In determining the transaction price, the Company adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer with a significant benefit of financing the transfer of services to the customer.

For each performance obligation identified if any, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. The Company recognises revenue when (or as) it satisfies a performance obligation by transferring a promised service to a customer.

For each performance obligation satisfied over time if any, the Company recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction is measured using appropriate methods which include input and output methods. Once the recognition criteria is met, revenue is measured at the amount of the transaction price (which excludes estimates of variable consideration that are constrained) that is allocated to that performance obligation.

## Revenue from Sale of Energy

- Sale of energy on account of electricity supplied is billed to consumers at the rates approved by Bihar Electricity Regulatory Commission (BERC) and DF Agreement with SBPDCL and is net of rebate etc. allowed to the customers. This includes unbilled revenue accrued at the end of the accounting year as estimated by management, based on the billing and collection trend of immediately preceding month.
- Revenue from operations does not include pass through transactions, collections on account payable as per DFA.

Ind AS 115 "Revenue from Contracts with Customers", mandatory for reporting periods beginning on or after April 1, 2018 replaces existing revenue recognition requirements. Under the modified retrospective approach there were no significant adjustments required to retained earnings at April 1, 2018. Also, application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results.

## 2.24 Interest, Dividend and Claims

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Insurance claims/other claims are accounted as and when admitted/settled.

## 2.25 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

## 2.26 Income Tax

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Taxable income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense taxable on the basis different than that considered for recognition in the accounts and also due to the items that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realized.

## 2.27 Earnings per equity share

Basic earnings per share including regulatory income/expense is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

Basic earnings per share excluding regulatory income/expense is calculated by dividing the net profit or loss for the period before regulatory income/expense attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share including regulatory income/expense, the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share excluding regulatory income/expense, the net profit or loss for the period before regulatory income/expense attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 2.28 In respect of the Company

### Regulatory assets and liabilities

Regulatory assets and liabilities shown as Regulatory deferral account balance are recognised based on process defined in Tariff Regulations issued by WBERC. Any adjustment there of are recognised in the year in which order of WBERC are received. It includes amount recoverable from/refundable to consumers on account of Fuel and Power Purchase Cost Adjustment (FPPCA), and other adjustments based on tariff regulations and orders. Consequential adjustments are given effect to upon confirmation by the relevant authorities.

## 2.29 Discontinued operations

A discontinued operation is a component of an entity that has been disposed off and that represents a major line of business or geographical area of operations. The results of the discontinued operations are presented separately in the statement of profit and loss.

## 3. CRITICAL ACCOUNTING JUDGEMENTS, ASSUMPTIONS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the year in which the results are known/materialized and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the consolidated financial statements have been disclosed below. The key assumptions and other key sources of estimation and uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year have also been discussed below:

### (a) Regulatory deferral account balances

Regulatory deferral account balances consists of Fuel and Power Purchase Cost Adjustment (FPPCA) and other accruals as per the tariff Regulation as recognised in the accounts have been considered on the basis of available tariff order and as per the norms and formula prescribed in the regulations; these may vary requiring adjustments on determination by the regulator.

### (b) Fair Valuation of financial assets - Beneficial interest in Power Trust

Beneficial interest in Power Trust have been evaluated and considered considering the valuation of underlying securities of the projected inflows of the investee entities as estimated by the respective management and evaluated by an independent valuer. Variation arising with respect to actual numbers in future may require adjustment effecting other comprehensive income.

### (c) Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

income taxes. Accordingly, such provision has been made considering concession/allowances including those based on expert advice/judicial pronouncements.

**(d) Contingencies**

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations as it is not possible to predict the outcome of pending matters with accuracy.

**(e) Impairment loss on trade receivables**

The Group evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment loss as a result of the inability of the debtors to make required payments. The Group bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable vary, it may effect the amount of actual write-offs as estimated.

**(f) Determining whether an arrangement contain leases and classification of leases**

The determination of lease and classification of the service /hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

**(g) Defined benefit obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the DBO amount and the annual defined benefit expenses.

## 4. AMALGAMATION OF INDIA POWER CORPORATION LIMITED

Pursuant to the scheme of arrangement and amalgamation ('the scheme') sanctioned by the Hon'ble Calcutta High Court vide its order dated 17th April, 2013, erstwhile India Power Corporation

Limited (IPCL), has been amalgamated with the Company with effect from 1st October 2011(the appointed date). The scheme was therefore given effect to in the financial Statements for the year ended 31st March 2013.

### 4.1 Consequent to the amalgamation as above:

The shareholders of erstwhile IPCL (the Transferor Company) are entitled to 11 equity shares of the Company (the Transferee Company) against every 100 equity shares held by them. Accordingly 1,12,02,75,823 equity shares of ₹ 1 each of the Company aggregating to ₹ 11,202.75 lakhs are to be issued to the shareholders of erstwhile IPCL. Erstwhile IPCL being the Amalgamating/Transferor Company, its shareholding of 51,61,32,374 equity shares of ₹ 1 each aggregating to ₹ 5,161.32 lakhs in the Company shall stand cancelled in terms of the scheme approved by the High Court leaving 38,95,15,856 equity shares held by Power Trust. The above referred allotment and cancellation has not been given effect due to certain pending clearance(s)/approval(s) from the Stock Exchanges in view of interim order relating to minimum public shareholding passed by SEBI. Pending this, a net amount of ₹ 6,041.43 lakhs, being the differential amount with respect to the equity shares to be allotted and to be cancelled as stated herein above, has continued to be shown as share capital suspense account.

In terms of the Orders dated 27th January, 2017, 25th August, 2017 and 18th May, 2018 of Hon'ble Calcutta High Court, Power Trust transferred/sold off through Offer for Sale 6,54,79,972 equity shares of the Company including 17,513 shares sold during the year. Therefore, Power Trust as on 31st March, 2019 holds 32,40,35,884 equity shares of the Company.

**4.2** In terms of the scheme, the Reserves arising pursuant to amalgamation constitutes free reserves available to the Amalgamated Company for such purpose including but not limited to declaration of dividend, issuance of Bonus shares etc. as the Board of Directors of the Amalgamated Company may consider appropriate. Accordingly as per the Board resolution, the reserve of ₹ 20,079.84 lakhs arising on amalgamation has been shown under the General Reserve of the Company.

**4.3** Pursuant to the Scheme, the name of the Company has been changed to India Power Corporation Limited with effect from August 27, 2013.

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 5 PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Freehold Land	Leasehold Land	Leasehold Improvements	Buildings	Plant and Equipment	Mains, Meters and Transformers	Furniture and Fixtures	Vehicles	Office Equipment	Total
<b>Gross carrying value as at April 1, 2017</b>	<b>5,730.90</b>	<b>1,417.82</b>	<b>56.48</b>	<b>22,949.68</b>	<b>1,56,094.66</b>	<b>22,368.46</b>	<b>832.16</b>	<b>145.66</b>	<b>1,582.72</b>	<b>2,11,178.54</b>
Addition	-	-	-	305.90	123.84	806.56	11.08	241.28	78.89	1,567.55
Disposal	-	-	-	-	-	20.37	0.29	2.71	11.02	34.39
Adjustments	-	-	-	-	-	-	-	-	-	-
<b>Gross carrying value as at March 31, 2018</b>	<b>5,730.90</b>	<b>1,417.82</b>	<b>56.48</b>	<b>23,255.58</b>	<b>1,56,218.50</b>	<b>23,154.65</b>	<b>842.95</b>	<b>384.23</b>	<b>1,650.59</b>	<b>2,12,711.70</b>
Addition	-	228.58	-	272.60	490.64	2,143.01	9.48	-	60.99	3,205.30
Disposal	-	-	-	-	-	7.62	-	86.18	2.76	96.56
Adjustments	(5,442.70)	-	(56.48)	(16,919.61)	(1,47,870.53)	2,852.86	(623.76)	(143.01)	(1,100.94)	(1,69,304.17)
<b>Gross carrying value as at March 31, 2019</b>	<b>288.20</b>	<b>1,646.40</b>	<b>-</b>	<b>6,608.57</b>	<b>8,838.61</b>	<b>28,142.90</b>	<b>228.67</b>	<b>155.04</b>	<b>607.88</b>	<b>46,516.27</b>
<b>Accumulated depreciation as at April 1, 2017</b>	<b>-</b>	<b>47.54</b>	<b>-</b>	<b>1,646.15</b>	<b>15,178.23</b>	<b>1,849.51</b>	<b>109.82</b>	<b>36.92</b>	<b>302.78</b>	<b>19,170.95</b>
Charge for the period	-	24.47	-	819.46	7,510.49	968.73	54.63	41.74	162.83	9,582.35
Disposal	-	-	-	-	-	2.58	0.06	1.99	5.99	10.62
<b>Accumulated depreciation as at March 31, 2018</b>	<b>-</b>	<b>72.01</b>	<b>-</b>	<b>2,465.61</b>	<b>22,688.72</b>	<b>2,815.66</b>	<b>164.39</b>	<b>76.67</b>	<b>459.62</b>	<b>28,742.68</b>
Charge for the period	-	26.40	-	242.85	941.73	1,032.81	22.19	28.69	58.06	2,352.73
Disposal	-	-	-	-	-	1.09	-	18.01	2.07	21.17
Adjustment	-	-	-	(1,634.10)	(22,389.47)	231.19	(115.56)	(11.96)	(309.08)	(24,228.98)
<b>Accumulated depreciation as at March 31, 2019</b>	<b>-</b>	<b>98.41</b>	<b>-</b>	<b>1,074.36</b>	<b>1,240.98</b>	<b>4,078.57</b>	<b>71.02</b>	<b>75.39</b>	<b>206.53</b>	<b>6,845.26</b>
Net carrying value as at March 31, 2018	5,730.90	1,345.81	56.48	20,789.97	1,33,529.78	20,338.99	678.56	307.56	1,190.97	1,83,969.02
<b>Net carrying value as at March 31, 2019</b>	<b>288.20</b>	<b>1,547.99</b>	<b>-</b>	<b>5,534.21</b>	<b>7,597.63</b>	<b>24,064.33</b>	<b>157.65</b>	<b>79.65</b>	<b>401.35</b>	<b>39,671.01</b>

- 5.1** The Group has elected to continue with the carrying value of its Property, Plant & Equipment (PPE) as on April 1, 2015 (transition date) measured as per previous GAAP and used that carrying value as its deemed cost.
- 5.2** Gross Block and Net Block of buildings includes ₹ 166.67 lakhs and ₹ 140.32 lakhs (₹ 166.67 lakhs and ₹ 146.92 lakhs as on March 31, 2018) respectively being building constructed on land not owned by the Company.
- 5.3** Refer note 22 & 28 for charge against PPE.
- 5.4** Refer note 16.1 for disposal of Chinakuri Power Plant.
- 5.5** In case of one of the subsidiary India Power Corporation (Bodhgaya) Limited, as per the Distribution Franchise agreement "DFA", on account of termination of DFA by South Bihar Power Distribution Company Limited "SBPDCL", possession of assets has been taken over by SBPDCL for which company has filed petition with Arbitrator. Being the case is sub-judice, the company is not in a position to consider this as transfer as realisable value of these assets from SBPDCL is yet to be determined by arbitrator.



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 6 OTHER INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Software	Right to Charge Users (refer Note 6.1)	Right (refer note 6.2)	Total
<b>Gross Carrying Value as at April 1, 2017</b>	<b>445.68</b>	<b>3,103.49</b>	<b>689.45</b>	<b>4,238.62</b>
Additions	93.20	2,152.80	430.99	2,676.99
Disposal	-	-	-	-
Adjustments	-	-	-	-
<b>Gross Carrying Value as at March 31, 2018</b>	<b>538.88</b>	<b>5,256.29</b>	<b>1,120.44</b>	<b>6,915.61</b>
Additions	73.94	-	-	73.94
Disposal	-	-	-	-
Adjustments	(170.00)	(5,256.29)	(1,120.44)	(6,546.73)
<b>Gross carrying value as at March 31, 2019</b>	<b>442.82</b>	<b>-</b>	<b>-</b>	<b>442.82</b>
<b>Accumulated depreciation as at April 1, 2017</b>	<b>261.23</b>	<b>383.93</b>	<b>-</b>	<b>645.16</b>
Charge for the period	63.06	435.98	-	499.04
Disposal	-	-	-	-
<b>Accumulated depreciation as at March 31, 2018</b>	<b>324.29</b>	<b>819.91</b>	<b>-</b>	<b>1,144.20</b>
Charge for the period	34.66	-	-	34.66
Disposal	-	819.91	-	819.91
Adjustment	(109.01)	-	-	(109.01)
<b>Accumulated depreciation as at March 31, 2019</b>	<b>249.94</b>	<b>-</b>	<b>-</b>	<b>249.94</b>
Net carrying value as at March 31, 2018	214.59	4,436.38	1,120.44	5,771.41
<b>Net carrying value as at March 31, 2019</b>	<b>192.88</b>	<b>-</b>	<b>-</b>	<b>192.88</b>

- 6.1** Intangible asset in respect of the subsidiary, India Power Corporation (Bodhgaya) Limited, being the Right to charge users of the electricity under the Distribution Franchise Agreement "DFA" with South Bihar Power Distribution Company Limited "SBPDCL". These assets being de-recognised during the year due to termination of DFA with SBPDCL.
- 6.2** Right represents the value of intangible rights acquired by India Power Green Utility Private Limited, a subsidiary on acquisition of PL Solar Renewable Limited, PL Sunrays Power Limited and PL Surya Vidyut Limited. These assets being de-recognised during the year on account of sale of the said subsidiaries.

## 7.1 NON-CURRENT INVESTMENTS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018	Face value (₹)	As at 31st March, 2019	As at 31st March, 2018
	(No.)	(No.)			
<b>Investment in equity instruments</b>					
<b>Fully paid up Equity Shares</b>					
<b>Unquoted, Carried at Cost</b>					
<b>Investment in Subsidiary Companies</b>					
Meenakshi Energy Limited	10,02,34,109	-	10	10,023.41	-

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 7.1 NON-CURRENT INVESTMENTS (CONTD.)

(₹ in lakhs)

Particulars	As at 31st March, 2019 (No.)	As at 31st March, 2018 (No.)	Face value (₹)	As at 31st March, 2019	As at 31st March, 2018
<b>Unquoted, Carried at fair value through Profit and Loss</b>					
<b>Investment in Joint venture Companies</b>					
Matsya Shipping & Ports Private Limited	-	5,000	10	-	0.50
Add/(Less): Share of profit/(loss)				-	(0.50)
India Uniper Power Services Private Limited	35,25,000	35,25,000	10	352.50	352.50
Add/(Less): Share of profit/(loss)				(88.63)	30.66
<b>Investment in Other Body Corporate</b>					
<b>Carried at Fair value through Other Comprehensive Income</b>					
<b>Quoted</b>					
Yule Financing & Leasing Co. Limited	2,97,930	2,97,930	10	-	-
Tide Water Oil Co. (I) Limited	-	4,024	5	-	245.36
<b>Unquoted</b>					
Transformer & Switchgear Limited	24,407	24,407	10	-	-
WEBFIL Limited	20,03,800	20,03,800	10	-	-
Woodlands Multispecialty Hospital Limited	500	500	10	0.05	0.05
Tuticorin Electricity Supply Private Limited (formerly known as India Power Corporation (Tuticorin) Private Limited)	-	3,87,600	10	-	40.54
<b>Investment in Debenture</b>					
<b>Fully Paid up Debentures</b>					
<b>Investment in Other Body Corporate</b>					
<b>Carried at Fair value through Other Comprehensive Income</b>					
18.00% Unsecured optionally fully convertible debentures of OSD Coke (Consortium) Private Limited	2,500	2,500	100	2.50	2.50
<b>Investment for Unforeseen Exigencies Reserve</b>					
<b>Carried at amortised cost</b>					
<b>Quoted - Bonds</b>					
9.05% Corporation Bank, 2019	3	3	10,00,000	30.00	30.00
11.05% IOB, 2018	-	2	10,00,000	-	20.00
9.20% Bank of Baroda Perpetual bonds, 2019	3	3	10,00,000	30.00	30.00
9.18% PFC, 2021	4	4	10,00,000	39.56	39.56
11.40% SREI IFL, 2022	2	2	10,00,000	19.99	19.99
10.50% SIFL, 2020	1	1	10,00,000	9.75	9.75
<b>Carried at Fair value through Profit and loss</b>					
<b>Quoted - Mutual Funds</b>					
UTI- GILT Advantage fund long term plan - Dividend payout	6,39,645	6,39,645	10	162.24	151.22
<b>Investment for Unforeseen Exigencies Reserve Interest</b>					





# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 7.1 NON-CURRENT INVESTMENTS (CONTD.)

(₹ in lakhs)

Particulars	As at 31st March, 2019 (No.)	As at 31st March, 2018 (No.)	Face value (₹)	As at 31st March, 2019	As at 31st March, 2018
<b>Quoted - Bonds</b>					
<b>Carried at amortised cost</b>					
11.40% SREI IFL, 2022	2	2	10,00,000	19.99	19.99
10.50% SIFL, 2020	1	1	10,00,000	9.76	9.76
8.30% GOI 2040 Bond	3,000	3,000	100	2.92	2.92
<b>Carried at Fair value through Profit and loss</b>					
<b>Quoted- Mutual Funds</b>					
UTI Balanced Fund (Income Re-investment) Scheme	1,01,104	96,465	10	28.68	28.12
<b>Total</b>				<b>10,642.72</b>	<b>1,032.92</b>
Aggregate amount of Quoted Investments				352.89	606.67
Aggregate Market Value of Quoted Investments				350.47	605.58
Aggregate amount of Unquoted Investments				10,289.83	426.25

## 7.2 CURRENT INVESTMENTS

(₹ in lakhs)

Particulars	As at 31st March, 2019 (No.)	As at 31st March, 2018 (No.)	Face value (₹)	As at 31st March, 2019	As at 31st March, 2018
<b>Investment for Unforeseen Exigencies Reserve</b>					
<b>Carried at amortised cost</b>					
<b>Quoted - Bonds</b>					
11.00% PFC, 2018	-	3	10,00,000	-	30.00
<b>Investment in mutual fund</b>					
<b>Carried at fair value through profit and loss</b>					
<b>Quoted -Mutual Funds</b>					
SBI Ultra Short Term Debt Fund- Direct Plan - Growth	-	8,18,164		-	18,423.81
SBI Ultra Short Debt Fund- Regular Plan - Growth	-	6,60,460		-	14,806.13
Indiabulls Ultra Short Term - Direct Plan Growth	-	2,03,696		-	3,520.44
SBI Treasury Advantage Fund - Direct Growth	-	6,130		-	121.26
<b>Total</b>				<b>-</b>	<b>36,901.64</b>
Aggregate amount of Quoted Investments				-	36,901.64
Aggregate Market Value of Quoted Investments				-	36,902.86

**7.3** 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 SBICAP Trustee Company Limited (SBI CAP) on behalf of the lenders of the 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.

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

Based on Company's holding of equity shares with differential voting rights in MEL and the Company challenging the invocation of pledge, MEL has been continued to be considered as subsidiary of the Company. Pending outcome of the above judicial matters, MEL being a subsidiary, its accounts not yet compiled and accordingly Company has not consolidated MEL accounts with its financials. Hence the comparative figures are not comparable to that extent.

## 7.4 Details of Subsidiaries and Joint ventures in accordance with Ind AS 112 "Disclosure of interests in other entities"

### (a) Investment in Subsidiaries

Name of the Company	Principal Activity	Note No.	Country of Incorporation	Proportion of ownership	
				As at 31st March, 2019	As at 31st March, 2018
India Power Corporation (Bodhgaya) Limited	Electricity Distribution franchise business in Gaya		India	100.00	100.00
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	Inter state trading of electricity		India	-	99.81
IPCL Pte. Ltd.	Exploring electricity business development opportunities in India and abroad		Singapore	100.00	100.00
India Power Green Utility Private Limited (IPGUPL)	Developing or acquiring green assets portfolio of green energy		India	-	100.00
PL Solar Renewable Limited (Subsidiary of IPGUPL)	Generation of solar power		India	-	49.00
PL Sunrays Power Limited (Subsidiary of IPGUPL)	Generation of solar power		India	-	49.00
PL Surya Vidyut Limited (Subsidiary of IPGUPL)	Generation of solar power		India	-	49.00
Meenakshi Energy Limited	Generation of thermal power	7.3	India	2.44	95.19

### (b) Investment in Joint Ventures

Name of the Company	Principal Activity	Country of Incorporation	Proportion of ownership	
			As at 31st March, 2019	As at 31st March, 2018
Matsya Shipping & Ports Private Limited	Foray into shipping and ports sector	India	-	50.00
India Uniper Power Services Private Limited	Assets management services for power generating assets	India	50.00	50.00

## 7.5 Summarised financial information for joint ventures

The tables below provide summarised financial information for those joint ventures that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures. They have been amended to reflect adjustments made by the entity using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 7.5 Summarised financial information for joint ventures (Contd.)

(₹ in lakhs)

Summarised balance sheet	Matsya Shipping & Ports Private Limited		India Uniper Power Services Private Limited	
	As at 25th February, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
<b>Current Assets</b>				
Cash and cash equivalents	0.48	1.14	35.03	142.42
Other Assets	-	-	806.49	1,077.44
<b>Total Current Assets</b>	<b>0.48</b>	<b>1.14</b>	<b>841.52</b>	<b>1,219.86</b>
<b>Total Non current assets</b>	<b>-</b>	<b>-</b>	<b>35.58</b>	<b>27.81</b>
<b>Current liabilities</b>				
Financial liabilities	6.85	5.86	342.50	447.95
Other liabilities	0.08	0.09	21.85	45.01
<b>Total Current Liabilities</b>	<b>6.93</b>	<b>5.95</b>	<b>364.35</b>	<b>492.96</b>
<b>Non Current liabilities</b>				
Financial liabilities	-	-	-	-
Other liabilities	-	-	13.61	16.99
<b>Total Non Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>13.61</b>	<b>16.99</b>
<b>Net Assets</b>	<b>(6.45)</b>	<b>(4.81)</b>	<b>499.14</b>	<b>737.72</b>

Reconciliation of the above summarised financial information to the carrying amount of the interest in Joint Venture recognised in the consolidated financial statement.

(₹ in lakhs)

Particulars	Matsya Shipping & Ports Private Limited		India Uniper Power Services Private Limited	
	As at 25th February, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
<b>Opening Net assets</b>	<b>(1.05)</b>	<b>1.00</b>	<b>766.29</b>	<b>592.17</b>
Equity share issued	-	-	-	-
Profit/(loss) for the year	(1.64)	(2.05)	(241.52)	176.03
Other comprehensive income	-	-	2.93	(1.91)
Dividend paid	-	-	-	-
<b>Closing net assets</b>	<b>(2.69)</b>	<b>(1.05)</b>	<b>527.70</b>	<b>766.29</b>
Proportion of the Group's ownership interest in JV (%)	50	50	50	50
Proportion of the Group's ownership interest in JV	-	-	263.87	383.15
<b>Carrying amount</b>	<b>-</b>	<b>-</b>	<b>263.87</b>	<b>383.15</b>

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 7.5 Summarised financial information for joint ventures (Contd.)

(₹ in lakhs)

Summarised statement of profit and loss	Matsya Shipping & Ports Private Limited		India Uniper Power Services Private Limited	
	Period ended 25th February, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
Revenue	-	-	377.11	1,855.28
Interest income	-	-	65.38	44.21
Depreciation and amortisation expenses	-	-	(1.53)	-
Interest expenses	(0.59)	(0.65)	(11.94)	(0.18)
Other expenses	(1.05)	(1.40)	(670.37)	(1,707.15)
Income tax expenses	-	-	(0.17)	(16.13)
Profit from continuing operation	(1.64)	(2.05)	(241.52)	176.03
Profit from discontinued operation	-	-	-	-
Profit for the year	(1.64)	(2.05)	(241.52)	176.03
Other comprehensive income	-	-	2.93	(1.91)
Total comprehensive income	(1.64)	(2.05)	(238.59)	174.12
Dividend received	-	-	-	-

**7.6** The Group has disinvested its equity stake in IPCL Power Trading Private Limited (now known as Saranyu Power Trading Private Limited) and India Power Green Utility Private Limited and accordingly these companies have ceased to be subsidiary of the Company with effect from 17th September, 2018. The Group has also disinvested its equity stake in Matsya Shipping & Ports Private Limited and accordingly it has ceased to be a Joint Venture of the Company with effect from 26th February, 2019.

