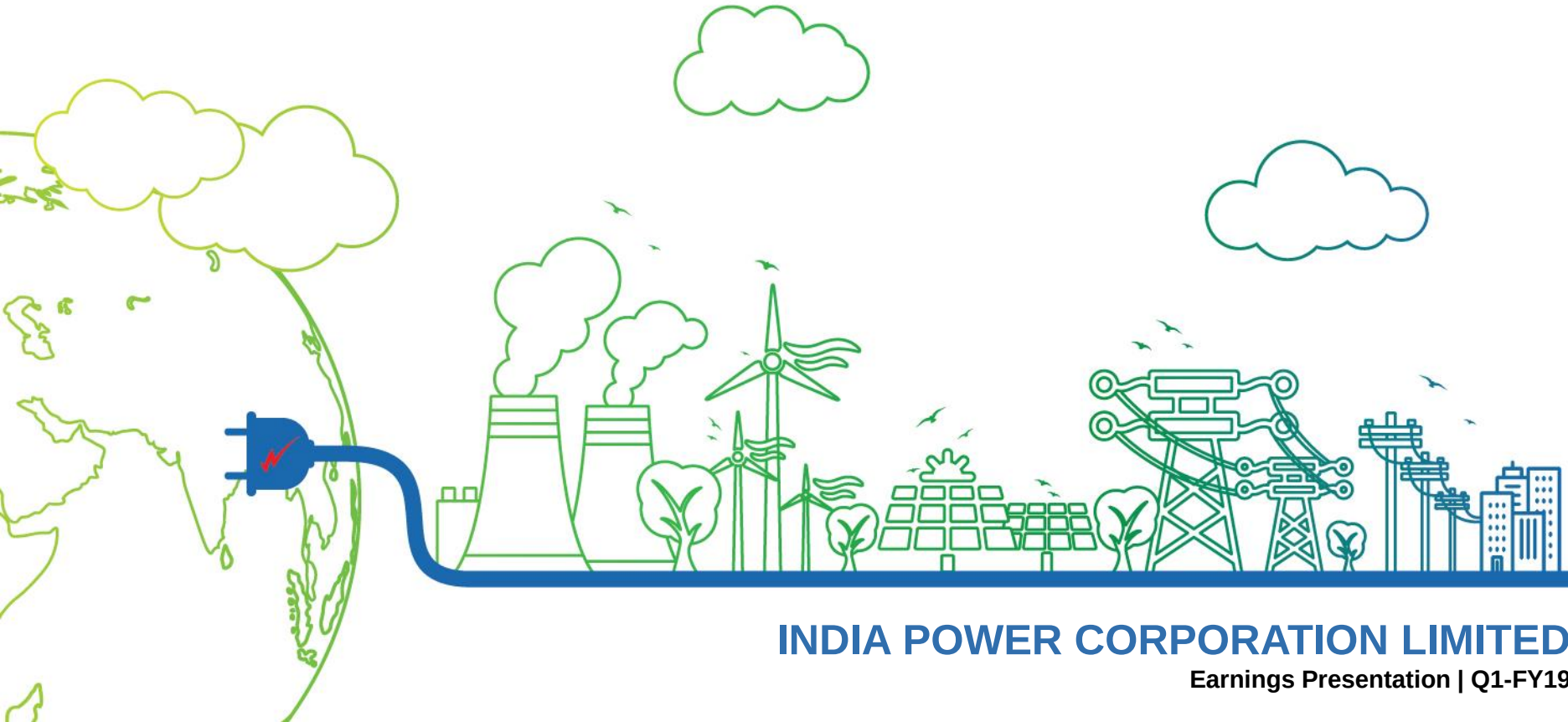




INDIA POWER CORPORATION LIMITED

Earnings Presentation | Q1-FY19

India Power Corporation Ltd (IPCL) is a leading, reliable and customer-focused end-to-end energy solutions provider

What we do



Generation

Along with conventional modes of power generation, IPCL harnesses wind and solar energy to help increase India's power generation capacity



