

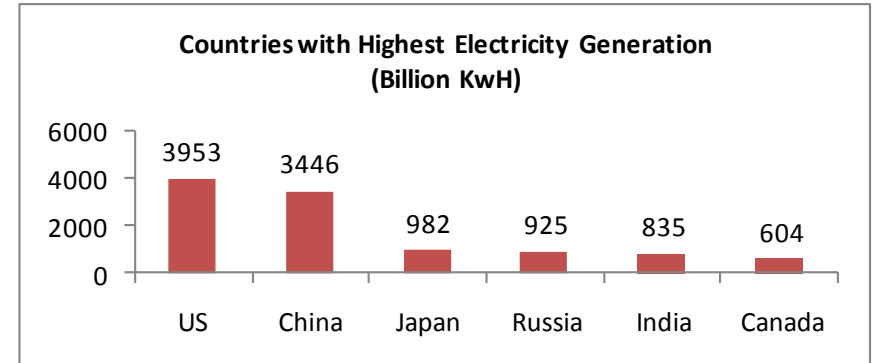


DPSC Limited

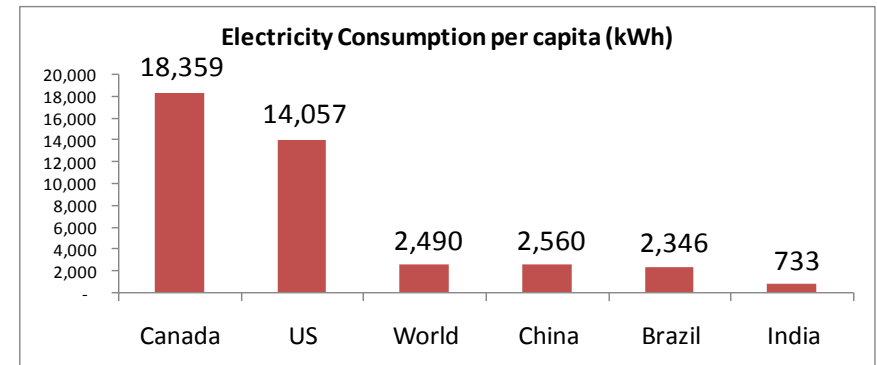
Power Scenario in India



- India ranks fifth in the world in terms of total installed power generation capacity
- Electricity demand in India has been growing at CAGR of 7%
- The country's annual energy production increased from about 190 billion kWh in 1986 to more than 786 billion kWh in 2008
- India still remains one of the lowest in terms of per capita consumption of power
- The total demand for electricity in India is expected to cross 950,000 MW by 2030*



Source : EIA, International Energy Statistics, 2009



Source : Position Paper on Power Sector in India, Ministry of Finance & CEA

*Source : The Integrated Energy Policy, Govt. of India

Regulatory reforms to fuel power sector growth



- **100% FDI permitted in Generation, Transmission & Distribution**
- **Policy framework in place:**
 - Electricity Act 2003 and National Electricity Policy 2005
 - Open access to transmission & distribution
 - Competitive bidding process
 - Central Electricity Regulation Commission to advise Government of India on promoting competition
- **Incentives:**
 - Income tax holiday for a block of 10 years in the first 15 years of operation;
 - Waiver of capital goods import duties on mega power projects (above 1,000 MW generation capacity)
- **Independent Regulators:**
 - Central Electricity Regulatory Commission for Central PSUs and inter-State issues
 - Each State has its own Electricity Regulatory Commission.