### Loss of Control over subsidiary

#### (a) Gain/(Loss) on sale of shares of subsidiary :

(₹ in lakhs)

Particulars	Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	India Power Green Utility Private Limited	PL Solar Renewable Limited	PL Sunrays Power Limited	PL Surya Vidyut Limited	Matsya Shipping & Ports Private Limited
	16th September, 2018	16th September, 2018	16th September, 2018	16th September, 2018	16th September, 2018	25th February, 2019
Consideration	589.16	11.00	-	-	-	0.50
Carrying amount of net assets sold	587.55	(350.71)	86.90	67.35	98.30	-
Fair Value of retained investment	-	-	-	-	-	-
Gain/(loss) on sale before income tax	1.61	361.71	(86.90)	(67.35)	(98.30)	0.50
Income tax expense on gain	-	-	-	-	-	-
<b>Gain/(loss) on sale after income tax</b>	<b>1.61</b>	<b>361.71</b>	<b>(86.90)</b>	<b>(67.35)</b>	<b>(98.30)</b>	<b>0.50</b>



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## (b) Other Financial Information :

(i) The carrying amounts of assets and liabilities as at the date of sale were as follows:

(₹ in lakhs)

Particulars	Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	India Power Green Utility Private Limited	PL Solar Renewable Limited	PL Sunrays Power Limited	PL Surya Vidyut Limited	Matsya Shipping & Ports Private Limited
	As at 16th September, 2018	As at 16th September, 2018	As at 16th September, 2018	As at 16th September, 2018	As at 16th September, 2018	As at 25th February, 2019
Property, Plant & Equipment	0.88	1.89	-	-	-	-
Capital Work in Progress	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-
Non-Current assets	0.41	672.29	40.06	35.21	33.42	-
Current Assets	1,537.96	188.52	218.37	231.18	232.37	0.48
<b>Total Assets</b>	<b>1,539.25</b>	<b>862.70</b>	<b>258.43</b>	<b>266.39</b>	<b>265.79</b>	<b>0.48</b>
Non-Current Liabilities	6.84	1,026.03	158.67	177.30	160.47	-
Current Liabilities	946.96	11.53	223.49	232.25	197.24	6.93
<b>Total Liabilities</b>	<b>953.80</b>	<b>1,037.56</b>	<b>382.16</b>	<b>409.55</b>	<b>357.71</b>	<b>6.93</b>
<b>Net Assets</b>	<b>585.45</b>	<b>(174.86)</b>	<b>(123.73)</b>	<b>(143.16)</b>	<b>(91.92)</b>	<b>(6.45)</b>

(ii) Summarised Statement of Profit and Loss and Cash Flows as at the date of sale were as follows :

(₹ in lakhs)

Particulars	Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	India Power Green Utility Private Limited	PL Solar Renewable Limited	PL Sunrays Power Limited	PL Surya Vidyut Limited	Matsya Shipping & Ports Private Limited
	Period ended 16th September, 2018	Period ended 16th September, 2018	Period ended 16th September, 2018	Period ended 16th September, 2018	Period ended 16th September, 2018	Period ended 25th February, 2019
Revenue	68.14	36.74	86.36	90.36	82.64	-
Expenses	65.53	116.77	66.02	63.37	63.93	1.64
Profit before income tax	2.61	(80.03)	20.34	26.99	18.71	(1.64)
Income tax expense	1.46	0.06	3.42	4.66	3.60	-
Profit after income tax	1.15	(80.09)	16.92	22.33	15.11	(1.64)
Net cash inflow/(outflow) from operating activities	45.96	(109.10)	17.47	35.13	38.61	(0.66)
Net cash inflow/(outflow) from investing activities	(116.73)	13.07	-	-	-	-
Net cash inflow/(outflow) from financing activities	-	189.45	(9.80)	(27.66)	(42.19)	-
<b>Net increase/(decrease) in cash generated</b>	<b>(70.77)</b>	<b>93.42</b>	<b>7.67</b>	<b>7.47</b>	<b>(3.58)</b>	<b>(0.66)</b>



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 8 NON- CURRENT FINANCIAL ASSET - LOANS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Unsecured Considered Good unless otherwise stated</b>		
<b>Carried at amortised cost</b>		
Deposits	0.44	169.88
Advances to employees	1.68	1.79
<b>Total</b>	<b>2.12</b>	<b>171.67</b>

## 9 NON- CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Carried at amortised cost</b>			
Fixed deposit with banks having maturity of more than 12 months	9.1	158.63	279.84
Receivable against encashment of bank guarantee		-	1,000.00
Other receivables		-	500.00
<b>Carried at fair value through other comprehensive income</b>			
Beneficial interest in Power Trust	9.2	82,384.55	81,871.84
<b>Total</b>		<b>82,543.18</b>	<b>83,651.68</b>

**9.1** (a) Includes ₹ 2.51 lakhs (₹ 22.11 lakhs as on March 31, 2018) kept as margin money with bank and ₹ 111.12 lakhs (₹ 257.73 lakhs as on March 31, 2018) kept with bank as lien against repayment of term loans.

(b) Includes ₹ 45 lakhs (₹ Nil as on March 31, 2018) being investment against unforeseen exigencies fund.

**9.2** Beneficial interest in Power Trust 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 (refer note 4). 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 required in terms of Ind AS 109 has been carried out by an independent firm of chartered accountant and the resultant increase of ₹ 512.71 lakhs (decrease of ₹ 6.20 lakhs as on 31st March, 2018) in value thereof, has been adjusted from other comprehensive income.

## 10 OTHER NON - CURRENT ASSETS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Advance against goods, services &amp; Others</b>			
<b>Unsecured Considered Good unless otherwise stated</b>			
Prepaid expenses		12.77	298.15
Capital advance		50.00	9,949.17
Advance others	44	-	1,206.33
Long term deposit	44	-	4,205.55
<b>Total</b>		<b>62.77</b>	<b>15,659.20</b>



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 11 INVENTORIES

(At lower of cost or net realisable value)

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Coal	85.04	2,700.26
Diesel	-	86.86
Stores and spares	867.56	4,633.42
Loose tools	4.31	4.59
<b>Total</b>	<b>956.91</b>	<b>7,425.13</b>

11.1 Refer note 28 for charge against inventories.

## 12 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Secured</b>			
Considered good	12.1	1,297.46	1,430.42
<b>Total secured</b>		<b>1,297.46</b>	<b>1,430.42</b>
<b>Unsecured</b>			
Considered good	12.3	19,641.16	23,139.49
Considered doubtful		35.42	91.81
		19,676.58	23,231.30
Less: Allowance for bad and doubtful debt	12.5	35.42	91.81
<b>Total unsecured</b>		<b>19,641.16</b>	<b>23,139.49</b>
<b>Total</b>		<b>20,938.62</b>	<b>24,569.91</b>

12.1 Secured by security deposits received from the respective consumers.

12.2 The Group extends credit to consumers in normal course of business as per Regulation issued by West Bengal Electricity Regulatory Commission for regulatory business and as per Power Purchase Agreements (PPA) entered with DISCOMs for non regulatory business. Consumer's outstanding balances are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivable as low as outstanding from non regulatory business is covered with PPA with government undertakings and in case of regulated business outstanding are as governed by rate regulated body of the state government and customers can not shift to other distribution licensee without clearing dues and obtaining "No objection certificate" from the Group. The Group has also taken advances and security deposit from its consumers, to mitigate the credit risk to an extent.

(₹ in lakhs)

Particulars	Within Credit period/Not Due	Upto 6 Months	6 to 12 Months	Above 12 months	Total
Trade Receivable					
As at 31st March 2019					
Secured	677.93	99.61	169.23	350.69	1,297.46
Unsecured	19,027.21	352.95	145.56	150.86	19,676.58
Gross Total	19,705.14	452.56	314.79	501.55	20,974.04
Less: Allowance for bad and doubtful debt	-	-	-	35.42	35.42
<b>Net Total</b>	<b>19,705.14</b>	<b>452.56</b>	<b>314.79</b>	<b>466.13</b>	<b>20,938.62</b>

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 12 CURRENT FINANCIAL ASSETS-TRADE RECEIVABLES (CONTD.)

(₹ in lakhs)

12.2 Particulars	Within Credit period/Not Due	Upto 6 Months	6 to 12 Months	Above 12 months	Total
As at 31st March 2018					
Secured	1,049.09	156.53	207.33	17.47	1,430.42
Unsecured	4,852.73	5,088.55	4,931.27	8,358.75	23,231.30
Gross Total	5,901.82	5,245.08	5,138.60	8,376.22	24,661.72
Less: Allowance for bad and doubtful debt	-	-	-	91.81	91.81
Net Total	5,901.82	5,245.08	5,138.60	8,284.41	24,569.91

**12.3** Includes ₹ 444.43 lakh recoverable from SBPDCL on account of payments made in advance by the consumers prior to taking over the operation by the company.

**12.4** Refer note 28 for charge against the outstanding amount.

**12.5** Movement in Allowance for bad and doubtful debt

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Opening balance	91.81	84.63
Additions	-	17.93
Reversals	(56.39)	(10.75)
<b>Closing balance</b>	<b>35.42</b>	<b>91.81</b>

## 13 CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Cash and Cash Equivalent</b>			
Balances with banks			
Current account		566.47	2,698.08
Cash on hand		3.67	8.79
Digital money	13.1	-	2.33
<b>Total</b>		<b>570.14</b>	<b>2,709.20</b>

**13.1** Digital money to be received on T+1 basis as per contract with Paytm.

## 14 CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Other Balances with Banks</b>			
Fixed deposit	14.1	1,541.97	8,518.90
Current account - unforeseen exigencies reserve fund		0.11	0.11
Unpaid dividend	30.1 & 30.2	257.47	168.64
Others		-	1,294.28
<b>Total</b>		<b>1,799.55</b>	<b>9,981.93</b>



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

**14.1** (a) Includes ₹ 425.29 lakhs (₹ 465.33 lakhs as on March 31, 2018) kept as margin money with bank and ₹ 468.99 lakhs (₹ 352.07 lakhs as on March 31, 2018) kept with bank as lien against repayment of term loans.

(b) Includes ₹ 374.71 lakhs (₹ 389.84 lakhs as on March 31, 2018) being investment against unforeseen exigencies fund and ₹ 269.09 lakhs (₹ 187.29 lakhs as on March 31, 2018) being investment against unforeseen exigencies interest fund.

## 15 CURRENT FINANCIAL ASSETS - LOANS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Unsecured Considered Good unless otherwise stated</b>		
<b>Carried at amortised cost</b>		
Loan to related parties	3,094.42	5.00
Loan to employees	0.10	4.75
Loan to a body corporate	-	403.40
Loan others	3,524.03	-
Security deposit	969.58	1,181.00
Advance recoverable	-	1.95
<b>Total</b>	<b>7,588.13</b>	<b>1,596.10</b>

## 16 CURRENT FINANCIAL ASSETS - OTHERS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Unsecured Considered Good unless otherwise stated</b>			
Interest accrued		809.06	112.10
Receivable from Power Trust	16.3	20,321.77	48,948.77
Receivable - others	16.1	3,220.80	3,015.70
Advance to related party		-	195.03
Advance - employees & others		56.73	23.01
Interest recoverable		3,591.81	2,278.76
Interest recoverable - term loans		-	31,314.81
Unbilled revenue		1,844.65	1,084.46
Recoverable from SBPDCL		1,438.49	-
Others		2.51	4.61
<b>Total</b>		<b>31,285.82</b>	<b>86,977.25</b>

**16.1** The lease of Chinakuri Power Station (CPS) with Eastern Coal Fields Limited (ECL) has expired on March 31, 2012 and in terms of lease agreement ECL is required to take over all assets at respective Written Down Value as on the date of termination of the lease. In terms of the arbitration order passed by Arbitration Tribunal, handing / taking over of vacant and peaceful possession of CPS has been completed on October 6, 2016, and thereby the resultant amount of ₹ 2,468.10 lakhs has been shown as recoverable from ECL.

**16.2** The Company's claim/counter claim from ECL with respect to above and ECL's claim against the Company in this respect are under arbitration pursuant to the order of Hon'ble Supreme Court of India. Adjustment in this respect will be given effect to as and when determined.

**16.3** Receivable from Power Trust represents amount receivable for sale of Compulsorily Convertible Preference Shares of Hiranmaye Energy Limited (formerly known as India Power Corporation (Haldia) Limited) in previous years and for which necessary approvals need to be obtained.

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 17 OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance to suppliers	238.11	15,354.04
Land lease prepayment	-	19.93
Other advances	7,215.53	18.20
Prepaid expenses	275.47	498.30
Balance with government statutory authorities	2.51	28.07
Tax deducted at source/advance tax	32.60	7.27
Others	-	83.45
<b>Total</b>	<b>7,764.22</b>	<b>16,009.26</b>

## 18 REGULATORY DEFERRAL ACCOUNT BALANCES

### (a) Debit balances

(₹ in lakhs)

Particulars	Fuel and Power Purchase Cost Adjustments	Other Adjustments based on Tariff Regulations	Total
<b>As at April 1, 2017</b>	2,393.45	5,481.49	7,874.94
Balance arising in the period	-	3,539.86	3,539.86
Recovery/reversal	(1,456.34)	-	(1,456.34)
<b>Closing Balance as at March 31, 2018</b>	<b>937.11</b>	<b>9,021.35</b>	<b>9,958.46</b>
Balances arising in the period	-	2,609.78	2,609.78
Recovery/reversal	(4.58)	-	(4.58)
<b>Closing Balance as at March 31, 2019</b>	<b>932.53</b>	<b>11,631.13</b>	<b>12,563.66</b>

### (b) Credit Balances

(₹ in lakhs)

Particulars	Fuel and Power Purchase Cost Adjustments	Total
<b>As at April 1, 2017</b>	3,077.57	3,077.57
Balance arising in the period	1,936.51	1,936.51
Recovery/reversal	-	-
<b>Closing Balance as at March 31, 2018</b>	<b>5,014.08</b>	<b>5,014.08</b>
Balances arising in the period	676.76	676.76
Recovery/reversal	-	-
<b>Closing Balance as at March 31, 2019</b>	<b>5,690.84</b>	<b>5,690.84</b>

### (c) Regulatory income/(expense) (net)

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Fuel and Power Purchase Cost Adjustment	18.2	(676.76)	(1,936.51)
Other adjustments based on Tariff Regulations and orders	18.2	2,609.78	3,539.86
<b>Total</b>		<b>1,933.02</b>	<b>1,603.35</b>





# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 18.1 Tariff regulations, risks and uncertainties

In the State of West Bengal tariff for electricity are determined by West Bengal Electricity Regulatory Commission (WBERC/Commission).

- Multi year tariff (MYT) proposal giving therein details for appropriate capital structure to meet the capital investment plan with details of cost of financing including interest cost on debt and return on equity, expected sales for the years and the 'Annual Revenue Requirement' (ARR) covering both variable and fixed cost is submitted to WBERC. Commission examines the MYT proposals thereafter and tariff is determined for different categories of consumers. At the end of the financial year, "Annual Performance Review" (APR) petition for fixed cost and Fuel and Power Purchase Cost Adjustment (FPPCA) for variable cost is submitted to WBERC. WBERC reviews cost incurred under two categories as defined in Tariff regulation as "Controllable" and "Uncontrollable". In case of Uncontrollable cost all increase are allowed on actual basis and for Controllable cost, the commission may disallow any increase if these are not considered to be justifiable.
- The tariff regulation prescribes various normative operational and financial parameters for the Company. Any variation thereof may lead to disallowances. The Company is exposed to regulatory risk to the extent accruals are disallowed on assessment.

- As per the Tariff Regulation any increase in variable cost is allowed to be recovered from consumers based on formula prescribed in the tariff regulation for "Fuel and Power Purchase Cost Adjustment" (FPPCA) as 'monthly variable cost adjustment' (MVCA). FPPCA recoverable/refundable, reliability incentive etc is accounted for as regulatory income/(expense) in the statement of Profit and Loss.
- Regulatory deferral account balances relate to FPPCA, Reliability incentives and other accruals recognised on the basis of latest declared tariff order and claims filed with WBERC. Accruals on account of FPPCA and reliability incentives etc are recognised in books as per formula prescribed in Tariff Regulation. Reversal/accrual are carried out in the year in which Tariff, FPPCA and APR orders are received. Recovery of the regulatory deferral balances are carried out in the manner and instalments as allowed by WBERC.

**18.2** Payable on account of FPPCA of ₹ 676.76 lakhs for the year has been recognised on the basis of formulae prescribed under the applicable Tariff Regulations. The Company is entitled for incentive and gains including incentive for reliability in power supply and accordingly based on applicable norms as per Tariff regulation and claims filed with WBERC ₹ 2,609.78 lakhs have been recognised. Adjustments in these respects are carried out and given effect to from time to time based on the order of West Bengal Electricity Regulatory Commission or directions from appropriate authorities.

## 19 EQUITY SHARE CAPITAL

(₹ in lakhs)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised</b>				
10% 'A' Cumulative preference shares of ₹ 100 each	16,000	16.00	16,000	16.00
10% 'B' Cumulative preference shares of ₹ 100 each	12,000	12.00	12,000	12.00
Equity Shares of ₹ 1 each	16,99,72,00,000	1,69,972.00	16,99,72,00,000	1,69,972.00
<b>Issued, Subscribed and fully paid up equity shares</b>				
Equity Shares of ₹ 1 each	97,37,89,640	9,737.90	97,37,89,640	9,737.90
<b>Total</b>	<b>97,37,89,640</b>	<b>9,737.90</b>	<b>97,37,89,640</b>	<b>9,737.90</b>

**19.1** The Company has only one class of equity shares having a par value of ₹ 1 each. Each share has one voting right.

**19.2** There is no movement in the number of shares outstanding and the amount of Share Capital as at March 31, 2019 and March 31, 2018.

**19.3** Details of Shareholders holding more than 5% of equity shares each, are set out below:

Name of the Shareholders	As at 31st March, 2019	As at 31st March, 2018
	No. of Shares	No. of Shares
Erstwhile India Power Corporation Ltd. (refer Note 4.1)	51,61,32,374	51,61,32,374
Power Trust (held in the name of the Trustee of the trust)	32,40,35,884	32,40,53,397
Aksara Commercial Private Limited	6,31,99,293	6,31,99,293

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

**19.4** The above disclosures, are without giving effect to the further issue and cancellation of equity shares pursuant to the scheme of amalgamation as given in note 4.1.

## 20 OTHER EQUITY

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Capital Reserve			
- Contribution from consumers towards service lines	20.1	2,779.12	2,497.61
- Other capital reserve	20.2	82.47	82.47
- Capital reserve on acquisition	20.3	-	3,74,898.79
Debenture redemption reserve	20.4	2,350.00	2,350.00
General reserve	20.5	77,403.62	77,403.62
Reserve for unforeseen exigencies fund	20.6	721.00	617.25
Reserve for unforeseen exigencies interest fund	20.6	346.39	282.97
Foreign currency translation reserve	20.7	(24.37)	(7.40)
Retained earnings	20.8	16,755.80	29,329.40
Other Comprehensive Income (OCI)	20.10		
- Remeasurement of defined benefit plans		(799.52)	(650.28)
- Fair value of beneficial interest in Power Trust and equity instrument through OCI		579.20	82.57
<b>Total</b>		<b>1,00,193.71</b>	<b>4,86,887.00</b>

**20.1** Considering that capital contribution from consumers toward service lines are not refundable to the consumers even after they cease to be consumers and the underlying assets there against being under ownership of the Company, such contribution are being treated as Capital Reserve.

**20.2** Reserve arising on amalgamation of Associated Power Company Limited with the Company in the year 1978 has been shown as other capital reserve.

**20.3** The Capital Reserve on acquisition represents the additional net assets received by the Group pursuant to the acquisition of the below mentioned companies and is net of ₹ 2.67 lakhs recognised as Goodwill on acquisition in earlier years in respect of acquisition of a subsidiary.

- India Power Green Utility Private Limited (subsidiary of the company), acquired in financial year 2017-18 one company PL Surya Vidyut Limited and in the financial year 2016-17 two companies PL Solar Renewable Limited and PL Sunrays Power Limited.
- The Company acquired 95.07 % equity stake of Meenakshi Energy Limited (MEL) w.e.f. September 30, 2016 consequent to which MEL became the subsidiary of the Company. Previous year, pursuant to an agreement with Meenakshi Energy Limited (MEL), the company has been allotted 10,02,34,046 equity shares of ₹ 10 each of MEL by conversion of its loan of ₹ 10,023.40 lakhs.

**20.4** Debenture Redemption Reserve is required to be created out of the profits available for payment of dividend in terms of

Section 71 of the Companies Act, 2013 which is equal to 25% of the face value of the debentures issued and outstanding. The reserve will be released on redemption of the debentures.

**20.5** (a) The general reserve is created from time to time by appropriating profits from retained earnings at the discretion of the company. As the general reserve is created by a transfer from one component of equity to another, and accordingly it is not reclassified to the Statement of profit and loss.

(b) General Reserve include ₹ 56,887.09 lakhs being general reserve of amalgamating company in terms of Note 4. Further, reserve of ₹ 20,079.84 lakhs arising on amalgamation as stated in note 4.2 has also been included therein.

**20.6** Reserve for unforeseen exigencies fund are created in terms of the Tariff Regulation issued by West Bengal Electricity Regulatory Commission. The sum appropriated to 'Reserve for unforeseen exigencies fund' are to be invested in specified securities and financial instruments (fixed deposit) at Nationalised bank. The interest accrued from such investment is reinvested and kept under - 'Reserve for unforeseen exigencies Interest fund'. The aforesaid reserves or fund shall be drawn upon only to meet such charges as the Commission may approve.

**20.7** Foreign Currency Translation Reserves has been created for exchange differences relating to translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹).



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

**20.8** Retained earnings generally represent the undistributed profits /amount of accumulated earnings of the Group.

## 20.9 Dividend Distribution

The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013 and the dividend distribution policy of the Company.

On September 22, 2018 dividend pertaining to the financial year 2017-2018 of ₹ 0.05 per equity shares aggregating to ₹ 228.83 lakhs and the dividend distribution tax of ₹ 47.03 lakhs has been approved for payment to equity shareholders of the Company. (refer note 30.2)

In respect of the year ended 31st March, 2019, the Board of Directors has recommended a dividend of ₹ 0.05 per share to be paid on fully paid equity shares aggregating to ₹ 951.14 lakhs (including ₹ 162.17 lakhs dividend distribution tax). This

equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The actual dividend will be paid on equity share capital outstanding as on the record date/book closure.

**20.10(a)** OCI represent actuarial gains and losses on defined benefit obligations and

(b) The Group has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. This reserve re-presents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are disposed. This will not be reclassified to consolidated statement of profit and loss.

**20.11** Refer Consolidated Statement of Changes in Equity for movement in balances of reserves.

## 21 NON-CONTROLLING INTEREST

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of year	20,124.39	20,126.22
Share of Profit for the year	-	25.27
Non-controlling interest arising on the acquisition	-	(27.10)
Loss of control	(20,124.39)	-
<b>Closing Balance</b>	<b>-</b>	<b>20,124.39</b>

**21.1** The details (Principal place of operation/country of incorporation, principal activities and percentage of ownership interest and voting power (directly held by the Group) of subsidiaries are set out in Note no 7.4

(₹ in lakhs)

(a) Name of Subsidiary	Proportion of ownership interests		Profit/(Loss) Allocated to non-controlling Interests		Accumulated non-controlling Interests	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)*	-	99.81%	-	0.04	-	1.13
Edison Power Limited**	-	-	-	19.42	-	-
Meenakshi Energy Limited	2.44%	95.19%	-	5.81	-	20,123.26
<b>Total</b>			<b>-</b>	<b>25.27</b>	<b>-</b>	<b>20,124.39</b>

\* Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited) has ceased to be subsidiary of the Company w.e.f 17th September, 2018

\*\* Edison Power Limited has been liquidated on June 27,2017.

