

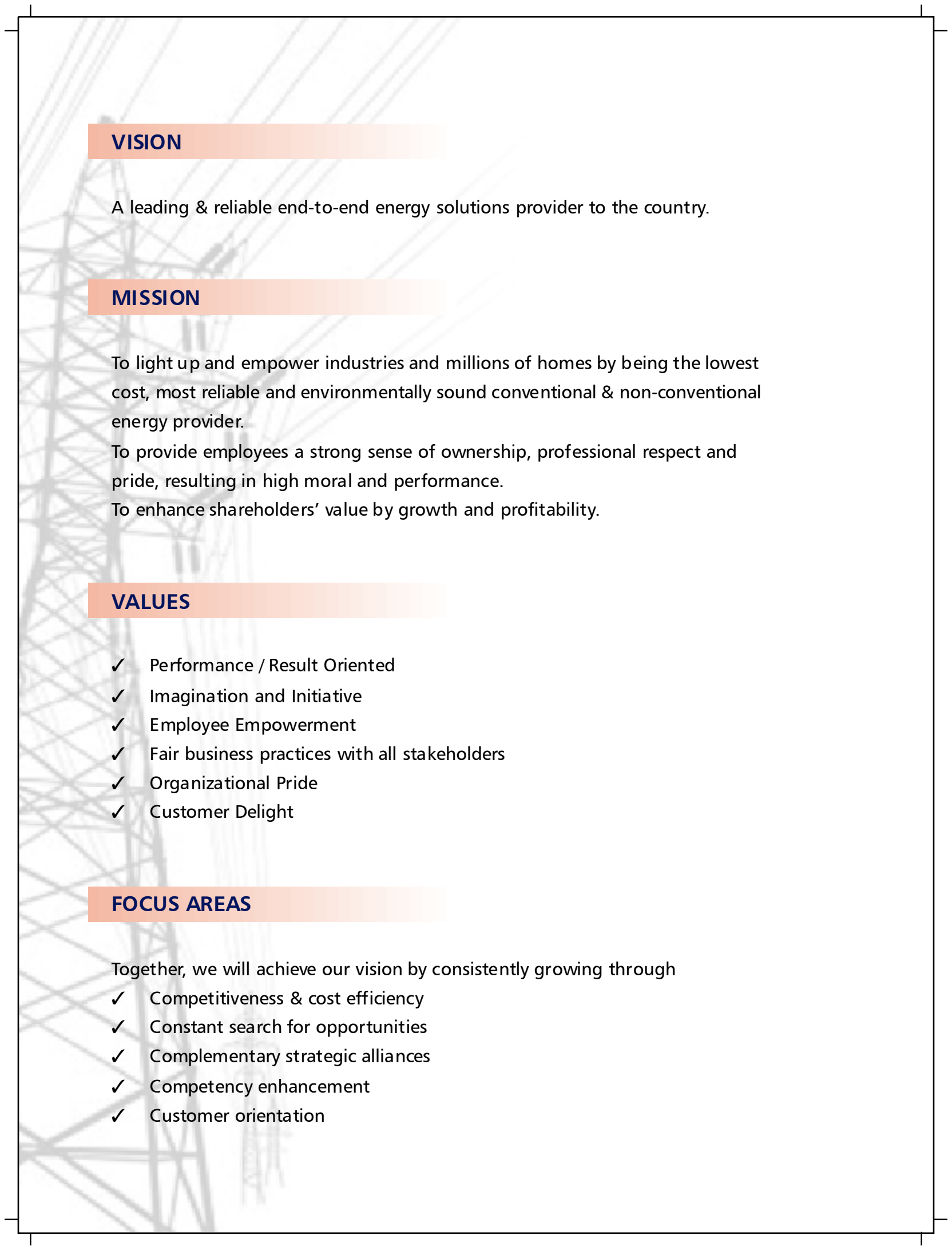


DPSC Limited

(Formerly Disbargarh Power Supply Co. Ltd.)

Adding Power to Life

Annual Report & Accounts
2011-2012



VISION

A leading & reliable end-to-end energy solutions provider to the country.

MISSION

To light up and empower industries and millions of homes by being the lowest cost, most reliable and environmentally sound conventional & non-conventional energy provider.

To provide employees a strong sense of ownership, professional respect and pride, resulting in high moral and performance.

To enhance shareholders' value by growth and profitability.

VALUES

- ✓ Performance / Result Oriented
- ✓ Imagination and Initiative
- ✓ Employee Empowerment
- ✓ Fair business practices with all stakeholders
- ✓ Organizational Pride
- ✓ Customer Delight

FOCUS AREAS

Together, we will achieve our vision by consistently growing through

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



DPSC Limited

BOARD OF DIRECTORS

Hemant Kanoria - Chairman
Sunil Kanoria
Amit Kiran Deb
Debi Prasad Patra
Jyoti Kumar Poddar
Nand Gopal Khaitan
Sunirmal Talukdar
Anup Bhargava

CHIEF EXECUTIVE OFFICER

Jyotirmay Bhaumik

COMPANY SECRETARY

Saikat Bardhan

AUDITORS

Lodha & Co.
Chartered Accountants
14, Government Place East
Kolkata- 700 069

REGISTERED OFFICE

Plot No.-X 1, 2&3 Block EP,
Sector -V, Salt Lake City,
Kolkata- 700 091.
Tel : + 91 33 6609 4308-10
Fax : + 91 33 2357 2452
E-mail : info@dpscl.com

Visit us at www.dpscl.com

Directors' Profile

Hemant Kanoria - Chairman

Sri Hemant Kanoria has over thirty one years of experience in industry, trade and financial services. He is the Chairman of FICCI National Committee on Infrastructure and Council Member of the Indo-German Chamber of Commerce. He has been on the Board of Governors of the Indian Institute of Management – Kolkata, President of the Calcutta Chamber of Commerce and former member of Board of Governors of Indian Institute of Management, Calcutta among others.

Sunil Kanoria

Sri Sunil Kanoria is a Chartered Accountant having over twenty four years of experience in the financial services industry. He is the Vice President of Associated Chambers of Commerce & Industry of India (ASSOCHAM) and is a governing council member of Construction Industry Development Council (CIDC) in addition to holding other responsibilities. He also held the prestigious post as Member of the Working Group on Construction for the Tenth Five Year Plan (2002-07) of Planning Commission, Government of India and has served as President of Merchants' Chamber of Commerce, Federation of Indian Hire Purchase Association (FIHPA) and Hire Purchase & Lease Association (HPLA).

Amit Kiran Deb

Sri Amit Kiran Deb is a Masters Degree holder in Political Science from Allahabad University and had joined the Indian Administrative Service (IAS) in year 1971 assigned then to the West Bengal Cadre. Thereafter, he had 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 Dept., Govt. 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, Principal Secretary, Information and Cultural Affairs Department, Principal Secretary to Chief Minister, West Bengal, Home Secretary, Government of West Bengal before retiring as Chief Secretary, Government of West Bengal.

Debi Prasad Patra

Shri Debi Prasad Patra IAS (Retd.) holds a Master Degree in Political Science from Delhi University. Sri Patra joined the Indian Administrative Service in 1979 and was assigned to the West Bengal Cadre and thereafter had a distinguished period spanning 24 years in Government wherein he had held several key portfolios including the 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. Sri Patra took voluntary retirement from Government services in year 2003 and from then has continued to enrich the Board of various reputed companies. Sri Patra currently is the Executive Chairman of MCC PTA India Corp. Pvt. Ltd. (MCPI), the leading Japanese FDI in India and Member of the Board of various other power companies like India Power Corporation Limited and India Power Corporation (Haldia) Limited.

Jyoti Kumar Poddar

Sri Jyoti Poddar is a commerce graduate having rich experience of 26 years as an industrialist with interests in multifarious sectors like tea gardens, real estate and power. Sri Poddar has handled the entire Indian & Sri Lankan operations in solar business for Shell Solar Ltd., Netherland 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.

Nand Gopal Khaitan

Shri 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., a leading law firm in India. Mr. Khaitan passed his Attorneyship Examination from the Calcutta High Court in the year 1974 and stood first in the Preliminary, Intermediate and Final Examinations and was awarded Bell Chamber's Gold Medal by the Incorporated Law Society, High Court, Calcutta. He is a Notary Public appointed by the Govt. of India and is a Committee Member of FICCI, New Delhi, President of Indian Council of Arbitration, New Delhi, Executive Committee Member of Bharat Chamber of Commerce, Executive Committee Member of Mahadevi Birla Girls' Higher Secondary School and Executive Committee Member of The Agri-Horticultural Society of India, among holding honorary and executive membership in other esteemed Chambers and corporate bodies.

Sunirmal Talukdar

Sri Sunirmal Talukdar holds a Bachelors degree in Science and is a Chartered Accountant with more that 36 years of rich experience in corporate finance, risk management, mergers and acquisitions, public reporting and corporate governance.

In his career Sri Talukdar has spearheaded merger and acquisitions both at national and international level, undertaken corporate restructuring, fund syndication, public reporting under Indian and US GAAP, IFRS and possesses consistent track record of revenue achievement, team building and exemplary leadership qualities. Sri Talukdar in his earlier assignment was heading the entire gamut of financial functions of an Aluminium and Copper conglomerate having an annual turnover of USD 14 Billion.

Anup Bhargava

Shri Anup Bhargava holds a Bachelors Degree in Electrical Engineering (Honours) from the Aligarh Muslim University and has over 24 years of rich experience in the power industry.

Shri Bhargava started his career with BHEL in 1987 and moved to Singapore by 1995 to take in project management position in Westing House Electric Asia, and thereafter has taken up various leadership roles in Power Industry with increasing levels of responsibility. In his long stint in the industry, he has won several awards throughout his career from productivity improvement, innovation, project management, sales, commercial and building strong teams & subsidiaries / offices across Asia Pacific including India. He was also Director of Asia Commercial – GE Power & Water, before moving back to India in 2011. While in Singapore, Mr. Bhargava has also served as President, Fellow of Instrumentation & Control Society of Singapore. Shri Bhargava was also President – New Business Development of CESC Limited and presently Shri Bhargava is also the Managing Director of India Power Corporation Ltd.



AUDIT COMMITTEE

Shri Amit Kiran Deb - Chairman
Shri Sunil Kanoria
Shri Jyoti Kumar Poddar
Shri N G Khaitan

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

Shri Hemant Kanoria - Chairman
Shri Jyoti Kumar Poddar
Shri D P Patra

REMUNERATION COMMITTEE

Shri N G Khaitan - Chairman
Shri Hemant Kanoria
Shri Jyoti Kumar Poddar

COMMITTEE OF DIRECTORS

Shri Hemant Kanoria - Chairman
Shri Sunil Kanoria
Shri Jyoti Kumar Poddar
Shri D P Patra

BANKERS

IDBI Bank Ltd
The South Indian Bank Ltd
AXIS Bank Ltd
State Bank of India
HSBC Bank

ANNUAL GENERAL MEETING

Friday, 27th July, 2012 at 11.00 a.m.
at Registered Office, Plot X1, 2 &3,
Block-EP, Sector -V, Salt Lake City,
Kolkata – 700 091.

REGISTRAR & SHARE TRANSFER AGENT

CB Management Services (P) Ltd.
P-22, Bondel Road,
Kolkata- 700 019.

Telephone : (033) 40116700/6711/6718
Facsimile : (033) 2287 0263
Email : rta@cbmsl.com

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Notice to Members

NOTICE is hereby given that the Ninety Second Annual General Meeting of the Members of DPSC Limited will be held at its Registered Office, Plot X 1, 2 & 3 Block EP, Sector – V, Salt Lake City, Kolkata – 700 091 on Friday, 27th July, 2012 at 11.00 a.m. to transact the following business: -

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2012, the Balance Sheet as on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on the Equity shares for the year ended 31st March, 2012.
3. To appoint a Director in place of Shri Debi Prasad Patra who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Amit Kiran Deb who retires by rotation and being eligible, offers himself for re-appointment.
5. **To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:**

“RESOLVED THAT Messrs Lodha & Co., Chartered Accountants, having registration no. 301051E allotted by the Institute of Chartered Accountants of India, the retiring Auditors, being eligible and not being disqualified under Section 224 of the Companies Act, 1956, be re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the year ending 31st March, 2013”.

SPECIAL BUSINESS:

6. **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

“RESOLVED THAT Shri Sunirmal Talukdar who was appointed as an Additional Director of the Company by the Board of Directors under Article 103 of the Articles of Association of

the Company and Section 260 of the Companies Act, 1956 and who holds Office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, proposing his candidature for the office of Director, under Section 257 of the Companies Act, 1956 and who is eligible for appointment to the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation”.

7. **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

“RESOLVED THAT Shri Anup Bhargava who was appointed as an Additional Director of the Company by the Board of Directors under Article 103 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 and who holds Office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, proposing his candidature for the office of Director, under Section 257 of the Companies Act, 1956 and who is eligible for appointment to the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation”.

8. **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

“RESOLVED THAT in partial modification of Resolution No.6 passed at the Annual General Meeting of the Company held on 29th July, 2011 approving the appointment and terms of remuneration of Shri Jyotirmay Bhaumik as the Manager of the Company and in accordance with the provisions of Sections 198,269,309,310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, the Company hereby approves the variation in the terms of remuneration of Shri Jyotirmay Bhaumik as Manager designated as Chief Executive Officer of the Company for the remaining period of his tenure of the office with effect from 1st April, 2011 and as set out in the Supplementary Agreement entered into with Shri Bhaumik dated 29th July, 2011”.

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Remuneration and perquisites payable to Shri Bhaumik as set out in the Supplemental Agreement is hereunder:

A REMUNERATION

a)	Basic Salary of	₹ 60,000 per month
b)	CA (142% of Basic)	₹ 85,200 per month
c)	HRA	₹ 24,000 per month
d)	Special Allowance	₹ 1,92,633 per month
e)	Conveyance Allowance	₹ 33,000 per month
f)	Medical Benefits	₹ 12,100 per month

B PROVIDENT FUND

As per Rules of the Company.

C PERQUISITES

The perquisites and benefits will be as under:-

i)	Gratuity	As per the Provision of Payment of Gratuity Act 1972.
ii)	Electricity for Office at Residence	Full reimbursement of electricity bill subject to maximum of ₹ 5,000/- p.m.
iii)	Sweeper	₹ 4,000/- per month.
iv)	Entertainment	₹ 16,000/- per month.
v)	Security/Attendant for Office at Residence	₹ 10,000/- per month.
vi)	Maintenance of Office at residence	₹ 8,000/- per month.
vii)	Club subscription/fees	As per rules of the Company.
viii)	Leave	As per rules of the Company.
ix)	Superannuation	₹ 1,330 per month.
x)	Hospitalization (Group insurance)	As per rules of the Company.
xi)	Driver	Provided by the Company.

One time exgratia payment of ₹ 21 Lakhs be payable in the month of August 2011.

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of Shri Bhaumik as Manager the remuneration and perquisites set out as aforesaid be paid or granted to him as minimum remuneration and perquisites provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the applicable ceiling limit in terms of Schedule XIII to the said Act as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force."

Registered Office:

Plot X-1, 2&3, Block-EP, Sector-V,
Salt Lake City, Kolkata -700 091.

Dated: 25th May, 2012

By Order of the Board

DPSC Ltd

Saikat Bardhan

Company Secretary

NOTES :

1. **A Member entitled to attend and vote at this Annual General Meeting is entitled to appoint a proxy to attend the Meeting and vote on a poll on his behalf. A proxy need not to be a member of the Company. Proxies, in order to be effective, must be deposited at the Company's Registered Office not less than forty-eight hours before the commencement of the Meeting.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from **24th July, 2012 to 27th July, 2012**. (both days inclusive).
3. If the dividend on the equity shares as recommended by the Board of Directors be approved at the meeting, payment of such dividend will be made on and after 22nd August, 2012 to those members whose names will appear on the Company's Register of Members as on 24th July, 2012 and/or the Register of beneficial owners maintained by the Depositories as on the close of the aforesaid date.
4. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividends through Electronic Clearing Service (ECS) to the investors wherever ECS and Bank details are available. In the absence of ECS facility, the Company is required to print the Bank account details if available on payment instruments for distribution of dividend and /or cash benefits etc. to the shareholders. The Company is complying with SEBI's directive in this regard.
5. Members are requested to notify change of address, if any, to the Company on or before 24th July, 2012 and Members holding shares in Demat mode are also requested to notify change of address, bank details, etc., to their respective Depository Participants (DP). Any intimation made to the Company without effecting necessary correction with the DP cannot be updated.
6. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification for attendance at the Meeting.
7. Members who have not yet encashed their dividend warrants so far for the financial year ended 31st March, 2006 or any subsequent financial years are requested to make their claim to the Registrar and Share Transfer Agents of the Company.
8. Members are informed that pursuant to the Circular issued by Depositories & Custodian Division, of Securities & Exchange Board of India (SEBI) for appointment of common agency for share registry work, the Company has appointed M/s. C B Management Services (P) Ltd., as Registrar & Share Transfer Agents for both Physical and Demat modes of securities of the Company.
9. Members desiring any information as regards the Accounts are requested to write to the Company at least seven days prior to the date of the Meeting so as to enable the Management to keep the information ready at the Meeting.
10. All the documents referred to in the accompanying notice, explanatory statement and the Register of Directors' shareholding and the Register of Contracts maintained under Sections 307 and 301 of the Companies Act, 1956 respectively are open for inspection at the registered office of the Company upto the date of Annual General Meeting. Register of Directors' shareholding shall be open for inspection upto 3 days after the Annual General Meeting.
11. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the special business proposed to be transacted at the meeting, as item nos. 6, 7 & 8 are annexed hereto.
12. Members are informed that pursuant to the Circular issued by the Ministry of Corporate Affairs on "Green Initiatives in Corporate Governance" i.e. service of documents by e-mode instead of Under Posting Certificate [UPC], kindly register your e-mail address with the URL www.cbmsl.com/green.php for sending notice/documents through e-mail, otherwise the same will be served by other modes of service as provided under Section 53 of the Companies Act, 1956.
13. **Kindly bring your copy of the Annual Report at the Meeting.**

Registered Office:
Plot X-1, 2&3, Block-EP, Sector-V,
Salt Lake City, Kolkata-700 091.
Dated: 25th May, 2012.

By Order of the Board
DPSC Ltd
Saikat Bardhan
Company Secretary.



EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

Item No. 6

Shri Sunirmal Talukdar, B.Sc and a Fellow Member of the Institute of Chartered Accountants of India having over 36 years of experience in corporate finance, risk management, mergers and acquisitions, public reporting and corporate governance was appointed as an Additional Director of the Company with effect from 7th May, 2012. Accordingly, in terms of Section 260 of the Companies Act, 1956 (the Act) he will hold office upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 257 of the Act, from a member proposing the appointment of Shri Talukdar as a Director of the Company at this Annual General Meeting and he has consented to act as such, if so appointed.

The Board recommends appointment of Shri Sunirmal Talukdar as a Director liable to retire by rotation.

None of the Directors of the Company other than Shri Sunirmal Talukdar has any concern or interest in the proposed resolution.

Item No. 7

Shri Anup Bhargava holds a Bachelors Degree in Electrical Engineering (Honours) from the Aligarh Muslim University and has over 24 years of rich experience in the power industry was appointed as an Additional Director of the Company with effect from 25th May, 2012. Accordingly, in terms of Section 260 of the Companies Act, 1956 (the Act) he will hold office upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 257 of the Act, from a member proposing the appointment of Shri Bhargava as a Director of the Company at this Annual General Meeting and he has consented to act as such, if so appointed.

The Board recommends appointment of Shri Anup Bhargava as a Director liable to retire by rotation.

None of the Directors of the Company other than Shri Anup Bhargava has any concern or interest in the proposed resolution.

Item No. 8

At the Annual General Meeting of the Company held on 29th July, 2011 the members had approved the appointment and terms of remuneration of Shri Jyotirmay Bhaumik as Manager of the Company for a period of five years with effect from 1st August, 2010 or till the age of his superannuation, whichever is earlier.

The Board of Directors of the Company, on the recommendation of Remuneration Committee, at its meeting held on 29th July, 2011 had considered re-designation of Shri Bhaumik as the Chief Executive Officer of the Company w.e.f. 1st April 2011 for a period of 3 year as well as approved the variation in his remuneration with retrospective effect from 1st April, 2011 on the terms and conditions including remuneration set out in the Supplementary Agreement entered into with Shri Bhaumik and Company, subject to the approval by the shareholders of the Company at the next Annual General Meeting.

In compliance with the provisions of Section 198, 269, 309 and 310 read with Schedule XIII to the Companies Act, 1956 the members are requested to approve the variation in remuneration of Shri Jyotirmay Bhaumik w.e.f. from 1st April, 2011. The resolution as set forth in item No. 8 of the notice convening the Annual General Meeting of the Company is therefore recommended for adoption and acceptance by the members.

The copy of Supplementary Agreement executed between Company and Shri Bhaumik for variation in remuneration dated 29th July, 2011 is available for inspection by the Members of the Company during the office hours on any working day except Saturday and will also be available at the Meeting.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Registered Office:

Plot X 1, 2 & 3, Block-EP, Sector-V,
Salt Lake City, Kolkata -700 091.

Dated: 25th May, 2012.

By Order of the Board

DPSC Ltd

Saikat Bardhan

Company Secretary

A Brief Resume' of The Directors Seeking Appointment/ Re-appointment In The Ensuing Annual General Meeting.

[In pursuance to Clause 49 of the Listing Agreement]

Shri Debi Prasad Patra, M.A. in Political Science, Retd. IAS was inducted on the Board of Company as Non Executive Director on 29-01-2010. Sri Patra joined the Indian Administrative Service in 1979 and was assigned to the West Bengal Cadre and thereafter had a distinguished period spanning 24 years in Government wherein he had held several key portfolios including the 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. Sri Patra took voluntary retirement from Government services in year 2003 and from then has continued to enrich the Board of various reputed companies. Sri Patra currently is the Executive Chairman of MCC PTA India Corp. Pvt. Ltd. (MCPI), the leading Japanese FDI in India. He is also a Non Executive

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Director of India Power Corporation Limited, India Power Corporation (Haldia) Limited, Ascent Infocon Private Limited, SPD Constructions Limited, I-Win Advisory Services Limited, Shanghrila Infrastructure Consultancy Private Limited, Asia Pacific Infrastructure Enterprises Private Limited, Ascent Infocon Private Limited and Ascent Infrastructure Consultancy Private Limited. He is also member of Shareholders'/ Investors' Grievance Committee and Committee of Directors of the Board of the Company. He does not hold any share in the Company.

Shri Amit Kiran Deb, Retd. IAS, was inducted on the Board of Company as Non-Executive Independent Director of the Company on 05-02-2010. Sri Amit Kiran Deb is a Masters Degree holder in Political Science from Allahabad University and had joined the Indian Administrative Service (IAS) in year 1971 assigned then to the West Bengal Cadre. Thereafter, he had 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 Dept., Govt. 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, Principal Secretary, Information and Cultural Affairs Department, Principal Secretary to Chief Minister, West Bengal, Home Secretary, Government of West Bengal before retiring as Chief Secretary, Government of West Bengal. He is also a Non Executive Director of Bengal Ambuja Housing Development Ltd, Skipper Limited and Emami Limited. He is Chairman of Audit Committee of the Board of the Company. He does not hold any share in the Company.

Sri Sunimal Talukdar, Bachelors of Science and a Fellow Member of Chartered Accountants of India was inducted on the Board of

Company as Non Executive Independent Director on 7th May, 2012. He is having more than 36 years of rich experience in corporate finance, risk management, mergers and acquisitions, public reporting and corporate governance. Sri Talukdar has spearheaded merger and acquisitions both at national and international level, undertaken corporate restructuring, fund syndication, public reporting under Indian and US GAAP, IFRS and possesses consistent track record of revenue achievement, team building and exemplary leadership qualities. Sri Talukdar in his earlier assignment was heading the entire gamut of financial functions of an Aluminium and Copper conglomerate having an annual turnover of USD 14 Billion.

He does not hold any share in the Company.

Shri Anup Bhargava, Bachelors in Electrical Engineering (Honours) from the Aligarh Muslim University and has over 24 years of rich experience in the power industry. He has started his career with BHEL in 1987 and moved to Singapore by 1995 to take in project management position in Westing House Electric Asia, and thereafter has taken up various leadership roles in Power Industry with increasing levels of responsibility. In his long stint in the Industry, he has won several awards throughout his career from productivity improvement, innovation, project management, sales, commercial and building strong teams & subsidiaries / offices across Asia Pacific including India. He was also Director of Asia Commercial – GE Power & Water, before moving back to India in 2011. While in Singapore, Mr. Bhargava has also served as President, Fellow of Instrumentation & Control Society of Singapore. Shri Bhargava was also President – New Business Development of CESC Limited and presently Shri Bhargava is Managing Director of India Power Corporation Ltd. He is also a Non Executive Director of India Power Corporation (Gujarat) Private Limited and India Power Corporation (Bihar) Private Limited.

He does not hold any share in the Company.



DIRECTORS' REPORT

Your directors are pleased to present the 92nd Annual Report together with the Audited Accounts of your Company for the year ended 31st March 2012.

Highlights

The Company's operating parameters have shown a positive growth, which has resulted in increased turnover and operating profit –

- Net sales increased by 32.81 % to ₹53873 Lakh from ₹40563 Lakh.
- EBITDA increased by 115% to ₹3188 Lakh from ₹1481 Lakh
- Increase in PAT by 108 % to ₹1180 Lakh

Financial Results: [2011-2012]

₹ in Lakh

	Year ended March 31, 2012	Year ended March 31, 2011
Total Income	54470.65	41675.32
Total Expenditure	52731.48	40931.08
Profit before Tax	1739.17	744.24
Less: Provision for Taxation:		
Current Tax	427.34	–
Deferred Tax & Fringe Benefit Tax	131.29	176.75
Profit after Tax	1180.54	567.49

DIVIDEND

The Board of Directors are pleased to recommend a dividend of ₹0.05 per share on the 97,37,89,640 Equity Shares of ₹1/- each for the year ended 31st March 2012, subject to the approval of the shareholders in the Annual General Meeting. The dividend, if approved, will result in a payout of ₹487 lakh and shall be subject to Corporate Dividend Tax to be paid by your Company but will be tax free in the hands of the shareholders.

SUB-DIVISION IN FACE VALUE OF SHARES

During the year under review, the face value of the equity shares of the Company has been sub-divided from ₹10/- (Rupees Ten) each fully paid up into ₹1/- (Rupee One) each fully paid up pursuant to the approval of the shareholders of the Company at their Extra-Ordinary General Meeting held on Monday, the 5th day of December, 2011.

INCREASE IN AUTHORISED SHARE CAPITAL

During the year under review, the authorised share capital of the Company has been increased to ₹100,00,00,000 (Rupees One Hundred Crore) currently divided into 16,000 (Sixteen Thousand) 'A' Preference Shares of ₹100 (Rupees One Hundred only) each, 12,000 (Twelve Thousand) 'B' Preference Shares of ₹100 (Rupees One Hundred only) each and 99,72,00,000 (Ninety Nine Crore Seventy Two Lakh) Equity Shares of ₹1/- (Rupee One only) each pursuant to the approval of the Shareholders of the Company at their Extra-Ordinary General Meeting held on Monday, the 5th day of December, 2011.

ISSUE OF BONUS SHARES

The Company, during the year under review, has issued Bonus Shares to the existing shareholders of the Company amounting to



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93,14,50,960 Shares by way of capitalization out of the sum standing to the credit of the general reserves, share premium, and profit and loss account of the Company as on 31st March 2011, in the ratio of 22 (Twenty Two) Equity Shares of ₹1/- (Rupee One) each fully paid up for every 1 (One) fully paid-up Equity Share of ₹1/- (Rupee One) each pursuant to the approval of the Shareholders of the Company at their Extra-Ordinary General Meeting held on Monday, the 5th day of December, 2011.

AMALGAMATION OF INDIA POWER CORPORATION LIMITED INTO AND WITH YOUR COMPANY

The Board of Directors of your Company at its meeting held on February 10, 2012 has, based on the recommendations of a Committee of Directors constituted earlier to consider this proposal, approved amalgamation of India Power Corporation Limited ("IPCL") into and with your Company in terms of a Scheme of Arrangement and Amalgamation ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956. The Board has approved the share swap ratio of 11:100, meaning thereby that every shareholder of IPCL holding 100 (One Hundred) fully paid Equity Shares of ₹1/- each shall be entitled to receive 11 (Eleven) fully paid-up Equity Shares of ₹1/- each in your Company. Such swap ratio is based upon the report by an independent valuer and the fairness of the same has been confirmed by an independent merchant banker. The Appointed Date for the amalgamation shall be October 1, 2011.

IPCL is engaged in the business of 'power generation' including generation, transmission, distribution and supply of electrical energy, in all forms and manner for public and private purposes and is the holding company of DPSC holding 93% of its equity share capital.

The Board of Directors of your Company believes that synergistic integration through amalgamation of IPCL into and with your Company shall result in:

- a) consolidation of the businesses presently being carried on by IPCL and your Company which shall be beneficial to the interests of the shareholders, creditors and employees of both the companies and to the interests of public at large, as such amalgamation would create greater synergies between the businesses of both the companies and would enable them to have large asset base, access to better financial resources as well as enable them to manage their business more efficiently by effectively pooling the technical, distribution and marketing skills of each other;
- b) creating value for shareholders of your Company;
- c) creating better synergies across the group and optimal utilisation of resources;
- d) better administration and cost reduction (including reduction in administrative and other common costs); and
- e) creation of separate investment vehicle to hold and manage all the investments in power business in a more effective and efficient manner.

It is also proposed in the Scheme that, post the Scheme becoming effective, the name of your Company would change to "India Power Corporation Limited".

The aforesaid Scheme was thereafter filed with the respective stock exchanges where your shares are listed. The Company has obtained approval in respect of the Scheme from the Competition Commission of India. Thereafter, the Scheme was filed before the High Court, Calcutta, wherein, the Hon'ble Court, vide its Order dated 11th May 2012 was pleased to call for shareholders and creditors meeting of your Company, notice of which is being separately circulated.

REVIEW OF OPERATIONS

Your Company recorded good growth in Net Income from Operations, which was ₹537.86 crore for the financial year ended 31st March 2012, in comparison to the previous year ended figures of ₹405.63 crore, showing a 32.59% growth owing to increased demand in the supply area. The Company supplied 998 million units of power during the year ended 31st March 2012 as compared to the previous year's figures of 971 million units. The Profit after Tax for the year ended 31st March 2012 owing to this increased supply was recorded at ₹11.80 crore as against the previous year's figures of ₹5.67 crore recording a 108% rise.

In the distribution side, your Company recorded one of the lowest T & D loss figures across India, at of 3.10% for the year, as against 3.30% for previous year.

TARIFF

Pursuant to the notification of West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2011 during April 2011, your Company had filed its Multi Year Tariff [MYT] petition for the three year block of 2011-14 in July 2011, order for which



is expected during the second quarter of FY 2012-13. The Company has also received orders towards petitions filed appeals with Appellate Tribunal for Electricity [ATE] with regard to Annual Performance Review Orders for the years 2006-07; 2007-08 and 2008-09.

PROJECTS

For the year under review, your Company has continued its capital expansion and augmentation projects, aimed towards ensuring better quality and reliability of supply to its consumers and building self-sustaining infrastructure, keeping in mind its long-term growth plans.

In continuance to last year's Directors' Report, your Board is pleased to inform that the 12MW thermal power project at Dishergarh is in commissioning stage and the Company has received all necessary approvals required for commencing operations for this project.

Your Company's 2 x 270 MW thermal generation project also has made progress as the Company has received water allocation for the first phase and other necessary consents and approvals for the project are also under way.

On the distribution front, the Company has successfully commissioned its 33 kV Sub-Station project at Dhasaldanga at a benchmark completion time of 7 months. The construction at J. K. Nagar 220/33 kV sub-station site is in full swing and with the completion of construction of the sub-station and considerable development towards erection of 220 kV Double Circuit transmission line connecting State Grid and J. K. Nagar Substation, your Board is confident that the Company shall achieve its target milestone and continue to create benchmarks in project scheduling.

Your Directors are pleased to inform you that during the year under consideration, the Company has initiated Smart Grid development process. As a first phase of the Smart Grid project, your Company successfully implemented Automated Meter Reading project (AMR), also known as AMR to Billing, whereby the Company is now generating consumer meter reading reports and bills, real time with negligible variance in data. This has resulted in savings towards lead time for meter reading and bill generation and also increased the operational efficiency by increasing the accuracy of the data. Pursuant to the success of the AMR to Billing, your Company is now implementing the second phase of the AMR Project, that will ensure real time data management and availability at the receiving feeders, that will enable T & D Loss management, further adding to its operational efficiency.

SALES AND MARKETING

Your Company has continued with its customer satisfaction and quality service initiatives, conducted customer meets, surveys and awareness programmes for customer retention and servicing. The Company's customer service help line numbers were actively into operations and throughout the year catered to several customer queries and service calls in real time.

ACCOUNTING POLICIES

Significant Accounting Policies adopted by the Company are detailed in the Notes 1 of the Financial Statement.

TRAINING

The Company continued its endeavour to impart necessary developmental training to its employees and stakeholders for awareness, growth and planning. The Company had undertaken focused In-house Training Programmes for nurturing its human capital, participated in seminars, workshops and development programmes aimed at increasing efficiency and productivity among employees and increasing stakeholders' awareness and participation.

PERSONNEL

Industrial Relations in the Company continued to be satisfactory throughout the year under review.

Information as per Section 217 (2A) of the Companies Act, 1956 (the Act), read with the Companies (Particulars of Employees) Rules, 1975, forms part of this report. As per the provisions of Section 219(1)(b)(iv) of the Act, the Directors' Report and Accounts are being sent to the shareholders excluding the statement giving particulars of employees under Section 217 (2A) of the Act.

Any shareholder interested in obtaining a copy of the statement, may write to the Secretary at the registered office of the Company.

SOCIAL RESPONSIBILITY & WELFARE

Corporate Social Responsibility (CSR) has always been an integral part of the vision of the Company and has been the cornerstone of

Annual Report 2011-2012

its core value of Good Corporate Citizenship. CSR for the Company is well encompassing, including making socially responsible products, engaging in responsible employee relations, and not only making a responsible commitment to the community but also encouraging employee engagement in community initiatives.

Your Directors are pleased to inform that the Company has contributed part of its earnings on a yearly basis for the Company's CSR initiatives, largely to benefit the socially and economically underprivileged sections of the society. While the Company's focus area for CSR has been in the field of education, as responsible citizens, the Company has also been actively supporting issues such as health and environment.

PARTICULARS OF CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure) of particulars in the Report of Board of Directors Rules 1988, is given in the Annexure forming part of this report.

RISK MANAGEMENT

As part of the Risk Management framework, the Company reviewed periodically the various risks and finalised mitigation plans. The risk areas identified by the Risk Management framework were covered by the Internal Audit and major risks were discussed periodically.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a Management Discussion and Analysis, Corporate Governance Report, Manager's and Auditors' Certificate regarding compliance of conditions of Corporate Governance form a part of this Report.

A Code of Conduct, as applicable to the Board Members and Senior Management personnel, has been adopted and practiced and is available on the Company's website at www.dpscl.com.

DIRECTORS' RESPONSIBILITY

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Management, confirm that:

- (i) annual accounts have been prepared in consonance with the applicable accounting standards with proper explanations relating to material departures;
- (ii) appropriate accounting policies have been selected and applied consistently and on the basis of judgements and estimates that are reasonable and prudent so as to give a true and fair view of the annual accounts of the Company as at March 31, 2012 and of the Profit of the Company for the year ended on that date;
- (iii) proper and sufficient care have been taken for maintenance of proper accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for detecting frauds and irregularities;
- (iv) the annual accounts have been prepared on a going concern basis.

STATUTORY DISCLOSURES

None of the Directors of the Company are disqualified as per the provisions of Section 274(1) (g) of the Companies Act, 1956.

DIRECTORS

Shri Sunirmal Talukdar and Sri Anup Bhargava were appointed as Additional Directors of the Company with effect from 7th May, 2012 and 25th May 2012 respectively and will hold their offices upto the date of this Annual General Meeting of the Company. The Company has received notices under Section 257 of the Companies Act, 1956 from members of the Company proposing their appointment as Directors of the Company at the Annual General Meeting of the Company and they have also consented to act as such, if so appointed.

Shri Amit Kiran Deb and Shri Debi Prasad Patra retire from the Board by rotation and being eligible, offer themselves for reappointment.

MANAGER

The Board of Directors at its meeting held on 29th July, 2011 approved the variation in terms of remuneration of Shri Jyotirmay Bhaumik, Manager designated as Chief Executive Officer of the Company for the remaining period of his tenure of the office with



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effect from 1st April, 2011, subject to the approval by shareholders of the Company in the ensuing Annual General Meeting. The Board recommends approval of his variation in remuneration.