Distribution

IPCL is one of the oldest Distribution Licensees in the country and also a Distribution Franchisee, having expertise in efficiently managing power distribution systems



Services

Through its partnership with Uniper, a world renowned MNC, IPCL offers a wide range of flexible and bespoke services to India's power sector leading to operational efficiencies

3 Addressing the Opportunity

INDIA



Generation

- About 35% of thermal power capacity in India is more than 25 years old
- Average PLFs of Thermal Power plants are at all-time lows of under 60%
- Average indebtedness of Thermal Power plants around INR 5-6 Cr/MW - very high compared to global average



IPCL

- IPCL's generation capacity is 4.5 Years old on an average.
- Diverse portfolio with both thermal & renewable capacity.



Distribution

- T&D losses at a National level are ~25%, as high as 70-80% in some regions
- Average 12-14 hours of daily power supply, India's government targets to achieve 24x7 uninterrupted 'Power for All' by 2019
- Theft, pilferage of electricity; poor infrastructure and low smart meter penetration



- T&D losses of less than 3%*
- Reliability index of 99.99%*
- Collection efficiency of 99.15%*
- One of the first to implement smart grid technology to boost efficiencies and reduce power losses



Services

- Traditional O&M practices in India having multiple impact like lower plant availability, higher station heat rate, higher auxiliary power consumption which in turn results in lower returns
- Inadequate investments in Repairs & Maintenance
- Lower automation and shortage of skilled manpower



- JV with global MNC giant, Uniper, for providing value added services to power companies in India
- 100% smart meter based Metering, Billing and Analytics services for Distribution Utilities**

*Leveraging the specialized services in power **Generation, Distribution and Value Added Services**, IPCL is well poised to meet the industry's demand curve*

*Pertaining to Distribution License at Asansol, West Bengal

**Service Offering to Distribution Utilities

- India Power Corporation Ltd (IPCL), a Kanoria Foundation Company, is a leading and reliable end-to-end energy solutions provider. It is headquartered in Kolkata, West Bengal.
- The company, over the last nine decades of its existence, has contributed to the growth and prosperity of its consumers, which have included government utilities, hospitals, industrial, commercial and residential consumers.
- Dishergarh Power Supply Company (DPSC Ltd.) was incorporated in 1919. It has one of the oldest distribution licenses in India with over 9 decades of experience. The company's name was subsequently changed to IPCL in 2013. The company is listed on the National Stock Exchange of India with a current market capitalisation of ~INR 22 Bn as on 30th June, 2018.
- With a strong expertise in Power Distribution Management of over 9 decades, the company today has a diversified portfolio of multi-location power distribution, O&M services, and a burgeoning portfolio of conventional and renewable energy generation.

Distribution:

- Distribution Licensee for 618 sq. km region in Asansol, West Bengal.
- Distribution Franchisee for 1,630 sq. km area in Gaya (Bihar) for a period of 15 years.

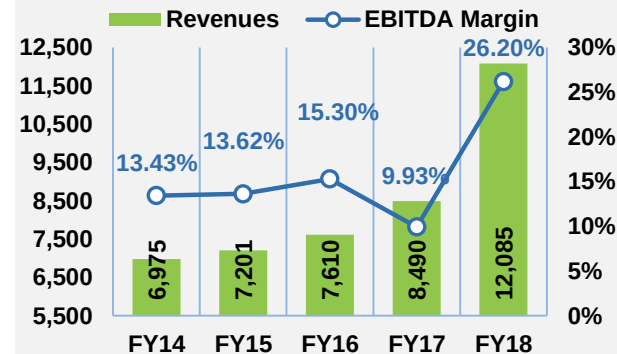
Generation:

- Solar – 38 MW operational generation capacity in Uttarakhand and West Bengal.
- Wind – 95 MW operational generation capacity in Rajasthan, Gujarat, Karnataka, and Maharashtra.
- Thermal – 450 MW at Haldia, 12 MW at Asansol and 1000 MW in Nellore.