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

- (b) Summarised financial information of each of the subsidiaries having material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations:-

(₹ in lakhs)

Particulars	Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)		Edison Power Limited	Meenakshi Energy Limited
	As at 16th Sep, 2018	As at 31st March, 2018	As at 27th June, 2017	As at 31st March, 2018
<b>Assets</b>				
Non Current Assets	1.29	2.37	-	6,39,670.42
Current Assets	1,537.96	1,727.84	-	89,705.19
<b>Liabilities</b>				
Non current Liabilities	6.84	4.97	-	2,61,897.32
Current Liabilities	946.96	1,140.93	-	78,971.93
<b>Equity attributable to owners of the Company</b>	585.45	583.18	-	3,68,383.10
<b>Non Controlling Interest</b>	-	<b>1.13</b>	-	<b>20,123.26</b>

(₹ in lakhs)

Particulars	Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)		Edison Power Limited	Meenakshi Energy Limited
	Period ended September 16, 2018	Year ended March 31, 2018	Period ended June 27, 2017	Year ended March 31, 2018
Revenue	68.14	8,586.16	91.78	41,218.72
Expense	65.53	8,554.98	52.54	44,887.65
Net profit/(loss) before tax and exceptional items	2.61	31.18	39.24	(3,668.93)
Exceptional items	-	-	-	3,749.38
Net profit/(loss) before tax	2.61	31.18	39.24	80.45
Tax	1.46	7.91	-	-
Net profit/(loss) for the year	1.15	23.27	39.24	80.45
Profit/(Loss) attributable to owners of the Company	1.15	23.23	19.82	75.61
Profit/(Loss) attributable to owners of Non-Controlling interest	-	0.04	19.42	4.84
Other Comprehensive Income	-	(0.85)	-	20.25
Total Comprehensive Income	1.15	22.41	39.24	100.70
Total Comprehensive Income attributable to owners of the Company	1.15	22.37	19.82	94.89
Total Comprehensive Income attributable to Non-Controlling interest	-	0.04	19.42	5.81

(₹ in lakhs)

Particulars	Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)		Edison Power Limited	Meenakshi Energy Limited
	Period ended September 16, 2018	Year ended March 31, 2018	Period ended June 27, 2017	Year ended March 31, 2018
Net cash inflow/(outflow) from operating activities	45.96	(270.67)	(11.66)	7,182.95
Net cash inflow/(outflow) from investing activities	(116.73)	669.47	-	(13,486.63)
Net cash inflow/(outflow) from financing activities	-	(215.67)	(5.68)	2,431.98
Net cash inflow/(outflow)	(70.77)	183.13	(17.34)	(3,871.70)
Dividend paid to Non-controlling interest (including tax)	-	-	-	-



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 22 NON CURRENT FINANCIAL LIABILITY - BORROWINGS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019			As at 31st March, 2018		
		Non Current Maturities	Current Maturities	Total	Non Current Maturities	Current Maturities	Total
Secured							
Non Convertible Debentures	22.1	3,234.94	2,322.41	5,557.35	5,557.35	2,353.00	7,910.35
Term Loan							
- From banks	22.2 & 22.4	7,242.76	3,089.65	10,332.41	1,86,409.12	26,062.62	2,12,471.74
- From other financial institutions	22.3 & 22.4	12,985.00	-	12,985.00	1,16,923.73	13,320.60	1,30,244.33
Unsecured							
- From body corporate	22.6	5,686.07	-	5,686.07	-	-	-
- Finance lease obligation		22.18	-	22.18	22.18	-	22.18
<b>Total</b>		<b>29,170.95</b>	<b>5,412.06</b>	<b>34,583.01</b>	<b>3,08,912.38</b>	<b>41,736.22</b>	<b>3,50,648.60</b>

### In respect of the Company

- 22.1 (i)** Includes 10.75% Secured Redeemable Non Convertible Debentures aggregating to ₹ 3,957.35 lakhs (₹ 5,910.35 lakhs as on March 31, 2018) redeemable in five instalments at the end of 6th, 7th, 8th, 9th and 10th year from the date of allotment i.e. 3rd November, 2010 and secured by mortgage of immovable properties consisting of 1.0749 acres of land and all the buildings including all structures there on, fixed plant and machinery, furniture & fittings, present and future at Plot X1-3, Block EP, Salt lake, Kolkata and 1,731.82 sq mtr land at Iswarpura (Gujarat).
- 22.1 (ii)** Includes 12% Secured Redeemable Non Convertible Debentures aggregating to ₹ 1,600 lakhs (₹ 2,000 lakhs as on March 31, 2018) redeemable in five instalments at the end of 6th, 7th, 8th, 9th and 10th year from the date of allotment i.e. 19th September, 2012 and secured 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 56,633.94 sqft under Seebpore circle.
- 22.2 (i)** Includes term loan of ₹ 1,769.54 lakhs (₹ 2,209.68 lakhs as on March 31, 2018) at 1 year MCLR plus 3.2% and is repayable after moratorium of two years from 1st April, 2012 in 9 years in thirty six equal quarterly instalments and is secured by exclusive charge on assets of 1x12 MW plant project and immovable property consisting of Land of 20.10 acres at Dishergarh, District Burdwan and second pari passu charge on assets charged to secure Non Convertible Debentures of ₹ 10,000 lakhs given in note 21.1 (a).
- 22.2 (ii)** Includes term loan of ₹ 5,327.91 lakhs (₹ 6,177.44 lakhs as on March 31, 2018) at MCLR plus 1.9% and is repayable in 9 years from 10th September 2016 in equal quarterly instalments and is secured by first charge of entire fixed assets pertaining to 220/33 kv sub-station at J.K Nagar, Burdwan, both present and future.
- 22.2 (iii)** Includes Nil (₹ 22,655.99 lakhs as on March 31, 2018) availed as renewal cum sanction of working capital facilities at three months MCLR plus 1.40% renewable every year for a period upto seven years and is secured by subservient charge on the movable fixed assets and current assets of the Company except such assets which are exclusively charged/to be exclusively charged to any other bank or financial institution.
- 22.2 (iv)** Includes term loan of ₹ 2,625.00 lakhs (₹ 4,000 lakhs as on March 31, 2018) at 1 year MCLR plus 1% repayable in 16 quarterly instalments with effect from 8th December 2016 and is secured by exclusive first charge on movable and other fixed assets of Dishergarh Receiving Station, Parbelia Substation and Dishergarh Power Station of the Company and negative lien on certain immovable fixed assets.
- 22.2 (v)** Includes term loan of ₹ 579.70 lakhs (₹ 682.05 lakhs as on March 31, 2018) at 1 year MCLR plus 2.75% repayable in 40 instalments with effect from 31st March 2016 and is secured by first charge with other financing banks/financial institution on the assets created/to be created out of the term loan, both present and future and exclusive fixed charge on certain fixed assets of the Company.
- 22.2 (vi)** Includes term loan Nil (₹ 592.71 lakhs as on March 31, 2018) at MCLR plus 1.25% and is repayable in 48 equal quarterly instalments with moratorium of 15 month from COD of the Project and is secured by hypothecation of the assets acquired out of the term loan i.e. 132 kv traction power to Eastern Railway Pandeweswar TS.
- 22.2 (vii)** Includes term loan of ₹ 30.26 lakhs (₹ 41.91 lakhs as on March 31, 2018) at the rate of 8.80% repayable in 48 monthly instalments is secured against the asset purchased out of the Loan.



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

**22.2 (viii)** Includes term loan Nil (₹ 59.05 lakhs as on March 31, 2018) at the rate of 8.76% repayable in 36 monthly instalments is secured against the asset purchased out of the Loan.

## **In respect of the subsidiary India Power Corporation (Bodhgaya) Limited.**

**22.2 (ix)** Includes term loan of ₹ 3,000 lakh (₹ Nil as at 31st March 2018) at fixed rate of 9.75% is repayable in bullet after tenor of 111 months i.e.. 22nd November 2026. The loan is secured by way of first pari passu charges on all movable and immovable fixed assets (now reclassified as intangible assets as per Ind AS) of the company and secured pari passu charges on all book debts, stock and bank balance (both present & future).

## **In respect of the subsidiary Meenakshi Energy Limited**

**22.2 (x)** Includes term loan from bank of ₹ Nil (₹ 83,096.20 lakhs as at 31st March 2018) at SBI MCLR Rate (1 year) plus a spread of 485 basis points during pre-COD (Commercial Operation Date) period and a spread of 435 basis points during post-COD period, the repayment period is 48 quarterly instalments starting 31-12-2018. For Standby Loan facility and Additional loan facility from banks, not yet availed by the Company as at March 31, 2018, the repayment period is 48 quarterly instalments starting from the Third Quarter of the year 2018-19. The loan is secured by a first mortgage and charge on all the Phase – II Project's immovable properties, both present and future; first charge on all of the Company's tangible moveable assets, stocks of raw materials, semi-finished, finished goods and consumable goods relating to the Phase – II Project and all other movable assets, both present and future and first charge on Phase – II Project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-II lenders without any preference or priority to one over the other or others.

**22.2 (xi)** Includes term loan from bank of ₹ Nil (₹ 4,078.49 lakhs as at 31st March 2018) at SBI MCLR Rate (1 year) plus a spread of 485 basis points during pre-COD (Commercial Operation Date) period and a spread of 435 basis points during post-COD period, the repayment period is 30 quarterly instalments starting from 31-12-2018. For Standby Loan facility and Additional loan facility from banks, not yet availed by the Company as at March 31, 2018, the repayment period is 48 quarterly instalments starting from the Third Quarter of the year 2018-19. The loan is secured by a first mortgage and charge on all the Phase – II Project's immovable properties, both present and future; first charge on all of the Company's tangible moveable assets, stocks of raw materials, semi-finished, finished goods and consumable goods relating to the Phase – II Project and all other movable assets, both present and future and first charge on Phase – II Project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future. All the aforesaid mortgage, charges and assignments and

pledge shall in all respects rank pari-passu amongst the Phase-II lenders without any preference or priority to one over the other or others.

**22.2 (xii)** Includes term loan from bank of ₹ Nil (₹ 4,311.65 lakhs as at 31st March 2018) at SBH Base rate plus a spread of 400 basis points during pre and post-COD period, the repayment period is 44 quarterly instalments starting from December 31, 2018 for the existing loan. For Standby Loan facility and Additional loan facility from banks, not yet availed by the Company as at March 31, 2018, the repayment period is 48 quarterly instalments starting from 31-12-2018. The loan is secured by a first mortgage and charge on all the Phase – II Project's immovable properties, both present and future; first charge on all of the Company's tangible moveable assets, stocks of raw materials, semi-finished, finished goods and consumable goods relating to the Phase – II Project and all other movable assets, both present and future and first charge on Phase – II Project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-II lenders without any preference or priority to one over the other or others.

**22.2 (xiii)** Includes term loan from bank of ₹ Nil (₹ 3,871.34 lakhs as at 31st March 2018) at SBI MCLR Rate (1 year) plus a spread of 485 basis points during pre-COD (Commercial Operation Date) period and a spread of 435 basis points during post-COD period, the repayment period is 44 quarterly instalments starting from 31-12-2018 for the existing loan. For Standby Loan facility and Additional loan facility from banks, not yet availed by the Company as at March 31, 2018, the repayment period is 48 quarterly instalments starting from December 31, 2018. The loan is secured by a first mortgage and charge on all the Phase – II Project's immovable properties, both present and future; first charge on all of the Company's tangible moveable assets, stocks of raw materials, semi-finished, finished goods and consumable goods relating to the Phase – II Project and all other movable assets, both present and future and first charge on Phase – II Project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-II lenders without any preference or priority to one over the other or others.

**22.2 (xiv)** Includes term loan from bank of ₹ Nil (₹ 6,633.15 lakhs as at 31st March 2018) at SBM MCLR Rate (1 year) plus a spread of 450 basis points during pre-COD (Commercial Operation Date) period and a spread of 400 basis points during post-COD period, the repayment period is 44 quarterly instalments starting from December 31, 2018 for the existing loan. For Standby Loan facility and Additional loan facility from banks, not yet availed by the Company as at March 31, 2018, the repayment period is 48 quarterly instalments starting from 31-12-2018. The loan is secured by a first mortgage and charge on all the Phase – II Project's

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

immovable properties, both present and future; first charge on all of the Company's tangible movable assets, stocks of raw materials, semi-finished, finished goods and consumable goods relating to the Phase – II Project and all other movable assets, both present and future and first charge on Phase – II Project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-II lenders without any preference or priority to one over the other or others.

**22.2 (xv)** Includes term loan from bank of ₹ Nil (₹ 883.21 lakhs as at 31st March 2018) at PSB MCLR rate (1 year) plus a spread of 440 basis points during pre-COD and a spread of 390 basis points during post-COD period, the repayment period is 44 quarterly instalments starting from December 31, 2018 for the existing loan. For Standby Loan facility and Additional loan facility from banks, not yet availed by the Company as at March 31, 2018, the repayment period is 48 quarterly instalments starting from 31-12-2018. The loan is secured by a first mortgage and charge on all the Phase – II Project's immovable properties, both present and future; first charge on all of the Company's tangible movable assets, stocks of raw materials, semi-finished, finished goods and consumable goods relating to the Phase – II Project and all other movable assets, both present and future and first charge on Phase – II Project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-II lenders without any preference or priority to one over the other or others.

**22.2 (xvi)** Includes term loan from bank of ₹ Nil (₹ 2,646.46 lakhs as at 31st March 2018) at IDBI MCLR rate (1 year) plus a spread of 420 basis points and a spread reset from COD on an annual basis, the repayment period is 44 quarterly instalments starting from December 31, 2018 for the existing loan. For Standby Loan facility and Additional loan facility from banks, not yet availed by the Company as at March 31, 2018, the repayment period is 48 quarterly instalments starting from 31-12-2018. The loan is secured by a first mortgage and charge on all the Phase – II Project's immovable properties, both present and future; first charge on all of the Company's tangible movable assets, stocks of raw materials, semi-finished, finished goods and consumable goods relating to the Phase – II Project and all other movable assets, both present and future and first charge on Phase – II Project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-II lenders without any preference or priority to one over the other or others.

**22.2 (xvii)** Includes term loan from bank of ₹ Nil (₹ 1,236.08 lakhs as at 31st March 2018) at UCO Base rate plus a spread of

380 basis points during pre-COD period and a spread of 330 basis points during post-COD period, the repayment period is 44 quarterly instalments starting from December 31, 2018 for the existing loan. For Standby Loan facility and Additional loan facility from banks, not yet availed by the Company as at March 31, 2018, the repayment period is 48 quarterly instalments starting from 31-12-2018. The loan is secured by a first mortgage and charge on all the Phase – II Project's immovable properties, both present and future; first charge on all of the Company's tangible movable assets, stocks of raw materials, semi-finished, finished goods and consumable goods relating to the Phase – II Project and all other movable assets, both present and future and first charge on Phase – II Project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-II lenders without any preference or priority to one over the other or others.

**22.2 (xviii)** Includes term loan from bank of ₹ Nil (₹ 18,900.97 lakhs as at 31st March 2018) at SBI MCLR Rate (1 year) plus a spread of 445 basis points is repayable in quarterly instalments on the last date of each quarter starting from June 2012 till 30th Sep 2023. The loan is secured by first mortgage and charge on all the Company's immovable properties pertaining to the Phase I Project, both present and future; including mortgage charge on 176 acres of land for plant area; first charge on all of the Company's tangible movable assets, pertaining to the Phase I Project, both present and future and Current Assets pertaining to the Phase I Project. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-I lenders without any preference or priority to one over the other or others.

**22.2 (xix)** Includes term loan from bank of ₹ Nil (₹ 7,842.61 lakhs as at 31st March 2018) at PNB MCLR Rate (5 year) plus a spread of 410 basis points repayable in quarterly instalments on the last date of each quarter starting from June 2012 till 30th Sep 2023. The loan is secured by first mortgage and charge on all the Company's immovable properties pertaining to the Phase I Project, both present and future; including mortgage charge on 176 acres of land for plant area; first charge on all of the Company's tangible movable assets, pertaining to the Phase I Project, both present and future and Current Assets pertaining to the Phase I Project. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-I lenders without any preference or priority to one over the other or others.

**22.2 (xx)** Includes term loan from bank of ₹ Nil (₹ 6,275.11 lakhs as at 31st March 2018) at SBI MCLR Rate (1 year) plus a spread of 445 basis points repayable in quarterly instalments on the last date of each quarter starting from June 2012 till 30th Sep 2023. The loan is secured by first mortgage and charge on all the Company's

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

immovable properties pertaining to the Phase I Project, both present and future; including mortgage charge on 176 acres of land for plant area; first charge on all of the Company's tangible movable assets, pertaining to the Phase I Project, both present and future and Current Assets pertaining to the Phase I Project. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-I lenders without any preference or priority to one over the other or others.

**22.2 (xxi)** Includes term loan from bank of ₹ Nil (₹ 6,282.79 lakhs as at 31st March 2018) at SBI MCLR Rate (1 year) plus a spread of 445 basis points repayable in quarterly instalments on the last date of each quarter starting from June 2012 till 30th Sep 2023. The loan is secured by first mortgage and charge on all the Company's immovable properties pertaining to the Phase I Project, both present and future; including mortgage charge on 176 acres of land for plant area; first charge on all of the Company's tangible movable assets, pertaining to the Phase I Project, both present and future and Current Assets pertaining to the Phase I Project. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-I lenders without any preference or priority to one over the other or others.

**22.2 (xxii)** Includes term loan from bank of ₹ Nil (₹ 6,275.41 lakhs as at 31st March 2018) at SBH Base rate plus a spread of 400 basis points repayable in quarterly instalments on the last date of each quarter starting from June 2012 till 30th Sep 2023. The loan is secured by first mortgage and charge on all the Company's immovable properties pertaining to the Phase I Project, both present and future; including mortgage charge on 176 acres of land for plant area; first charge on all of the Company's tangible movable assets, pertaining to the Phase I Project, both present and future and Current Assets pertaining to the Phase I Project. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-I lenders without any preference or priority to one over the other or others.

**22.2 (xxiii)** Includes term loan from bank of ₹ Nil (₹ 4,711.32 lakhs as at 31st March 2018) at SBI MCLR Rate (1 year) plus a spread of 445 basis points repayable in quarterly instalments on the last date of each quarter starting from June 2012 till 30th Sep 2023. The loan is secured by first mortgage and charge on all the Company's immovable properties pertaining to the Phase I Project, both present and future; including mortgage charge on 176 acres of land for plant area; first charge on all of the Company's tangible movable assets, pertaining to the Phase I Project, both present and future and Current Assets pertaining to the Phase I Project. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-I lenders without any preference or priority to one over the other or others.

**22.2 (xxiv)** Includes term loan from bank of ₹ Nil (₹ 3,452.90 lakhs as at 31st March 2018) at PSB MCLR Rate (1 year) plus a spread of 400 basis points repayable in quarterly

instalments on the last date of each quarter starting from June 2012 till 30th Sep 2023. The loan is secured by first mortgage and charge on all the Company's immovable properties pertaining to the Phase I Project, both present and future; including mortgage charge on 176 acres of land for plant area; first charge on all of the Company's tangible movable assets, pertaining to the Phase I Project, both present and future and Current Assets pertaining to the Phase I Project. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-I lenders without any preference or priority to one over the other or others.

**22.2 (xxv)** Includes term loan from bank of ₹ Nil (₹ 3,140.25 lakhs as at 31st March 2018) at SBI MCLR Rate (1 year) plus a spread of 445 basis points repayable in quarterly instalments on the last date of each quarter starting from June 2012 till 30th Sep 2023. The loan is secured by first mortgage and charge on all the Company's immovable properties pertaining to the Phase I Project, both present and future; including mortgage charge on 176 acres of land for plant area; first charge on all of the Company's tangible movable assets, pertaining to the Phase I Project, both present and future and Current Assets pertaining to the Phase I Project. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-I lenders without any preference or priority to one over the other or others.

**22.2 (xxvi)** Includes term loan from bank of ₹ Nil (₹ 3,137.51 lakhs as at 31st March 2018) at SBI MCLR Rate (1 year) plus a spread of 445 basis points repayable in quarterly instalments on the last date of each quarter starting from June 2012 till 30th Sep 2023. The loan is secured by first mortgage and charge on all the Company's immovable properties pertaining to the Phase I Project, both present and future; including mortgage charge on 176 acres of land for plant area; first charge on all of the Company's tangible movable assets, pertaining to the Phase I Project, both present and future and Current Assets pertaining to the Phase I Project. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-I lenders without any preference or priority to one over the other or others.

**22.2 (xxvii)** Includes term loan from bank of ₹ Nil (₹ 3,136.41 lakhs as at 31st March 2018) at SBM MCLR Rate (1 year) plus a spread of 410 basis points repayable in quarterly instalments on the last date of each quarter starting from June 2012 till 30th Sep 2023. The loan is secured by first mortgage and charge on all the Company's immovable properties pertaining to the Phase I Project, both present and future; including mortgage charge on 176 acres of land for plant area; first charge on all of the Company's tangible movable assets, pertaining to the Phase I Project, both present and future and Current Assets pertaining to the Phase I Project. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-I lenders without any preference or priority to one over the other or others.



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

**22.2** (xxviii) Includes term loan from bank of ₹ Nil (₹ 3,141.05 lakhs as at 31st March 2018) at SBI MCLR Rate (1 year) plus a spread of 445 basis points repayable in quarterly instalments on the last date of each quarter starting from June 2012 till 30th Sep 2023. The loan is secured by first mortgage and charge on all the Company's immovable properties pertaining to the Phase I Project, both present and future; including mortgage charge on 176 acres of land for plant area; first charge on all of the Company's tangible movable assets, pertaining to the Phase I Project, both present and future and Current Assets pertaining to the Phase I Project. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-I lenders without any preference or priority to one over the other or others.

**In respect of the subsidiary India Power Corporation (Bodhgaya) Ltd.**

**22.3** (i) Loan from Other Financial Institution of ₹ 12,985.00 lakhs (₹ 12,110.97 lakh as at 31st March 2018) interest rate at 12% p.a. (11.75% p.a. as at 31st March 2018). Repayment of principal will be made out of the receipts of claim filed against SBPDCL before Arbitral Tribunal. Company has assigned its rights and interest receivables from claim to Other Financial Institution to the extent of its due.

**In respect of the subsidiary Meenakshi Energy Limited**

**22.3** (ii) Includes term loan from Other Financial Institution of ₹ Nil (₹ 71,060.50 lakhs as at 31st March 2018) at interest rate based on their policy circular amended from time to time, the present interest rate is 13.50%. Post COD, there is an option of three (3) year reset. All the existing, Standby and Additional term loan is to be repaid in 48 quarterly instalments starting from the Third Quarter of the year 2018-19. The Loan is secured by a first mortgage and charge on all the Phase – II Project's immovable properties, both present and future; first charge on all of the Company's tangible moveable assets, stocks of raw materials, semi-finished, finished goods and consumable goods relating to the Phase – II Project and all other movable assets, both present and future and first charge on Phase – II Project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-II lenders without any preference or priority to one over the other or others.

**22.3** (iii) Includes term loan from Other Financial Institution of ₹ Nil (₹ 22,072.86 lakhs as at 31st March 2018) at interest rate based on their policy circular amended from time to time, the present interest rate is 13.50%. Post COD, there is an option of three (3) year reset. The term loan is repayable in 56 quarterly instalments starting from the Third Quarter of the year 2018-19. The loan is secured by a first mortgage and charge on all the Phase – II Project's immovable properties, both present and future; first charge on all of the Company's tangible movable assets, stocks of raw materials, semi-finished, finished goods and consumable goods relating to the Phase – II Project and

all other movable assets, both present and future and first charge on Phase – II Project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-II lenders without any preference or priority to one over the other or others.