AUDITORS

Messrs. Lodha & Co., Chartered Accountants, will retire as Statutory Auditors at the ensuing Annual General Meeting and are eligible for re-appointment, pursuant to Section 224 of the Companies Act, 1956, (as per the certificate furnished by them) regarding their eligibility for re-appointment for the financial year ending 31st March 2013 as the Auditors of the Company.

COST AUDITOR

Messrs. Mani & Co., Cost Accountants, pursuant to the direction of the Central Government, Govt. of India, was appointed as Cost Auditor of the Company for conducting Cost Audit for generation, transmission and distribution of electricity business of the Company for the financial year ended 31st March, 2012.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the Hon'ble West Bengal Electricity Regulatory Commission, various Ministries of the Central and State Governments, particularly the Power Departments, West Bengal State Electricity Distribution Co. Ltd., West Bengal Green Energy Development Corporation Limited, Damodar Valley Corporation, Coal India Limited, Eastern Coalfields Limited and Banks etc.

The Board also places on record the valuable contribution of its esteemed consumers in the sustained growth of the Company. The Board also likes to express its deep appreciation of the understanding and support extended by the employees at all levels and its esteemed shareholders.

**Kolkata,
25th May, 2012**

**On behalf of the Board,
Hemant Kanoria
Chairman**

Annexure To Directors' Report

Information Pursuant To Section 217(1) (E) of The Companies Act, 1956

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 areas to conserve national resources.

(a) Measures taken

Distribution

- i) Feeder level energy accounting has been introduced.
- ii) 11 KV feeder level metering has been implemented for accurate energy accounting for taking appropriate remedial measures in loss prone areas.
- iii) Re-orientation of Load has been carried out for saving in transformer/feeder losses.
- iv) Energy Conservation drive for all consumers has been undertaken for efficient use of Power.

Power Stations

- i) Phased installation of Variable Frequency Drives (VFD) for critical auxiliaries.
- ii) Operation Checklists have been introduced to achieve maximum efficiency from the boiler combustion system.
- iii) Re-arrangement of illumination and luminaries including replacement of conventional chokes by new generation electric chokes have been carried out for energy saving purpose.
- iv) Performance Monitoring Cell for the power stations is regularly studying and identifying the possible energy saving areas in respect of the power stations auxiliaries for taking remedial measures.
- v) Comprehensive energy audit has been carried out in the Power Stations by External Auditors.

(b) Improvements

There have been general improvements in operating efficiency of the power stations and distribution system.

(c) Impact of (a) and (b)

Major impacts of the energy conservation measures are: -

- i) substantial savings in distribution losses;
- ii) substantial energy savings due to improved and modified illumination system in powerhouses.

B. Technology Absorption

(a) Research & Development

The Company as such does not carry out any in-house basic work in Research & Development. However, for major activities of development, whenever contemplated in various areas of power generation and distribution, the expertise of Central Electricity Authority (CEA) and National Productivity Council (NPC) in the field of power is obtained.



(b) Technology absorption, adoption & innovation.

The Company considers Information Technology (IT) support as a key factor to its strategy for growth. During the year under review, the Company has continued its initiatives towards technology adoption in the following areas: -

- i) Local Area Network (LAN) with fiber optic cabling for office automation and SAP implementation to integrate Operation & Maintenance, Material management, Financial management and HR management functions of the organization;
- ii) IT support for energy accounting system to conduct energy audits;

C. Foreign Exchange Earnings and Outgo:

Foreign Exchange Earned:	₹ Nil
Foreign Exchange used for import of spare parts	₹ 56.30 Lakh
Expenditure in Foreign Currency during the year	₹ Nil

Kolkata,
25th May, 2012

On behalf of the Board,
Hemant Kanoria
Chairman

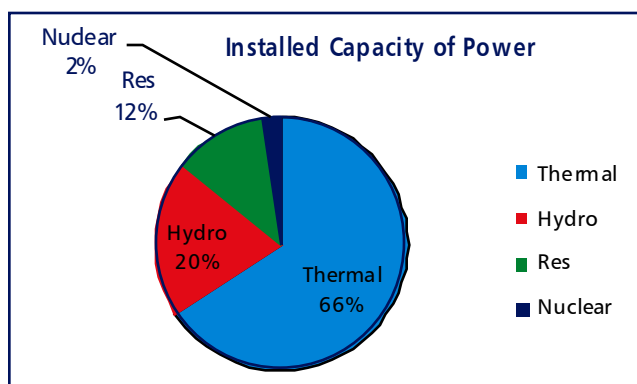
FORWARD LOOKING STATEMENTS

Statements in this Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions, anticipations and expectations of future events. The Company has tried whenever possible to mark 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. The Company cannot guarantee that these assumptions and expectations will be realised although the Company has tried to be prudent whenever possible. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include cost of fuel, determination of tariff and such other charges and levies by the regulatory authority, changes in government regulations, tax laws, economic developments within the country and such other factors.

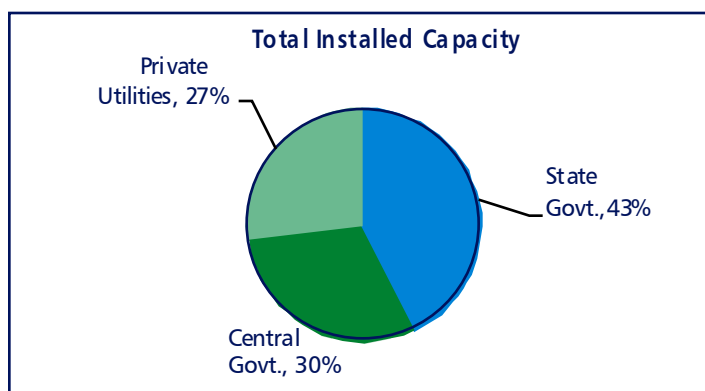
INDUSTRY STRUCTURE AND DEVELOPMENTS:

Power is said to be the catalyst for economic development. Sustained socio-economic growth substantially hinges upon the availability of adequate and reliable power at reasonable rates. Power is a vital building block for development and sustainable growth of infrastructure back bone of the economy and is the heart of every walk of our day – to – day life.

India has the fifth largest generation capacity in the world. The top four countries, viz., US, Japan, China and Russia together consume about 49 per cent of the total power generated globally. India is witnessing a rapid economic growth and with it the need for energy in the country is also growing. The power sector in India had an installed capacity of 199.87 Gigawatt (GW) as of March 2012. Thermal power plants constitute 66% of the installed capacity, hydro about 19% and rest being a combination of wind, small hydro, biomass, waste-to-electricity, and nuclear. India generated 855 BU electricity during 2011-12 fiscal.



In spite of the accelerated growth vision envisaged by the policy makers in the power sector, India currently suffers from a major shortage of electricity generation capacity, even though it is the world's fourth largest energy consumer after United States, China and Russia. The International Energy Agency estimates India needs an investment of at least \$135 billion to provide adequate access of electricity to its population.





The Indian Power Sector has come a long way over the past six decades since independence. From an installed generation capacity of a meagre 1,362 MW in 1947, India today has a generation capacity of nearly 199,627 MW. However, for a nation that has a population of over a billion and aims to sustain a growth rate of 9% every year, these figures are far from adequate.

During the recent years, there has been a persistent mismatch in power demand-supply scenario, specially over the past three consecutive Five Year Plans. The peak power deficit level is hovering around double digit in current Five Year Plan. Shortages of this magnitude can significantly constrain industrial activity and restrict economic growth of any country. On the basis of our past experience and prevalent trend in this sector, it would not be wrong to say that if India continues to grow even at current pace and necessary actions are not taken, Power demand-supply gap is likely to persist over the coming decade.

Vigorous efforts and plans have been worked upon for setting up additional power generating capacity of 1,00,000 MW for the upcoming 12th five-year plan (2012-2017), which along with development of Transmission and Distribution infrastructure will require an investment of over ₹6 lakh Crores. The 1 lakh MW target is considered a must if the gross domestic product (GDP) growth target of 9.0 to 9.5 per cent is to be achieved. At present, the target mission: 'Power for all by 2012' and that of achieving the target of 1000 Kwhr (Units) of per capita consumption of electricity by this period stands tall in view of several challenges which has to be addressed.

In India, the transmission and distribution system is a three tier structure comprised of regional grids, state grids and distribution networks. The five regional grids, configured on a geographical contiguity basis, enable transfer of power from a power surplus state to a power deficit state. The regional grids also facilitate the optimal scheduling of maintenance outages and better co-ordination between power plants. With focus on increasing generation capacity over the next 8-10 years, the corresponding investment in the transmission sector is also expected to increase. The Ministry of Power plans to establish an integrated National Power grid in the country by 2012 with close to 2,00,000 MW generation capacities and 37,700 MW of inter regional power transfer capacity. The idea of a single national grid articulated in the slogan 'one nation one grid' has been more or less fulfilled. Four out of the five regions in the country have been connected in a synchronous mode. The present inter regional transmission capacity stands at 22,400 MW and is expected to go up further to 28,000 MW by March 2012.

While some progress has been made at reducing the Transmission and Distribution (T&D) losses, these still remain substantially higher than the global benchmarks. In order to address some of the issues in this segment, reforms have been undertaken through unbundling the State Electricity Boards into separate Generation, Transmission and Distribution units and privatization of power distribution has been initiated either through the outright privatization or the franchisee route. Ministry of Power is implementing a multi faceted strategy through the R-APDRP Programme. Distribution companies are being encouraged to use IT for energy audits and accounting as well as carry out system strengthening and technological upgradation of the distribution network to control power pilferage and theft.

In recent years, in light of persistent power shortages and given the estimated rate of increase in demand for electricity in India, the Government of India (GoI) has taken significant action to restructure the power sector, increase capacity, improve transmission, sub-transmission and distribution, and attract investment to the sector. The most significant reform package has been the introduction of the Electricity Act 2003, which has modified the legal framework governing the electricity sector and has been designed to address systemic deficiencies in the Indian power sector and to attract capital for large-scale power projects. In addition, some of the other policies and initiatives of the GoI include the National Tariff Policy, Ultra Mega Power Projects (UMPPs), Independent Transmission Projects (ITPs), Restructured- Accelerated Power Development Programme (R-APDRP), Distribution Reform, Upgrades and Management (DRUM) and the national solar mission. Other initiatives of the GoI include development of merchant power plants and captive power plants, power trading, establishment of exchanges such as the Indian Energy Exchange and the Power Exchange India Limited.

Outlook and Opportunities

The investment climate is very positive in the power sector. Due to the surge in the demand, the power sector has witnessed higher investment flows than envisaged. The Ministry of Power is believed to have sent its proposal for addition of 76,000 MW of power capacity in the 12th five-year plan to the planning commission. The power ministry has set a target for adding 76,000 MW of electricity capacity in the 12th Plan (2012-17) and 93,000 MW in the 13th Five-Year Plan (2017-2022).

The Working Group on Power for formulation of the 12th Five Year Plan has estimated total fund requirement of INR 13,72,580 crore for the power sector. During the Twelfth Five Year Plan, the main sources of financing are expected to be commercial banks, public financial institutions, dedicated infrastructure/power finance institutions, insurance companies, overseas markets, bilateral/multilateral credit, bond markets and equity markets. In addition, steps have been taken by Government to make available funds through Credit Enhancement Schemes and Infrastructure Debt Fund etc.

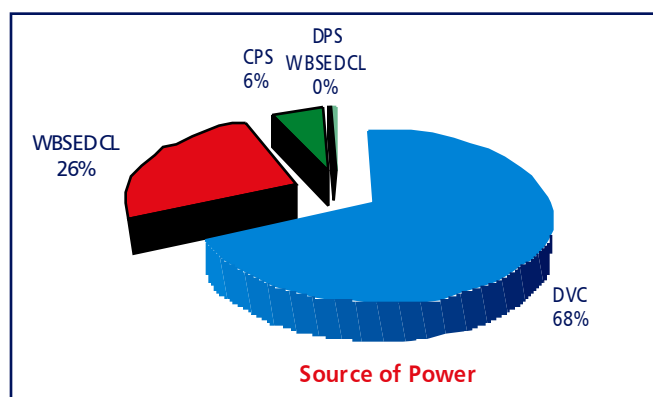
The low per capita consumption of electricity in India compared to the world average presents significant potential for sustainable growth in the demand for electric power in India. The total energy consumption in India is estimated to grow rapidly creating huge potential for investments in the energy sector in India.

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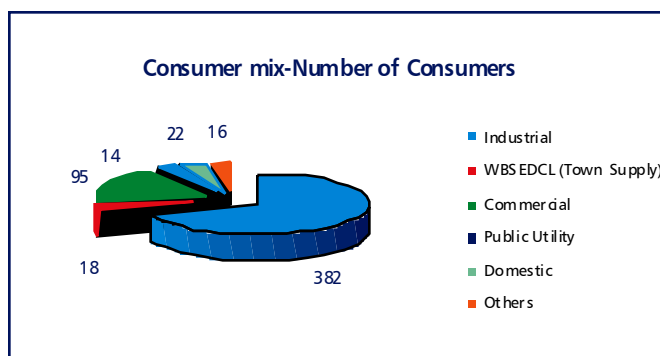
Further the economy of the country is growing consistently and creating opportunities to all the sectors including power sector. The demand of energy consumption in the country and huge potential investment in the power sector in coming years is indicative that the outlook for the power sector and for the Company continue to remain bright.

COMPANY

The Company is an integrated power Company engaged in the generation and distribution of electricity within the license area in Asansol-Raniganj belt in the state of West Bengal and has a distribution area admeasuring 618 sq. Kms. The Company serves about 544 consumers comprising primarily of industrial load from collieries, cement plants, steel rolling plants and foundries, ceramic factories and some small commercial load, besides supplying to some public waterworks. Part of the power is also sold to West Bengal State Electricity Distribution Co. Ltd (WBSEDCL) and Damodar Valley Corporation [DVC]. The generating capacity of the Company is 42MW comprising 30 MW coal based thermal power station at Chinakuri and 12MW at Dishergarh. The Company earns income mainly from the sale of electrical energy, which is sourced from its own generation as well as purchases from the Damodar Valley Corporation (DVC), West Bengal Green Energy Development Corporation Limited (WBGEDCL) and WBSEDCL.



ECL is the single largest consumer of the Company constituting 54% of the load of the Company followed by West Bengal State Electricity Distribution Company Ltd (WBSEDCL) at 20% and the balance 26% of the load is absorbed by other industries.



Your Company's capital expenditure plans are undertaken with objectives to ensuring better quality & reliability of supply to its consumers, augmenting power delivery infrastructure to cater to increasing demand, reduction of technical losses, improving its operational efficiencies and developing self sufficiency in generation to meet the emerging challenges of increasing competition in the future.

In furtherance of these objectives, your Company has envisaged various short and long term plans for increasing its generation base and augmenting and strengthening its existing Distribution network.

GENERATION :

For the year under review, your Company has continued its capital expansion and augmentation projects, aimed towards ensuring better quality and reliability of supply to its consumers and building self-sustaining infrastructure, keeping in mind its long-term growth plans.

In continuance to last year developments in the project side, the 12MW thermal power project at Dishergarh is in commissioning stage and the Company has received all necessary approvals required for commencing operations for this project. Your Company's 2 x 270 MW thermal generation project also has made progress as the Company has received water allocation for the first phase and other necessary consents and approvals for the project are also under way.



DISTRIBUTION :

Your Company's distribution network sourced 250MVA of power this year, with a mix of own generation and purchase from Damodar Valley Corporation (DVC) and West Bengal State Electricity Distribution Company Limited (WBSEDCL) registering a 9% growth as compared to last year figures of 230 MVA.

The Company's 6 receiving stations at Dishergarh, Seebpore, Luchipur, Satagram, Gauri and Bankola operated satisfactorily at 70% efficiency level.

In continuance to last year's distribution projects, the Company has successfully commissioned its 33 kV Sub-Station project at Dhasaldanga at a benchmark completion time of 7 months. The construction at J. K. Nagar 220/33 kV sub-station site is in full swing and with the completion of construction of the sub-station and considerable development towards erection of 220 kV Double Circuit transmission line connecting State Grid and J. K. Nagar Substation, your Board is confident that the Company shall achieve its target milestone and continue to create benchmarks in project scheduling.

During the year under consideration, the Company has initiated Smart Grid development process with the successful implementation of the Automated Meter Reading project (AMR), also known as AMR to Billing, whereby the Company is now generating consumer meter reading reports and bills, real time with negligible variance in data. This has resulted in savings towards lead time for meter reading and bill generation and also increased the operational efficiency by increasing the accuracy of the data. Pursuant to the success of the AMR to Billing, your Company is now implementing the second phase of the AMR Project, that will ensure real time data management and availability at the receiving feeders, that will enable T & D Loss management, further adding to its operational efficiency.

SALES AND MARKETING :

Your Company has continued with its customer satisfaction and quality service initiatives, conducted customer meets, surveys and awareness programmes for customer retention and servicing. The Company's customer service help line numbers were actively into operation and throughout the year catered to several customer queries and service calls in real time.

The operating costs primarily consist of fuel, electricity purchase, staff, repairs and maintenance and general overheads. The financial and operating performance of the Company during the Financial Year 2011-12 is given below:

₹ in Lakh

	Current Year	Previous Year
INCOME		
Sales	54145.88	40563.11
Other Income	324.77	1112.21
Total	54470.65	41675.32
EXPENSES		
Fuel Consumption	2855.27	4217.14
Energy Purchase	42272.27	29531.71
Other Expenses	7603.94	7182.23
Total	52731.48	40931.08
Profit before Tax and Appropriation	1739.17	744.24

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The details of financial performance of the Company are appearing in the Balance Sheet and the Profit and Loss Account of the Company.

Your Company recorded good growth in Net Income from Operations, which was ₹537.86 crore for the financial year ended 31st March 2012, in comparison to the previous year ended figures of ₹405.63 crore, showing a 32.59% growth owing to increased demand in the supply area. The Company supplied 998 million units of power during the year ended 31st March 2012 as compared to the previous year's figures of 971 million units. The Profit after Tax for the year ended 31st March 2012 owing to this increased supply was recorded at ₹11.80 crore as against the previous year's figures of ₹5.67 crore recording a 108% rise.

INTERNAL CONTROL SYSTEMS:

The Company has an adequate system of Internal Controls aimed at achieving efficiency in operations, optimum utilization of resources and compliance with all applicable laws and regulations. An independent firm of Chartered Accountants is appointed as auditors for conducting internal audit function. Besides, the Company has its own in-house audit function, which conducts routine audit of activities. The observations and recommendations for improvement of the business operations are reviewed by the management and are reported to the Audit Committee. The Audit Committee comprises of only independent directors.