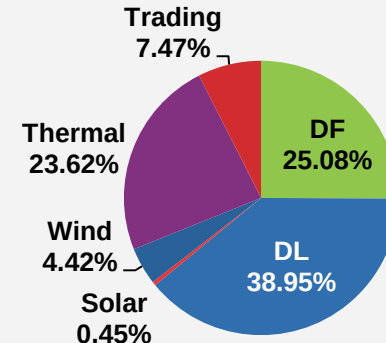
Value added services

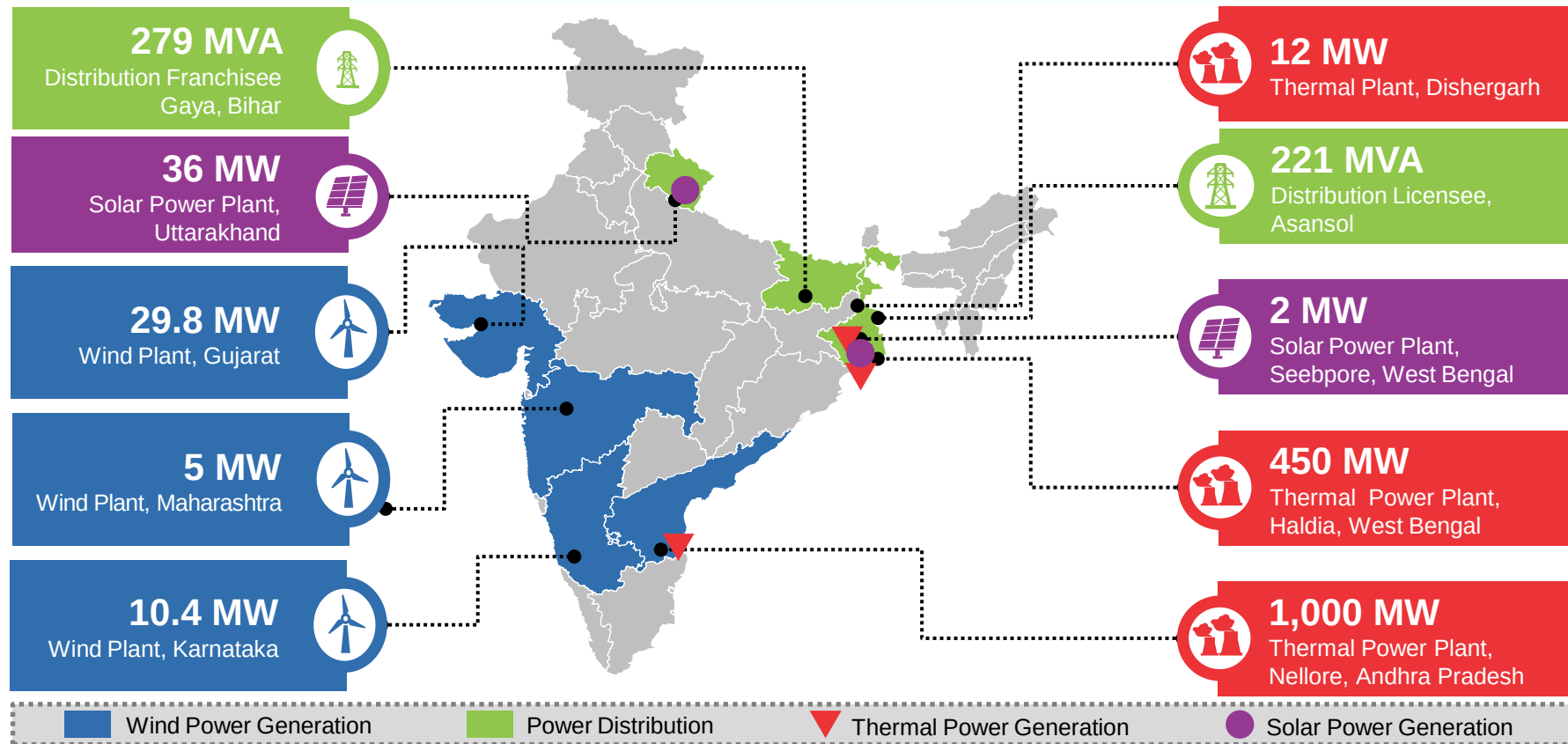
- In JV with Uniper of Germany, the company will provide technology driven O&M and asset management services for power plants across the country.