**22.3** (iv) Includes term loan from Other Financial Institution of ₹ Nil (₹ 15,000 lakhs as at 31st March 2018) at PFs reference rate minus 150 basis points during pre-COD period and PFS minus 200 basis points during post COD period. The existing term loan is repayable in 44 quarterly instalments and Standby and Additional loan, not yet availed by the Company as at March 31, 2017, is repayable in 48 quarterly instalments starting from the Third Quarter of the year 2018-19. The loan is secured by a first mortgage and charge on all the Phase – II Project's immovable properties, both present and future; first charge on all of the Company's tangible moveable assets, stocks of raw materials, semi-finished, finished goods and consumable goods relating to the Phase – II Project and all other movable assets, both present and future and first charge on Phase – II Project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future. All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-II lenders without any preference or priority to one over the other or others.

**22.3** (v) Includes term loan from financial institution of ₹ Nil (₹ 10,000 lakhs as at 31st March 2018) at SREI benchmark rate 17.75% less spread of 5.50% p.a. and is payable on or before September 15, 2018.

Security terms are as follows:

- a second charge to be created on all movable assets of the Company pertaining to Phase I.
- a charge to be created on cash flow of the Company for Phase I along with the lenders of Phase I.
- Letter of undertaking from India Power Corporation Limited w.r.t taking over of management control from Engie S.A.
- a demand promissory note.

**22.4** 'Common Security to both Phase – I & Phase – II Project Lenders of Meenakshi Energy Limited, subsidiary of the Company:

- a first charge on all intangibles of the Company, both present and future;
- an assignment by way of security: of the right, title and interest of the Company in, to and under the Project Documents and under all the clearances, and the right, title, interest, benefits, claims and demands whatsoever of the Company under all Insurance contracts and Insurance proceeds; and
- pledge of 100% of equity shares held by New Promoter namely India Power Corporation Limited (IPCL) and 51% of equity shares held by Meenakshi Energy and Infrastructure Holdings Pvt. Ltd.
- Sponsor Support Agreement, Various Undertakings

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

and Corporate Guarantee of India Power Corporation Limited (New Promoter).

before Hon'ble XXIV Additional Chief Judge Court, Hyderabad for direction to realise the above due amount from the equity fund of ₹ 59,512.02 Lakh available in the TRA bank account maintained with the lenders. The matter is under sub-judice.

**22.5** In case of one of the subsidiary Meenakshi Energy Limited, SBI, the lead lender, on behalf of Phase-1 lenders had sent overdue recall notice on December 19, 2017 for an amount of ₹ 9,357.92 lakh. The Company has filed a suit on December 27, 2017

**22.6** Represents loan from body corporate repayable on 31st March, 2021 at nil rate of interest.

## 23 NON CURRENT FINANCIAL LIABILITY - TRADE PAYABLES

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Carried at amortised cost</b>			
A) Total outstanding dues of micro enterprises and small enterprises		-	-
B) Total outstanding dues of Creditors other than micro enterprises and small enterprises	23.1	5,220.03	3,608.54
<b>Total</b>		<b>5,220.03</b>	<b>3,608.54</b>

**23.1** Includes ₹ 2,785.05 lakhs (₹ 2,430.98 lakhs as on March 31, 2018) accounted for on the basis of tariff rates (including fuel cost adjustments) charged by DVC on a provisional basis, pending issuance of revised tariff order by the Hon'ble Central Electricity Regulatory Commission (CERC) for the years 2006-07 to 2008-09, in terms of the directions issued by the Hon'ble Appellate Tribunal for Electricity (ATE). The Tariff fixed by CERC and the directions issued by the Hon'ble ATE has been challenged by DVC before the Hon'ble Supreme Court of India.

## 24 NON CURRENT FINANCIAL LIABILITY - OTHERS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Carried at amortised cost</b>			
Advance from consumers		2,939.41	2,717.29
Security deposit received from consumers	12.1	2,760.90	2,572.69
Creditors for retention money		-	5,807.44
Others		-	824.20
<b>Total</b>		<b>5,700.31</b>	<b>11,921.62</b>

## 25 NON CURRENT LIABILITY - PROVISIONS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits	51	343.90	582.23
<b>Total</b>		<b>343.90</b>	<b>582.23</b>



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 26 DEFERRED TAX LIABILITIES (NET)

The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet:

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred tax assets	1,973.81	2,189.36
Deferred tax liabilities	6,597.39	7,174.52
<b>Deferred tax liabilities (net)</b>	<b>4,623.58</b>	<b>4,985.16</b>

Significant component of net deferred tax liability and assets for the year ended 31st March, 2019 are as follows:

(₹ in lakhs)

Particulars	Opening Balance	Recognised through Profit or loss	Recognised in/ reclassified from other comprehensive income	Other Adjustments	Closing Balance
<b>Deferred tax assets in relation to:</b>					
Provision for employee benefits	808.52	(22.68)	68.51	(179.94)	674.41
Voluntary retirement & other benefits allowable on amortisation basis	30.72	(195.66)	-	188.88	23.94
MAT Credit	1,295.02	-	-	(31.95)	1,263.07
Receivable, loans and advances	0.73	0.07	-	(0.55)	0.25
Others	28.26	(16.12)	-	0.01	12.15
	<b>2,163.25</b>	<b>(234.39)</b>	<b>68.51</b>	<b>(23.55)</b>	<b>1,973.82</b>
<b>Deferred tax liabilities in relation to:</b>					
Property, Plant and Equipment	6,892.70	(354.24)	-	(0.15)	6,538.31
Unamortised borrowing Cost	44.38	(44.38)	-	-	-
Unrealised Gain/(loss) on security carried at fair value through P&L/OCI	15.19	(8.53)	-	10.44	17.10
Trade and other payables	196.14	(154.15)	-	-	41.99
	<b>7,148.41</b>	<b>(561.30)</b>	<b>-</b>	<b>10.29</b>	<b>6,597.40</b>
<b>Net Deferred tax liability</b>	<b>4,985.16</b>	<b>(326.91)</b>	<b>(68.51)</b>	<b>33.84</b>	<b>4,623.58</b>

Significant component of net deferred tax liability and assets for the year ended 31st March, 2018 are as follows:

(₹ in lakhs)

Particulars	Opening Balance	Recognised through Profit or loss	Recognised in/ reclassified from other comprehensive income	Other Adjustments	Closing Balance
<b>Deferred tax assets in relation to:</b>					
Provision for employee benefits	435.57	305.85	67.10	-	808.52
Voluntary retirement & other benefits allowable on amortisation basis	55.45	(24.73)	-	-	30.72
MAT Credit	1,284.14	28.77	-	(17.89)	1,295.02
Receivable, loans and advances	0.19	0.54	-	-	0.73

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 26 DEFERRED TAX LIABILITIES (NET) (CONTD.)

(₹ in lakhs)

Particulars	Opening Balance	Recognised through Profit or loss	Recognised in/ reclassified from other comprehensive income	Other Adjustments	Closing Balance
Others	424.32	(396.06)	-	-	28.26
	<b>2,199.67</b>	<b>(85.63)</b>	<b>67.10</b>	<b>(17.89)</b>	<b>2,163.25</b>
<b>Deferred tax liabilities in relation to:</b>					
Property, Plant and Equipment	6,773.15	119.55	-	-	6,892.70
Unamortised borrowing cost	66.29	(21.91)	-	-	44.38
Unrealised Gain/(loss) on security carried at fair value through P&L/OCI	9.64	5.55	-	-	15.19
Trade and other payables	252.16	(56.02)	-	-	196.14
	<b>7,101.24</b>	<b>47.17</b>	<b>-</b>	<b>-</b>	<b>7,148.41</b>
<b>Net Deferred tax liability</b>	<b>4,901.57</b>	<b>132.80</b>	<b>(67.10)</b>	<b>17.89</b>	<b>4,985.16</b>

**26.1** Other adjustment includes MAT credit utilisation against regular income tax liability.

## 27 NON CURRENT LIABILITY - OTHERS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance from consumers	2,512.23	649.86
Deferred credit for long term payable	290.79	2,069.45
Others	-	0.07
<b>Total</b>	<b>2,803.02</b>	<b>2,719.38</b>

## 28 CURRENT FINANCIAL LIABILITY - BORROWINGS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Secured -from banks			
Repayable on demand -cash credit	28.1	12,201.79	17,507.87
Short term loan	28.2	-	6,156.00
Unsecured			
From bank - short term loan		-	10,000.10
<b>Total</b>		<b>12,201.79</b>	<b>33,663.97</b>

### In respect of the Company

**28.1 (a)** Includes ₹ 5,479.47 lakhs (₹ 2,992.30 lakhs as on March 31, 2018) secured by first pari passu charge on current assets both present and future and second pari-passu charge on fixed assets of the company charged against Non Convertible Debentures of ₹ 10,000 lakhs as given in note 22.1 (a).

**28.1 (b)** Includes ₹ 2,436.76 lakhs (₹ 2,173.99 lakhs as on March 31, 2018) secured by first charge, ranking pari passu on current

assets both present and future.

**28.1 (c)** Include ₹ 3,011.89 lakhs (₹ 1,275.43 lakhs as on March 31, 2018) secured by first pari passu charge on current assets both present and future.

**28.1 (d)** Include ₹ 1,273.67 lakhs (₹ 1,212.93 lakhs as on March 31, 2018) secured by first pari passu charge on current assets



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

both present and future and exclusive charge on certain movable fixed assets of Dhasal sub-station.

## In respect of the subsidiary India Power Corporation (Bodhgaya) Limited

- 28.1** (e) Include ₹ Nil (₹ 1,699.74 lakhs as on March 31, 2018) secured by first pari passu charge on current assets both present and future, subordinate to charge of South Bihar Power Distribution Company Limited (SBPDCL) as per term of DFA.

## In respect of the subsidiary Meenakshi Energy Limited

- 28.1** (f) Includes ₹ Nil (₹ 8,153.48 lakhs as on 31 March 2018), The Working capital facilities are obtained under a consortium arrangement with State Bank of Hyderabad and Punjab National Bank with State Bank of Hyderabad being the lead banker and are secured by:
- a first mortgage and charge on all the Company's immovable properties pertaining to the Phase I Project, both present and future;
  - a first charge on all of the Company's tangible moveable assets pertaining to the Phase-I Project, including moveable plant and machinery, machinery spare parts, tools and accessories, furniture, fixtures, vehicles and all other moveable assets, both present and future;
  - a first charge on Company's Receivables pertaining to the Phase-I project and entire current assets pertaining to the Phase-I project;

All the aforesaid mortgages and charges shall in all respects rank pari-passu amongst the Phase-I Lenders of term loans and working capital facilities without any preference or

priority to one over the other or others except common assets of Phase-I and Phase-II lenders.

The Cash Credit facility is further guaranteed by the Ex-Chairman and Director of the subsidiary, Meenakshi Energy Limited in his personal capacity.

## In respect of the Company

- 28.2** (a) Includes Nil lakhs (₹ 2,500 lakhs as on March 31, 2018) towards working capital demand loan repayable after 6 months from disbursement i.e. January 5, 2018 and is secured by first pari passu Charge on current assets of the company both present & future.

## In respect of the subsidiary India Power Corporation (Bodhgaya) Limited

- 28.2** (b) Includes ₹ Nil (₹ 2,500 lakhs as on 31 March 2018) is secured by first pari passu charges on stock, debtors and bank balances (existing & future) and second pari passu charges on all movable and immovable fixed assets (now reclassified as intangible assets as per Ind AS).

## In respect of the subsidiary Meenakshi Energy Limited

- 28.2** (c) Includes ₹ Nil (₹ 1,156 lakhs as on 31 March 2018) at 15.25% p.a., payable within two years or on demand from the date of first disbursement. This loan will be treated as priority lender in case of any exigencies and will be paid on first preference basis. The charge on loan is to be created on:
- First Charge on all Fixed and Current assets, both present and future of phase-I
  - Assignment of all cash flow of the Phase-I
  - Demand promissory note

## 29 CURRENT FINANCIAL LIABILITY - TRADE PAYABLES

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
A) Total outstanding dues of micro enterprises and small enterprises	29.1	83.92	508.51
B) Total outstanding dues of creditors other than micro enterprises and small enterprises	29.2	19,882.75	24,671.66
<b>Total</b>		<b>19,966.67</b>	<b>25,180.17</b>

### 29.1 Dues to Micro, Small and Medium Enterprise

The details of amount outstanding to micro and small enterprises as defined under micro, small and medium enterprise development act, 2006 based on information available with the Company are given below:

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year including payables for purchase of capital goods (refer note 30);	350.83	508.51
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 29.1 Dues to Micro, Small and Medium Enterprise (Contd.)

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	24.09	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

**29.2** India Power Corporation (Bodhgaya) Limited, subsidiary of the Company, has disputed claim of SBPDCL in view of discrepant billing by SBPDCL on the company. The matter is now sub judice and the final outcome is awaited from Arbitral Tribunal.

## 30 CURRENT FINANCIAL LIABILITY - OTHERS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Current maturity for non-current borrowings	22.1, 22.2 & 22.4	5,412.06	41,736.22
Interest accrued but not due on borrowings		327.72	1,686.86
Interest accrued and due on borrowings		-	8,098.91
Interest on consumer security deposit		524.39	439.96
Security deposit received		1,154.28	9,639.96
Payable for Purchase of Capital Goods to micro enterprises and small enterprises	29.1	266.91	-
Payable for purchase of capital goods to creditor other than micro enterprises and small enterprises		1,215.07	3,510.41
Repayable collection and deposits		955.98	1,023.75
Unpaid/unclaimed dividend	30.1 & 30.2	257.47	168.64
Other payable		13.06	3,614.34
<b>Total</b>		<b>10,126.94</b>	<b>69,919.05</b>

**30.1** Unclaimed dividend does not include any amount due and outstanding to be credited to Investor Education and Protection fund.

**30.2** Unpaid dividend includes ₹ 250.72 lakhs (₹ 162.71 lakhs as on 31st March 2018) kept in abeyance in view of SEBI exparte interim order dated 4th June, 2013.

## 31 OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance from consumers	362.37	333.10
Statutory dues payable	2,999.01	3,184.89
Advance received	-	107.24
Deferred credit	2,137.02	748.49
Unearned income	-	61.75
Others	1,107.27	2.91
<b>Total</b>	<b>6,605.67</b>	<b>4,438.38</b>



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 32 CURRENT LIABILITY - PROVISIONS

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits	51	1,605.35	1,493.83
Provision for contingencies		-	500.00
<b>Total</b>		<b>1,605.35</b>	<b>1,993.83</b>

## 33 REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Sale of energy	33.1	48,235.80	64,000.31
Other operating revenues	33.2	4,364.17	9,624.21
<b>Total</b>		<b>52,599.97</b>	<b>73,624.52</b>

### 33.1.1 Regulatory

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Sale of energy (₹ in lakhs)	43,966.07	39,768.36
Sale of energy (in Kwh)	78,74,86,316	70,51,55,838

### 33.1.2 Non Regulatory

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Sale of energy (₹ in lakhs)	4,269.73	24,231.95
Sale of energy (in Kwh)	12,47,23,863	66,09,69,827

## 33.2 Other operating revenues includes

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Meter rent		28.73	27.68
Trading margin		11.29	53.54
Delayed payment charges		121.68	232.75
Incentive on wind power generation		1.18	53.37
Liabilities no longer required written back		4,186.55	3,109.40
Compensation on curtailment of power	33.2.1	-	6,129.00
Miscellaneous income		14.74	18.47
<b>Total</b>		<b>4,364.17</b>	<b>9,624.21</b>

**33.2.1** Compensation on curtailment of power includes ₹ NIL (previous year ₹ 4,097.28 lakhs) [excluding ₹ NIL (previous year ₹ 2,031.64 lakhs) realised during the year] which has been recognised during the year by Meenakshi Energy Limited, subsidiary of the Company, as per sales agreement as there is no significant uncertainty as to its collectivity.



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 34 OTHER INCOME

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest income on investment in bonds and securities	34.1	18.58	21.62
Interest Income on deposits and others	34.1 & 34.2	3,694.07	1,887.26
Interest on income tax refund		51.37	48.79
Interest income on unwinding of financial instruments		617.93	610.31
Gain on fair valuation of mutual funds		9.46	3.58
Gain on foreign exchange fluctuation		15.99	123.54
Dividend income on non current investments		2.52	9,541.97
Surcharge		-	1,483.94
Profit on sale of non-current investments		3.69	-
Rent Received		2.83	9.28
Insurance claim received		-	55.27
Provision and liabilities no longer required written back		0.08	3,976.84
Gain/(loss) on sale of rights/assets (net)	34.3	419.55	-
Profit on sale of stores/scrap		131.06	2.32
Miscellaneous receipts		1.83	37.52
<b>Total</b>		<b>4,968.96</b>	<b>17,802.24</b>

**34.1** Interest income includes ₹ 63.42 lakhs (previous year ₹ 58.89 lakhs) being interest received/accrued during the year on reserve for Unforeseen Exigencies Investment, which has been appropriated to reserve for unforeseen exigencies - interest in terms of Tariff Regulations as given below:

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest accrued and received during the year	25.94	30.04
Interest accrued during the year but not received	37.48	28.85
<b>Total</b>	<b>63.42</b>	<b>58.89</b>

**34.2** Other income includes ₹ 1,438.49 lakh being interest claimed from SBPDCL on account of capital assets and unrecovered arrears recoverable from them as per DFA, this will be realised on the conclusion of arbitration proceedings.

**34.3** Includes ₹ 427.95 lakhs accrued as revenue on transfer of Windmill business in the state of Rajasthan on going concern basis by way of slump sale.

## 35 COST OF COAL CONSUMED

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Opening stock	2,118.26	3,637.47
Add: Coal received	759.99	18,079.40
Less: Others	1,804.93	-
Less: Closing stock	85.04	2,118.26
<b>Coal consumed</b>	<b>988.28</b>	<b>19,598.61</b>



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

(₹ in lakhs)

35.1 Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Opening stock (MT)	48,271.82	1,02,860.23
Add: Coal received (MT)	25,500.41	3,99,985.24
Add: Adjustments (MT)	(36,565.00)	-
Less: Closing stock (MT)	3,641.46	48,271.82
<b>Coal consumed (MT)</b>	<b>33,565.77</b>	<b>4,54,573.65</b>

## 36 ENERGY PURCHASE

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Energy purchase	32,625.77	23,924.96
<b>Total</b>	<b>32,625.77</b>	<b>23,924.96</b>

36.1 Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Purchase of energy (in kwh)	79,28,50,705	64,53,00,608

**36.2** Refer note 46.2 for claim by one of the input energy supplier for arrear charges.

## 37 LEASE RENT

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Lease rent of wind mill	48.2	3,252.76	4,388.96
<b>Total</b>		<b>3,252.76</b>	<b>4,388.96</b>

## 38 EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Salaries and wages	38.1	4,315.06	5,475.86
Contributions to provident and other funds		523.50	532.05
Staff welfare expenses		164.72	228.16
<b>Total</b>		<b>5,003.28</b>	<b>6,236.07</b>

(₹ in lakhs)

38.1 Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Exclude amounts incurred for work for consumers and capital jobs	164.49	25.51
Include voluntary retirement compensation paid	30.28	33.49

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 39 FINANCE COSTS

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest	39.1	8,752.49	19,822.65
Other borrowing costs		370.98	498.00
<b>Total</b>		<b>9,123.47</b>	<b>20,320.65</b>

**39.1** Includes interest for late payment of statutory dues ₹ Nil (previous year ₹ 21.92 lakhs) in case of Meenakshi Energy Limited, a subsidiary of the Company.

## 40 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Depreciation	5	1,580.73	9,256.98
Amortisation	6	32.15	63.06
<b>Total</b>		<b>1,612.88</b>	<b>9,320.04</b>

## 41 OTHER EXPENSES

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Consumption of stores and spare parts		185.16	266.11
Repairs			
Buildings	196.27	183.75	
Machinery	31.35	396.82	
Transmission and distribution network	242.25	1,458.57	
Others	391.40	246.96	2,286.10
Coal and ash handling charges		73.61	281.19
Loss on discard/sale of PPE (net)		-	6.70
Loss on sale/discard of investment		-	4.06
Rent		7.70	6.89
Rates and taxes		51.54	204.19
Insurance		104.50	158.39
Auditors' remuneration			
Audit fees	20.64	31.16	
Tax audit fees	0.50	0.59	
For certification	18.59	26.34	
Cost audit fees	0.30	0.35	
Others	0.87	5.88	64.32
Directors' fees (inclusive of GST ₹ 2.12 lakhs, previous year ₹ 2.10 lakhs and service tax ₹ 0.46 lakhs)		14.57	18.07
Commission to directors (inclusive of GST of ₹ 4.32 lakhs, previous year ₹ 5.94 lakhs)		31.68	38.94
Sundry balance written off		-	635.64
Operation and maintenance		97.95	2,152.07



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 41 OTHER EXPENSES (CONTD.)

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Allowance for bad and doubtful debts & others (net)	12.5	40.87	7.58
Corporate Social Responsibility		88.17	95.51
Legal and professional expenses		739.20	544.47
Miscellaneous expense	44	1,014.62	1,666.66
<b>Total</b>		<b>3,351.74</b>	<b>8,436.89</b>

42 (a) Exceptional items include ₹ 111.27 lakhs on account of gain on disposal of subsidiaries.

(b) In case of one of the subsidiary of the Company, the subsidiary has requested the lenders of phase - I to give credit for the higher interest charged by them amounting to ₹ NIL (previous year ₹ 3,749.38 lakhs). The subsidiary is confident of their favourable disposition because of which the credit has been taken in the books of accounts.

## 43 DISCONTINUED OPERATIONS

The South Bihar Power Distribution Corporation Limited (SBPDCL) and India Power Corporation (Bodhgaya) Ltd (IPCBGL) (one of the subsidiary of the Company) had entered into Distribution Franchisee Agreement (DFA) on 31st December 2013 for a period of 15 years of operation. IPCBGL commenced operations from June 2014; it continued operations till 4th July 2018, when it was terminated and operations were taken over by SBPDCL.

Possessions of the fixed assets and debtors have been taken over by SBPDCL immediately after termination. The matter is now referred to Arbitration as per the terms of the DFA and the same is being adjudicated by the Arbitral Tribunal. Claims from IPCBGL and Counter claims from SBPDCL have been submitted and the matter is now sub judice and the final outcome is awaited.

As per IPCBGL's view, all items of Inventories, Trade receivables, Other Financial Assets, Advances and Other Current Assets have value of realization in the ordinary course of Company's business, which is equal to the amount at which they are stated in the Financial Statements except note no. 13 and 14.

(₹ in lakhs)

Particulars	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Revenue from operations</b>			
Sale of energy	43.1	7,410.35	22,483.35
Other operating revenues		517.90	5,337.86
		<b>7,928.25</b>	<b>27,821.21</b>
<b>Other income</b>			
Liability no longer required written back		78.20	-
		<b>78.20</b>	-
<b>Total income</b>		<b>8,006.45</b>	<b>27,821.21</b>
<b>Expenses</b>			
Purchase of energy	43.2	7,182.51	22,054.21
		<b>7,182.51</b>	<b>22,054.21</b>
<b>Employee benefits expense</b>			
Salaries and wages	43.3	277.79	1,026.24
Contributions to provident and other funds		12.07	35.16
Staff welfare expenses		8.29	28.06
		<b>298.15</b>	<b>1,089.46</b>

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 43 DISCONTINUED OPERATIONS (CONTD.)