HUMAN RESOURCES:

The Company continued in its endeavor to impart appropriate and relevant training to its employees to equip them to meet the challenges that are ahead and to enhance their performance in the best interest of the Company. The Company has also taken up an exercise on career growth & planning by identifying potentials & training needs of employees by engaging professionals in the field. The focus of the training has been to create high performance culture as well as bringing an improvement in the organization for meeting consumers' needs.

The Company maintained cordial industrial relations throughout the year under review. The manpower strength of the Company is 968 at the end of the Financial Year 2011-2012.

SEGMENT INFORMATION :

The Company has divided its business in two segments i.e. Power and Investment Operation which is forming part of this report for the better clarity of the state of affairs and performance of operations of the Company.

RISKS AND CONCERNS :

The issue of power deficit continues to hover over the sector due to under-achievement of capacity addition plans in the past. The sector has also been grappling with shortage of fuel. The supply of both coal and natural gas has failed to match the growing demand. The heavy dependence on coal in the fuel mix and the shortage of domestic coal present its own set of problems for power producers. Lack of infrastructural development and other regulatory issues act as constraints for uninterrupted fuel supply. Equipment supply has been among the most frequent causes of failure in achieving timely capacity additions and other factors like availability of contractors, skilled workers and infrastructural facilities delay the project implementation. Lack of coordination among various government departments constrains and delays the acquisition of scarce land, requisite environmental clearance, water availability and other clearances. Inadequate transmission network leads to delay in commissioning of generation projects as proper evacuation facilities are not in place in time.

The rising loss levels could deter the states from undertaking huge investments required in the sector for augmentation and strengthening of the transmission system independently. Both public and private transmission project developers are facing procedural delays in land acquisition, obtaining right of way (ROW), environmental and related statutory clearances and equipment deployment, use and repair, particularly in the hostile terrains.

The Company has systems and practices in place to help in identifying potential risks and taking measures to mitigate those risks. The Risk Management framework of the Company addresses all potential risks including Fuel risks (availability & pricing), Regulatory Risks (Tariff Regulation, Environment Regulation etc.), Consumer Risks (Revenue Realization, Transmission Risks), Assets Risks (Natural Calamity etc.), Human Resource Risks and IT Risks.



The West Bengal Electricity Regulatory Commission (WBERC) has notified Multi Year Tariff Regulations. It has specified various operating norms and prescribed controllable and non-controllable expenses. The Company's Multi Years Tariff Petition for 2012-2015 filed pursuant to these Regulations and is under consideration of Hon'ble WBERC. While the Company has put in all the efforts for efficiently carrying out its operations, technical limitations of the existing units prevents it from meeting the benchmark standard, leading to inability to recover full costs of operations from the tariff revenues. The Company has therefore undertaken an accelerated growth plan as detailed in the Directors' Report, aiming at reducing such risks.

The demand from Eastern Coalfields Ltd., the main customer of the Company, is relatively stable and registers a nominal increase in the absence of development of new coalfields. Sales to WBSEDCL are anticipated to show a flat curve over the next few years with the progressive strengthening of their transmission network in the licensed area. Sales to other consumers maintained an encouraging trend and increased by 4 % on a year on year basis despite any unnoticeable economic development in the area. The successful establishment of proposed industrial parks by the State Government in various areas in the licensed area of the Company may lead to an upsurge in demand, which the Company will be able to cater to fully with the development of adequate capacity augmentation and its generation projects commissioning. The establishment of the proposed 220/33 kV substation as well as the new generation capacities by the Company coupled with the substantial investments proposed in augmenting the transmission & distribution network are aimed at removing this constraint, besides increasing the competitiveness of its tariffs, thus enabling the Company to cater to the potential increase in demand in the existing licensed area.

The Company may face risks through increase in captive power capacity by its consumers. However, the strong and established distribution network with a track record of uninterrupted power supply makes the Company well equipped to meet this challenge. The operations of the Company are subject to risks generally associated with power generation, transmission and distribution businesses and the related transportation, receipt and storage of fuels and environmental issues.

**Kolkata,
25th May, 2012**

**On behalf of the Board,
Hemant Kanoria
Chairman**

Annexure to Directors' Report

Report on Corporate Governance

Corporate governance is considered as a fundamental tool for the robust operation of corporate entity. Sound governance practices and responsible corporate behaviour contribute to superior long-term performance of companies. Adaptation to changing times is the key to corporate growth and long term survival. Continuous improvement is necessary in corporate governance as well. In fact, better governance practices enable companies to introduce more effective internal controls suitable to the changing nature of business operations, improve performance and also provide an opportunity to increase public understanding of the key activities and policies of the organisation. Indian companies have adopted better governance practices and have demonstrated openness in their dealings with stakeholders across the board. This has been augmented by regulatory authorities introducing and improving governance practices for Indian companies over the years.

1. Company's Philosophy on Code of Governance :

The Company believes that the Corporate Governance Code of the Listing Agreement ("the Code") prescribes only a minimum framework for governance of a business in corporate framework. However, the Company's philosophy is to develop this desired minimum framework and institutionalise the spirit it entails for enabling a sustainable value creation. This will lay the foundation for further development of superior governance practices, which are vital for growing successful business and for furthering the interest of all stakeholders in the best possible manner. The Company recognises that transparency, disclosure, financial controls and accountability are the pillars of any good system of corporate governance. The Company also believes that due emphasis on regulatory compliances including adoption of environment friendly technology; complete customer satisfaction through uninterrupted, reliable, quality power supply and discharge of social obligations as a responsible corporate member of the Society/Community.

2. Board of Directors :

2.1 Composition

The Board of Directors of the Company is composed of professionals drawn from diverse fields, who provide leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company. As at 31st March, 2012, the Board Comprises six Directors and half of the Directors on the Board including the Chairman are Non-Executive Directors and three were Non-Executive Independent Directors on Board.

The composition of Board is compliant with the requirements of sub clause (I) (A)(i) and (I) (A) (ii) of Clause 49 of the Listing Agreement.

The Board has re-designated Shri Jyotirmay Bhaumik, Manager as Chief Executive Officer (CEO) of the Company in terms of provisions of Section 2(24) of the Companies Act, 1956.



Composition, Category, Other Directorships, Other Committee Positions held by the Directors as on 31st March, 2012.

Name of Directors	Category	No. of Other Directorships in Public Limited Companies incorporated in India	Other Committee ☐ Positions	
			As Chairman	As Member
Shri Hemant Kanoria	Non-Executive Chairman	6	1	2
Shri Sunil Kanoria	Non-Executive Director	4	—	4
Shri Debi Prasad Patra	—do—	4	—	—
Shri Jyoti Kumar Poddar	Non-Executive Independent Director	1	—	—
Shri Nand Gopal Khaitan	—do—	9	1	8
Shri Amit Kiran Deb	—do—	3	—	—

☐ Positions held in Audit and Shareholders' /Investors' Grievance Committees in other Indian Public Limited Companies.

2.2 Board Meeting

The Board of Directors of the Company met eight times during the year 2011-2012.

The Board meetings during the financial year 2011-2012 were held on 23rd May, 2011; 29th July, 2011; 11th August, 2011; 7th November, 2011; 5th December, 2011; 20th December, 2011; 10th February, 2012 and 28th March, 2012. The gap between any two consecutive meetings did not exceed four months.

2.3 Attendance of Directors

Attendance of Directors at the Board Meetings held during 2011-2012 and at the last Annual General Meeting (AGM)

Name of Directors	No. of Meetings attended out of eight Meetings held during 2011-2012.	Whether Attended last AGM held on 29th July, 2011.
Shri Hemant Kanoria	6	Yes
Shri Sunil Kanoria	4	Yes
Shri Jyoti Poddar	7	Yes
Shri Nand Gopal Khaitan	7	Yes
Shri Debi Prasad Patra	4	No
Shri Amit Kiran Deb	6	Yes

2.4 Code of Conduct

In terms of sub clause (i) of Clause 49(I)(D) of the Listing Agreement the Board has adopted a Code of Conduct (Code) for all Board Members and Senior Management personnel of the Company. The Board Members and Senior Management Personnel have affirmed compliance of the Code in terms of sub clause (ii) of Clause 49(I)(D) of the Listing Agreement. A declaration to this effect from the Manager (CEO) of the Company for the financial year ended on 31st March, 2012 is annexed to this report. The Code is available on the Website of the Company.

2.5 Prevention of Insider Trading

As per the SEBI (Prohibition of Insider Trading) Regulations 1992, the Company Secretary is the Compliance Officer and is responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct for trading in Company's securities under the overall supervision of the Board. The Company has adopted a Code of Conduct for Prevention of Insider Trading as well as a Code of Corporate Disclosure Practices. All the Directors on the Board, employees at senior management level at all locations and other employees who could be privy to unpublished price sensitive information of the Company are governed by this Code.

3. Audit Committee :

3.1 Composition:

3.1.1 The Audit Committee (the Committee) of the Company is existing since May 1997 and later re-constituted in terms of Clause 49 of the Listing Agreement. The Committee during the year comprised of Shri N G Khaitan, Shri Jyoti Kumar Poddar, Shri Sunil Kanoria as Members and Shri Amit Kiran Deb as Chairman.

3.1.2 Shri Sunil Kanoria is a qualified Chartered Accountant who has the requisite knowledge of finance and accounts and other Members of the Committee are also financially literate.

3.1.3 Shri Saikat Bardhan, Secretary & Compliance Officer of the Company acts as the Secretary to the Committee.

3.2 Terms of Reference

The present terms of reference of the Committee are in conformity with the requirements of Clauses 49(II)(C) and 49(II)(D) of the Listing Agreement and Section 292A of the Companies Act, 1956. Major terms of reference of the Committee include overseeing the financial reporting process, review of financial statements, ensuring compliance with the regulatory guidelines, review of internal audit reports, recommending appointment and remuneration of statutory auditors to the Board of Directors and to review adequacy of internal control systems and internal audit function. The Committee also reviews Risk Management framework concerning the critical operation of the Company, Management Discussion & Analysis of the Company's operations, significant related party transactions.

The Committee Meetings were attended by the Manager as an invitee. The Statutory Auditors also attended the meetings as and when required. The Committee also invites the representatives of Protivity Internal Audit team for obtaining valuable guidance from their expertise in best practices in Internal Audit. The minutes of the Audit Committee meetings were circulated to the Board, discussed and taken note of.

3.3 Attendance of Members at the Meetings of the Audit Committee held during 2011-2012.

3.3.1 Five meetings were held during the year on 23rd May, 2011; 11th August, 2011; 7th November, 2011; 10th February, 2012 and 28th March, 2012. The gap between any two consecutive meetings did not exceed four months.

Members	Meetings Attended
Shri Amit Kiran Deb	4
Shri Jyoti Kumar Poddar	4
Shri Sunil Kanoria	3
Shri N G Khaitan	5



3.3.2 Shri Amit Kiran Deb, the Chairman of Audit Committee has attended the last Annual General Meeting of the Company held on 29th July, 2011.

4. Remuneration Committee :

4.1 The Remuneration Committee (Committee) of the Company, during the year, comprised of Shri Hemant Kanoria, Shri Jyoti Kumar Poddar as members and Shri Nand Gopal Khaitan as Chairman. The broad terms of reference of the Committee is to :

4.1.1 Recommend to the Board remuneration including salary, perquisites and commission to be paid to the Company's Executive Director / Manager.

4.1.2 Finalize the perquisites of the Executive Director / Manager within the overall ceiling fixed by the Board.

4.2 The Committee met once during 2011-2012 on 29th July, 2011 and all the members of the Committee were present at the meeting.

4.3 All decisions on remuneration payable to Executive and Non-Executive Director(s) are taken by the Board of Directors and approved by the members at the Annual General Meeting of the Company. The remuneration paid to Manager as per the terms of appointment as approved by the Board of Directors and members of the Company. Such amount paid / payable to the Manager for the financial year ended 31st March, 2012 is as under :

₹ in Lakh

		Shri Jyotirmay Bhaumik*
(i)	Salary	49.56
(ii)	Contribution to Provident and Other Funds	2.25
(iii)	Provision for Gratuity	0.06
(iv)	Perquisites	0.39
(v)	Commission	21.00
	Total	73.26

Service Contracts, Notice Period and Severance fees

*Period of Contract : 5 years from 1st August, 2010 or till the age of superannuation, whichever is earlier.

Severance fees : Not Paid.

4.4 The Non- Executive Directors do not have any material pecuniary relationship/ transactions with the Company in their personal capacity other than Sitting Fees which are paid at the rate of ₹ 7500/- for each meeting of the Board and ₹ 3000/- for each meeting of the Audit Committee, Shareholders Grievance Committee, Remuneration Committee and Committee of Directors Meeting attended by them.

4.5 Details of sitting fees paid to the Non- Executive Directors and their share holding in the Company.

Name of Directors	Sitting Fees paid during the year (₹)	Ordinary Shares held as on 31st March, 2012
Shri Hemant Kanoria	111000	NIL
Shri Sunil Kanoria	57000	NIL
Shri Jyoti Kumar Poddar	124500	NIL
Shri Nand Gopal Khaitan*	76500	NIL
Shri Debi Prasad Patra	69000	NIL
Shri Amit Kiran Deb	63000	NIL
Total	501000	

The Company does not have any convertible instruments.

*Khaitan & Co., Solicitor of the Company of which Shri Nand Gopal Khaitan is a Partner rendered professional services to the Company on receipt of fee.

5. Shareholders Committee :

- 5.1 The Board of Directors of the Company constituted Shareholders' / Investors' Grievance Committee (the Grievance Committee) in the year 2002 which is in conformity with the requirement of sub clause (iii) of Clause 49(IV)(G) of the Listing Agreement. The Grievance Committee during the year comprised of Shri Debi Prasad Patra and Shri Jyoti Kumar Poddar as members and Shri Hemant Kanoria as Chairman.

The terms of reference of the Grievance Committee is to ensure effective redressal of complaints of the shareholders such as dematerialization, transfer, non-receipt of annual report/ dividend/ share certificate, etc.

- 5.2 The Grievance Committee met once during the year 2011-12 on 10th February, 2012 and all the members of the Committee were present at the meeting.
- 5.3 Shri Saikat Bardhan, Secretary of the Company was delegated with the power of share transfers in terms of sub clause (iv) of Clause 49(IV)(G) of the Listing Agreement. He has also been designated as Compliance Officer of the Company to deal with share transfers and other related matters.
- 5.4 During the year two complaints were received from the shareholders and which were replied to the satisfaction of the shareholders. No valid requests for share transfer, issue of duplicate share certificates, etc. were pending as on 31st March, 2012 beyond 30 days for processing.

6. Other Committees :

6.1 Committee of Directors

The Company has a Committee of Directors comprised of Shri Hemant Kanoria as Chairman and Shri Sunil Kanoria, Shri Debi Prasad Patra and Shri Jyoti Kumar Poddar as Members with a view to have a more focused attention on various facets of business and for better accountability particularly to monitor various upcoming Thermal Power Projects viz., 1X12 MW Renovation Project at DPS; 2X270 MW Projects at Raghunathpur, Purulia-W.B., 220/ 33 kV



Sub-Station at J K Nagar, 220kV Transmission Line, Auto Meter Reading Project and Construction of 33 kV Sub-Station at Dhadka, Poidih, Parbelia, Chalbalpur and Dhasaldanga.

- 6.2 The Committee met twenty times during the year 2011-12 on 1st April, 2011; 18th April, 2011; 9th May, 2011; 20th May, 2011; 8th June, 2011; 1st July, 2011; 13th July, 2011; 29th July, 2011; 11th August, 2011; 30th August, 2011; 14th September, 2011; 29th September, 2011; 7th November, 2011; 5th December, 2011; 5th December, 2011 (spl.com); 20th December, 2011 (spl.com); 13th January, 2012; 27th January, 2012; 24th February, 2012 and 21st March, 2012.

Members	Meetings Attended
Shri Hemant Kanoria	20
Shri Jyoti Kumar Poddar	18
Shri Sunil Kanoria	8
Shri Debi Prasad Patra	14

7. General Body Meetings:

7.1 Location and time of Annual General Meetings (AGM) held in last three years

Year	Location	Date	Time	Special Resolution passed
2008-2009	"Registered Office "Plot No.-X-1, 2&3 Block EP, Sector-V, Salt Lake City, Kolkata- 700 091.	16th September, 2009	11:00 a.m.	Yes
2009-2010	"Registered Office "Plot No.-X-1, 2&3 Block EP, Sector-V, Salt Lake City, Kolkata- 700 091.	26th June, 2010	11:00 a.m.	No
2010-2011	"Registered Office "Plot No.-X-1, 2&3 Block EP, Sector-V, Salt Lake City, Kolkata- 700 091.	29th July, 2011	11:00 a.m.	No

- 7.2 There were no special resolutions passed by the Company through Postal Ballot during the year and no resolution is proposed to be conducted by means of Postal Ballot at present.

- 7.3 Resume and other information regarding the directors seeking appointment / reappointment as required by sub clause (i) of Clause 49 IV (G) of the Listing Agreement has been given in the Notice of the Annual General Meeting annexed to this Annual Report.

8. Disclosures :

- 8.1 List of related party transactions indicating relationship as required to be disclosed under Accounting Standard

Annual Report 2011-2012

(AS) 18 have been furnished in Note 26.6 to the Audited Annual Accounts which forms part of this Annual Report. However, none of these related party transactions have potential conflict with the interest of the Company at large.

8.2 No penalties, strictures were imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority, on any matter related to the capital markets, during the last three years.

8.3 Disclosure of Accounting Treatment

The accounts for the year ended 31st March, 2012 have been prepared in keeping with West Bengal Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulation, 2007 (as amended) issued pursuant to the provisions of The Electricity Act, 2003 and applicable for the year ended 31st March, 2012 as indicated in Note 1(a) on Significant Accounting Policies. The accounting policies followed for preparation of these accounts, are generally in keeping with the Companies (Accounting Standard) Rules, 2006.

8.4 Disclosures on Risk Management

The Board of Directors has laid down procedures for assessment and minimization of risk which is being reviewed and updated periodically.

8.5 Management Discussion and Analysis

Management Discussion and Analysis forms part of this Annual Report.

8.6 CEO/CFO Certification

A certificate from the Manager (CEO) and the VP (Finance & Accounts) (CFO) of the Company in terms of Clause 49 (V) of the Listing Agreement for the year ended 31st March, 2012 was placed before the Board in its meeting held on 25th May, 2012.