Revenue (INR Mn) and EBITDA (%)



FY18 Revenue Mix





Q1-FY19 EARNINGS OVERVIEW





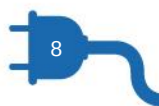
Q1-FY19 Financial Highlights (Standalone):

- Total Income*: INR 1,497 Mn
- EBITDA: INR 319 Mn
- EBITDA Margins: 21.31%
- Net Profit: 51 INR Mn
- PAT Margins: 3.41%
- Diluted EPS: 0.03 INR

Q1-FY19 Operational Highlights:

- Unit sale in Asansol in Q1-FY19 at 203 MU as compared to Q1-FY18 at 164.87 MU up by 23% YoY basis.
- T&D maintained at less than 3% in spite of LT sales growth at 33%.
- 5 downstream substations have been connected in Phase I with 220 KV transmission grade at JK Nagar.
- Addition of one more voltage level at 132 KV, GIS substation 220/132 KV under commissioning stage at JK Nagar.

* Total Income includes Other Income & Regulatory Income



Q1-FY19 Standalone Income Statement*

Particulars (INR Mn)	Q1-FY19	Q1-FY18	Y-o-Y	Q4-FY18	Q-o-Q
Total Income**	1,497	1,218	22.9%	1,677	(10.7)%
Operating Expenses	1,178	890	32.4%	1,251	(5.8)%
EBITDA	319	328	(2.7)%	426	(25.1)%
EBITDA Margin (%)	21.31%	26.93%	(562) Bps	24.40%	(309) Bps
Finance Cost	198	186	6.5%	202	(2.0)%
Depreciation	40	42	(4.8)%	42	(4.8)%
Profit Before Tax and Exceptional Items	81	100	(19.0)%	182	(55.5)%
Exceptional Items	-	-	-	-	-
Profit Before Tax	81	100	(19.0)%	182	(55.5)%
Taxation	30	37	(18.9)%	72	(58.3)%
Profit After Tax	51	63	(19.0)%	110	(53.6)%
PAT Margin (%)	3.41%	5.17%	(176) Bps	6.56%	(315) Bps
Other Comprehensive Income	(5)	(2)	NA	(12)	NA
Total Comprehensive Income	46	61	(24.6)%	98	(53.1)%
Diluted EPS (INR)	0.03	0.04	(25.0)%	0.07	(57.1)%

* As per IndAS **Total Income includes Other Income & Regulatory Income

HISTORICAL FINANCIALS



10 Standalone Income Statement

Particulars (INR Mn)	FY14	FY15	FY16	FY17*	FY18*
Total Income**	6,975	6,292	6,036	4,458	5,207
Operating Expenses	6,033	5,329	5,003	3,551	3,917
EBITDA	942	963	1,033	907	1,290
EBITDA Margin (%)	13.50%	15.30%	17.11%	20.35%	24.77%
Finance Cost	347	446	411	584	776
Depreciation	146	150	180	178	168
Profit Before Tax and Exceptional Items	449	367	442	145	346
Exceptional Items	-	-	-	467	-
Profit Before Tax	449	367	442	612	346
Taxation	157	124	119	221	133
Profit After Tax	292	242	323	391	213
PAT Margin (%)	4.19%	3.84%	5.35%	8.77%	4.09%
Other Comprehensive Income	-	-	10	(10)	(12)
Total Comprehensive Income	292	242	333	381	201
Diluted EPS (INR)	0.18	0.16	0.21	0.25	0.14