(₹ in lakhs)

Particulars	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Finance costs</b>			
Term loans		514.34	1,780.19
Others		47.43	165.48
Other borrowing costs		0.10	34.28
Bank charges		0.88	39.49
		<b>562.75</b>	<b>2,019.44</b>
Depreciation and amortization expense	5 & 6	<b>70.02</b>	<b>435.98</b>
<b>Other expenses</b>			
Repair			
Repair and maintenance transformers		11.55	51.87
Repair and maintenance plant and machinery		315.15	455.32
Office repair and maintenance		2.56	17.27
Travelling & conveyances expenses		35.70	138.96
Consultancy		4.52	15.89
Rent	43.4	7.79	15.55
Legal expenses		136.89	15.20
Insurance		9.90	24.30
Bill distribution & collection expenses		87.15	452.01
Software maintenance & computer hire		42.25	233.93
Advertisement		3.86	5.42
Construction cost		-	1,872.01
Miscellaneous expense		242.97	165.24
		<b>900.29</b>	<b>3,462.97</b>
<b>Total Expenses</b>		<b>9,013.72</b>	<b>29,062.06</b>
Gain/(loss) on de-recognition of intangible assets and recognition of fixed assets		(211.60)	-
Profit/(loss) from discontinued operations		<b>(1,218.87)</b>	<b>(1,240.85)</b>
Income tax on gain/(loss) on sale of discontinued operation		-	-
<b>Profit/(loss) from discontinued operation</b>		<b>(1,218.87)</b>	<b>(1,240.85)</b>
<b>43.1 Sale of energy (Kwh)</b>		11,85,87,846	42,67,59,260
<b>43.2 Purchase of energy (Kwh)</b>		21,36,71,906	72,23,28,225
<b>43.3 Includes payment to contract labour (₹ in lakhs)</b>		126.68	325.49

**43.4** The Company had made certain arrangements for official accommodation obtained on operating lease. There are no contingent rent in the lease agreement. The lease period was for 1-3 years and renewable at the mutual agreement of both the parties. There was no escalation clause in the lease agreements. There were no sublease and were cancellable in nature. The Lease Rentals were charged as rent in the Financial statements.





# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

**44** The Company had appointed a facilitation agent to facilitate identification of an Asset Reconstruction Company (ARC) who intends to acquire the financial assets (debt and the security interests) of a power project from its lenders and ensure appointment of the Company as exclusive resolution agent for the said financial asset. In terms of the said arrangement, the company has paid a security deposit of ₹ 4,205.55 lakhs and maintenance amount of ₹ 598.44 lakhs to the facilitation agent to facilitate the ARC to procure the financial assets of the said project. The security deposit and other amounts recoverable from the facilitation agent are secured with the exclusive charge on certain receivables of the facilitation agent from the ARC. Similarly in terms of an arrangement arrived at with an ARC, the Company has been appointed as resolution agent for resolution of the financial assets (loan and the security interest) towards a power project acquired/ to be acquired by the said ARC from lenders. Pending completion of the transaction and settlement with the lenders by ARC, further maintenance amount of ₹ 1,021.89 lakhs has been paid as part of recoveries in this connection. During the year receivables against the above arrangement has been assigned to a third party and resultant impact of ₹ 5.42 lakhs is included in miscellaneous expenses.

## 45 TAXES

(a) The major components of income tax expense for the year are as under:

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
(i) Income tax recognised in the Statement of Profit and Loss		
Current tax:		
- Current year	1,019.34	1,269.17
- Earlier year	-	(7.54)
Deferred tax		
- Current year	(326.92)	129.81
<b>Total Income tax expenses recognised in statement of profit and loss</b>	<b>692.42</b>	<b>1,391.44</b>
(ii) Income tax expense recognised in OCI		
Deferred tax expense on remeasurement of defined benefit plans	(68.51)	(67.10)
<b>Income tax expense recognised in OCI</b>	<b>(68.51)</b>	<b>(67.10)</b>

(b) Reconciliation of tax expense

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit before tax		
- Continuing operations	3,534.28	4,640.84
- Discontinued operations	(1,218.87)	(1,240.85)
	<b>2,315.41</b>	<b>3,399.99</b>
As per statutory income tax rate	750.37	1,249.58
Add/(less) Dividend	(0.88)	(3.58)
Add/(less) CSR expenditure	30.85	33.05
Add/(less) Exemptions/deductions	0.04	(266.29)
Add/(less) Change in tax rates	-	(15.75)
Add/(less) Benefit of previous year loss to reduce current tax expense	-	(60.23)
Add/(less) Non deductible expense for tax purpose	0.58	-
Add/(less) Others	(88.53)	454.66
<b>At effective income tax rate</b>	<b>692.42</b>	<b>1,391.44</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>692.42</b>	<b>1,391.44</b>

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 46(a) CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>46.1 Contingent Liabilities</b>			
(a) Demand from Sales tax authorities (previous year for 2004-05 against which Company's appeal is pending)		-	2.23
(b) Demand from Service tax authorities for 2008-09 to 2012-13 against which Company's appeal is pending		21.49	21.49
(c) Claim by one of the consumers pending litigation		2,939.93	-
(d) Performance Bank Guarantee	46.4	-	1,329.00
(e) Unexpired Letter of Credit for purchase of power		353.88	608.64
(f) Corporate Guarantee	46.5	-	2,000.00
(g) Bank Guarantee	46.6	1,393.00	-
Bank Guarantee	46.7	-	1,100.00
Bank Guarantee	46.8	500.00	-
Bank Guarantee	46.9	-	134.00
Bank Guarantee	46.10	-	289.50
Bank Guarantee	46.11	192.07	192.07
Bank Guarantee	46.12	171.80	-
Bank Guarantee issued by Meenakshi Energy Limited, one of the subsidiary of the Company			10,183.51
(h) Custom duty claim disputed by Meenakshi Energy Limited, one of the subsidiary of the Company relating to issue of applicability and classification of Coal.	46.16		2,722.83
(i) Electricity duty claim not considered to be applicable to Meenakshi Energy Limited, one of the subsidiary of the Company			176.50
(j) Seigniorage Fee demand Notice received	46.17		254.46
(k) Entry Tax demand from Commercial Tax Department towards purchase of LDO			24.32
<b>46.2</b> Claim of ₹ 6,437.47 Lakhs and ₹ 14,389.24 lakhs by one of the Input Energy Supplier for arrear charges and increase in tariff rate respectively against energy purchased in earlier years and current year for which review petition of input supplier is pending before Tribunal. Such charges in the event of being held to be payable are recoverable from customers and as such it does not have any material impact on the working results of the Company.			
<b>46.3</b> The Company's pending litigations comprises of claim against the Company and proceedings pending with tax/statutory/Government Authorities. The Company has reviewed all its pending litigation and proceedings and has made adequate provisions, and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of 46.1(b) above are determinable only on receipt of judgement/decisions pending with various forums/authorities.			
<b>46.4</b> Given in terms of Distribution Franchise Agreement (DFA) for distribution of electricity which was carried on by India Power Corporation (Bodhgaya) Limited, a wholly owned subsidiary.			
<b>46.5</b> Given to Bank for credit facility availed by wholly owned Subsidiary India Power Corporation (Bodhgaya) Limited			
<b>46.6</b> Given to FA & CAO Eastern Railways Kolkata as performance bank guarantee for 132 kv power supply to Eastern Railway Pandeweswar			



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 46(a) CONTINGENT LIABILITIES AND COMMITMENTS (CONTD.)

(to the extent not provided for)

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>46.7</b> Given on behalf of Hiranmaye Energy Limited (formerly known as India Power Corporation (Haldia) Limited), for standby power purchase			
<b>46.8</b> Given to Odisha Electricity Regulatory Commission for Central Electricity Supply Utility of Odisha bid guarantee.			
<b>46.9</b> Given on behalf of India Uniper Power Services Private Limited a Joint venture of the Company			
<b>46.10</b> Given to The Deputy Commissioner, Appeals, Commercial Taxes, Alwar Rajasthan as security deposit for tax dispute in appeal			
<b>46.11</b> Given to West Bengal State Electricity Transmission Company Limited for construction of 220 kv transmission line for LILO of STPS-Durgapur 220 kv S/C line at JK Nagar			
<b>46.12</b> Given to Ministry of Infrastructure and Energy , Tirana Albania for Albania solar plant bid guarantee			
<b>46.13</b> Meenakshi Energy Limited, one of the subsidiary of the Company, executed Bulk Power Transmission Agreements (BPTAs) dated February 24, 2010 and December 24, 2010 as amended on January 2, 2012 with Power Grid Corporation of India Limited (PGCIL) to avail long term access (LTA) in respect of 910 MW on PGCIL's transmission system to transmit power to MEL's customers located in the Northern, Western and Southern regions (NR, WR and SR respectively). As per the terms of the BPTAs, the Company is required to pay PGCIL long term open access (LTOA)/transmission charges for the contracted transmission capacity from the scheduled date of commissioning of its generation units, provided that if the date of successful commissioning by PGCIL of its respective transmission elements necessary to provide the Company with LTA occurs later, then such payment obligation will arise on such later date in respect of the transmission element commissioned. The Company has been given to understand that PGCIL has commissioned the contracted elements of its transmission system only in the SR and the contracted elements of the transmission system in the WR and NR are yet to be commissioned.			
<p>The commissioning of the generation units of the Company in respect of its Phase II project has been delayed due to unforeseen circumstances (including changes in law) that were beyond the control of the Company and that are force majeure events under the BPTAs. Under the terms of the BPTAs, the Company is not liable for any claim for any loss or damage whatsoever arising out of a failure to perform that is due to force majeure events. The Company has communicated this to PGCIL on various occasions and sought an amendment of the scheduled commissioning dates for its generating units for Phase II in the BPTAs. PGCIL has taken note of the Company's revised scheduled commissioning dates. However, PGCIL has not taken cognizance of the force majeure events and has declined to amend the BPTAs, denying the Company relief under the force majeure clause of BPTAs. The Company believes that there is a nexus between the delay in the commissioning of its generating units for Phase II and the force majeure events, and therefore, there is no obligation to pay transmission charges for the period that the force majeure events subsisted and a reasonable time thereafter required to mitigate the effects of such force majeure events and achieve performance.</p> <p>Further, the Company believes that it is a well-established legal principle that liability, if any, for delay in the commissioning of the Company's generating units, must be limited to the actual or reasonable damage suffered by PGCIL for any proven breach. Furthermore, such actual damages should be limited to that portion of PGCIL's transmission capacity that remains unused for the period of delay. The issue is currently before CERC and CERC's determination could have an impact.</p>			

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 46(a) CONTINGENT LIABILITIES AND COMMITMENTS (CONTD.)

(to the extent not provided for)

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>46.14</b> Subsequent to the previous year end, the Meenakshi Energy Limited, one of the Subsidiary of the Company, received a demand from Krishnapatnam Port Company Limited (KPCL) claiming compensation of ₹ 48,01,79,100 for shortfall in meeting minimum guarantee tonnage (MGT) for the financial years 2012-13, 2014-15 and 2015-16, under the Port Service Agreement (PSA) entered into by the Company with KPCL. The Company strongly contested that under the PSA, the liability to pay compensation for shortfall in MGT does not arise prior to March 31, 2015; and after March 31, 2015, it will arise only once KPCL completes construction of the coal conveyer. KPCL has not commenced work on or commissioned the coal conveyor under the PSA till date. KPCL wrongly invoked and encashed the bank guarantee issued on behalf of the Company for ₹ 1,000.00 Lakh. KPCL then wrongfully sought a reinstatement of the bank guarantee and payment of the balance of the demand, failing which it would treat the PSA as cancelled. The Company initiated arbitration and filed an application for ad interim ex parte relief seeking restraint of termination of PSA and coercive actions by KPCL and repayment or deposit of ₹ 1,000.00 Lakh by KPCL. An interim injunction has been granted to the Company, while the legal proceedings for ad interim ex parte relief are pending.			
<b>46.15</b> In case of Meenakshi Energy Limited, one of the subsidiary of the Company, an arbitration proceeding is going on with Cethar Limited, the EPC contractor of Boiler for expansion project 2 X 350 MW. The EPC contractor has filed a claim of ₹ 18,098.82 Lakh and the Company has filed a counter claim of ₹ 34,543.00 Lakh. Both the amount have not been recognised in the books of accounts.			
<b>46.16</b> In case of Meenakshi Energy Limited (MEL), one of the subsidiary of the Company, customs duty claim is gross of a deposit of ₹ 98.13 Lakh made by the MEL with the Customs authorities against such claim.			
<b>46.17</b> In case of Meenakshi Energy Limited (MEL), one of the subsidiary of the Company, Seigniorage fee demand notices received from the The Assistant Directorate of Mines and Geology (Vigilance), Nellore in relation to the use of Road, Metals, Sand, Gravel etc. for construction activities. The Company has filed an appeal before the Director of Mines & Geology and the appeal has been disposed of, setting aside the original demands and instructing the Assistant Director of Mines & Geology (Vigilance) to issue fresh demands based on the process of reconciliation of the fee paid Challans. No fresh demands have been received as yet.			
<b>46.18</b> Other claims against the subsidiary, India Power Corporation (Bodhgaya) Limited (including unasserted claims) by various parties not acknowledged as debts by India Power Corporation (Bodhgaya) Limited		2,156.08	2,662.24
<b>46(b) Commitment</b>			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 36.86 lakhs , ₹ 2,533.24 lakhs as on 31.03.2018)		1,056.56	23,340.11
Capital commitments (for intangible assets under development)		-	641.99

**46(c)** The Company had given Corporate Guarantee on 23rd September, 2016 in favour of lenders of Meenakshi Energy Limited (MEL) for the loan amount ₹ 2,79,963.76 lakhs (₹ 2,81,836.43 lakhs as on March 31, 2018) subject to WBERC approval. WBERC has declined the approval vide their letter dated November 10, 2017, which has been accordingly intimated to the lenders. Accordingly the lenders of MEL were informed that the Corporate Guarantee given earlier is void.

Lenders of MEL on 20th December, 2017 demanded ₹ 93.58 crores from IPCL against the Corporate Guarantee which is sub-judice.



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

**46(d)** Corporate guarantees given in 46.1 (f) and 46 (c) above are in the nature of insurance contract

**46(e)** India Power Corporation (Bodhgaya) Limited, subsidiary of the Company, was in the process of rebuilding, modernising the distribution network for supply of electricity in the area of its operations. Accordingly intangible assets under development includes cost of mains and equipments and accessories etc. of ₹ Nil (₹ 444.33 lakhs as at 31st March 2018), which will be put to revenue on completion of the project. Due to the termination of DFA, India Power Corporation (Bodhgaya) Limited do not have any capital commitment.

**47** Capital work in progress including contributory jobs includes cost of equipments and other civil and construction cost amounting to ₹ 6,045.78 lakhs (₹ 3,23,900.43 lakhs as on 31st March, 2018) for ongoing projects and pre-operative expenses as detailed below. These are allocated to respective assets on capitalisation.

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Brought forward from previous year	1,87,787.80	1,43,433.35
Interest expense	313.16	36,410.85
Salaries and wages	204.35	2,192.71
Vehicle running	27.54	22.55
Consultancy charge	78.87	26.67
Miscellaneous	0.99	5,753.11
	<b>1,88,412.71</b>	<b>1,87,839.24</b>
Less: Allocated to property, plant and equipment	51.44	51.44
Less: Adjustments	1,87,626.00	-
<b>Carried forward</b>	<b>735.27</b>	<b>1,87,787.80</b>

## 48 IN THE CAPACITY OF LESSEE

**48.1** Certain premises has been obtained on operating lease. The term for premises is 1-3 years and is renewable as per mutual agreement.

**48.2** The Company has taken certain plant and machinery on an operational lease basis.

Significant features of aforesaid lease arrangements are as follows:

- The Company will pay the lease rent over the lease period . The lease rent is calculated on revenue receipt.
- Upon the expiry of the lease period by efflux of time, the lessor, may agree to have the lease renewed for a secondary lease period.
- There are no restrictions imposed on the Company by the existing lease agreements.

**48.3** The Company has taken certain land on finance lease. Carrying value of land taken on lease is ₹ 1,397.17 lakhs (₹ 1,397.17 lakhs as on 31st March, 2018) . The Company is scheduled to pay lease rental as follows:

(₹ in lakhs)

Particulars	As at 31st March, 2019	Present Value of MLP	As at 31st March, 2018	Present Value of MLP
(i) Not later than one year	2.73	-	2.73	-
(ii) Later than One year and not later than 5 years	10.94	0.02	10.94	0.02
(iii) Later than 5 years	159.60	20.67	162.34	20.67

**48.4** The Company has not made any sublease arrangement with other parties.

**48.5** The Company has recognised an amount of ₹ 3,252.76 lakhs (previous year ₹ 4,388.96 lakhs) towards lease rent (note 37) and ₹ 7.70 lakhs (previous year ₹ 4.42 lakhs) for rent of premises (note 41) for the year.

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 48.6 In the Capacity of Lessor

The Company had certain operating lease arrangements for office premises, which has been terminated during the previous year. In respect of such arrangements, lease earning for the year is nil (Previous year ₹ 5.54 lakhs) have been recognised in the Statement of Profit and Loss.

## 49 RELATED PARTY DISCLOSURES

Related parties have been identified in terms of Ind As 24 on "Related Party Disclosure" as listed below :

List of Related Parties where control exists and also other Related Party with whom transactions have taken place and relationships:

Name of the Related Party	Relationship
Meenakshi Energy Limited*	Subsidiary
India Uniper Power Services Private Limited	Joint Venture
Matsya Shipping & Ports Private Limited	Joint Venture w.e.f. 27th March 2017 to 25th February 2019 and Enterprise over which KMP is able to exercise significant influence.
Sarvam Investment Private Limited	Enterprise over which KMP is able to exercise significant influence.
Srihari Global School Foundation	Enterprise over which KMP is able to exercise significant influence.
IISD Edu world	Enterprise over which KMP is able to exercise significant influence.
Khaitan & Co. LLP	Enterprise over which KMP is able to exercise significant influence.
Khaitan & Co.	Enterprise over which KMP is able to exercise significant influence.

Key Management Personnel	Relationship
Mr. Hemant Kanoria	Chairman & Non Executive Director
Mr. Sunil Kanoria	Non-Executive Director upto 11th August 2017 & Non-Executive Vice Chairman w.e.f. 12th August 2017 to 7th October 2018
Mr. Amit Kiran Deb	Independent Director
Mr. Nand Gopal Khaitan	Independent Director
Mr. Tantra Narayan Thakur	Independent Director
Mr. Debi Prasad Patra	Independent Director
Mr. S. Sundareshan	Independent Director up to 12th February, 2019
Ms. Dipali Khanna	Independent Director
Mr. Jyoti Kumar Poddar	Non-Executive Director
Mr. Raghav Raj Kanoria	Managing Director
Mr. Asok Kumar Goswami	Whole time Director up to 29th March, 2019
Mr. Shrirang Karandikar	Chief Executive officer up to 31st August 2017
Mr. Sanjeev Seth	Chief Executive Officer
Mr. Sushil Kumar Agarwal	Chief Financial Officer w.e.f. 6th December 2016 to 1st October 2018
Mr. Amit Poddar	Chief Financial Officer w.e.f. 5th February, 2019
Mr. Prashant Kapoor	Company Secretary

Relative of Key Management Personnel	Relationship
Ms Neeru Seth	Spouse of Mr. Sanjeev Seth
Ms Tara Devi Poddar	Mother of Mr. Amit Poddar
Ms Nitu Kapoor	Spouse of Mr. Prashant Kapoor





# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 49.1 Details of amount due to or from Related Parties:

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>Loans Given</b>			
Meenakshi Energy Limited	7.3	3,094.42	
<b>Investments in equity</b>			
Meenakshi Energy Limited	7.3	10,023.41	
India Uniper Power Services Private Limited		352.50	352.50
<b>Interest Receivable</b>			
Meenakshi Energy Limited	7.3	455.62	
<b>Purchase of services</b>			
India Uniper Power Services Private Limited		405.49	169.15
<b>Advance Receivable</b>			
Key Management Personnel		20.24	1.90
<b>Payable for services</b>			
Key Management Personnel		14.63	1.89
Relative of Key Management Personnel		2.47	0.99
Enterprise over which KMP is able to exercise significant influence.		25.27	9.66
<b>Director commission</b>		25.85	33.00
<b>Corporate Guarantee Outstanding on behalf of</b>			
Meenakshi Energy Limited	46 (c)	2,79,963.76	

## 49.2 Details of Transactions with Related Parties during the year

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Loan given</b>			
Meenakshi Energy Limited	7.3	100.00	
<b>Loan repaid</b>			
Meenakshi Energy Limited	7.3	100.00	
Matsya Shipping & Ports Private Limited		5.00	-
<b>Interest income</b>			
Meenakshi Energy Limited	7.3	402.49	
Matsya Shipping & Ports Private Limited		0.64	0.65
<b>Expenses made on behalf of</b>			
India Uniper Power Services Private Limited		0.66	0.81
<b>Reimbursement against expenses</b>			
India Uniper Power Services Private Limited		0.66	0.81
<b>Advance given</b>			
Key Management Personnel		35.86	0.92
<b>Refund of advance given</b>			
Key Management Personnel		17.54	0.91
<b>Sale of Investment</b>			
Sarvam Investment Private Limited		0.50	-
<b>Director sitting fee</b>		11.75	15.40
<b>Director commission</b>		26.85	33.00
<b>Services</b>			
Key Management Personnel		392.25	537.47

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 49.2 Details of Transactions with Related Parties during the year (Contd.)

(₹ in lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
Relative of Key Management Personnel		18.00	9.00
Enterprise over which KMP is able to exercise significant influence.		21.18	66.97
India Uniper Power Services Private Limited		37.34	1,855.28
<b>Corporate Social Responsibility Expense</b>			
Enterprise over which KMP is able to exercise significant influence.		50.00	25.00

\*Meenakshi Energy Limited (MEL) being a subsidiary, its account is not yet compiled and accordingly the Company has not yet consolidated MEL accounts with its financials. The above related party transactions have been compiled without considering the figures from MEL accounts.

## 49.3 Details of transactions with Key Management Personnel during the year

(₹ in lakhs)

Particulars	KMP and Relatives of KMP	
	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Remuneration to Key Management Personnel of the Company</b>		
Short term employee benefits	392.25	537.47
Post employment benefit	6.28	15.31
Long term employment benefit	10.41	7.08
Termination benefits	-	10.08

## 50 EARNINGS PER EQUITY SHARE FROM CONTINUING AND DISCONTINUED OPERATIONS

Particulars	Basic and Diluted excluding Regulatory income/(expense)		Basic and Diluted including Regulatory income/(expense)	
	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit after tax (₹ in lakhs)	365.44	965.47	1,622.99	2,008.55
Number of Equity Shares	97,37,89,640	97,37,89,640	97,37,89,640	97,37,89,640
Number of equity Shares in Share Capital Suspense Account (Note 4.1)	60,41,43,449	60,41,43,449	60,41,43,449	60,41,43,449
Total Number of Shares	1,57,79,33,089	1,57,79,33,089	1,57,79,33,089	1,57,79,33,089
Earning per share (Basic and Diluted) (₹)	0.02	0.06	0.10	0.13
Face Value per equity share (₹)	1	1	1	1



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## EARNINGS PER EQUITY SHARE FROM CONTINUING OPERATIONS

Particulars	Basic and Diluted excluding Regulatory income/(expense)		Basic and Diluted including Regulatory income/(expense)	
	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit after tax (₹ in lakhs)	1,584.31	2,206.32	2,841.86	3,249.40
Number of Equity Shares	97,37,89,640	97,37,89,640	97,37,89,640	97,37,89,640
Number of equity Shares in Share Capital Suspense Account (Note 4.1)	60,41,43,449	60,41,43,449	60,41,43,449	60,41,43,449
Total Number of Shares	1,57,79,33,089	1,57,79,33,089	1,57,79,33,089	1,57,79,33,089
Earning per share (Basic and Diluted) (₹)	0.10	0.14	0.18	0.21
Face Value per equity share (₹)	1	1	1	1

## EARNINGS PER EQUITY SHARE FROM DISCONTINUED OPERATIONS

Particulars	Basic and Diluted excluding Regulatory income/(expense)	
	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit after tax (₹ in lakhs)	(1,218.87)	(1,240.85)
Number of Equity Shares	97,37,89,640	97,37,89,640
Number of equity Shares in Share Capital Suspense Account (Note 4.1)	60,41,43,449	60,41,43,449
Total Number of Shares	1,57,79,33,089	1,57,79,33,089
Earning per share (Basic and Diluted) (₹)	(0.08)	(0.08)
Face Value per equity share (₹)	1	1

## 51 EMPLOYEE BENEFITS

### In respect of the Company

#### Gratuity (Funded)

The Group's gratuity scheme, a defined benefit plan, covers the eligible employees and is administered through a gratuity fund trust. Such gratuity fund, whose investments are managed by Life Insurance Corporation of India (LIC), make payments to vested employees on their cessation of employment, death or incapacitation of an amount based on the respective employee's salary and tenure of employment subject to a maximum limit of ₹ 20.00 lakhs. Vesting occurs upon completion of five years of service.