8.7 All mandatory requirements have been appropriately complied with and the non mandatory requirements are dealt with at the end of the report.

9. Means of Communication:

a)	Quarterly Results	Published in Newspapers like Business Standard and Aajkal
b)	Website, where displayed	www.dpscl.com
c)	Whether it also displays Official news releases and presentation made to institutional investors / analysts	Presentations are made to institutional investors upon their specific request(s)

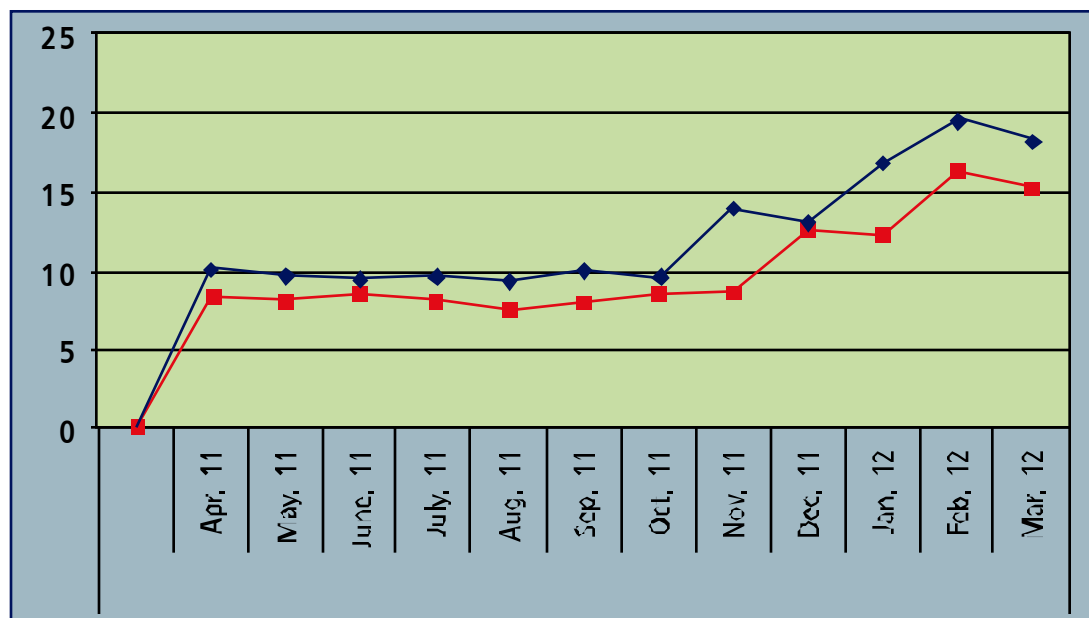
10. General Shareholder Information.

I)	Annual General Meeting	Date & Time : Friday, 27th July, 2012 At 11.00 a.m.
		Venue : REGISTERED OFFICE: Plot No.-X-1, 2 & 3 Block EP, Sector-V, Salt Lake City, Kolkata - 700 091.
II)	Financial Year	1st April to 31st March
III)	Book Closure Date	24th July, 2012 to 27th July, 2012 (both days inclusive)
IV)	Dividend Payment Date	Dividend @ ₹ 0.05 per share will be dispatched on or before 22nd August, 2012.
V)	Listing on Stock Exchanges	The Calcutta Stock Exchange Ltd., (CSE) 7, Lyon's Range, Kolkata - 700 001. National Stock Exchange of India Ltd., (NSE) Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051. Listing fees have been paid and there is no fee outstanding as on date.
VI)	Stock Code	CSE DPS CO. : 14021
		NSE DPSC LTD
VII)	Market Price Data :	Shares of the Company are listed with CSE & NSE. The Shares of the Company are traded only at NSE and the monthly movement of share price during the year at NSE is summarised below:



Months	NSE		
	High (₹)	Low (₹)	Volume ₹ In Lakh
April, 2011	9.93	8.25	137.14
May, 2011	9.58	7.98	38.34
June, 2011	9.45	8.41	148.56
July, 2011	9.50	8.03	36.63
August, 2011	9.23	7.41	81.45
September, 2011	9.91	7.95	43.50
October, 2011	9.52	8.45	20.86
November, 2011	13.75	8.60	389.82
December, 2011	12.93	12.50	297.81
January, 2012	16.70	12.15	459.32
February, 2012	19.40	16.35	640.93
March, 2012	18.20	15.15	400.13

Note : Share & volume adjusted to reflect sub-division and issue of Bonus Shares in 2011-2012.



	Performance and comparison to broad based indices such as BSE, Sensex etc.	Market Price Data and Comparison of the share prices with BSE Sensex is not given, as the shares of the Company were not listed on BSE. Shares of the Company are being traded only at NSE though it is also listed with CSE.
VIII)	Registrar & Share Transfer Agents	C B Management Services (P) Ltd. P-22, Bondel Road, Kolkata- 700 019. Phone: (033) 40116700/6711/6718/6723; Fax : (033) 2287-0263; e-mail: rta@cbmsl.com

IX) Distribution of Shareholding as on 31st March, 2012

By Category of Shareholders

		Category	No. of Share(s) held	Percentage (%) to Total
A		Promoter(s) Holding		
	1.	Promoters		
		a. Indian Promoters	905648230	93.00
		b. Foreign Promoters	—	—
	2.	Persons Acting in Concert	—	—
		Sub Total	905648230	93.00
B.		Public Share Holding		
	3.	Institutional Investors		
		a. Mutual Funds and UTI	—	—
		b. Bank/ Financial Institutions/ Insurance companies	1196230	0.12
		c. FIIs	—	—
		Sub Total	1196230	0.12
	4.	Others		
		a. Bodies Corporate	47657669	4.89
		b. Indian Public	18378172	1.89
		c. Non-Resident Indians	229470	0.02
		d. Public Sector company	34500	0.00
		e. CM/CC	645369	0.08
		Sub Total	66945180	6.88
		Grand Total	973789640	100.00

By Size of Shareholding

Range From	To	Numbers of Shares	%	Number of Shareholders	%
1	500	208359	0.02	928	44.61
501	1000	154784	0.02	186	8.94
1001	2000	338691	0.03	251	12.07
2001	3000	438078	0.04	181	8.70
3001	4000	166470	0.02	48	2.31
4001	5000	266155	0.03	57	2.74
5001	10000	737318	0.08	106	5.10
10001	50000	5090511	0.52	213	10.24
50001	100000	3791111	0.39	52	2.50
100001	And Above	962598163	98.85	58	2.79
Total		973789640	100.00	2080	100.00



X)	Share Transfer System	The shares in physical form for transfer should be lodged at the office of the Company's Registrar and Share Transfer Agent, C B Management Services (P) Ltd., Kolkata. The transfers are processed within 14 days from the date of such request for transfer, if technically found to be in order and complete in all respects. As per directives issued by SEBI it is compulsory to trade in Company's equity shares in dematerialised form.	
XI)	Dematerialization of Shares as on 31st March, 2012.	The Company has entered into arrangements with National Securities Depository Ltd., and Central Depository Services (India) Ltd., whereby Shareholders have an option to dematerialize their shares with either of the depositories. As on 31st March, 2012 967798710 shares representing 99.39% of the total shares have been dematerialized. DEMAT ISIN Number: INE360C01024	
		NSDL, 98.62% CDSL, 0.53% PHY, 0.61% ■ NSDL ■ CDSL ■ PHY	
XII)	Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversions date and likely impact on equity.	Not Applicable	
XIII)	Plant Locations	Dishergarh Power Station Sanctoria, P.O.: Dishergarh Burdwan - 713 333 Ph. 0341 2520 023, Fax. 0341 2520 022	Chinakuri Power Station PO. Radhanagar, Railway Colony, Burdwan - 713 372 Ph. 0341 2510 520
XIV)	Address for Correspondence	Secretary DPSC Limited. Plot No.-X-1, 2&3 Block EP, Sector-V, Salt Lake City, Kolkata- 700 091. Telephone : 033-6609 4308 / 09 / 10 Fax : (91) (33) 2357 2452 Email : sb@dpscl.com	

Status of Adoption of the Non Mandatory Requirement

1. The Board

The Company does not provide any office facility to the non-executive Chairman. None of the Independent Directors has the tenure in aggregate on the Board for more than nine years.

2. Remuneration Committee

The Company has a Remuneration Committee as referred in Section 4 of this report.

3. Audit Qualification

Observations of the Auditors have been appropriately addressed in the Directors' Report.

4. Other Items

The rest of the Non-Mandatory requirements such as Shareholders Rights; Training of Board Members; Mechanism for evaluating non-executive Board Members and Whistle Blower Policy will be implemented by the Company as and when required and/or deemed necessary by the Board.

On behalf of the Board,
Hemant Kanoria

Kolkata,
25th May, 2012

Chairman

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

This is to confirm that the Company has adopted the Code of Conduct for its Board Member and Senior Management Personnel including Managing Director as well as Non-Executive Independent Directors and the same are available on the website of the Company.

I also confirm that the Company has received a declaration of compliance with the Code of Conduct as applicable by the Members of the Board and Senior Management Personnel of the Company for the financial year ended 31st March, 2012.

For the purpose of this declaration, Senior Management shall mean personnel of the Company who are members of its core management team excluding Board of Directors and would comprise all members of management committee, including all functional heads.

Kolkata

25th May, 2012

Jyotirmay Bhaumik

Chief Executive Officer





CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) IN TERMS OF REVISED CLAUSE 49 (V) OF THE LISTING AGREEMENT.

We, Jyotirmay Bhaumik, Chief Executive Officer and Gautam Das, VP (Finance & Accounts) of DPSC Limited certify in terms of the requirement of revised Clause 49 (V) of the Listing Agreement, that we have reviewed the financial statements and the cash flow statement of the Company for the financial year ended 31st March, 2012 and to the best of our knowledge, we certify that :

1. a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
b) 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;
c) there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
2. 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 are not aware of deficiencies in the design or operation of such internal controls, if any, which need to be disclosed to the Auditors and Audit Committee.
3. We have indicated to the auditors and the Audit Committee that:
 - i) there has been no significant changes in internal controls during the year;
 - (ii) there has been no significant changes in accounting policies during the year other than accounting for depreciation as required by West Bengal Electricity Regulatory Commission (Tariff) Regulation, 2007 as indicated in Note 1 (a) Significant Accounting Policies;
 - (iii) there has been no instances of fraud during the period of which we are aware.

25th May, 2012

Jyotirmay Bhaumik
Chief Executive Officer

Gautam Das
VP (Finance & Accounts)

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To The Members of DPSC Limited

We have examined the compliance of conditions of Corporate Governance by DPSC Limited, for the year ended 31st March 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned statements of the Company.

We 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.

For Lodha & Co.

Chartered Accountants

Firm ICAI Registration No.: 301051E

R P Singh

Partner

Place: Kolkata

Date: 25th May, 2012

Membership No.:052438



Auditors' Report

To The Members Of Dpsc Limited

1. We have audited the attached Balance Sheet of DPSC Limited, as at 31st March 2012, the statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, (together 'the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'the Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, the statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - e) On the basis of written representations received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012;
 - (ii) in the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Lodha & Co.
Chartered Accountants
Firm ICAI Registration No.: 301051E

Place: Kolkata
Date: 25th May 2012

R P Singh
Partner
Membership No.:052438

Annexure To Auditors' Report

Referred to in paragraph 3 of the Auditors' Report of even date to the members of DPSC Limited on the financial statement for the year ended 31st March, 2012

- (1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets are 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 the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies were noted between book records and physical balances.
(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
- (2) (a) The inventory has been physically verified by the Management during the year/ at the year end. In our opinion, the frequency of verification is reasonable.
(b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) On the basis of our examination of the records and details, in our opinion, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material.
- (3) As informed, the Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly Para 4(iii)(a) to 4(iii)(g) of the Order are not applicable to the Company.
- (4) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of energy and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (5) According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, the question of commenting on transactions made in pursuance of such contracts or arrangements does not arise.
- (6) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- (7) In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
- (8) We have broadly reviewed the books of account maintained by the Company in respect of the product where pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (9) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing during the year the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.



Annexure To Auditors' Report (Contd.)

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess as applicable as at 31st March, 2012 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of dues	Amount (Rs in Lacs)	Forum where dispute is pending
West Bengal Sales Tax Act, 1994	Sales Tax	0.83 Lacs	West Bengal Commissioner Taxes Appellate & Revisional Board
	Purchase Tax	1.40 Lacs	West Bengal Commissioner Taxes Appellate & Revisional Board
		1.78 Lacs	West Bengal Commissioner Taxes Appellate & Revisional Board

- (10) The Company has no accumulated losses as at 31st March 2012 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (11) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any bank as at the Balance Sheet date. The Company has not taken any loan from financial institutions.
- (12) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (13) The provisions of any special statute applicable to chit fund/ nidhi /mutual benefit fund/ societies are not applicable to the Company.
- (14) In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (15) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (16) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
- (17) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, short term fund to the extent of Rs. 9446.01 Lakhs have been used for long-term investment.
- (18) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- (19) As the Company has not issued any debentures, clause (xix) of paragraph 4 of the Order is not applicable.
- (20) The Company has not recently raised any money by public issue.
- (21) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For Lodha & Co.

Chartered Accountants

Firm ICAI Registration No.: 301051E

R P Singh

Partner

Membership No.:052438

Place: Kolkata

Date: 25th May 2012

BALANCE SHEET as at 31st March 2012

	Note No.	As at 31st March 2012	(Rupees in lakhs) As at 31st March 2011
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	9,737.90	423.39
(b) Reserves and surplus	3	1,906.31	10,606.16
2 Non-current liabilities			
(a) Long-term borrowings	4	12,000.00	10,000.00
(b) Deferred tax liabilities (Net)	5	1,662.25	1,530.96
(c) Other Long term liabilities	6	2,734.05	1,361.45
(d) Long-term provisions	7	447.18	435.23
3 Current liabilities			
(a) Short-term borrowings	8	3,545.41	1,500.50
(b) Trade payables	9	8,912.19	8,034.97
(c) Other current liabilities	10	9,060.08	5,279.18
(d) Short-term provisions	11	1,492.19	661.51
TOTAL		51,497.56	39,833.35
II. ASSETS			
Non-current assets			
1 (a) Fixed assets	12		
(i) Tangible assets		14,903.89	11,624.82
(ii) Intangible assets		495.39	102.77
(iii) Capital work-in-progress		10,256.00	440.35
(iv) Intangible assets under development		—	67.03
(b) Non-current investments	13	610.06	505.49
(c) Long-term loans and advances	14	12,234.26	7,818.16
2 Current assets			
(a) Inventories	15	1,092.49	1,271.78
(b) Trade receivables	16	6,417.52	5,959.17
(c) Cash and cash equivalents	17	1,710.20	3,794.76
(d) Short-term loans and advances	18	3,559.39	7,940.91
(e) Other current assets	19	218.36	308.11
TOTAL		51,497.56	39,833.35

Significant Accounting Policies and Notes on Financial Statements (Note 1 to 26) are an integral part of the Financial Statements

As per our report on even date

For Lodha & Co.
Chartered Accountants

For and on behalf of the Board

R.P Singh
Partner
Place : Kolkata,
Date : 25th May 2012

Saikat Bardhan
Secretary

Jyoti Poddar
Director

D.P. Patra
Director



STATEMENT OF PROFIT AND LOSS for the year ended 31st March 2012

(Rupees in lakhs)

	Note No.	2011-12	2010-11
Revenue			
Revenue from operations	20	54,145.88	40,656.89
Other Income	21	324.77	1,018.43
Total Revenue		54,470.65	41,675.32
Expenses:			
Cost of Material Consumed - Coal Consumption		2,855.27	4,198.79
Energy Purchase	22	42,272.27	29,531.71
Employee benefits expense	23	3,548.70	4,327.84
Finance costs	24	1,142.13	615.92
Depreciation and Amortisation expense	12	632.09	554.39
Other expenses	25	2,281.02	1,702.43
Total Expenses		52,731.48	40,931.08
Profit Before Tax		1,739.17	744.24
Tax expense:			
Current Tax		458.59	149.00
Less: MAT Credit Entitlement		31.25	149.00
Deferred tax		131.29	176.81
Fringe Benefit tax			(0.06)
Profit After Tax		1,180.54	567.49
Earnings per equity share:			
Basic and Diluted (in Rs)		0.12	0.06

Significant Accounting Policies and Notes on Financial Statements (Note 1 to 26) are an integral part of the Financial Statements

As per our report on even date

For Lodha & Co.
Chartered Accountants

For and on behalf of the Board

R.P Singh
Partner
Place : Kolkata,
Date : 25th May 2012

Saikat Bardhan
Secretary

Jyoti Poddar
Director

D.P. Patra
Director

Cash Flow Statement for the year ended 31st March 2012

	(Rupees in lakhs)	
	Year Ended 31st March, 2012	Year Ended 31st March, 2011
A. Cash Flow From Operating Activities		
Net Profit / (Loss) before Taxation	1,739.17	744.24
Adjustments for :		
Depreciation	632.09	554.39
Loss on Discard/Sale of fixed assets (Net)	89.31	—
Income from Long Term (Other Than Trade) Investments	(28.31)	(24.08)
Interest (Received / Receivable on Deposits) [Gross]	(28.66)	(36.80)
Profit on Disposal of Fixed Asset (Net)	—	(67.48)
Interest on Intercompany Deposit	(249.63)	(357.85)
Profit on Sale of Long term Investment (Exceptional Items)	0.00	(152.57)
Interest (Paid / Payable on Loans etc)	1142.13	615.92
Provision for Doubtful Debts written back	—	—
Liability no longer required written back	(126.90)	(112.12)
Provision for Advances written back	—	(2.00)
Obsolete stores written off	—	32.82
Bad Debts Written off	83.18	11.78
Doubtfull advance and current Asset written off	—	6.36
	<u>1,513.21</u>	<u>468.37</u>
Operating Profit before Working Capital Changes	3,252.38	1,212.61
Adjustments for :		
Inventories	187.14	(360.17)
Trade and Other Receivables	(8,281.21)	3,271.82
Trade Payables	5,725.19	3,008.01
	<u>(2368.88)</u>	<u>5,919.66</u>
Cash Generated from Operations	883.50	7,132.27
Payments under Voluntary Retirement Scheme	—	—
Direct Taxes Paid (Net of tax deducted at source)	<u>(226.57)</u>	<u>(122.99)</u>
Net Cash from Operating Activities	656.93	7,009.28
B. Cash Flow from Investing Activities :		
Payments for fixed assets	(11,494.26)	(8803.81)
Sale proceeds of Fixed Assets	87.76	2.71
Purchase of Investments (Long - Term)	(103.97)	(103.96)
Proceeds from sale / redemption of Investments	—	160.60
Inter Corporate Deposit given	5341.97	(5,341.97)
Interest received on Inter Corporate Deposit	438.17	167.82
Interest received on Deposits	36.69	30.95
Income from long-term (Other than Trade) Investments	<u>19.80</u>	<u>20.81</u>
Net Cash used in Investing Activities	(5,673.84)	(13,866.85)



Cash Flow Statement for the year ended 31st March 2012 (Contd.)