*As per IndAS **Total Income includes Other Income and Regulatory income

Standalone Balance Sheet (Ind-AS)

Particulars (INR Mn)	FY17	FY18	Particulars (INR Mn)	FY17	FY18
EQUITIES & LIABILITIES			ASSETS		
Shareholder Funds			Non-current Assets		
Share Capital – Equity	974	974	Property, Plant and Equipment	3,422	3,397
Other Equity	9,621	9,834	Capital Working Progress	151	382
Share capital suspense account	604	604	Intangible assets	9	15
Total - Shareholder Funds	11,199	11,412	Financial Assets		
Non-Current Liabilities			Investments	3,225	1,157
Long term Borrowings	4,346	3,924	Loans	81	124
Trade Payables	322	361	Other financial Assets	8,215	8,215
Other Financial Liabilities	578	611	Other non current assets	511	568
Deferred Tax Liability (net)	477	484	Total – Non-current Assets	15,614	13,858
Long term Provisions	25	36	Current Assets		
Other Non Current Liabilities	341	129	Inventories	98	94
Total - Non-current Liabilities	6,089	5,545	Financial Assets		
Current Liabilities			Investments	-	3
Short-Term Borrowings	1,133	2,016	Trade receivables	595	558
Trade Payables	717	426	Cash and cash equivalents	78	97
Other financial Liabilities	721	966	Other bank balances	636	156
Other current liabilities	258	284	Loans	697	491
Short-term provisions	132	146	Other financial Assets	2,188	5,238
Current Tax Liabilities (net)	191	285	Other current assets	54	90
Total – Current Liabilities	3,152	4,123	Total – Current Assets	4,346	6,727
Regulatory deferral account credit balances	308	501	Regulatory deferral account debit balances	788	996
GRAND TOTAL	20,748	21,581	GRAND TOTAL	20,748	21,581

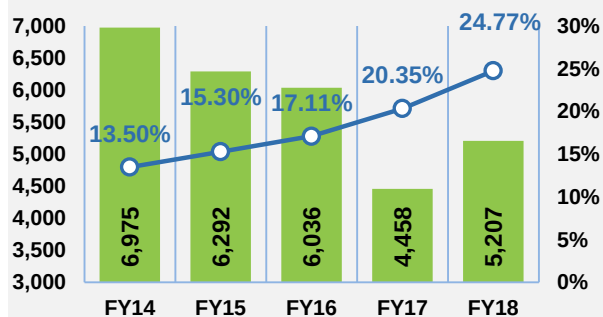
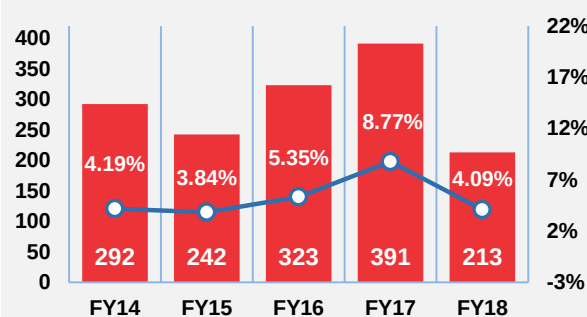
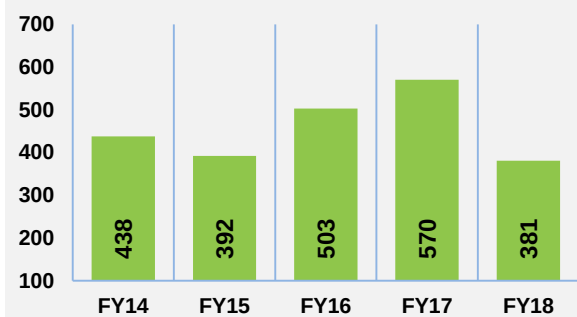
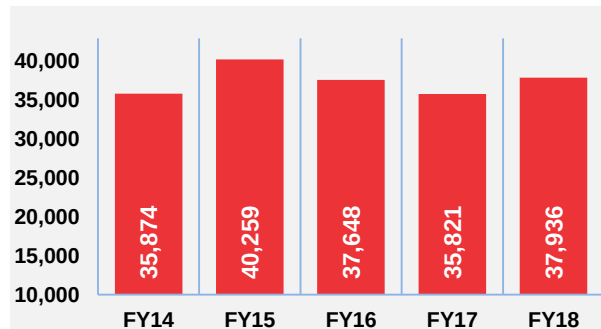
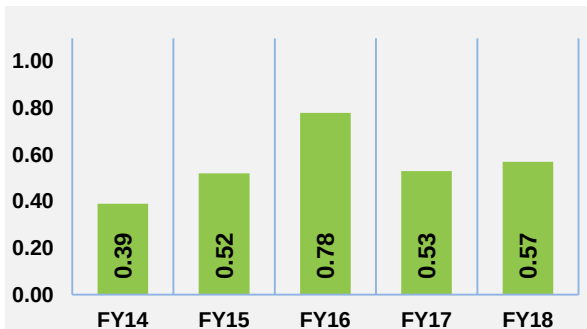
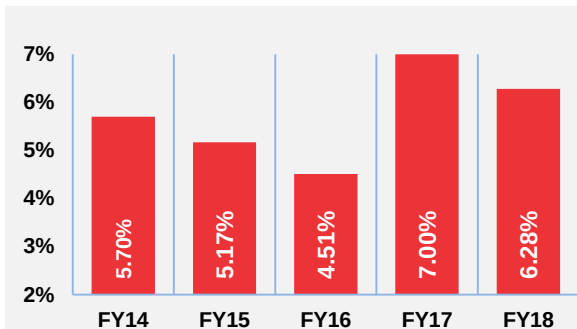
Consolidated Income Statement