The weighted average duration of the defined benefit obligation as on March 31, 2019 is 5 years (March 31, 2018 : 7 years).

#### Post Retirement Obligation - Superannuation (Funded)

The Group's superannuation scheme, a defined benefit plan, covers certain category of employees and is administered through a trust fund. Investments of the fund are managed by LIC. Upon retirement, death or cessation of employment Superannuation Fund purchases annuity policies in favour of vested employees or their spouses to secure periodic pension. Such superannuation benefits are based on respective employee's tenure of employment and salary.

The weighted average duration of the defined benefit obligation as on 31st March, 2019 is nil (31st March, 2018 : 1 year).

Superannuation fund has been discontinued during the year on account of retirement of the sole beneficiary covered under the scheme.

#### Post Retirement Obligation -Lump sum payment in lieu of Pension (Unfunded)

The Group has a defined benefit plan which covers certain categories of employees for providing a lump sum amount at various scales to the vested employee or his nominee upon retirement, death or cessation of service based on tenure of employment. Vesting occurs upon completion of 20 years of service.

The weighted average duration of the defined benefit obligation as on March 31, 2019 is 5 years (March 31 2018 : 5 years).

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## In respect of the subsidiaries

### Gratuity (Unfunded)

The Group provides for gratuity for employees in India as per Payment of Gratuity Act, 1972. Employees who are in continuous service for period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee last drawn basic salary per month computed proportionately for 15 days multiplied by number of years of service.

The weighted average duration of the defined benefit obligation of India Power Corporation (Bodhgaya) Limited (subsidiary of the Company) as at March 31, 2019 is Nil (March 31, 2018 is 8 years).

The weighted average duration of the defined benefit obligation of Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited) (subsidiary of the Company till September 16, 2018) as at March 31, 2018 is 15 years.

The weighted average duration of the defined benefit obligation of Meenakshi Energy Limited (subsidiary of the Company) as at March 31, 2018 is 21.95 years.

## 51.1 Employee benefit obligation

(₹ in lakhs)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non-current	Current	Non-current
Gratuity (funded)	1,548.67	-	1,385.82	-
Gratuity (unfunded)	-	-	0.90	85.44
Superannuation (funded)	-	-	17.25	-
Pension	5.73	47.60	3.45	50.69
Leave obligations	-	-	1.09	34.46
<b>Total</b>	<b>1,554.40</b>	<b>47.60</b>	<b>1,408.51</b>	<b>170.59</b>

## 51.2 Reconciliation of opening and closing balances of the present value of defined benefit obligations

(₹ in lakhs)

Particulars	Funded				Unfunded	
	Gratuity		Superannuation Fund		Lump sum payment in lieu of Pension	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Opening balance	1,543.17	1,416.71	25.62	20.91	54.14	38.92
Current service cost	78.57	98.49	-	-	1.98	1.84
Interest cost	102.34	91.44	-	1.31	3.83	2.45
Plan amendments	-	30.83	-	-	-	-
Actuarial (gain)/loss	176.01	102.67	-	3.40	0.86	20.05
Benefits paid	(245.93)	(196.97)	(25.62)	-	(7.48)	(9.12)
Adjustments	(73.69)	-	-	-	-	-
Closing balance	1,580.47	1,543.17	-	25.62	53.33	54.14



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 51.2 Reconciliation of opening and closing balances of the present value of defined benefit obligations (Contd.)

(₹ in lakhs)

Particulars	Unfunded	
	Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
Opening balance	88.93	59.09
Current service cost	-	6.70
Interest cost	-	4.24
Plan amendments	-	11.90
Actuarial (gain)/loss	-	7.01
Adjustments*	(88.93)	-
Closing balance	-	88.93

\* In respect to India Power Corporation (Bodhgaya) Limited, subsidiary of the Company, India Power Corporation (Bodhgaya) Limited has relieved all its employees during the year by paying them full emoluments. Hence no provision was required to be made for Gratuity and Leave Encashment at the year end and accordingly actuarial report was also not obtained.

## 51.3 Reconciliation of opening and closing balances of the fair value of plan assets

(₹ in lakhs)

Particulars	Gratuity (Funded)		Superannuation Fund	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Opening balance	157.35	150.10	8.37	7.88
Expected return on plan assets	2.78	11.11	-	0.49
Actuarial gain/(loss)	-	4.95	-	-
Contribution	230.77	214.01	-	-
Benefits paid	(245.92)	(222.82)	(8.37)	-
Adjustments	(113.18)	-	-	-
Closing balance	31.80	157.35	-	8.37

## 51.4 Amount recognised in Balance Sheet

(₹ in lakhs)

Particulars	Funded				Unfunded	
	Gratuity		Superannuation Fund		Lump sum payment in lieu of Pension	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Present value of obligation	(1,580.47)	(1,543.17)	-	(25.62)	(53.33)	(54.14)
Fair Value of plan assets	31.80	157.35	-	8.37	-	-
Net Asset/(Liability)	(1,548.67)	(1,385.82)	-	(17.25)	(53.33)	(54.14)

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 51.5 Amount recognised in Statement of Profit and Loss

(₹ in lakhs)

Particulars	Gratuity (Funded)		Superannuation Fund		Lump sum payment in lieu of Pension	
	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
Current service cost	78.57	98.49	-	-	1.98	1.84
Past Service Cost- Plan Amendment	-	30.83	-	-	-	-
Interest cost	102.34	91.44	-	1.31	3.83	2.45
Expected return on plan assets	(2.78)	(11.11)	-	(0.49)	-	-
Actuarial Losses/(gains)	-	(67.58)	-	-	-	-
Premium Expenses	-	(3.15)	-	-	-	-
Recognised in Profit and Loss Account	178.13	138.92	-	0.82	5.81	4.29
Under	Contribution to Provident and Other Funds				Salaries, Wages and Bonus	

(₹ in lakhs)

Particulars	Gratuity (Unfunded)	
	Year ended 31st March, 2019	Year ended 31st March, 2018
Current service cost	-	6.70
Past service cost- plan amendment	-	-
Interest cost	-	4.24
Expected return on plan assets	-	11.90
Recognised in Profit and Loss Account	-	22.84
Under	Contribution to Provident and Other Funds	

## 51.6 Amount recognised in the statement of Other Comprehensive Income

(₹ in lakhs)

Particulars	Gratuity (Funded)		Superannuation Fund		Lump sum payment in lieu of Pension	
	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
Net Cumulative unrecognised actuarial (gain)/loss opening	534.80	440.24	94.13	90.73	31.86	11.81
Experience adjustments on plan assets (gains)/loss	-	(8.11)	-	-	-	-
Adjustments	92.48	-	-	-	-	-
Actuarial (gain)/loss for the year	176.01	102.67	-	3.40	0.86	20.05
Unrecognised actuarial (gain)/loss at the end of the year	803.29	534.80	94.13	94.13	32.72	31.86





# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 51.6 Amount recognised in the statement of Other Comprehensive Income (Contd.)

(₹ in lakhs)

Particulars	Gratuity (Unfunded)	
	Year ended 31st March, 2019	Year ended 31st March, 2018
Net cumulative unrecognised actuarial (gain)/loss opening	-	-
Experience adjustments on plan assets (gains)/loss	-	-
Actuarial (gain)/loss for the year	-	6.58
Unrecognised actuarial (gain)/loss at the end of the year	-	6.58

## 51.7 Experience adjustment on Plan Liabilities and Assets

(₹ in lakhs)

Particulars	Gratuity		Superannuation Fund		Lump sum Payment in lieu of pension	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Defined benefit obligations	1,580.47	1,469.48	-	25.62	53.33	54.14
Plan assets	31.80	44.17	-	-	-	-
Surplus/(deficit)	(1,548.67)	(1,425.31)	-	(25.62)	(53.33)	(54.14)
Experience adjustments on plan liabilities (gain)/loss	168.04	93.27	-	3.71	0.63	21.30
Experience adjustments on plan assets (gain)/loss	-	(8.11)	-	-	-	-
Actuarial (gain)/loss on plan liabilities due to change of assumptions	7.97	76.98	-	(0.31)	0.23	(1.25)

## 51.8 Breakup of Actuarial (gain)/loss:

(₹ in lakhs)

Particulars	Gratuity (Funded)		Superannuation Fund		Lump sum Payment in lieu of pension	
	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
Actuarial (gain)/loss on arising from change in demographic assumption	-	-	-	-	-	-
Actuarial (gain)/loss on arising from change in financial assumption	7.97	76.98	-	(0.31)	0.23	(1.25)
Actuarial (gain)/loss on arising from experience adjustment	168.04	93.27	-	3.71	0.63	21.30
Total	176.01	170.25	-	3.40	0.86	20.05

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 51.8 Breakup of Actuarial (gain)/loss: (Contd.)

(₹ in lakhs)

Particulars	Gratuity (Unfunded)	
	Year ended 31st March, 2019	Year ended 31st March, 2018
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	-	7.02
Actuarial (gain)/loss on arising from experience adjustment	-	(0.01)
Total	-	7.01

## 51.9 Sensitivity analysis

(₹ in lakhs)

Particulars	Gratuity		Superannuation Fund		Lump sum Payment in lieu of pension	
	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Impact of the change in discount rate</b>						
-increase of 1 %	(75.55)	(86.26)	-	(0.24)	(2.26)	(2.43)
-decrease of 1 %	85.21	97.18	-	0.23	2.49	2.67
<b>Impact of the change in salary increase</b>						
-increase of 1 %	85.22	97.91	-	0.25	-	-
-decrease of 1 %	(77.16)	(88.76)	-	(0.25)	-	-
<b>Impact of change in withdrawal rate</b>						
-increase of 2 %	25.16	2.83	-	-	(4.71)	-
-decrease of 2 %	(2.42)	(3.02)	-	-	0.04	-
<b>Impact of change in mortality rate</b>						
-increase of 10 %	-	0.79	-	0.01	-	0.05
-decrease of 10 %	-	(0.79)	-	(0.01)	-	(0.05)

Gratuity fund is maintained with LIC and HDFC and Superannuation fund is maintained with LIC.

Superannuation fund has been discontinued during the year on account of retirement of the sole beneficiary covered under the scheme.

## 51.10 Principal Actuarial Assumptions used for estimating the Company's Defined benefit obligations are set out below:

Particulars	Gratuity		Superannuation Fund		Lump sum Payment in lieu of pension	
	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2018
Discount rate	7.50	7.60	-	7.60	7.50	7.60
Expected rate of increase in salary	5.00	5.00	-	5.00	-	-
Expected rate of return of plan assets	7.50	7.60	-	7.60	-	-
Mortality rate	IALM* (2006-08) ultimate	IALM* (2006-08) ultimate	IALM* (2006-08) ultimate	IALM* (2006-08) ultimate	IALM* (2006-08) ultimate	IALM* (2006-08) ultimate



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## 51.10 Principal Actuarial Assumptions used for estimating the Company's Defined benefit obligations are set out below: (Contd.)

\*IALM- Indian Assured Lives Mortality

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

**Principal Actuarial Assumptions used for estimating the Defined benefit obligations of one of the subsidiaries India Power Corporation (Bodhgaya) Limited are set out below:**

Particulars	Gratuity (Unfunded)	
	Year ended 31st March, 2019	Year ended 31st March, 2018
Discount rate (%)	-	7.60
Expected rate of increase in salary (%)	-	5.00

**Principal Actuarial Assumptions used for estimating the Defined benefit obligations of one of the subsidiaries Saranyu Power Trading Private Limited (formerly IPCL Power Trading Private Limited) are set out below:**

Particulars	Gratuity (Unfunded)	
	Period ended 16th September, 2018	Year ended 31st March, 2018
Discount rate (%)	-	7.60
Expected rate of increase in salary (%)	-	5.00

**Principal Actuarial Assumptions used for estimating the Defined benefit obligations of one of the subsidiaries Meenakshi Energy Limited are set out below:**

Particulars	Gratuity (funded)	
	Year ended 31st March, 2019	Year ended 31st March, 2018
Discount rate (%)	-	8.00
Expected rate of increase in salary (%)	-	5.00
Expected rate of return on plan assets (%)	-	7.50
Mortality table	-	LIC (2006-08)
Estimate of amount of contribution in the immediate next year (₹ in lakhs)	-	19.74

**51.11** The contribution to the defined benefit plans expected to be made by the Group during the annual period beginning after the Balance Sheet date is yet to be reasonably determined.

## 52 DEFINED CONTRIBUTION PLANS

The Group also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Group is limited to the amount contributed and it has no further contractual not any constructive obligation.

During the year ₹ 305.96 lakhs has been recognised as expenditure towards defined contribution plans of the Group (previous Year ₹ 423.94 lakhs)

**53** The business of the Group falls within a single primary segment viz, "Generation and Distribution of Power in India" and hence segment information in terms of Indian Accounting Standard (Ind- AS) 108 "Operating Segments" is not required. The Company operates only in India, hence additional information under geographical segments is also not applicable.

During the year sale to single consumer above 10% of the sale is ₹ 5,676.46 lakhs (previous year nil).

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 54 FINANCIAL INSTRUMENT - (FINANCIAL ASSETS AND FINANCIAL LIABILITIES)

### 54.1 Categories of Financial Instruments

Details with respect to financial assets and financial liabilities are as follows:

(₹ in lakhs)

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
<b>Investments</b>						
- Equity investments	263.87	0.05	-	383.16	285.95	-
- Bonds and debentures	-	2.50	159.05	-	2.50	209.05
- Mutual funds	190.92	-	-	37,050.98	-	-
- Government securities	-	-	2.92	-	-	2.92
Trade receivables	-	-	20,938.62	-	-	24,569.91
Loans	-	-	7,590.25	-	-	1,767.77
Cash and cash equivalents	-	-	570.14	-	-	2,709.20
Fixed deposit	-	-	1,700.60	-	-	8,798.74
Beneficial interest in Power Trust	-	82,384.55	-	-	81,871.84	-
Receivable others	-	-	30,734.34	-	-	89,828.18
Accrued interest	-	-	809.06	-	-	112.10
<b>Total Financial Assets</b>	<b>454.79</b>	<b>82,387.10</b>	<b>62,504.98</b>	<b>37,434.14</b>	<b>82,160.29</b>	<b>1,27,997.87</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	41,372.74	-	-	3,42,576.35
Trade Payables	-	-	5,220.03	-	-	28,788.71
Consumer Advances	-	-	2,939.41	-	-	2,717.29
Others	-	-	32,854.51	-	-	79,123.38
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>82,386.69</b>	<b>-</b>	<b>-</b>	<b>4,53,205.73</b>

### 54.2 Fair Value Hierarchy

The Group categorises assets and liabilities measured at fair value into one of the three levels depending on the ability to observe inputs employed in their measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on recurring basis.

#### (a) Financial Assets and Liabilities measured at Fair Value

(₹ in lakhs)

As at 31 March 2019	Date of Valuation	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Financial Investment at FVTPL</b>					
Mutual Funds	31.03.2019	190.92	-	-	190.92
Equity instruments	31.03.2019	-	-	263.87	263.87
<b>Financial Investment at FVTOCI</b>					
Listed equity investment	31.03.2019	-	-	-	-
Unquoted equity instruments	31.03.2019	-	-	0.05	0.05
Bonds and debentures	31.03.2019	-	-	2.50	2.50
Beneficial interest in Power Trust	31.03.2019	-	-	82,384.55	82,384.55
<b>Total Financial Assets</b>		<b>190.92</b>	<b>-</b>	<b>82,650.97</b>	<b>82,841.89</b>



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 54.2 Fair Value Hierarchy (Contd.)

(₹ in lakhs)

As at 31 March 2018	Date of Valuation	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Financial Investment at FVTPL</b>					
Mutual Funds	31.03.2018	37,050.98	-	-	37,050.98
Equity Instruments	31.03.2018	-	-	383.16	383.16
<b>Financial Investment at FVTOCI</b>					
Listed equity investment	31.03.2018	245.36	-	-	245.36
Unquoted equity instruments	31.03.2018	-	-	40.59	40.59
Bonds and debentures	31.03.2018	-	-	2.50	2.50
Beneficial Interest in Power Trust	31.03.2018	-	-	81,871.84	81,871.84
<b>Total Financial Assets</b>		<b>37,296.34</b>	<b>-</b>	<b>82,298.09</b>	<b>1,19,594.43</b>

During the year ended March 31, 2019 and March 31, 2018 there were no transfer between level 1, level 2 and level 3 fair value measurement.

### b) Fair Value Technique

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

- The fair value of cash and cash equivalents, trade receivables, current trade payables, current financial liabilities and current borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The Board considers that the carrying amounts of financial assets and financial liabilities recognised at cost/amortised cost in the financial statements approximates their fair values.
- Non-current borrowings has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value of such Non-current borrowings approximates fair value subject to adjustments made for transaction cost.
- Investments in liquid and short-term mutual funds are measured using quoted market prices at the reporting date multiplied by the quantity held.
- Valuation of beneficial interest in Power Trust has been arrived by adopting Discounted Free Cash Flow method (DCF) and Profit Earning Capacity Value Method (PECV) with respect to investment held by them. Due weightage has been given by the valuer to the methods adopted. The DCF method estimates the cash flows for each financial period included in the period for projections and discounts this to its present value at an appropriate weighted average cost of capital (WACC). Under PECV method, the equity is valued by multiplying the future maintainable earnings by an appropriate Price / Earnings (P/E) multiple. The valuation is based on the assumptions and estimates considered appropriate by the valuer.
- Fair Value of unquoted equity instruments is Net Asset Value (NAV) computed based on the last audited financial statement of the respective companies.

### c) SIGNIFICANT UNOBSERVABLE INPUTS USED IN LEVEL 3 FAIR VALUES

(₹ in lakhs)

As at March 31, 2019	Significant unobservable inputs	Sensitivity of input to fair value measurement
(i) Fair valuation of Beneficial interest in Power Trust	Forecast Revenue	Increase in revenue by 10% will have a positive impact of ₹ 94,890 lakhs
		Decrease in revenue by 10% will have a negative impact of ₹ 1,06,124 lakhs
	Discount factor and P/E multiple	Increase in discount rate by 1% will have negative impact of ₹ 29,937 lakhs
		Decrease in discount rate by 1% will have a positive impact of ₹ 33,648 lakhs

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 54.3 Fair value of financial assets and liabilities measured at amortised cost

(₹ in lakhs)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>				
<b>Investments</b>				
Bonds	161.97	161.97	211.97	211.97
Trade receivable	20,938.62	20,938.62	24,569.91	24,569.91
<b>Loans</b>				
Loan to related parties	3,094.42	3,094.42	5.00	5.00
Loans to employees	1.78	1.78	6.54	6.54
Receivable others	34,258.37	34,258.37	91,180.61	91,180.61
Cash & cash equivalent	570.14	570.14	2,709.20	2,709.20
Fixed deposit	1,700.60	1,700.60	8,798.74	8,798.74
Security deposits	970.02	970.02	403.80	403.80
Accrued interest	809.06	809.06	112.10	112.10
<b>Total financial assets</b>	<b>62,504.98</b>	<b>62,504.98</b>	<b>1,27,997.87</b>	<b>1,27,997.87</b>
<b>Financial liabilities</b>				
Borrowings	41,372.74	41,372.74	3,42,576.35	3,42,576.35
Trade payable	5,220.03	5,220.03	7,868.46	7,868.46
Others	32,854.51	32,854.51	13,058.93	13,058.93
Consumer advances	2,939.41	2,939.41	2,717.29	2,717.29
<b>Total financial liabilities</b>	<b>82,386.69</b>	<b>82,386.69</b>	<b>3,66,221.03</b>	<b>3,66,221.03</b>

## 55 FINANCIAL RISK MANAGEMENT

The Group's business activities are exposed to a variety of financial risks – credit risk, liquidity risk and market risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The risks are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and approves policies for managing each of these risks, which are summarized below:

### 55.1 Credit Risk

The Group is exposed to credit risk from its operating activities (primarily trade receivables). The Group's exposure to credit risk is influenced mainly by the individual characteristic of each consumer and the concentration of risk from the top few consumers.

The Company extends credit to consumers in normal course of business as per Regulation issued by West Bengal Electricity Regulatory Commission for regulatory business and as per terms of Power Purchase agreement (PPA) entered with DISCOMS for non regulatory business. Consumers outstanding are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivable as low as outstanding from non regulatory business is covered with PPA with government undertakings and in case of regulated business outstanding are as governed by rate regulated body of the state government and customers can not shift to other distribution licensee without clearing dues and obtaining "No objection certificate" from the Company. The Company has also taken advances and security deposit from its consumers, to mitigate the credit risk to an extent. (refer note no. 12.2)

Credit risk pertaining to regulatory receivables have been dealt with in note no. 18.1





# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 55.2 Liquidity Risk

The Group objective is to maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The Group relies on borrowing and internal accruals to meet its need for fund. The current committed lines of credit are sufficient to meet its short to medium term expansion needs.

The table provides undiscounted cash flow towards non-derivative financial liabilities and net settled derivative financial liabilities into relevant maturity based on the remaining period at balance sheet date to contractual maturity date.

(₹ in lakhs)

Particulars	Upto 6 months	6 to 12 Months	Above 12 months	Total
<b>As at 31st March 2019</b>				
Interest bearing borrowings (including current maturity)				
- Principal	14,170.64	3,568.85	32,641.36	50,380.85
- Interest	1,958.25	1,260.97	3,438.87	6,658.09
Finance lease obligation	2.73	-	170.54	173.27
Trade and other payables	19,856.51	107.70	5,220.03	25,184.24
Other financial liabilities	2,586.62	1,990.38	5,957.78	10,534.78
<b>Total</b>	<b>38,574.75</b>	<b>6,927.90</b>	<b>47,428.58</b>	<b>92,931.23</b>
<b>As at 31st March 2018</b>				
Interest bearing borrowings (including current maturity)				
- Principal	46,337.57	29,491.02	3,08,399.63	3,84,228.22
- Interest	1,958.25	1,260.97	3,438.87	6,658.09
Finance lease obligation	2.73	-	173.50	176.23
Trade and other payables	12,187.50	12,373.00	4,390.14	28,950.64
Other financial liabilities	15,084.51	3,099.63	24,528.32	42,712.46
<b>Total</b>	<b>75,570.56</b>	<b>46,224.62</b>	<b>3,40,930.46</b>	<b>4,62,725.64</b>

## Unused Lines of Credit

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured	2,498.21	23,674.64
Unsecured	-	2,727.88
<b>Total</b>	<b>2,498.21</b>	<b>26,402.52</b>

In terms of loan agreement the Group is required to fulfil specified covenants including maintaining debt service and other ratios, and failing which the lender has option to call back the loan.

The Group has current financial assets which will be realised in ordinary course of business. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining headroom on its undrawn committed borrowing facilities at all times so that Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

## 55.3 Market Risk

The Group does not have any material market risk.

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 55.4 Interest rate risk

### (i) Interest rate risk exposure

Interest rate exposure of the Group is mainly on borrowing from Banks, which is linked to marginal cost of fund based lending rate (MCLR) of bank's lending and the Group does not foresee any risk on the same. Non Convertible Debentures were issued at fixed rate of interest and Inter Corporate Deposits were taken on fixed rate of interest.

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Variable rate borrowings	33,777.62	3,59,746.22
Fixed rate borrowings	12,985.00	24,566.35
<b>Total borrowings</b>	<b>46,762.62</b>	<b>3,84,312.57</b>

### Interest Rate of Borrowing

(₹ in lakhs)

Particulars	Total Borrowing	Floating Rate Borrowings	Fixed Rate Borrowing
<b>As at 31st March 2019</b>			
Secured	41,076.55	28,091.55	12,985.00
Unsecured	5,686.07	-	5,686.07
<b>Total</b>	<b>46,762.62</b>	<b>28,091.55</b>	<b>18,671.07</b>
<b>As at 31st March 2018</b>			
Secured	3,74,312.47	3,49,746.12	24,566.35
Unsecured	10,000.10	10,000.10	-
<b>Total</b>	<b>3,84,312.57</b>	<b>3,59,746.22</b>	<b>24,566.35</b>

### (ii) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in lakhs)

Particulars	Impact on profit before tax	
	As at 31st March, 2019	As at 31st March, 2018
Interest rates – increase by 50 basis points	168.89	1,798.73
Interest rates – decrease by 50 basis points	(168.89)	(1,798.73)

## 55.5 Capital Management

### Risk Management

For the purpose of the Group's capital management, capital includes issued equity share capital, share capital suspense account and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder's value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 55.5 Capital Management (Contd.)