(Rupees in lakhs)

	Year Ended 31st March, 2012	Year Ended 31st March, 2011
C. Cash Flow from Financing Activities :		
Contribution from Consumers towards service lines	56.88	149.17
Proceeds from Issue of Non Convertible Debentures	–	10,000.00
Proceeds from Long term Borrowing	2000.00	–
Repayment of Long Term borrowing	–	(912.99)
Increase/ (Decrease) in Cash Credit facilities from Banks	2,044.91	873.43
Dividend paid (including tax on dividend)	(49.13)	(49.47)
Interest paid	(1,239.89)	(180.77)
Net Cash from Financing Activities	2,812.77	9,879.37
Net increase / (decrease) in Cash and Cash Equivalents	(2,204.14)	3,021.80
Cash and Cash Equivalents as at the beginning of the year	3,702.26	680.46
Cash and Cash Equivalents as at the closing of the year (refer Note 17)	1,498.12	3,702.26

Notes to the Cash Flow Statement for the year ended 31st Mar, 2012

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard (AS) 3 on Cash Flow Statements.
- Previous year's figures have been re-grouped / re-arranged wherever necessary.
Notes referred to above forms an integral part of this Cash Flow Statement.
This is the Cash Flow Statement referred to in our report of even date.

For Lodha & Co.
Chartered Accountants

For and on behalf of the Board

R.P Singh
Partner
Place : Kolkata,
Date : 25th May 2012

Saikat Bardhan
Secretary

Jyoti Poddar
Director

D.P. Patra
Director

Notes on Financial Statements for the year ended 31st March, 2012

1 SIGNIFICANT ACCOUNTING POLICIES

(a) General :

These accounts have been prepared under the historical cost convention in keeping with applicable provisions of the Companies Act, 1956 and West Bengal Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations, 2007 issued pursuant to the provisions of Electricity Act, 2003 and amended from time to time (Tariff Regulations) as applicable for the year.

(b) Use of Estimate:

The preparation and presentation of financial statements requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosures of contingent liabilities as on date of the financial statements and reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised.

(c) Fixed Assets :

(i) Fixed Assets (both tangible and intangible) are stated at cost of acquisition or construction including any cost attributable to bringing the assets to their working condition .

(ii) All project related expenses viz civil works, machinery under erection, construction and erection materials, pre-operative expenditure 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) Impairment loss is recognised wherever the carrying amount of fixed assets of a cash generating unit exceeds its recoverable amount, i.e., net selling price or value in use, whichever is higher.

(d) Depreciation / Amortisation :

(i) In compliance with the Tariff Regulations, annual charge towards depreciation is calculated on straight line method at the rates specified therein on original cost of the fixed assets.

(ii) Cost of leasehold lands are amortised under the straight line method over the related lease period.

(iii) Cost of Computer software is amortized under straight Line method over 5 years.

(e) Investments :

Long term investments are stated at cost. Diminution, other than temporary, in their carrying amounts is either written down or provided for. Gain/losses on disposal of investments are recognised as income / expenditure.

(f) 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.

(g) Taxation :

Current Tax in respect of taxable income for the year is provided for as per applicable tax laws. Deferred Tax is recognised subject to the consideration of prudence in respect of Deferred Tax Asset, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets are reviewed at each Balance Sheet date to reassess realisability thereof.

Entitlement Credit in respect of Minimum Alternate Tax is recognised only if there is convincing evidence of realisation of the same.



Notes on Financial Statements for the year ended 31st March, 2012 (Contd.)

(h) Revenue Recognition :

Sale of energy on account of electricity supplied is billed to consumers at rates approved by West Bengal Electricity Regulatory Commission (WBERC). Amount recoverable from / refundable to consumers on account of Fuel and Power Purchase Cost Adjustment (FPPCA) and other cost adjustments based on the formulae prescribed in the Tariff Regulations / order is adjusted to sale of energy and are carried forward as Tariff Adjustment account under Current Loans and Advances. Consequential adjustments are given effect to on confirmation by the relevant authorities.

(i) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (being an asset that necessarily takes substantial period of time to get ready for intended use) are capitalised as part of the cost of such assets. All other borrowing costs are charged to revenue.

(j) Employee Benefits :

(i) Short Term Employee Benefits :

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

(ii) Post Employment Benefit Plans :

Contribution under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the projected Unit Credit Method with the actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Profit and Loss Account for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight- line basis over the average period until the benefit become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, if any, and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or deductions in future contributions to the plan.

(iii) Other Long Term Employee Benefits (Unfunded) :

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Profit and Loss Account for the period in which they occur. Other long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

(k) Provisions, Contingent Liabilities and Contingent Assets :

A provision is recognised when the company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes to financial statements. Contingent Assets are neither recognised nor disclosed in the financial statements.

Notes on Financial Statements for the year ended 31st March, 2012**2 Share Capital**

Share Capital	(Rupees in lakhs)			
	31-Mar-2012		31-Mar-2011	
	Number of shares	Amount	Number of shares	Amount
Authorised				
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 (Previous year- ₹ 10 each)	997,200,000	9,972.00	4,720,000	472.00
Issued, Subscribed and fully paid up equity shares				
Equity Shares of ₹ 1 each (Previous year ₹ 10 each)	973,789,640	9,737.90	4,233,868	423.39
Total	973,789,640	9,737.90	4,233,868	423.39

2.1 The company has only one class of equity shares having a par value of ₹ 1 each. Each share has one voting right. The dividend proposed by the Board of Directors is subject to approval of share holders in the Annual General Meeting. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

2.2 The equity shares of ₹ 10 each were subdivided into equity shares of ₹ 1 each with effect from 17th December, 2011.

2.3 The reconciliation of number of shares outstanding and the amount of share Capital as at 31st March 2012 and 31st March 2011 is set out below:

Particulars		31-Mar-2012		31-Mar-2011	
		Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	2.3.1	42,338,680	423.39	4,233,868	423.39
Bonus Shares Issued during the year	2.3.2	931,450,960	9,314.51	—	—
Shares outstanding at the end of the year		973,789,640	9,737.90	4,233,868	423.39

2.3.1 Number of shares outstanding at the end of 31st March, 2011 has been converted into equity shares of ₹ 1 each with effect from 17th December 2011 and accordingly shares outstanding at the beginning of the year has been restated.

2.3.2 During the year Fully paid Bonus shares in the ratio of 22 (twenty two) equity shares of ₹ 1 each for every 1 (one) equity share of ₹ 1 each were issued and allotted on 20th December, 2011.

2.4 905648230 Equity Shares representing 93% of holding (Previous year 3937601 shares representing 93% of holding) are held by India Power Corporation Limited (IPCL), the holding company. Other than IPCL, there are no shareholders holding more than 5% shares.



Notes on Financial Statements for the year ended 31st March, 2012 (Contd.)

3 Reserves and Surplus

(Rupees in lakhs)

Particulars		31-Mar-2012	31-Mar-2011
Capital Reserve Opening Balance	3.2	82.47	82.47
Capital Redemption Reserve			
Opening Balance		28.00	28.00
Less : Utilised for issuing Bonus shares	2.3.2	28.00	—
Closing Balance		—	28.00
Securities Premium Reserve			
Opening Balance		1,659.39	1,659.39
Less : Utilised for issuing Bonus Shares	2.3.2	1,659.39	—
Closing Balance		—	1,659.39
Debenture Redemption Reserve			
Opening Balance		300.00	—
Add : Transfer from Surplus		300.00	300.00
Closing Balance		600.00	300.00
Development Reserve No I			
Opening Balance		68.58	68.58
Less : Transfer to General Reserve	3.3	68.58	—
Closing Balance		—	68.58
Development Reserve No II			
Opening Balance		101.46	101.46
Less : Transfer to General Reserve	3.3	101.46	—
Closing Balance		—	101.46
General Reserve			
Opening Balance		5,000.00	3,757.90
Add : Transfer from Surplus		—	1,242.10
Add : Transfer from Development Reserve I	3.3	68.58	—
Add : Transfer from Development Reserve II	3.3	101.46	—
Less : Utilised for issuing Bonus shares	2.3.2	5,000.00	—
Closing Balance		170.04	5,000.00
Contingency Reserve	3.1	266.64	266.64
Reserve for unforeseen Exigencies Reserve	3.1		
Opening Balance		151.17	111.63
Add : Transfer from Surplus		39.53	39.54
Closing Balance		190.70	151.17

Notes on Financial Statements for the year ended 31st March, 2012

	<u>31-Mar-2012</u>	<u>31-Mar-2011</u>
Reserve for unforeseen Exigencies Interest Reserve		
Opening Balance	18.99	8.99
Add : Transfer from Surplus	15.13	10.00
Closing Balance	<u>34.12</u>	<u>18.99</u>
Surplus		
As per Balance Sheet	2,929.46	4,002.82
Less : Utilised for issuing Bonus shares 2.3.2	2,627.12	–
Add : Net Profit after tax transfer from Statement of Profit and Loss	1,180.54	567.49
Amount Available for Appropriation	1,482.88	4,570.31
Appropriations		
Transfer to Reserve for unforeseen exigencies Interest Fund	15.13	10.00
Transfer to Reserve for unforeseen exigencies	39.53	39.54
Transfer to Debenture Redemption Reserve	300.00	300.00
Transfer to General Reserve	–	1,242.10
Proposed Dividend	486.89	42.34
Income Tax on Proposed Dividend	78.99	6.87
Closing Balance	<u>562.34</u>	<u>2,929.46</u>
Total	<u>1,906.31</u>	<u>10,606.16</u>

3.1 Contingencies Reserve was created by appropriation out of revenue of each year till the year ended 31st March, 2004 in accordance with the provisions of the Sixth Schedule to the erstwhile Electricity (Supply) Act, 1948. As permitted by the Tariff Regulations, an amount not exceeding 0.25% of the value of gross fixed assets at the beginning of the year is appropriated to a Reserve for Unforeseen Exigencies each year effective 2006-07, subject to the overall ceiling that the balance in this Reserve together with the balance in Contingency Reserve shall not exceed 5% of the value of gross fixed assets at the beginning of the year. For the purpose of arriving at such ceiling reinvestment of interest accrued on Reserve for Unforeseen Exigencies Investment (ascertained separately) are required to be excluded as per the Tariff Regulation.

3.2 Capital reserve consequent to the amalgamation of Associated Power Company limited with the Company in the year 1978.

3.3 During the year balance in Development Reserve I and Development Reserve II has been transferred to General Reserve.

4 Long Term Borrowings

Particulars	Notes	<u>31-Mar-2012</u>	<u>31-Mar-2011</u>
Secured			
Debentures	4.1	10,000.00	10,000.00
Term Loan from a Bank	4.2	2,000.00	–
Total		<u>12,000.00</u>	<u>10,000.00</u>



Notes on Financial Statements for the year ended 31st March, 2012

4.1 Debentures represents 10.75 % Secured Redeemable non convertible Debentures (Privately placed) redeemable in five installments at the end of 6th, 7th, 8th, 9th and 10th year from the date of allotment i.e. 3rd November 2010 Secured by mortgage of immovable properties consisting of 1.0749 acres of land and four storied building measuring 1190 sqm along with conference hall measuring 359 sq mtr at Plot X-1,2&3, Block EP, Salt lake, Kolkata and land, building, office, bungalow and guesthouse at Sanctoria and Asanboni at Asansol (Burdwan) and 1731.82 sq mtr land at Iswarpura (Gujarat)

4.2 13.25% term loan repayable after moratorium of two years from the date of commencement of production in 9 years in equal quarterly installments.

To be secured by first Charge on assets of 1x12 MW plant project, second charge on fixed assets of the Company, both present and future and second charge on current assets of the Company, both present and future.

5 Deferred Tax Liabilities (Net)

(Rupees in lakhs)

Particulars	31-Mar-2012	31-Mar-2011
Deferred tax Liabilities		
Being tax impact calculated at applicable rates on difference between written down value of block of assets as per income tax laws and written down value of fixed assets as per books.	1885.73	1706.65
Unamortised other borrowing cost	130.49	147.81
	<u>2016.22</u>	<u>1854.46</u>
Deferred tax Assets		
Expenses allowed on payment basis	291.15	314.47
Voluntary Retirement and other expenses allowed on amortisation basis	62.82	9.03
	<u>353.97</u>	<u>323.50</u>
Net Deferred tax Liability	<u>1,662.25</u>	<u>1,530.96</u>

6 Other long Term Liabilities

Particulars	31-Mar-2012	31-Mar-2011
Consumer Security Deposit	1,710.45	394.73
Contribution from Consumers towards Service Lines	1,023.60	966.72
Total	<u>2,734.05</u>	<u>1,361.45</u>

7 Long Term Provisions

Provision for Employee benefits	447.18	435.23
Total	<u>447.18</u>	<u>435.23</u>

8 Short Term Borrowings

Secured			
Cash Credit from Scheduled banks	8.1 and 8.2	<u>3,545.41</u>	<u>1,500.50</u>
Total		<u>3,545.41</u>	<u>1,500.50</u>

Notes on Financial Statements for the year ended 31st March, 2012

- 8.1 Cash Credit of ₹ 2487.61 lakhs from South Indian Bank is secured by first primary pari passu charge on entire current assets both present and future along with IDBI bank and second pari passu charge on entire fixed assets both present and future.
- 8.2 Cash Credit of ₹ 1057.79 lakhs from IDBI Bank is secured by first charge, ranking pari passu with the charge created by hypothecation of entire stock of coal, stores and spares, movable plant and machinery, book debts, outstanding monies, receivable and claims, both present and future.

9 Trade Payables

Payable for goods and services	9.1	8,912.19	8,034.97
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9.1 Dues to Micro Small and Medium Enterprise

The details of amount outstanding to micro enterprise and small enterprises are based on information available with the Company. Based on above, the relevant disclosures under section 22 of the Act, are as follows:

Particulars	31-Mar-2012	31-Mar-2011
i) Principal amount outstanding at the end of the year	15.53	0.14
ii) Interest amount outstanding at the end of the year	—	—
iii) Interest paid to supplier	—	—

10 Other Current Liabilities

Particulars	31-Mar-2012	31-Mar-2011
Unclaimed dividends	0.84	0.76
Interest accrued but not due on Debentures	438.84	438.84
Payable for capital goods/services	823.45	380.02
Statutory Collection/Deduction - Electricity Duty, P.F. etc.	1,456.80	1,281.32
Advance/other payable - Consumers	5,407.79	2,498.62
Advance from Consumers for Job	511.15	333.83
Interest accrued but not due on Security Deposit	48.27	22.29
Others	372.94	323.50
Total	9,060.08	5,279.18

- 10.1 Unclaimed dividend does not include any amount due and outstanding to be credited to investor Education and Protection fund.

11 Short Term Provisions

Particulars	31-Mar-2012	31-Mar-2011
Provision for employee benefits	673.64	592.02
Others		
Provision for Income tax (Net of advance tax)	252.30	20.28
Proposed dividend on equity shares	486.89	42.34
Tax on Proposed Dividend	78.99	6.87
Provision for wealth tax	0.37	—
Total	1,492.19	661.51



Notes on Financial Statements for the year ended 31st March, 2012

12 Fixed Assets

		Cross Block						Depreciation			Net Block	
Particulars		As at 1 April 2011	Addition/Adjustment	Withdrawal/Adjustments	As at 31 March 2012	As at 1 April 2011	For the year	Withdrawal/Adjustments	On March 2012	As at 31 March 2012	As at 1 April 2011	
(a)	Tangible Assets											
	Land Freehold	63.23	168.54	-	231.77	-	-	-	-	231.77	63.23	
	Land Leasehold	351.37	1,321.75	-	1,673.12	10.01	5.21	-	45.25	1,627.87	371.33	
	Buildings	2,928.82	334.31	-	3,163.13	352.57	76.76	-	429.33	2,733.80	2,476.25	
	Plant and Equipment	7,972.67	197.79	2.66	3,167.30	993.49	101.05	1.35	1,093.23	2,074.57	1,979.18	
	Mains Meters & Transformers	8,199.28	1,812.33	78.16	3,963.75	2,117.81	317.05	20.83	2,411.35	7,352.72	6,061.77	
	Furniture and Fixtures	349.31	9.33	28.80	330.74	122.19	19.33	14.60	126.92	203.42	227.62	
	Vehicles	99.37	18.02	8.57	102.79	74.87	7.34	7.90	71.25	31.51	14.53	
	Office Equipment	788.37	30.89	114.18	755.28	321.56	45.15	59.77	306.78	443.30	467.21	
	Total	15,647.09	3,947.96	202.37	19,337.68	4,022.27	565.97	104.45	4,483.79	14,903.89	11,624.87	
(b)	Intangible Assets											
	Computer software	166.31	458.74	-	625.05	63.51	66.12	-	129.65	495.39	102.77	
	Total	166.31	458.74	-	625.05	63.54	66.12	-	129.65	495.39	102.77	
(c)	Capital Work In Progress											
	Total	-	-	-	-	-	-	-	-	10,256.00	440.55	
		-	-	-	-	-	-	-	-	10,256.00	440.35	
(d)	Intangible assets under Development											
	Total	15,813.40	4,401.70	202.37	20,012.73	1,985.81	632.09	104.45	7,613.45	25,655.28	12,237.97	
	Previous year	14,755.64	1,754.60	196.29	16,313.40	3,645.59	554.39	114.17	4,035.81		11,170.10	

12.1 Lease hold land includes ₹ 13,17.75 lacs paid for leasehold land at Rajnandapur for which registration is pending.

12.2 Capital work in progress include cost of equipment and pre-operative expenses - Refer Note 26.4.

12.3 Net block of fixed assets as on 31.3.2012 include ₹ 2085.03 lakhs being assets lying in the leased premises at Chinakudi Power Station which is under operating lease from Eastern Coal Fields Limited (ECFL). The lease was extended up to 31.3.2012. Subsequent to the Balance Sheet date the lease has not been renewed / extended and there is no operation at the said plant. In terms of the lease agreement in the event of the lease not being renewed / extended ECFL will take over all the assets at their respective written down value as on the date of termination of lease.