Particulars (INR Mn)	FY14	FY15	FY16	FY17*	FY18*
Total Income**	6,975	7,201	7,610	8,490	12,085
Operating Expenses	6,038	6,220	6,446	7,647	8,919
EBITDA	937	981	1,164	843	3,166
EBITDA Margin (%)	13.43%	13.62%	15.30%	9.93%	26.20%
Finance Cost	347	455	504	1,427	2,234
Depreciation	146	152	194	582	976
Profit Before Tax and Exceptional Items	444	374	466	(1,166)	(44)
Exceptional Items	-	-	-	3,224	375
Profit Before Tax	444	374	466	2,058	331
Taxation	157	126	90	232	139
Share of profit/(loss) from JV	-	-	-	(6)	9
Profit After Tax	287	248	376	1,820	201
PAT Margin (%)	4.11%	3.44%	4.94%	21.44%	1.66%
Other Comprehensive Income	-	-	-	(10)	(11)
Total Comprehensive Income	287	248	376	1,810	190
Diluted EPS (INR)	0.18	0.16	0.07	1.15	0.13

*As per IndAS **Total Income includes Other Income and Regulatory income

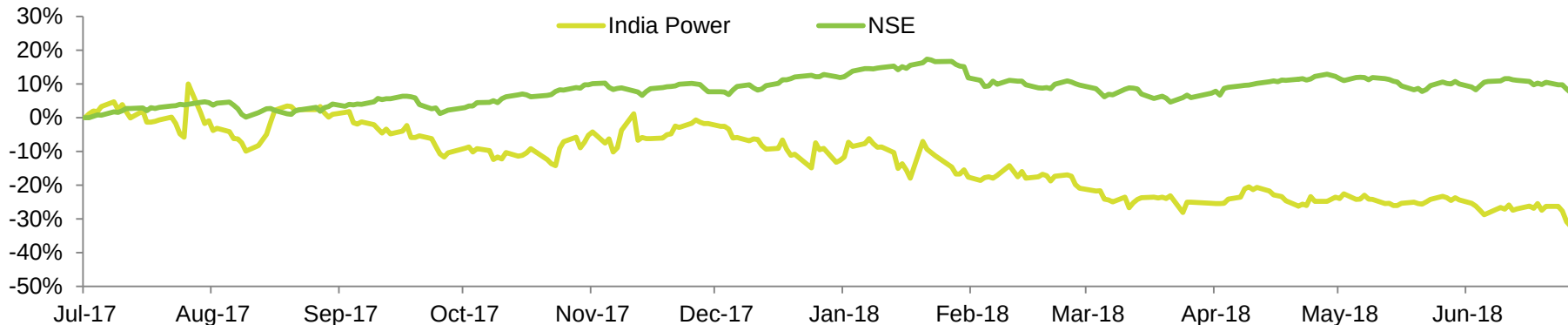
Consolidated Balance Sheet (Ind-AS)