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Borrowings	46,784.80	3,84,312.57
Less: Cash and cash equivalents	570.14	2,709.20
Net debt (A)	46,214.66	3,81,603.37
Total equity	1,15,973.04	5,02,666.33
Total equity plus net debts (B)	1,62,187.70	8,84,269.70
<b>Gearing ratio (A/B)</b>	<b>28%</b>	<b>43%</b>

Refer note 20.5 (b) for General Reserve arising on amalgamation which is included for arriving at total equity.

- 56** In case of one of the subsidiary of the Company, IPCL Pte. Ltd, its total and current liabilities exceeded its total and current assets. The financial statements have been prepared on a going concern basis as the ultimate holding Company (India Power Corporation Limited) intends to provide adequate funds to enable the subsidiary meet their liabilities as and when they fall due and the ultimate holding Company will not demand for payment due to them for the next twelve months.

## 57 SERVICE CONCESSION ARRANGEMENTS

- On 31st December 2013, India Power Corporation (Bodhgaya) Limited, subsidiary of the Company, had entered into a service concession agreement with South Bihar Power Distribution Company Limited (the grantor) for the purpose of sale and supply of electricity in the Gaya Town.
- India Power Corporation (Bodhgaya) Limited was required to make minimum investment of ₹ 3,300 lakh spread over a period of 5 years and this expenditure shall be rolled out in such a way that at least 10% of the minimum capital expenditure was spent every year for the first five years of the contract period.
- Under the terms of the agreement, India Power Corporation (Bodhgaya) Limited was to construct, operate and supply electricity to the public for a period of 15 years, starting from 1st June 2014. India Power Corporation (Bodhgaya) Limited was responsible for any maintenance services required during the concession period. India Power Corporation (Bodhgaya) Limited expected major repairs to the extent as and when considers necessary to be incurred during the concession period.
- India Power Corporation (Bodhgaya) Limited had received the right to charge users a fee for supplying them the electricity as per the rate provided in Tariff Schedule of Bihar Electricity Regulatory Commission. The input rate at which the electricity was being purchased and the rates electricity was being supplied to the end users under the DFA were subject to tariff adjustments.
- At the end of the concession period, the assets under the agreement will become the property of the grantor and India Power Corporation (Bodhgaya) Limited will have no further involvement in its operation or maintenance requirements.
- The service concession agreement does not contain renewal option.
- The rights of the grantor to terminate the agreement included among others, failure to maintain minimum service quality, corrupt practices on part of India Power Corporation (Bodhgaya) Limited, insolvency etc. The rights of India Power Corporation (Bodhgaya) Limited to terminate the agreement included failure of the grantor to ensure the supply of power to India Power Corporation (Bodhgaya) Limited of acceptable quality standards as per the agreement and breach of other material terms and conditions under the agreement.
- For the year ended 31st March 19, India Power Corporation (Bodhgaya) Limited has recognised revenue including revenue from discontinued operations ₹ 10,605.15 lakhs (₹ 27,875.21 lakhs for the year ended 31st March 2018), consisting of Nil (₹ 2,152.80 lakhs for the year ended 31st March 2018) on construction and ₹ 8,006.45 lakhs (₹ 25,668.40 lakhs for the year ended 31st March 2018) on discontinued operation. India Power Corporation (Bodhgaya) Limited has recognised loss from discontinued operation ₹ 1,218.87 lakhs (₹ 1,240.85 lakhs for the year ended 31st March 2018).
- India Power Corporation (Bodhgaya) Limited had recognised in the financial year 2017-18 an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement of ₹ 2,152.80 lakhs for year ended 31 March 2018, of which ₹ 435.98 lakhs for the year ended 31st March 2018 had been amortised. The intangible asset represents the right to charge users a fee for supply of electricity. Refer note no.6.1

- 58** PL Solar Renewable Limited, PL Surya Vidyut Limited and PL Sunrays Power Limited, step-down subsidiaries of the Company in financial year 2017-18, had entered into an agreement with SREI Equipment Finance Limited (SREI) to facilitate joint use and operation of the project assets for the implementation of the project. The project assets will remain the property of the SREI, the right to jointly use and operate the project assets have commenced from the date of COD and shall continue for the whole of the term of Power Purchase Agreement. Pursuant to the said revenue sharing agreement revenue receipts split in the ratio of 20:80 between the companies.



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 59 DETAILS OF DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURES

The Group has entered into forward contracts during the previous year to hedge against firm commitments and highly probable forecast transactions for payments to be made for the import of Capital equipment to be used for construction of Phase-II of Power plant as indicated below:

### (i) Outstanding forward exchange contracts :

(Amount in lakhs)

Particulars	As on March 31, 2018
Currency	US\$
Amount	-
Buy/Sell	Buy
Cross Currency	INR

Short term provisions include net mark-to-market loss of ₹ Nil (Previous year: ₹ Nil) relating to forward contracts which are outstanding at year end.

### (ii) Unhedged foreign currency exposure :

(Amount in lakhs)

Particulars	As on March 31, 2018	
	US\$	₹
Trade payables	USD 99.00	6,439.56

# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 60.1 Disclosure of additional information pertaining to the Parent Company, Subsidiaries, Joint Ventures as per Schedule III of Companies Act, 2013

(₹ in lakhs)

Name of the Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive Income	
	2018-19		2018-19		2018-19		2018-19	
	As % of Consolidated net assets	Net Assets	As % of Consolidated net assets	Profit/Loss	As % of Consolidated net assets	Other Comprehensive Income	As % of Consolidated net assets	Total Comprehensive Income
<b>Parent Company</b>								
India Power Corporation Limited	100.03%	1,16,010.60	117.80%	1,911.96	104.38%	369.64	115.39%	2,281.60
<b>Indian Subsidiaries</b>								
<b>Direct Subsidiaries</b>								
India Power Corporation (Bodhgaya) Limited	0.19%	218.54	-5.97%	(96.97)	-	-	-4.90%	(96.97)
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)	-	-	0.07%	1.15	-	-	0.06%	1.15
India Power Green Utility Private Limited	-	-	-4.94%	(80.10)	-	-	-4.05%	(80.10)
<b>Stepdown Subsidiaries</b>								
PL Sunrays Power Limited	-	-	1.38%	22.32	-	-	1.13%	22.32
PL Solar Renewable Limited	-	-	-3.11%	(50.44)	-	-	-2.55%	(50.44)
PL Surya Vidyut Limited	-	-	5.08%	82.45	-	-	4.17%	82.45
<b>Foreign Subsidiaries</b>								
<b>Direct Subsidiaries</b>								
IPCL Pte. Ltd.	-0.45%	(519.97)	-2.87%	(46.62)	-4.79%	(16.97)	-3.22%	(63.59)
<b>Joint Venture</b>								
Matsaya Shipping & Ports Private Limited	-	-	-	-	-	-	-	-
India Uniper Power Services Private Limited	0.23%	263.87	-7.44%	(120.76)	0.41%	1.47	-6.03%	(119.29)
<b>Total</b>	100.00%	1,15,973.04	100.00%	1,622.99	100.00%	354.14	100.00%	1,977.13

Note: The above figures are after eliminating intra group transactions and intra group balances as at 31st March 2019.



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

## 60.2 Disclosure of additional information pertaining to the Parent Company, Subsidiaries, Joint Ventures as per Schedule III of Companies Act, 2013

(₹ in lakhs)

Name of the Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive Income	
	2017-18		2017-18		2017-18		2017-18	
	As % of Consolidated net assets	Net Assets	As % of Consolidated net assets	Profit/Loss	As % of Consolidated net assets	Other Comprehensive Income	As % of Consolidated net assets	Total Comprehensive Income
<b>Parent Company</b>								
India Power Corporation Limited	21.87%	1,14,292.95	106.28%	2,134.43	113.72%	(120.54)	105.83%	2,013.89
<b>Indian Subsidiaries</b>								
<b>Direct Subsidiaries</b>								
India Power Corporation (Bodhgaya) Limited	0.06%	315.51	3.55%	71.35	3.68%	(3.90)	3.55%	67.45
Saranyu Power Trading Private Limited (formerly known as IPL Power Trading Private Limited)	0.01%	65.86	1.16%	23.22	0.80%	(0.85)	1.18%	22.37
India Power Green Utility Private Limited	-0.02%	(105.76)	-4.81%	(96.53)	-	-	-5.07%	(96.53)
Meenakshi Energy Limited	74.24%	3,88,145.38	3.76%	75.61	-18.19%	19.28	4.99%	94.89
<b>Stepdown Subsidiaries</b>								
PL Sunrays Power Limited	0.00%	(4.49)	0.24%	4.92			0.26%	4.92
PL Solar Renewable Limited	0.00%	(4.31)	0.22%	4.40			0.23%	4.40
PL Surya Vidyut Limited	0.01%	34.41	1.71%	34.41			1.81%	34.41
<b>Foreign Subsidiaries</b>								
<b>Direct Subsidiaries</b>								
IPCL Pte. Ltd. (Refer 60.2 a)	-0.09%	(456.38)	-17.68%	(355.09)	-	-	-18.66%	(355.09)
<b>Non-Controlling Interest in all subsidiaries</b>	3.85%	20,124.40	1.21%	24.30	-0.92%	0.97	1.33%	25.27
<b>Joint Venture</b>								
Matsya Shipping & Ports Private Limited	0.00%	-	-0.02%	(0.49)	-	-	-0.03%	(0.49)
India Uniper Power Services Private Limited	0.07%	383.16	4.38%	88.02	0.91%	(0.96)	4.58%	87.06
<b>Total</b>	<b>100.00%</b>	<b>5,22,790.72</b>	<b>100.00%</b>	<b>2,008.55</b>	<b>100.00%</b>	<b>(106.00)</b>	<b>100.00%</b>	<b>1,902.55</b>

Note: The above figures are after eliminating intra group transactions and intra group balances as at 31st March 2018.

**60.2(a)** Includes information of its subsidiary Edison Power Limited





# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

- 61** These consolidated financial statements has been approved and adopted by Board of Directors of the Company in their meeting dated 23rd May, 2019 for issue to the Shareholders for their adoption.

As per our report on even date  
For **S.S. Kothari Mehta & Co**  
Chartered Accountants  
Firm Registration No. 000756N

For and on behalf of the Board

**Neeraj Bansal**  
Partner  
Membership No. 095960

**Raghav Raj Kanoria**  
Managing Director  
(DIN:07296482)

**Amit Kiran Deb**  
Director  
(DIN:02107792)

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

**Amit Poddar**  
Chief Financial Officer

**Prashant Kapoor**  
Company Secretary

**Sanjeev Seth**  
Chief Executive Officer



## Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – Consolidated for the financial year ended 31st March, 2019

### Statement on Impact of Audit Qualifications for the Financial Year ended 31st March, 2019

[Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(₹ in lakhs)

I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	59,613.22	
	2	Total Expenditure	55,958.18	
	3	Total Comprehensive Income/(Loss)	1,977.13	
	4	Earnings Per Share	0.10	Not Ascertainable
	5	Total Assets	2,23,362.78	
	6	Total Liabilities	1,07,389.74	
	7	Net Worth	1,15,973.04	

II	Sl. No.	Audit Qualification (each audit qualification separately):		
	a	Details of Audit Qualification:	:	Due to non-availability of the financial statements of subsidiary company i.e. Meenakshi Energy Limited (MEL) for the year ended 31 March 2019, the financial statement for the same has not been considered in these consolidated financial results as required in terms of the requirement of Ind AS 110 on "Consolidated financial statements". Hence, the comparative figures are not comparable to that extent. Consequently, the impact of the same on the consolidated result and value of investment in the said subsidiary are not presently ascertainable.
	b	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	:	Qualified Opinion
	c	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	:	Year ended 31st March, 2017 and 31st March, 2019
	d	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	:	Not Applicable
	e	For Audit Qualification(s) where the impact is not quantified by the auditor:	:	
	i	Management's estimation on the impact of audit qualification:	:	Not ascertainable
	ii	If management is unable to estimate the impact, reasons for the same:	:	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. Pending outcome of the above judicial matters, MEL being a subsidiary, its accounts not yet compiled and accordingly Company has not consolidated MEL accounts with its financials.
	iii	Auditors' Comments on (i) or (ii) above:	:	As stated herein above, the impact with respect to above and consequential adjustments cannot be ascertained by the management and as such cannot be commented upon by us.

III	Signatories
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For **S. S. Kothari Mehta & Co.**  
 [FRN: 000756N]  
 Chartered Accountants  
**Neeraj Bansal**  
 Partner  
 (Membership No: 095960)

**Sanjeev Seth**  
 Chief Executive Officer

**Amit Poddar**  
 Chief Financial Officer

**A K DEB**  
 Chairman of Audit Committee

**FORM AOC-1**

(Pursuant to first proviso to sub-section (3) of the section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of the subsidiaries/associate companies/joint ventures

**Part-"A" : Subsidiaries**

(` in lakhs)

Sl No	Name of subsidiary	The date since subsidiary was acquired	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Foreign Currency in S\$			
										Profit Before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend
1	India Power Corporation (Bodhgaya) Limited	12th September 2013	INR	10.00	218.51	35,038.36	34,809.85	-	2,751.56	(333.88)	(236.90)	(96.97)	-
2	IPCL Pte. Ltd.	4th October, 2013	INR	5.94	(520.54)	2.24	516.83	-	-	(63.59)	-	(63.59)	-
			S\$	12,000.00	(10,18,439.00)	4,376.00	10,10,815.00	-	-	(91,126.00)	-	(91,126.00)	-

As on 31.03.2019 1 S\$= 51.13 INR

As on 31.03.2018 1 S\$= 49.5967 INR

Notes: The following information shall be furnished at the end of the statements:

- Names of Subsidiaries which are yet to commence operations.  
IPCL Pte. Ltd.
- Names of Subsidiaries which have been liquidated or sold during the year.  
Saranyu Power Trading Private Limited (formerly known as IPCL Power Trading Private Limited)  
India Power Green Utility Private Limited  
PL Sunrays Power Limited (subsidiary of India Power Green Utility Private Limited)  
PL Solar Renewable Limited (subsidiary of India Power Green Utility Private Limited)  
PL Surya Vidyut Limited (subsidiary of India Power Green Utility Private Limited)





## Part-"B" : Associates & Joint Ventures

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

### Associates

NIL

### Joint Venture

Sl No	Name of Joint Venture	India Uniper Power Services Private Limited
1	Latest audited balance sheet date	31.03.2019
2	Share of Joint Venture	
	No. of shares (face value of ₹ 10 each)	3525000
	Amount of Investment in Joint Venture	₹ 352.50 lakhs
	Extent of Holding %	50%
3	Description of how there is significant influence	Not Applicable
4	Reason why Joint Venture is not consolidated	Consolidated
5	Networth attributable to Shareholding as per latest audited balance sheet	₹ 499.14 lakhs
6	Loss for the year	
i	Considered in Consolidation	₹ 119.29 lakhs
ii	Not Considered in Consolidation	Nil

As per our report on even date  
 For **S.S. Kothari Mehta & Co**  
 Chartered Accountants  
 Firm Registration No. 000756N

For and on behalf of the Board

**Neeraj Bansal**  
 Partner  
 Membership No. 095960

**Raghav Raj Kanoria**  
 Managing Director  
 (DIN:07296482)

**Amit Kiran Deb**  
 Director  
 (DIN:02107792)

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

**Amit Poddar**  
 Chief Financial Officer

**Prashant Kapoor**  
 Company Secretary

**Sanjeev Seth**  
 Chief Executive Officer

# GLOSSARY

<b>AMI</b>	Advanced Metering Infrastructure	<b>Kwh</b>	Kilowatt Hour
<b>AMR</b>	Automated Meter Reading	<b>LDO</b>	Light Diesel Oil
<b>ASTM</b>	American Society for Testing & Materials	<b>LT</b>	Low Tension
<b>AT&amp;C</b>	Aggregate Technical & Commercial	<b>MU</b>	Million Units (equivalent to Giga Watt Hour)
<b>BI</b>	Business Intelligence	<b>MVA</b>	Mega Volt-Ampere
<b>BOOT</b>	Built, own, operate, transfer	<b>MW</b>	Mega Watt
<b>Bn</b>	Billion	<b>O&amp;M</b>	Operation & Maintenance
<b>BU</b>	Billion Unit	<b>PGCIL</b>	Power Grid Corporation of India Limited
<b>CAGR</b>	Compound Annual Growth Rate	<b>PLF</b>	Plant Load Factor
<b>COD</b>	Commercial Operation Date	<b>PPA</b>	Power Purchase Agreement
<b>Discom</b>	Distribution Company	<b>ROW</b>	Right of way
<b>FSA</b>	Fuel Supply Agreement	<b>RoE</b>	Return on Equity
<b>GIS</b>	Geographic Information System	<b>SAIDI</b>	System Average Interruption Duration Index
<b>GJ</b>	Gigajoules	<b>SAIFI</b>	System Average Interruption Frequency Index
<b>GW</b>	Giga Watt	<b>SAP</b>	Systems Applications and Products in Data Processing
<b>HT</b>	High Tension	<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>HSD</b>	High Speed Diesel	<b>SHR</b>	Station Heat Rate
<b>HVDC</b>	High Voltage Direct Current Transmission	<b>T&amp;D</b>	Transmission and Distribution
<b>HVDS</b>	High Voltage Distribution System	<b>Tn</b>	Trillion
<b>IoT</b>	Internet of Things	<b>TWh</b>	Tera Watt Hour
<b>kV</b>	Kilo Volt	<b>W</b>	Watt

## NOTES



## NOTES

## NOTES





**INDIA POWER**  
Adding power to life

India Power Corporation Limited  
Plot No. X1-2 & 3, Block - EP,  
Sector - V, Salt Lake City,  
Kolkata – 700 091  
Phone: 91 33 6609 4300/08/09/10  
Fax: 91 33 2357 2452  
Website: [www.indiapower.com](http://www.indiapower.com)  
CIN: L40105WB1919PLC003263

Conceptualised, designed and developed by **Valorem Advisors** [www.valoremadvisors.com](http://www.valoremadvisors.com)







**INDIA POWER**  
Adding power to life

## INDIA POWER CORPORATION LIMITED

CIN: L40105WB1919PLC003263

[Formerly DPSC Limited]

**Registered Office:** Plot No. X1-2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700 091

**Tel.:** + 91 33 6609 4300/08/09/10 **Fax:** + 91 33 2357 2452

**E-mail:** corporate@indiapower.com **Website:** www.indiapower.com

### NOTICE OF THE 99TH ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the **Ninety Ninth Annual General Meeting** of the Members of **India Power Corporation Limited** (formerly DPSC Limited) will be held at the Registered Office of the Company at **Plot No. X1-2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700 091** on **Saturday, the 10th day of August, 2019** at **11:30 a.m.** to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements and the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019, including the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend on the Equity Shares of the Company for the financial year ended 31st March, 2019.
3. To appoint a Director in place of Mr. Hemant Kanoria (DIN 00193015), who retires by rotation and being eligible, seeks re-appointment.

#### SPECIAL BUSINESS

4. To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV to the Companies Act, 2013 and the applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Dipali Khanna (DIN 03395440) who was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years with effect from 31st March, 2015 i.e. till 30th March, 2020, being eligible, be and is hereby re-appointed as an Independent Director of the Company for a second term of 5 (five) consecutive years with effect from 31st March, 2020 i.e. till 30th March, 2025, whose period of office shall not be liable to determination by retirement of Directors by rotation;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorised to finalise, settle, execute and amend such documents/deeds/writings/papers/agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable

and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any of Director(s) or any Key Managerial Personnel or any other Officer(s) of the Company.”

5. To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with schedule V to the Companies Act, 2013 and the applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, permissions and sanctions as may be necessary, the consent of the Members of the Company be and is hereby accorded for payment of managerial remuneration to the Executive and Non-Executive Directors of the Company in excess of the limits prescribed under Section 197 of the Companies Act, 2013 and/or the limits prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including payment of managerial remuneration in the event of loss or inadequacy of profits in any financial year in terms of Schedule V to the Companies Act, 2013 to the extent as may be applicable;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorised to finalise, settle, execute and amend such documents/deeds/writings/papers/agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any of Director(s) or any Key Managerial Personnel or any other Officer(s) of the Company.”

6. To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and other applicable



Guidelines and Regulations issued by the Securities and Exchange Board of India or any other applicable law for the time being in force (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the provisions of the Articles of Association of the Company and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall deem to include any Committee thereof) to offer, issue and allot, secured and/or unsecured, listed and/or unlisted Non-Convertible Debentures and/or other Debt Securities (hereinafter collectively referred to as "Debt Securities") on private placement basis, in one or more series/tranches, aggregating upto ₹ 1,000 Crores (Rupees One Thousand Crores only), whether rupee denominated or denominated in foreign currency, during the period of 1 (one) year from the date of passing of the Special Resolution on such terms and conditions and at such times and at par or at such premium, as the Board may, from time to time determine and consider proper and most beneficial to the Company including as to when the said Debt Securities be issued, the consideration for the issue, utilisation of the issue proceeds and all matters connected with or incidental thereto;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and are hereby authorised to finalise, settle, execute and amend such documents/deeds/writings/papers/agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem

necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any of Director(s) or any Key Managerial Personnel or any other Officer(s) of the Company."

7. To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the remuneration of ₹ 1,00,000/- (Rupees One Lakh Only) plus taxes as applicable and reimbursement of out-of-pocket expenses as may be incurred during the course of the cost audit of the Company, payable to M/s. Mani & Co., Cost Accountants (Firm Registration No. 000004) who are appointed as Cost Auditors of the Company to conduct the audit of cost records maintained by the Company for the financial year 2019-20;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorised to finalise, settle, execute and amend such documents/deeds/writings/papers/agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any of Director(s) or any Key Managerial Personnel or any other Officer(s) of the Company."

Date: 23rd May, 2019

**Registered Office:**

Plot No. X1-2 & 3, Block – EP, Sector – V,

Salt Lake City, Kolkata – 700 091

Tel: + 91 33 6609 4300/08/09/10

Fax: + 91 33 2357 2452

**By Order of the Board of Directors  
For India Power Corporation Limited**

**Prashant Kapoor  
Company Secretary & Compliance Officer**



## NOTES

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY, TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

2. A person can act as Proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. However, a Member holding more than 10 (ten) per cent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other person or shareholder.
3. The instrument appointing the proxy, in order to be valid, should be deposited at the Registered Office of the Company, duly filed, stamped and signed, not less than 48 (forty-eight) hours before the commencement of the meeting. Further, proxies submitted on behalf of the companies, societies etc. must be supported by an appropriate resolution/authority, as applicable. The Proxy-holder should prove his identity at the time of attending the meeting. The Proxy Form is attached to the Notice convening the meeting.
4. Every Member entitled to vote at the meeting shall be entitled during the period beginning 24 (twenty-four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged (between 9:00 a.m. to 6:00 p.m.), provided that not less than 3 (three) days notice in writing of the intention to inspect is given by the Member to the Company before the commencement of the meeting.
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of Special Business to be transacted at the meeting is annexed to this Notice. The relevant details of the Director(s) seeking re-appointment as required under Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations] and the Secretarial Standard on General Meetings is also annexed to the Notice.
6. Requirement to place the matter relating to appointment of Statutory Auditors for ratification by Members at every Annual General Meeting has been done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs. Accordingly no resolution is proposed for ratification of appointment of M/s. S S Kothari Mehta & Co., Chartered Accountants (Firm Registration No. 000756N), the Statutory Auditors of the Company, who have been appointed at the 97th Annual General Meeting of the Company held on 12th August, 2017 to hold office for a period of 5 (five) consecutive years, from the conclusion of the 97th Annual General Meeting till the conclusion of the 102nd Annual General Meeting of the Company to be held in the year 2022.
7. CB Management Services Private Limited having its office at P – 22, Bondel Road, Kolkata – 700 019 is the Registrar and Share Transfer Agent (RTA) of the Company for both physical and demat modes of Equity Shares.
8. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (LODR) Regulation, the Register of Members and Share Transfer Books of the Company will remain closed from Monday, 5th August, 2019 to

Saturday, 10th August, 2019 (both days inclusive) for the purpose of declaration of Dividend.