Notes on Financial Statements for the year ended 31st March, 2012

13 Investments

(Rupees in lakhs)

Particulars	No. 31st March 2012	No. 31st March 2011	Face value of each security	Book Value as at 31 March 2012	Book Value as at 31st March 2011
Long Term Investments (other than Trade) (at cost except otherwise stated) [Note 1 (e) of Significant Accounting Policy]					
Contingency Reserve Investment					
Quoted					
8.75% Catholic Syrian Bonds-2014	6	6	1,000,000	57.30	57.30
7.5% ICICI Bank 2015 Bonds	2	2	1,000,000	19.00	19.00
11.05% IOB 2018 Bonds	2	2	1,000,000	20.00	20.00
7.99 % GOI 2017 Bonds	5,000	5,000	100	5.00	5.00
9.05% Corporation Bank, 2019 Bonds	1	1	1,000,000	10.00	10.00
Unquoted					
UTI Balanced Fund					
(Income Re-investment) Scheme	63,179	60,137	10	9.26	8.65
UTI- GESC Investment Plan - Dividend	1,624,341	1,624,341	10	169.30	169.30
Unforeseen Exigencies Reserve Investment					
Quoted					
11% PFC 2018 Bonds	3	3	1,000,000	30.00	30.00
9.05% Corporation Bank,2019 Bonds	3	3	1,000,000	30.00	30.00
7.5%ICICI Bank 2015 Bonds	2	2	1,000,000	19.20	19.20
9.20% Bank of Baroda Perpetual bonds	3	3	1,000,000	30.00	30.00
9.18% PFC 2021	4	–	1,000,000	39.56	–
9.8% ICICI Bank 2013	3,000	–	100	3.00	–
9.5% HDFC 2016	3	–	1,000,000	29.94	–
Contingency Reserve Interest Investment					
Quoted					
9.4% NABARD 2016	1	–	1,000,000	10.00	–
Unquoted					
FD with Kerala Development Finance Corporation	1	1	100,000	1.00	1.00
FD with Kerala Development Finance Corporation	1	1	500,000	5.00	5.00
FD with Housing & Urban Development Corporation	1	1	250,000	2.50	2.50
Unforeseen Exigencies Reserve Interest Investment					
Quoted					
8.26% GOI Bond	6,000	6,000	100	5.98	5.98
7.87 % Kerala SDL 2016	1,000	1,000	100	0.99	0.99
7.8% GOI 2021	1	–	200,000	1.96	–
Unquoted					
FD with Small Industries Development Bank of India	1	–	420,000	4.20	–
FD with Small Industries Development Bank of India	1	–	250,000	2.50	–
FD with Small Industries Development Bank of India	1	–	200,000	2.00	–
FD with Andhra Pradesh State Financial Corporation	1	1	500,000	5.00	5.00
FD with Kerala Transport Development Finance Corporation	1	1	400,000	4.00	4.00
FD with Kerala Transport Development Finance Corporation	1	1	150,000	1.50	1.50
FD with Kerala Transport Development Finance Corporation	1	1	300,000	3.00	3.00
FD with Small Industries Development Bank of India	1	–	350,000	3.50	–
FD with Small Industries Development Bank of India	1	–	300,000	3.00	–
FD with Small Industries Development Bank of India	1	–	430,000	4.30	–



Notes on Financial Statements for the year ended 31st March, 2012

13 Investments

(Rupees in lakhs)

Particulars	No. 31st March 2012	No. 31st March 2011	Face value of each security	Book Value as at 31 March 2012	Book Value as at 31st March 2011
Others					
Fully paid up Equity Shares					
Quoted					
Yule Financing & Leasing Co. Ltd.-at under cost	297,930	297,930	10	—	—
Tide Water Oil Co. (I) Ltd.	1,006	1,006	10	0.72	0.72
Unquoted					
Transformer & Switchgear Ltd.- at under cost	24,407	24,407	10	0.00	0.00
WEBFIL Limited	2,003,800	2,003,800	10	200.38	200.38
National Power Exchange Limited	500,000	500,000	10	50.00	50.00
India Power Corporation Limited 13.1	51,870,000	51,870,000	1	27.30	27.30
Woodlands Multispecialty Hospital Limited 13.2	500		10	0.05	
Fully Paid Debentures					
Unquoted					
Woodlands Hospital and Medical Research Centre Ltd.					
5% Non-Redeemable Registered Mortgage					
Debenture Stock 1957	2	2	2,500	—	0.05
				810.44	705.87
Less : Provision for Diminution in value of Investments				200.38	200.38
				610.06	505.49

Aggregated amount of quoted Investments and Market value thereof

(excluding Yule Financing & Leasing Co Ltd in absence of any current quotation)

Value of Quoted Investment	312.65	228.19
Market Value	416.36	296.36

13.1 Consequent upon Amalgamation of Orbis Power Venture (Pvt.) Ltd. with India Power Corporation Ltd. (the holding Company of the Company). No. of Shareholding increase to 51870000 of ₹ 1 per share against 273000 shares of ₹ 10 per shares in previous year

13.2 Received in lieu of debentures of Woodlands Hospital and Medical Research Centre Ltd.

Notes on Financial Statements for the year ended 31st March, 2012**14 Long Term Loans and Advances**

(Rupees in lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
Unsecured Considered Good Loans and Advances		
Advances		
Advance to related Party 26.6	6475.00	-
Capital Advances	5563.74	7652.63
Advances to Employees	3.18	2.15
Security Deposits	5.96	5.57
MAT Credit Entitlement 14.2	180.25	149.00
Others	6.13	8.81
Total	12234.26	7818.16

14.1 Disclosure pursuant to clause 32 of listing agreement

1) No interest or interest below the rate specified in section 372A of Companies Act, 1956 *	3.18	2.15
2) Repayment beyond seven years or on no repayment schedule	-	-
3) Repayment on Demand	-	-
4) Loan to Associates	-	-
5) Investment by Associates	-	-

* Advance to employees pursuant to normal business practice and employee welfare

14.2 The Company has recognised Entitlement for MAT Credit of ₹ 31.25 lakhs (Previous year Rs. 149.00 lakhs) based on convincing evidence that the Company is expected to pay normal tax within the credit entitlement period.

15 Inventories

Particulars	As at 31 March 2012	As at 31 March 2011
Coal	14.86	337.58
Coal In Transit	-	9.48
Stores & Spares 12.2	1074.79	922.80
Loose Tools	2.84	1.92
Total	1092.49	1271.78



Notes on Financial Statements for the year ended 31st March, 2012

16 Trade Receivables

		(Rupees in lakhs)	
		As at 31 March 2012	As at 31 March 2011
Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Secured, considered good	16.1	11.92	0.99
Unsecured, considered good		697.89	566.03
		<u>709.81</u>	<u>567.02</u>
Trade receivables outstanding for a period less than six months from the date they are due for payment			
Secured, considered good	16.1	1558.05	232.25
Unsecured, considered good		4149.66	5159.90
		<u>5,707.71</u>	<u>5,392.15</u>
Total		<u>6,417.52</u>	<u>5,959.17</u>

16.1 Secured by security deposits received from the respective consumers.

17 Cash and Cash Equivalent

Balances with Banks

Fixed Deposit (Having Maturity of three months or less)		990.00	739.05
Current Accounts		504.24	2957.75
Cash on hand		2.91	4.41
Stamps in hand		0.13	0.29
Unpaid Dividend		0.84	0.76
		<u>1498.12</u>	<u>3702.26</u>

Other Balances with Banks

Margin money/fixed deposit (having original Maturity of more than 3 months)		202.63	–
Security against Guarantees		1.09	54.14
Unforeseen Exigencies Reserve Fund		8.36	38.36
		<u>212.08</u>	<u>92.50</u>
Total		<u>1,710.20</u>	<u>3,794.76</u>

18 Short Term Loans and advances

Unsecured, Considered Good

Inter corporate Short Term Deposit		–	5,341.97
Tariff Adjustment Account (net)	18.1	2357.24	1748.82
Advance to Related Party	26.6	29.68	–
Advance to suppliers and others	18.2	1172.47	850.12
Total		<u>3,559.39</u>	<u>7,940.91</u>

Notes on Financial Statements for the year ended 31st March, 2012 (Contd.)

18.1 Tariff adjustment includes receivable net of refundable as per prescribed formulae under the applicable tariff regulations as follows :

i) Recoverable/(payable) from consumers/to for the year 2011-12 net of over recovery of Fixed Cost Rs.194.27 lakhs	4100.73	(2228.87)
ii) Additional Employee Cost pursuant to memorandum of settlement of 25th January 2011 considered realisable through Regulatory Mechanism	1124.16	1124.16
iii) (Over recovery)/ other adjustments for earlier years	(2867.65)	2853.53

18.2 Amount to Suppliers and others include unamortised debenture related expense 404.87 455.48

19 Other Current Assets

(₹ in lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
Accrued Interest on Investments, Bank deposit and Inter corporate Deposit etc.	28.38	217.04
Consumer Job Work in Progress	189.98	91.07
Total	218.36	308.11

20 Revenue from Operations

Particulars	2011-12	2010-11
Sale of Energy 20.1	53,786.21	40,171.97
SLDC UI Fund	–	156.30
Dividend on long term investment others	0.60	0.50
Rent Received	86.89	81.78
Other operating revenues	272.18	246.34
Total	54,145.88	40,656.89

20.1 (a) Sale of energy has continued to be arrived at on the basis of tariff order applicable for the year 2010-11 issued by WBERC pending an order from the Commission pursuant to the Multi Year Tariff Petition filed with the WBERC covering financial year 2011-12. However, as the tariff order for the year is yet to be notified, recovery for the fixed costs has been estimated based on the actual units of power sold during the year ended 31st March, 2011.

20.1 (b) Gross Sales of energy include Monthly Variable Cost adjustment (MVCA) of Rs. 5602.61 lakhs and Fuel Purchase and Power Cost Adjustment (FPPCA) of Rs. 4100.73 Lakhs for the year on the basis of formulae prescribed under the applicable Tariff Regulations, and is net of Rs. 194.27 lakhs provisionally refundable to consumers on account of over recovery of fixed costs and necessary adjustments thereof will be made upon confirmation by the relevant authorities. 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 on the matter.

20.2 Sale of energy (in Kwh) 998476029 971260547



Notes on Financial Statements for the year ended 31st March, 2012

		(₹ in lakhs)	
21	Other Income		
	Particulars	2011-12	2010-11
	Interest income on investment in Bonds and Securities - long term 21.1	24.25	19.57
	Interest income on investment in Fixed Deposits - long term 21.1	2.86	1.00
	Interest Income on Deposits and Others	278.29	396.81
	Interest on Income tax refund	–	14.93
	Dividend Income on long term Investments	0.60	0.85
	Profit on sale of fixed assets (Net)	–	67.48
	Profit on sale of Investments - long term	–	152.57
	Miscellaneous	18.77	365.22
	Total	324.77	1,018.43
21.1	Interest income includes ₹ 15.13 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:		
	Interest Accrued and Received during the year	5.32	3.62
	Interest Accrued during the year but not received	9.81	6.38
		15.13	10.00
22	Purchase of Energy (₹ in lakhs)	42272.27	29531.71
22.1	Purchase of Energy (in kwh)	980007989	900560441
22.2	Effective 2004-05 power purchased from Damodar Valley Corporation (DVC) is accounted for on the basis of tariff rates (including fuel cost adjustments) charged by DVC on a provisional basis awaiting issuance of revised tariff order by the Hon'ble Central Electricity Regulatory Commission (CERC) for the years 2004-05 to 2011-12 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	Employee Benefits Expense		
	Particulars	2011-12	2010-11
	Salaries and Wages 22.1	2,780.65	3,117.11
	Contributions to Provident and other funds	423.98	897.60
	Staff Welfare expenses	344.07	313.13
	Total	3,548.70	4,327.84
23.1 (i)	Employee benefits expense exclude amounts incurred for work for consumers and capital jobs	48.26	23.23
(ii)	Includes payment to contract labour	81.67	64.20
(iii)	Arrear for revision in wages	–	1124.16
24	Finance Costs		
	Interest Cost	1,088.77	553.77
	Other Borrowing Cost	53.36	62.15
	Total	1,142.13	615.92

Notes on Financial Statements for the year ended 31st March, 2012

(₹ in lakhs)

25 Other Expenses

Particulars	2011-12		2010-11	
Stores and Spare Parts Consumed		135.11		180.51
Repairs				
Repair - Building	102.80		57.61	
Repair - Plant and Machinery	70.97		86.36	
Repair - Others	191.79	365.56	177.87	321.84
Raw water charges		9.33		4.48
Coal and Ash handling charges		27.14		70.23
Lease Rent		386.05		394.16
Loss on discard/Sale of Fixed Assets (Net)		89.31		—
Rent		11.71		9.23
Rates and Taxes		71.96		23.39
Insurance		20.59		21.71
Auditors' Remuneration				
As Auditors				
Audit Fees	6.00		5.00	
Tax Audit Fees	2.50		2.50	
For Certification	12.10		8.15	
Reimbursement of Expenses [including Service Tax Rs. 2.09 lakhs (previous year Rs.1.73 lakhs)]	2.40	23.00	2.17	17.82
Directors' Fees		5.01		4.35
Miscellaneous Expense		1,053.07		636.57
Bad debts written off		83.18		18.14
Total		2,281.02		1,702.43



Notes on Financial Statements for the year ended 31st March, 2012

26.1 Contingent liability and commitment to the extent not provided for

		(Rs. in lakhs)
	31-Mar-12	31-Mar-11
26.1.1 Contingent Liabilities		
Claims against the company not acknowledged as debt	26.1.2	
a) Amount refundable to consumers as per Hon'ble APR order for the year 2006-07 against which the company's appeal is pending before Hon'ble ATE	281.44	281.44
b) Claim for supplies of coal against which Company's appeal is pending before Hon'ble High Court at Kolkata	644.98	288.14
c) Demand from Sales tax authorities against which Company's appeal is pending	4.00	4.00
d) Other demand against which Company's appeal is pending	10.00	10.00
	<u>940.42</u>	<u>583.58</u>
26.1.2 Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,060.10	4,199.13
	<u>1,060.10</u>	<u>4,199.13</u>
	<u>2,000.52</u>	<u>4,782.71</u>

26.1.3 On the basis of current status of individual cases and as per the legal advice obtained, where ever applicable the management is of the view that no provision is required in respect of these cases given in 26.1.1 as outflow of resources is dependent upon final judgement.

26.2 Expenditure in foreign Currency

Particulars	31-Mar-12	31-Mar-11
Travelling	1.34	-
Consultancy Charge	22.71	-
Tender Fee	37.00	-
Store & Spares	-	15.51

26.3 The Board of Directors of the Company in its meeting held on 10th February 2012 has approved the scheme of arrangement and amalgamation of India Power Corporation Limited (IPCL), holding company with the Company with effect from 1st October, 2011 subject to necessary approvals. The accounting effects consequent to the said scheme would be given on implementation thereof on receipt of requisite approvals and sanctions.

Notes on Financial Statements for the year ended 31st March, 2012

26.4 Capital work in progress includes cost of equipments, and other civil and construction cost amounting to Rs. 9825.36 lakhs and pre-operative expenses as detailed below. Consequently, expenses disclosed under the respective notes are net of amounts considered as pre-operative expenses. These will be allocated to the respective assets on capitalisation of the assets.

Particulars	(Rs. in lakhs)	
	31-Mar-12	31-Mar-11
Brought Forward from Previous year	192.39	137.86
Interest	120.69	—
Consultancy Charge	55.54	41.47
Bank Charges	44.50	—
Salary and wages	11.53	7.98
Insurance	6.63	—
Travelling and Conveyance	1.47	—
Rent	1.82	—
License Fee	6.37	—
Advertisement	1.17	10.31
Others	0.75	0.60
	442.86	198.22
Less: Capitalised	12.22	5.83
Total Pre-operative expenses carried forward	430.64	192.39

26.5 Certain premises and office equipment are obtained on operating lease. There is no contingent rent in lease agreements. The term is for 1-3 years and is renewable at mutual agreement of both parties. There is no escalation clause in lease agreements. There are no restriction imposed by lease agreements. There are no sublease and all the leases are cancellable in nature. The aggregate lease rentals are charged as rent in Note 25 of financial statement.

26.6 Related Party Disclosures**List of Related Parties**

i)	Associate	Descon Limited	Upto 05.04.2010
ii)	Subsidiary of Associate	Descon Soft Limited	Upto 05.04.2010
iii)	Fellow Subsidiary	India Power Corporation (Haldia) Limited	
iv)	Holding Company	Orbis Power Venture Pvt. Limited	Upto 30.09.2010
		India Power Corporation Limited from 01.10.2010	
v)	Ultimate Holding Company	India Power Corporation Limited	Upto 30.09.2010
		Aksara Commercial Pvt. Limited	from 01.10.2010

Key Management Personnel

i)	Chief Executive Officer	Shri Jyotirmay Bhaumik (from 01.08.2010)
ii)	Managing Director	Shri Debi Prasad Patra (from 11.2.2010 to 31.7.2010)



Notes on Financial Statements for the year ended 31st March, 2012

	31-Mar-12	(Rs. in lakhs) 31-Mar-11
The details of amount due to or due from are as under :		
Trade Payable		
Descon Limited	–	1.52
Desconsoft Limited	–	0.04
Advance Receivable		
Descon Limited	–	20.00
India Power Corporation (Haldia) Limited	6,504.68	–
Details of transaction entered into by the company are as under :		
Income		
Descon Limited		
Rent	–	13.81
Rendering of services	–	5.67
Expenditure		
Purchase of services	–	19.79
Rent paid	–	0.79
Chief Executive Officer		
Remuneration	73.26	11.76

26.7 Segment Reporting

Taking into account the nature of business, the different risks and returns and for better clarity of the state of affairs and performance of operation of the Company. The details of two business segments i.e. Energy comprising of generation, transmission and distribution of power and Investment comprising of investment in non power assets including land, building and securities etc are as follows:

Particulars	31-Mar-12			31-Mar-11		
	Energy	Investment	Total	Energy	Investment	Total
Segment Revenue	54,058.39	87.49	54,145.88	41,007.31	234.85	41,242.16
Segment Results before interest Expense	2,540.19	16.34	2,556.53	709.66	167.80	877.46
Interest Expense (Net of Interest income)			817.36			182.76
Tax Expense			589.88			176.55
Profit after tax			1,149.29			517.95
Segment Assets	49,607.31	1,890.25	51,497.56	38,715.10	1,933.79	40,648.89
Segment Liabilities	38,081.36	109.74	38,191.10	29,508.11	111.23	29,619.34
Capital Expenditure	4,401.70		4,401.70	1,253.13	0.87	1,254.00
Depreciation/amortisation	578.63	53.46	632.09	500.94	53.45	554.39
Non Cash expenditure other than depreciation/amortisation	69.93		69.93	162.65		162.65
Capital Employed						
Power			9,863.70			9,206.99
Investment Operations			1,780.51			1,822.56

Notes on Financial Statements for the year ended 31st March, 2012 (Contd.)