Particulars (INR Mn)	FY17	FY18	Particulars (INR Mn)	FY17	FY18
EQUITIES & LIABILITIES			ASSETS		
Shareholder Funds			Non-current Assets		
Share Capital – Equity	974	974	Property, Plant and Equipment	19,201	18,397
Other Equity	48,466	48,689	Capital Working Progress	42,103	51,169
Share capital suspense account	604	604	Other Intangible assets	359	577
Non Controlling Interest	2,013	2,012	Intangible Assets under development	4	45
Total - Shareholder Funds	52,057	52,279	Financial Assets		
Non-Current Liabilities			Investments	3,165	103
Long term Borrowings	33,166	30,891	Loans	20	17
Trade Payables	312	361	Other financial Assets	8,366	8,365
Other Financial Liabilities	1,344	1,192	Other non current assets	2,188	1,566
Deferred Tax Liability	490	499	Total – Non-current Assets	75,406	80,239
Long term Provisions	45	58	Current Assets		
Other Non Current Liabilities	613	272	Inventories	838	743
Total - Non-current Liabilities	35,970	33,273	Financial Assets		
Current Liabilities			Investments	10,701	3,690
Short-Term Borrowings	2,231	3,366	Trade receivables	2,076	2,457
Trade Payables	2,496	2,518	Cash and cash equivalents	620	271
Other financial Liabilities	4,181	6,992	Other bank balances	1,188	998
Other current liabilities	475	444	Loans	104	159
Short-term provisions	349	199	Other financial Assets	5,516	8,698
Current Tax Liabilities (net)	180	279	Other current assets	1,011	1,601
Total – Current Liabilities	9,912	13,798	Total – Current Assets	22,054	18,617
Regulatory deferral account credit balances	308	502	Regulatory deferral account debit balances	787	996
GRAND TOTAL	98,247	99,852	GRAND TOTAL	98,247	99,852

Income*(INR Mn) and EBITDA Margins(%)

PAT(INR Mn) and PAT Margins(%)

Cash Profit (INR Mn)

Net Block (INR Mn)

Debt-Equity Ratio

RoCE (%)


*Total Income includes Other Income & Regulatory Income

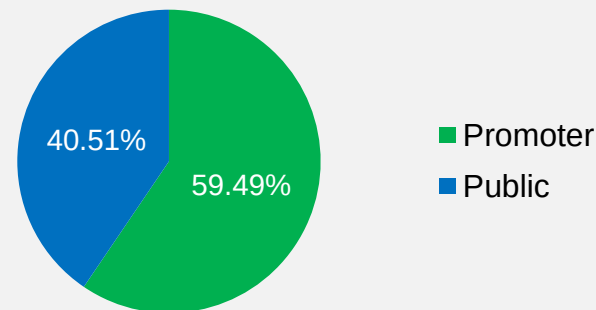
Share Price Performance (30th June, 2018)



Price Data (As on 30th June, 2018)

Face Value (INR)	1
Market Price (INR)	22.55
52 week H/L (INR)	41.00/22.00
Market Cap (INR Bn)	22
Equity Shares Outstanding (Mn)	973.79
12 Month Avg. Trading Volume ('000)	63.77

Share Holding Pattern (30th June, 2018)



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