9. Dividend for the financial year ended 31st March, 2019 on the Equity Shares of the Company as recommended by the Board of Directors, if declared at the meeting, shall be paid within a period of 30 (thirty) days from the date of declaration, to those Members whose names shall appear on the Company's Register of Members as on Saturday, 3rd August, 2019 and to those whose names are furnished by the Depositories as Beneficial Owners as on the close of business hours of that date.
10. Members holding Shares in electronic form may note that the bank particulars registered against their respective Depository Accounts will be used by the Company for payment of Dividend.
11. Members holding shares in physical mode are requested to notify change in their address, bank mandates, etc. if any, to the Company or its RTA and Members holding shares in demat mode are requested to notify change of address, bank mandates, etc. to their respective Depository Participants (DP). Any such changes effected by the DPs will automatically reflect in the Company's subsequent records.
12. Members who have not yet encashed their dividend warrants for the financial year 2011 - 12 or any subsequent financial years are requested to make their claim to the RTA of the Company. Members are requested to note that Dividends not encashed or claimed within 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the fund established by the Central Government, namely the Investor Education and Protection Fund (IEPF). Further, once the unclaimed Dividend is transferred to IEPF, no further claim shall be entertained by the Company in respect thereof. Details of Dividend remaining unclaimed by the Members for the past years which have not yet been transferred to IEPF are available on the Company's website i.e. [www.indiapower.com](http://www.indiapower.com).
13. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time (IEPF Rules), all Shares in respect of which Dividend has not been paid or claimed by the Members for 7 (seven) consecutive years or more would be transferred to the IEPF Authority. In terms of the aforesaid provisions, during the financial year 2018-19, the Shares in respect of which dividend was declared during the financial year 2010 – 11 which remained unpaid or claimed by the Members for 7 (seven) consecutive years or more was transferred to the designated Demat Account of IEPF Authority.
14. The unpaid/unclaimed Dividend or the Shares transferred to IEPF may be claimed by the Members from the IEPF Authority by making an application in prescribed Form IEPF-5 online and sending the physical copy of the same duly signed along with requisite documents to the Nodal Officer of the Company at its Registered Office for verification of the claim. The application form (Form IEPF-5) as prescribed by the Ministry of Corporate Affairs for claiming back of the Shares/Dividend, is available on the Company's website i.e. [www.indiapower.com](http://www.indiapower.com). as well as website of IEPF i.e. [www.iepf.gov.in](http://www.iepf.gov.in). In case the Members have any query on the subject matter and the IEPF Rules, they may contact the RTA of the Company.
15. The unpaid/unclaimed Dividend declared during the financial year 2011-12, which remains unclaimed for a period of 7 (seven)



years would become due for transfer to IEPF during the financial year 2019-20. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with the IEPF Rules, the transfer of the Dividend would trigger the action for transfer of the next lot of Shares to the Demat Account of the IEPF Authority, details of which have been uploaded on the Company's website i.e. [www.indiapower.com](http://www.indiapower.com) and necessary action would be taken by the Company subsequently.

16. Electronic copy of the Annual Report for the financial year 2018-19 and the Notice convening the 99th Annual General Meeting inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company's RTA/DP for communication purposes. However, Members who have not registered their email IDs, shall be furnished with physical copies of the aforesaid documents in permitted mode. These documents have also been uploaded on the Company's website i.e. [www.indiapower.com](http://www.indiapower.com).
17. Members who have not registered their e-mail address, are requested to register their e-mail address with the RTA of the Company/DP for receiving all communications including Annual Reports, Notices etc. from the Company electronically.
18. In accordance with the provisions of Section 136 of the Companies Act, 2013, the Company will provide a copy of separate financial statement in respect of its Subsidiary(ies), to any Member of the Company, on making requisition to the Company Secretary at the Registered Office of the Company or at the email: [corporate@indiapower.com](mailto:corporate@indiapower.com).
19. A Statement containing the salient features of the financial statements of Subsidiary Companies forms part of the Annual Report of the Company. The financial statements of the Subsidiary(ies) will also be available for inspection at the Registered Office of the Company and the concerned Subsidiary Company during business hours (i.e. 11:00 a.m. to 1:00 p.m.) on any working day (excluding Saturday) till the conclusion of the meeting. Further, these documents would also be available on the Company's website i.e. [www.indiapower.com](http://www.indiapower.com).
20. Members holding shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's RTA, enclosing their share certificate(s) to enable the Company to consolidate their holdings into a single folio.
21. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company in terms of Section 72 of the Companies Act, 2013.
22. Non-Resident Indian Members are requested to inform RTA, immediately of:
  - Change in their residential status on return to India for permanent settlement.
  - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN code, if not furnished earlier.
23. SEBI vide notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 read with notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018 has amended Regulation 40 of the SEBI (LODR) Regulations subsequent to which no sale or purchase of equity shares will be allowed in physical form w.e.f. 1st April, 2019. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form. **The ISIN Number allotted to the Equity Shares of the Company is INE360C01024.**
24. In terms of SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, the Company and the RTA has been mandated to maintain copy of the Permanent Account Number (PAN) and the Bank Account details of all the Members. Members, who have till date not registered their PAN/ Bank Account details are, requested to submit their self-attested PAN and original cancelled cheque leaf/attested bank passbook showing name of the Account Holder to the Company/RTA.
25. All the documents referred to in the Notice and accompanying Explanatory Statement and the Statutory Registers shall be open for inspection, during business hours (i.e. 11:00 a.m. to 1:00 p.m.) on any working day (excluding Saturday), at the Registered Office of the Company till the conclusion of the meeting.
26. Members, Proxies or Authorised Representatives are requested to kindly bring their copy of the Annual Report and Attendance Slip at the meeting. Members are requested to mention the details of their Client ID & DP ID/Folio No. in the Attendance Slip and in all other correspondence with the Company. Members, Proxies or Authorised Representatives need to furnish a valid Identity Proof for attendance at the meeting.
27. Members desirous of obtaining any relevant information as regards to the Accounts of the Company are requested to write to the Company at least 7 (seven) days prior to the date of the meeting so as to enable the Company to keep the information ready.
28. **A route map showing directions to reach the venue of the meeting along with the prominent landmark for easy location is enclosed with this Notice.**
29. Information and other instructions relating to e-voting are as under:
  - a) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (LODR) Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), the Members are provided with the facility to cast their vote electronically (remote e-voting) in respect of the business to be transacted at the meeting. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facility.
  - b) The voting rights of the Members shall be in proportion to the paid-up equity share capital of the Company as on the cut-off date i.e. Saturday, 3rd August, 2019. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting. A person who is not a Member as on the cut-off date should treat this notice for information purpose only.
  - c) Facility of voting through Ballot Paper shall be made available at the meeting and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
  - d) Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. If the Member votes through

both the modes then the vote cast through remote e-voting shall prevail and vote cast at the meeting shall be invalid.

- e) The Board of Directors of the Company has appointed Mr. Mohan Ram Goenka, Partner of MR & Associates, Practising Company Secretaries (holding CP No.: 2551) as the Scrutinizer to scrutinize the voting process (both remote e-voting and voting at the meeting) in a fair and transparent manner.

- g) Members desiring to vote through remote e-voting may refer to the following steps:

#### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system**

#### A. Details on Step 1 are mentioned below:

#### How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

- How to retrieve your 'initial password'

- If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from

- The remote e-voting facility will commence on Wednesday, 7th August, 2019 (9:00 a.m. IST) and end on Friday, 9th August, 2019 (5:00 p.m. IST). The e-voting facility shall be disabled at the end of the remote e-voting period. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.

- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).



- b) Click on **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on **"Login"** button.
  9. After you click on the "Login" button, Home page of e-Voting will open.
- B. Details on Step 2 are given below:**
- How to cast your vote electronically on NSDL e-Voting system?**
1. After successful login at Step 1, you will be able to see the Home page of **e-Voting**. Click on e-Voting. Then, click on **Active Voting Cycles**.
  2. After click on Active Voting Cycles, you will be able to see all the companies **"EVEN"** in which you are holding shares and whose voting cycle is in active status.
  3. Select **"EVEN"** of **"India Power Corporation Limited"** which is **110809**.
  4. Now you are ready for e-Voting as the Voting page opens.
  5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on **"Submit"** and also **"Confirm"** when prompted.
  6. Upon confirmation, the message **"Vote cast successfully"** will be displayed.
  7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- h) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to [goenkamohan@gmail.com](mailto:goenkamohan@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - i) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
  - j) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Mr. Pradeep Kumar Singh, Deputy Manager (Secretarial), India Power Corporation Limited, Plot No. X1-2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700 091, telephone: +91 33 6609 4308/09/10, e-mail: [corporate@indiapower.com](mailto:corporate@indiapower.com).
  - k) The Chairman shall at the meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of Scrutinizer, by use of "Ballot Paper" for all those Members who are present at the meeting but have not cast their votes by availing the remote e-voting facility.
  - l) The Scrutinizer shall immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses, not in the employment of the Company and make, not later than 48 (forty-eight) hours of the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a Person authorized by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.
  - m) The Results declared along with the report of the Scrutinizer shall be placed on the Company's website i.e. [www.indiapower.com](http://www.indiapower.com) and on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Such Results shall simultaneously be forwarded to the Stock Exchanges where the Equity Shares of the Company are listed and also be displayed on the Notice Board of the Company at its Registered Office for 3 (three) days.

**Date:** 23rd May, 2019

**Registered Office:**

Plot No. X1-2 & 3, Block – EP, Sector – V,  
Salt Lake City, Kolkata – 700 091  
Tel: + 91 33 6609 4300/08/09/10  
Fax: + 91 33 2357 2452

**By Order of the Board of Directors**  
**For India Power Corporation Limited**

**Prashant Kapoor**  
**Company Secretary & Compliance Officer**

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 4**

Ms. Dipali Khanna (DIN 03395440) was appointed as an Independent Director of the Company pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and the applicable provisions of the erstwhile Listing Agreement with the Stock Exchanges, to hold office for a term of 5 (five) consecutive years w.e.f. 31st March, 2015 i.e. till 30th March, 2020. Ms. Dipali Khanna will complete her present tenure on 30th March, 2020.

In terms of the provisions of Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term of upto 5 (five) consecutive years on the Board of the Company, but shall be eligible for re-appointment on passing of Special Resolution by the Company and disclosure of such appointment in the Board's Report. Further, as per Schedule IV to the Companies Act, 2013 the re-appointment shall be on the basis of report of performance evaluation. The performance evaluation shall be done by the entire Board, excluding the Director being evaluated. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of the Independent Director.

The Board of Directors of the Company on the basis of the report of performance evaluation and the recommendation of the Nomination and Remuneration Committee, approved and recommended to the Members the re-appointment of Ms. Dipali Khanna as an Independent Director of the Company, for a further period of 5 (five) consecutive years w.e.f. 31st March, 2020. Ms. Dipali Khanna, if re-appointed, shall hold office for a period of 5 (five) consecutive years commencing from 31st March, 2020 i.e. till 30th March, 2025 and shall not be liable to determination by retirement of Directors by rotation.

Ms. Dipali Khanna has given her consent to act as Independent Director of the Company and has furnished necessary declarations to the Board of Directors that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further as per the declaration received by the Company, Ms. Dipali Khanna is not disqualified to be re-appointed as Director under Section 164 of the Companies Act, 2013. Notice under Section 160 of the Companies Act, 2013 has also been received by the Company.

In the opinion of the Board, Ms. Dipali Khanna fulfils the conditions specified under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for being re-appointed as Independent Director.

Copy of the draft letter of appointment to be issued to Ms. Dipali Khanna upon her re-appointment as Independent Director of the Company setting out the terms and conditions of re-appointment would be available for inspection without any fee by the Members at the Registered Office of the Company during business hours (i.e. 11:00 a.m. to 1:00 p.m.) on any working day (excluding Saturday).

The relevant details of the Director seeking re-appointment as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings is also annexed to the Notice.

The Board considers that the continued association of Ms. Dipali Khanna would be of immense benefit to the Company.

The Board of Directors, therefore, recommends the Resolution as set out at item No. 4 to be passed as a Special Resolution by the Members.

None of the Directors or Key Managerial Personnel of the Company, either directly or through their relatives except Ms. Dipali Khanna and her relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

### **Item No. 5**

The Ministry of Corporate Affairs have amended the provisions of Section 197 of the Companies Act, 2013 vide the Companies (Amendment) Act, 2017 and Schedule V to the Companies Act, 2013 effective from 12th September, 2018. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has also been amended w.e.f. 1st April, 2019. Subsequent to the said amendment(s), the Company can, if deemed fit, pay managerial remuneration in excess of the limits prescribed under Section 197 and/or the limits prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including payment of managerial remuneration in the event of loss or inadequacy of profits in any financial year in terms of Schedule V to the Companies Act, 2013 to the extent as may be applicable, after obtaining approval of the Members by means of Special Resolution.

In view of the above amendment(s), it is proposed to obtain the approval of the Members by means of Special Resolution for payment of managerial remuneration in excess of the limits prescribed under Section 197 and/or the limits prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including payment of managerial remuneration in the event of loss or inadequacy of profits in any financial year in terms of Schedule V to the Companies Act, 2013 to the extent as may be applicable.

The Board of Directors of the Company has approved the above proposal at their meeting held on 23rd May, 2019 based on the recommendation of the Nomination and Remuneration Committee. The Board of Directors, therefore, recommends the Resolution as set out at item No. 5 to be passed as Special Resolution by the Members.

The Directors of the Company, either directly or through their relatives, may be deemed to be concerned or interested, whether financially or otherwise, in the proposed Resolution, in so far as it relates to remuneration receivable by them.

### **Item No. 6**

In order to augment resources inter alia, for financing capital expenditure and/or for general corporate purposes, the Company may offer or invite subscription for secured and/or unsecured, listed and/or unlisted Non-Convertible Debentures and/or other Debt Securities (hereinafter collectively referred to as "Debt Securities"), in one or more series/tranches on private placement basis.

Sections 42 and 71 of the Companies Act, 2013 read with Rules framed thereunder, deals with private placement of Debt Securities by a Company. The said provisions require that in case of an offer or invitation to subscribe to Securities of a Company on private placement basis, the Company shall obtain previous approval of its Members by means of a Special Resolution. It also provides that in case of Non-Convertible Debentures, it shall be sufficient if the Company passes the Special Resolution only once in a year, for all the offers or invitations for such Non-Convertible Debentures during the year.

This Resolution enables the Board of Directors of the Company/its duly authorised Committee to offer or invite subscription for Debt Securities aggregating upto ₹ 1,000 Crores (Rupees One Thousand



Crores Only), whether rupee denominated or denominated in foreign currency, in one or more series or tranches, as deemed fit, from time to time within a period of one year from the date of this Annual General Meeting and as per the details specified in the Special Resolution. The Board/its duly authorised Committee shall decide, inter alia, other terms and conditions for such fund raising.

The Board of Directors, therefore, recommends the Resolution set out at item No. 6 to be passed as a Special Resolution by the Members.

None of the Directors or Key Managerial Personnel of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

#### **Item No. 7**

Pursuant to the provisions of Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. On the recommendation of the Audit

**Date:** 23rd May, 2019

**Registered Office:**

Plot No. X1-2 & 3, Block – EP, Sector – V,

Salt Lake City, Kolkata – 700 091

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Fax: + 91 33 2357 2452

Committee, the Board of Directors of the Company has approved the re-appointment of M/s. Mani & Co., Cost Accountants, having Firm Registration No. 000004 as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the financial year 2019-20, at a remuneration of ₹ 1,00,000/- (Rupees One Lakhs only) excluding taxes as applicable and reimbursement of out-of-pocket expenses as may be incurred in connection with the cost audit of the Company.

The consent of the Members is sought for ratification of the remuneration payable to the Cost Auditors of the Company for the financial year 2019-20.

The Board of Directors, therefore, recommends the Resolution set out at item No. 7 to be passed as an Ordinary Resolution by the Members.

None of the Directors or Key Managerial Personnel of the Company, either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

**By Order of the Board of Directors**  
**For India Power Corporation Limited**

**Prashant Kapoor**  
**Company Secretary & Compliance Officer**



## DETAILS OF THE DIRECTOR RETIRING BY ROTATION AT THE ENSUING ANNUAL GENERAL MEETING

[In terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Particulars	Name of Director : Mr. Hemant Kanoria (DIN 00193015)
<b>Qualification</b>	B. Com (Hons.)
<b>Expertise in specific functional area</b>	Experience in industry, trade and financial services
<b>Directorship held in other Listed Companies</b>	1. Srei Infrastructure Finance Limited 2. Srei Equipment Finance Limited
<b>Chairman/Member of the Committees of the Board of Directors of the Listed Companies</b> (Audit Committee and Stakeholders Relationship Committee)	<b>Stakeholders Relationship Committee</b> 1. Srei Infrastructure Finance Limited 2. India Power Corporation Limited
<b>Shareholding in the Company</b>	Nil
<b>Inter-se Relationships between Directors</b>	Father of Mr. Raghav Raj Kanoria, Managing Director

## DETAILS OF THE INDEPENDENT DIRECTOR SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

[In terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings]

Particulars	Name of Director : Ms. Dipali Khanna (DIN 03395440)
<b>Date of Birth</b>	23rd October, 1952
<b>Date of Appointment</b>	31st March, 2015
<b>Qualification</b>	MA (History) and M.Sc. (National Security)
<b>Expertise in specific functional area</b>	Finance & Administration
<b>Directorship held in other Companies</b>	Nitesh Estates Limited Nitesh Housing Developers Private Limited Nitesh Urban Development Private Limited Nitesh Indiranagar Retail Private Limited Hindustan Aeronautics Limited
<b>Chairman/Member of the Committees of the Board of Directors of the Company</b>	None
<b>Chairman/Member of the Committees of the Board of Directors of other Companies in which she is a Director</b>	<b>Audit Committee</b> Nitesh Estates Limited Nitesh Housing Developers Private Limited Nitesh Urban Development Private Limited Hindustan Aeronautics Limited <b>Nomination and Remuneration Committee</b> Nitesh Estates Limited Hindustan Aeronautics Limited <b>CSR &amp; Sustainable Development Committee</b> Hindustan Aeronautics Limited
<b>Shareholding in the Company</b>	Nil
<b>Inter-se Relationships between Directors and Key Managerial Personnel</b>	None
<b>No. of Board Meetings attended during the FY 2018-19 [Out of 4 (four) held]</b>	2
<b>Terms and conditions of Appointment/Re-appointment</b>	Not liable to retirement by rotation
<b>Details of Remuneration sought to be paid and the Remuneration last drawn</b>	Ms. Dipali Khanna is entitled to Commission (not exceeding the limits prescribed under the Companies Act, 2013) as may be approved by the Nomination and Remuneration Committee and/or the Board of Directors of the Company and Sitting Fees for attending meeting of the Board and the Committees thereof as fixed/may be fixed by the Board of Directors of the Company from time to time.  The details of the Remuneration paid/payable to Ms. Dipali Khanna for the financial year 2018-19 is provided in the Corporate Governance Report for the financial year ended 31st March, 2019.



## ROUTE MAP TO THE VENUE OF THE 99TH ANNUAL GENERAL MEETING



**Address:**

Plot No. X1-2 & 3,  
Block – EP, Sector – V,  
Salt Lake City,  
Kolkata – 700 091



**INDIA POWER**  
Adding power to life

## INDIA POWER CORPORATION LIMITED

CIN: L40105WB1919PLC003263

[Formerly DPSC Limited]

**Registered Office:** Plot No. X1-2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700 091

**Tel.:** + 91 33 6609 4300/08/09/10 **Fax:** + 91 33 2357 2452

**E-mail:** corporate@indiapower.com **Website:** www.indiapower.com

### ATTENDANCE SLIP

(to be handed over at the Registration Counter)

I/We hereby record my/our presence at the 99th Annual General Meeting of the Company on Saturday, 10th August, 2019 at 11:30 a.m. at the Registered Office of the Company situated at Plot No. X1-2 & 3, Block - EP, Sector - V, Salt Lake City, Kolkata – 700 091

**Folio No./DP Id & Client Id\*:**

**Name of the sole/first named Shareholder:**

**Address of the sole/first named Shareholder:**

**Joint Holder(s):**

**Details of Shares:**

**Class of Shares**

**Number of Shares**

Equity

\* Applicable for Share(s) held in electronic form

Name of the Member/Proxy (in BLOCK LETTERS)

Signature of the Member/Proxy

### ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD/PIN
110809		

For Electronic Voting instructions kindly refer to the Notice of the 99th Annual General Meeting





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## INDIA POWER CORPORATION LIMITED

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**Tel.:** + 91 33 6609 4300/08/09/10 **Fax:** + 91 33 2357 2452

**E-mail:** corporate@indiapower.com **Website:** www.indiapower.com

### PROXY FORM FORM NO. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

<b>CIN:</b>	L40105WB1919PLC003263
<b>Name of the Company:</b>	India Power Corporation Limited
<b>Registered Office:</b>	Plot No. X1-2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700 091
<b>Name of the Member(s):</b>	
<b>Registered address:</b>	
<b>Email Id:</b>	
<b>Folio No./Client Id:</b>	<b>DP Id:</b>

I/We, being the Member(s) of ..... shares of the above named Company, hereby appoint

- |                 |                                     |
|-----------------|-------------------------------------|
| 1. Name: .....  | Address: .....                      |
| Email Id: ..... | Signature: ..... or failing him/her |
| 2. Name: .....  | Address: .....                      |
| Email Id: ..... | Signature: ..... or failing him/her |
| 3. Name: .....  | Address: .....                      |
| Email Id: ..... | Signature: .....                    |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 99th Annual General Meeting of the Company, to be held on Saturday, 10th August, 2019 at 11:30 a.m. at the Registered Office situated at Plot No. X1-2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700 091 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution No.	Resolution	Vote (Refer Note 3)	
		For	Against
Ordinary Business			
1	Adoption of the Audited Standalone Financial Statements including Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 and the Reports of the Board of Directors and the Auditors thereon.		
2	Declaration of Dividend on Equity Shares for the financial year ended 31st March, 2019.		
3	Appointment of Director in place of Mr. Hemant Kanoria (DIN 00193015) who retires by rotation and being eligible, seeks re-appointment.		
Special Business			
4	Re-appointment of Ms. Dipali Khanna (DIN 03395440) as an Independent Director for a second term of 5 (five) consecutive years w.e.f. 31st March, 2020.		
5	Payment of managerial remuneration to Directors in excess of the limits prescribed under Companies Act, 2013 and/or the limits prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.		
6	Issue and allotment of Non-Convertible Debentures and/or other Debt Securities on private placement basis.		
7	Ratification of remuneration payable to the Cost Auditors for financial year 2019-20.		

Signed this ..... day of ..... 2019

Signature of shareholder: .....

Signature of 1st Proxy holder: .....

Signature of 2nd Proxy holder: .....

Signature of 3rd Proxy holder: .....

Affix  
Revenue  
Stamp

**Note:**

- This Form of Proxy in order to be effective should be duly completed, stamped and deposited at the Registered Office of the Company, not less than 48 (forty-eight) hours before the commencement of the meeting.
- Any alteration or correction made to this Proxy Form must be initialled by the signatory(ies).
- If you wish to vote for a Resolution, place a tick in the corresponding box under the column marked "For". If you wish to vote against a Resolution, place a tick in the corresponding box under the column marked "Against". If no direction is given, your Proxy may vote or abstain as he/she thinks fit.





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**If Undelivered, please return to**

India Power Corporation Limited  
Plot No. X1-2 & 3, Block – EP,  
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Kolkata – 700 091  
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