26.8	Earning per Share		31-Mar-12	31-Mar-11
	Profit after tax	(a)	1180.54	567.49
	Number of Equity Shares outstanding	(b)	973789640	973789640
	Earning per share (Basic and Diluted)	(a)/(b)	0.12	0.06

26.8.1 The earning per share (EPS) for the year has been computed after giving effect of the allotment of bonus shares and sub division of equity shares and accordingly figures for previous year in this regard have been restated. Also refer Note 2.3.1 and 2.3.2.

26.9 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 or their cessation of employment, death, incapacitation, of an amount based on the respective employee's salary and tenure of employment subject to a maximum limit of Rs.10.00 lakhs. Vesting occurs upon completion of five years of service.

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. Benefits under this plan have already vested.

Post retirement Medical Benefit (Unfunded)

The Company has a scheme for domiciliary treatment for its certain category of retired employees till death and their surviving spouses up to an annual maximum limit.

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 25 years of service.



Notes on Financial Statements for the year ended 31st March, 2012

26.9.1 Reconciliation of opening and closing balances of the present value of defined benefit obligations:

(Rupees in lakhs)

	Funded				Unfunded					
	Gratuity		Superannuation Fund		Post Retirement Medical		Leave Encashment		Lumpsum payment	
	As at 31.3.2012	As at 31.3.2011	As at 31.3.2012	As at 31.3.2011	As at 31.3.2012	As at 31.3.2011	As at 31.3.2012	As at 31.3.2011	As at 31.3.2012	As at 31.3.2011
Opening balance	1347.31	838.94	99.48	105.7	55.95	56.28	332.71	298.86	58.35	52.50
Current Service Cost	68.98	47.74	3.92	4.28	–	–	36.86	26.94	2.11	1.97
Interest Cost	107.54	65.89	6.77	7.41	4.46	4.51	24.16	20.78	4.81	4.00
Plan Amendments	–	452.13	–	–	–	–	–	–	–	–
Actuarial loss/(gain)	(0.38)	23.21	(20.49)	(4.02)	(5.99)	(1.63)	37.61	80.08	(11.22)	3.90
Benefits paid	(87.53)	(80.60)	(18.53)	(13.89)	(3.73)	(3.21)	(79.79)	(93.95)	–	(4.02)
Closing balance	1435.92	1347.31	71.15	99.48	50.69	55.95	351.55	332.71	54.05	58.35

26.9.2 Reconciliation of opening and closing balances of the fair value of plan assets*:-

(Rs. in lakhs)

	Gratuity		Superannuation Fund	
	As at 31.3.2012	As at 31.3.2011	As at 31.3.2012	As at 31.3.2011
Opening balance	829.30	537.70	23.36	21.13
Actual return on Plan Assets	68.15	70.96	6.07	(1.36)
Expected return on Plan Assets	73.05	(60.27)	2.32	2.13
Actuarial gain/(loss)	(4.90)	10.69	3.75	(3.49)
Contribution	–	301.24	21.72	17.48
Benefits paid	(87.53)	(80.60)	(18.53)	(13.89)
Closing balance	809.92	829.30	32.62	23.36
* Consisting funds maintained with LIC	99.04%	99.00%	62.36%	56.00%
* Consisting funds maintained with Yule Group Gratuity Fund	0.96%	1.00%	–	–
* Consisting funds maintained with Yule Agency Superannuation Fund	–	–	37.64%	44.00%

26.9.3 Amount recognised in Balance Sheet :

(Rs. in lakhs)

	Funded					Funded				
	Gratuity					Superannuation Fund				
	As at 31.3.2012	As at 31.3.2011	As at 31.3.2010	As at 31.3.2009	As at 31.3.2008	As at 31.3.2012	As at 31.3.2011	As at 31.3.2010	As at 31.3.2009	As at 31.3.2008
Present value of obligation	1435.92	1347.31	838.94	789.53	695.41	71.15	99.48	105.70	134.61	118.09
Fair Value of Plan Assets	809.92	829.30	537.70	545.81	534.54	32.62	23.36	21.13	54.79	47.00
Net Asset/(Liability)	(626.00)	(518.01)	(301.24)	(243.72)	(160.87)	(38.53)	(76.12)	(84.57)	(79.82)	(71.09)

Notes on Financial Statements for the year ended 31st March, 2012 (Contd.)**26.9.3 Amount recognised in Balance Sheet :**

(Rupees in lakhs)

	Funded					Funded				
	Gratuity					Superannuation Fund				
	As at 31.3.2012	As at 31.3.2011	As at 31.3.2010	As at 31.3.2009	As at 31.3.2008	As at 31.3.2012	As at 31.3.2011	As at 31.3.2010	As at 31.3.2009	As at 31.3.2008
Present value of obligation	1435.92	1347.31	838.94	789.53	695.41	71.15	99.48	105.70	134.61	118.09
Fair Value of Plan Assets	809.92	829.30	537.70	545.81	534.54	32.62	23.36	21.13	54.79	47.00
Net Asset/(Liability)	(626.00)	(518.01)	(301.24)	(243.72)	(160.87)	(38.53)	(76.12)	(84.57)	(79.82)	(71.09)

(Rupees in lakhs)

	Unfunded				
	Lumpsum payment in lieu of pension				
	As at 31.3.2012	As at 31.3.2011	As at 31.3.2010	As at 31.3.2009	As at 31.3.2008
Present value of obligation	54.04	58.35	52.50	53.22	50.22
Fair Value of Plan Assets	–	–	–	–	–
Net Asset/(Liability)	(54.04)	(58.35)	(52.50)	(53.22)	(50.22)

26.9.4 Amount recognised in Profit and Loss Account :

(Rupees in lakhs)

	Gratuity		Superannuation Fund		Post Retirement Medical		Leave Encashment		Lump Sum Payment	
	Year ended 31.3.2012	Year ended 31.3.2011	Year ended 31.3.2012	Year ended 31.3.2011	Year ended 31.3.2012	Year ended 31.3.2011	Year ended 31.3.2012	Year ended 31.3.2011	Year ended 31.3.2012	Year ended 31.3.2011
Current service cost	68.98	47.74	3.92	4.28	–	–	36.86	26.94	2.11	1.97
Interest cost	107.54	65.89	6.77	7.41	4.46	4.51	24.16	20.78	4.81	4.00
Expected return on Plan Assets	(73.05)	(60.27)	(2.32)	(2.13)	–	–	–	–	–	–
Past Service Cost	–	452.13	–	–	–	–	–	–	–	–
Actuarial loss/(gain)	4.52	12.52	(24.24)	(0.53)	(5.99)	(1.63)	37.61	80.08	(11.22)	3.90
Recognised in Profit and Loss Account	107.99	518.01	(15.87)	9.03	(1.53)	2.88	98.63	127.80	(4.30)	9.87
Under	Contribution to Provident and Other Funds				Medical and Welfare Expenses		Salaries, Wages and Bonus			



Notes on Financial Statements for the year ended 31st March, 2012

26.9.5 Experience adjustment on Plan Liabilities and Assets :

(Rupees in lakhs)

	Gratuity					Superannuation Fund				
	31.3.2012	31.3.2011	31.3.2010	31.3.2009	31.3.2008	31.3.2012	31.3.2011	31.3.2010	31.3.2009	31.3.2008
Defined benefit obligations	1,435.92	1,347.31	838.94	789.53	695.41	71.15	99.48	105.70	134.61	118.09
Plan Assets	809.92	829.30	537.70	545.81	534.54	32.62	23.36	21.13	54.79	47.00
Surplus/(Deficit)	(626.00)	(518.01)	(301.24)	(243.72)	(160.87)	(38.53)	(76.12)	(84.57)	(79.82)	(71.09)
Experience adjustments on Plan Liabilities Loss/(Gains)	45.28	23.21	44.68	27.64	(0.81)	(17.55)	(4.02)	(2.23)	(0.41)	54.55
Experience adjustments on Plan Assets Loss/(Gains)	(4.90)	10.69	2.03	(1.04)	6.81	3.75	(3.49)	1.11	(0.35)	(0.99)
Actuarial (gain)/loss on Plan Liabilities due to change of assumptions	(45.66)	–	(13.18)	5.29	(5.11)	(2.94)	–	2.19	2.59	(0.38)

(Rupees in lakhs)

	Post Retirement Medical Benefit					Leave Encashment				
	31.3.2012	31.3.2011	31.3.2010	31.3.2009	31.3.2008	31.3.2012	31.3.2011	31.3.2010	31.3.2009	31.3.2008
Defined benefit obligations	50.69	55.95	56.28	58.39	55.28	351.55	332.71	298.86	245.81	206.62
Plan Assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	(50.69)	(55.95)	(56.28)	(58.39)	(55.28)	(351.55)	(332.71)	(298.86)	(245.81)	(206.62)
Experience adjustments on Plan Liabilities Loss/(Gains)	(3.91)	(1.63)	(0.93)	1.79	(2.01)	49.90	80.08	93.00	39.64	(26.55)
Experience adjustments on Plan Assets Loss/(Gains)	–	–	–	–	–	–	–	–	–	–
Actuarial (gain)/loss on Plan Liabilities due to change of assumptions	(2.08)	–	(1.16)	0.46	4.16	(12.29)	–	(5.95)	1.93	(1.73)

(Rupees in lakhs)

	Lumpsum Payment				
	31.3.2012	31.3.2011	31.3.2010	31.3.2009	31.3.2008
Defined benefit obligations	54.05	52.50	52.50	53.22	50.22
Plan Assets	–	–	–	–	–
Surplus/(Deficit)	(54.05)	(52.50)	(52.50)	(53.22)	(50.22)
Experience adjustments on Plan Liabilities Loss/(Gains)	(9.94)	–	(4.21)	(0.79)	4.77
Experience adjustments on Plan Assets Loss/(Gains)	–	–	–	–	–
Actuarial (gain)/loss on Plan Liabilities due to change of assumptions	(1.28)	–	–	0.31	(0.31)

Notes on Financial Statements for the year ended 31st March, 2012**26.9.6 Principal Actuarial Assumptions used –**

	Year ended 31.3.2012	Year ended 31.3.2011
Mortality Table (before separation from service)	LICI (1994-96)	LICI (1994-96)
Mortality Table (after separation from service)	LICI (1996-98)	LICI (1996-98)
Discount rate		
Gratuity	8.70%	8.25%
Leave Encashment	8.70%	8.25%
Post Retirement Medical	8.70%	8.25%
Superannuation Fund	8.55%	7.50%
Lumpsum Payment	8.70%	8.25%
Inflation rate	5.00%	5.00%
Expected Return on assets		
Gratuity	9.30%	9.30%
Superannuation Fund	9.30%	9.30%
Medical cost trend rates	3.00%	3.00%
Formula used	Projected Unit Credit Method	Projected Unit Credit Method

The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors

26.9.7 Effect of increase / decrease of one percentage point in the assumed medical cost trend rates on:

(Rupees in lakhs)

	Year ended 31.3.2012		Year ended 31.3.2011	
	Increase	Decrease	Increase	Decrease
Aggregate of current service cost and interest cost	Nil	Nil	Nil	Nil
Accumulated Post Employment benefit obligation for medical cost	51.19	50.19	56.51	55.40

26.9.8 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.

26.9.9 During the year Rs. 308.67 lakhs has been recognised as expenditure towards Defined Contribution Plans of the Company (Previous Year Rs. 340.98 lakhs)

26.10 As notified by ministry of Corporate Affairs of the Government of India, revised Schedule VI under the Companies Act, 1956 is applicable to all financial year commencing on or after 1st April, 2011. Accordingly, the financial statement for the year ended 31st March, 2012 are prepared in accordance therewith. Figures pertaining to the previous year have been rearranged/regrouped, reclassified and restated, wherever necessary to make them comparable with those of current year.

For Lodha & Co.
Chartered Accountants

For and on behalf of the Board

R.P Singh
Partner
Place : Kolkata,
Date : 25th May 2012

Saikat Bardhan
Secretary

Jyoti Poddar
Director

D.P. Patra
Director



DPSC Limited

Regd. Office: Plot X-1, 2&3, Block-EP, Sector-V, Salt Lake City, Kolkata- 700 091.

92nd Annual General Meeting

ADMISSION SLIP

I hereby record my presence at the NINETY SECOND ANNUAL GENERAL MEETING of the Company, at the Registered Office: Plot X 1, 2&3, Block-EP, Sector-V, Salt Lake City, Kolkata – 700 091 on 27th day of July, 2012 at 11.00 a.m.

PLEASE COMPLETE THE SLIP
AND HAND IT OVER AT THE
ENTRANCE TO THE MEETING
HALL

Name of the Shareholders:

Folio/ Client ID No.

No(s) of Shares Held:

Signature of the Shareholder/s

PROXY FORM

I/We,
Ofbeing a Member / Members of DPSC Limited,
hereby appoint..of..... (or failing him
.....of or failing
him.....of) as my /our proxy in my / our
absence to attend and vote for me / us and on my /our behalf, at the Annual General Meeting of the Company
to be held on the 27th day of July, 2012 at 11.00 a.m. and any adjournment thereof.

As WITNESS my /our hand / hands thisday of 2012.

Affix one Rupee Revenue Stamp

Affix one
Rupee
Revenue
Stamp

Signed by the said

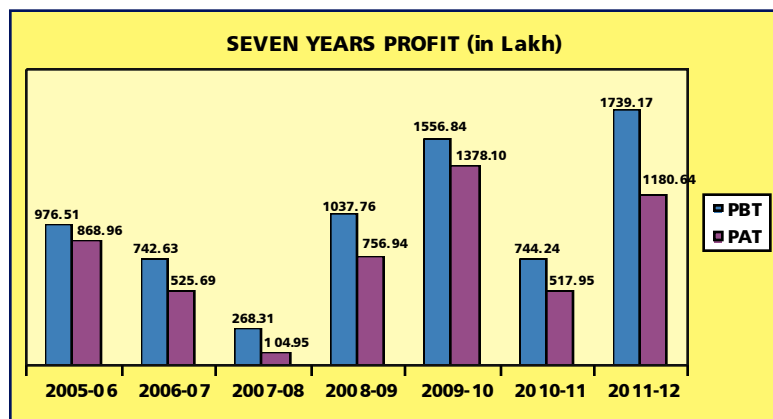
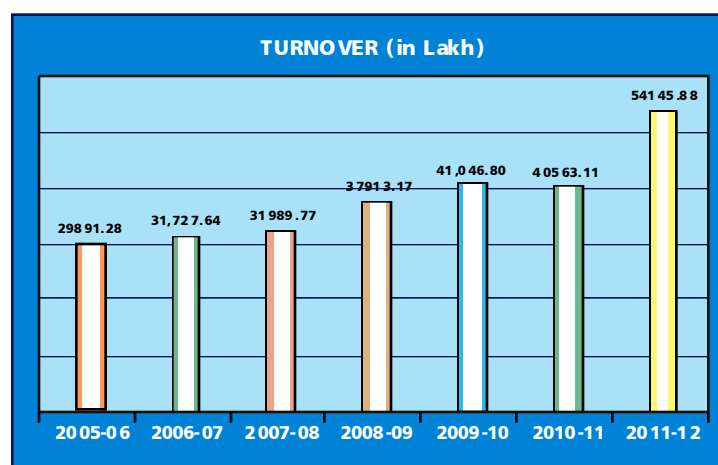
* Applicable for members holding shares in dematerialized form.

Folio No.:..... / DP ID No... and Client ID No.....

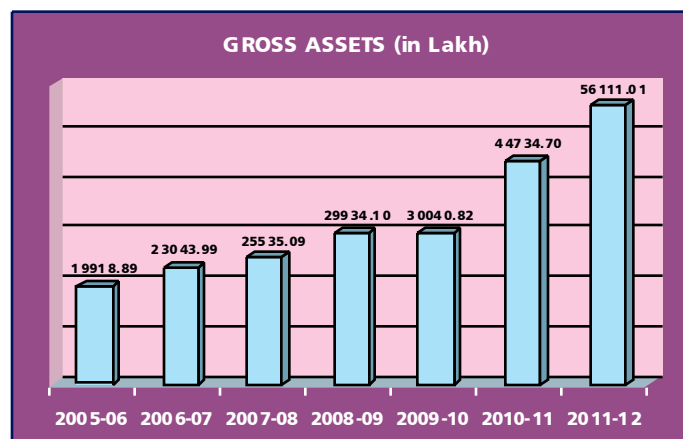
Note: The proxy must be deposited at the Registered office of the Company at, Plot X 1, 2&3, Sector -V, Block EP, Salt Lake City, Kolkata 700 091, not less than 48 hours before the time of holding the Meeting.

SEVEN YEARS FINANCIAL HIGHLIGHTS							
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
GROSS BLOCK	8520.26	9349.14	12522.10	14260.06	14755.69	15813.40	20012.73
INCOME FROM OPERATIONS	29891.28	31727.64	31989.77	37913.17	41046.80	40656.89	54145.88
PROFIT BEFORE TAX & STATUTORY PROVISIONS AND TRANSFERS	976.51	742.63	268.31	1037.76	1556.84	744.24	1739.17
PROFIT AFTER TAX	868.96	525.69	104.95	756.94	1378.10	567.49	1180.54
DIVIDEND	10%	12.5%	10%	10%	10%	10%	0.05%
RETURN PER SHARE IN %	205.24	124.16	24.79	178.80	325.49	134.03	12.12

DPSC Limited



*Adding
Power
to Life*





DPSC Limited
(Formerly Dishergarh Power Supply Co. Ltd.)

Adding Power to Life

Registered Office :

Plot No. - X-I, 2&3 Block EP, Sector-V, Salt Lake City, Kolkata-700 091

Phone : 033-2357 4308 / 09/10, Fax : 91-33-2357 2452

E-mail : info@dpscl.com, Website : www.dpscl.com

Central Office :

Sanctoria, P.O. : Dishergarh, Burdwan - 713 333

Ph : 0341 2520023, Fax : 0341 2520022