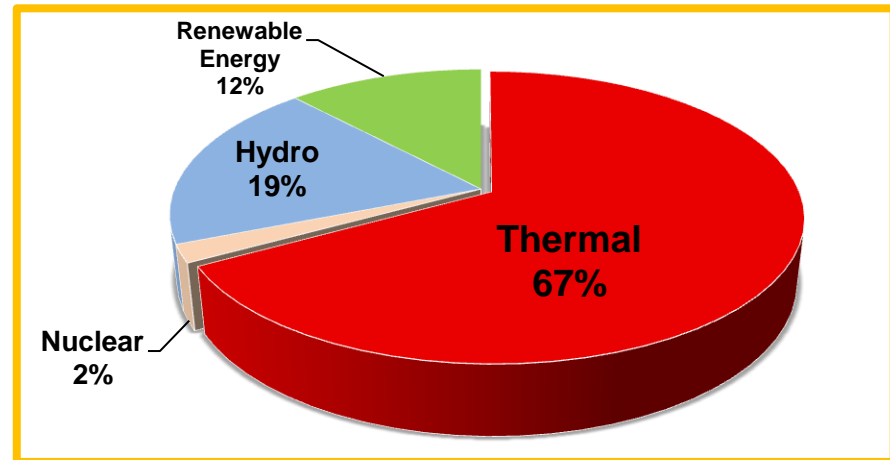
Power Sector Overview : Generation



INSTALLED GENERATION CAPACITY as on August 2012

Sector Wise Break up

Sector	MW	Percentage
State Sector	85,984	42%
Private Sector	55,520	27%
Central Sector	65,502	32%
Total	207,006	

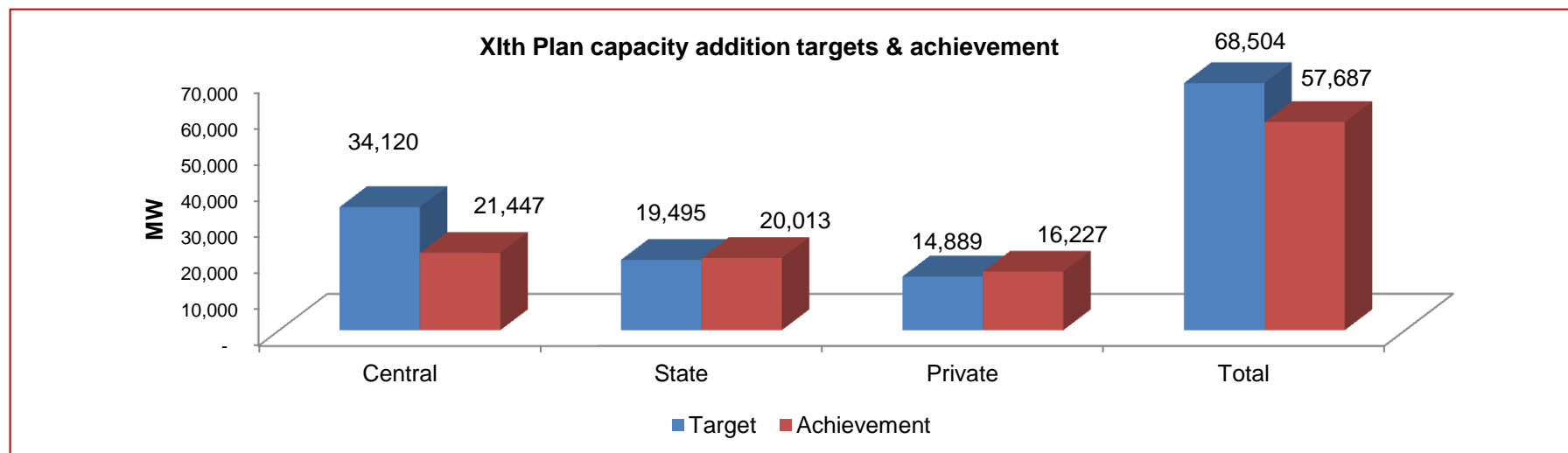


*Source: CEA

Power Sector Opportunities: Generation



- **Capacity addition of 1,00,000 MW** estimated for the XIIth Plan (2012-2017)
- **Investments to the tune of US\$ 206 bn** expected in power sector over the next 5 years
- **80% of total capacity addition to be coal based** followed by Gas (13%) & Hydro (7%)
- **Nine Ultra Mega Power Projects (UMPP)** each of 4000 MW being targeted by the government at a total estimated investments of US\$ 3.3 billion (INR 160 billion)
- **Rising Private Sector participation driven by stellar performance in XIth FYP (2007- 2012)**

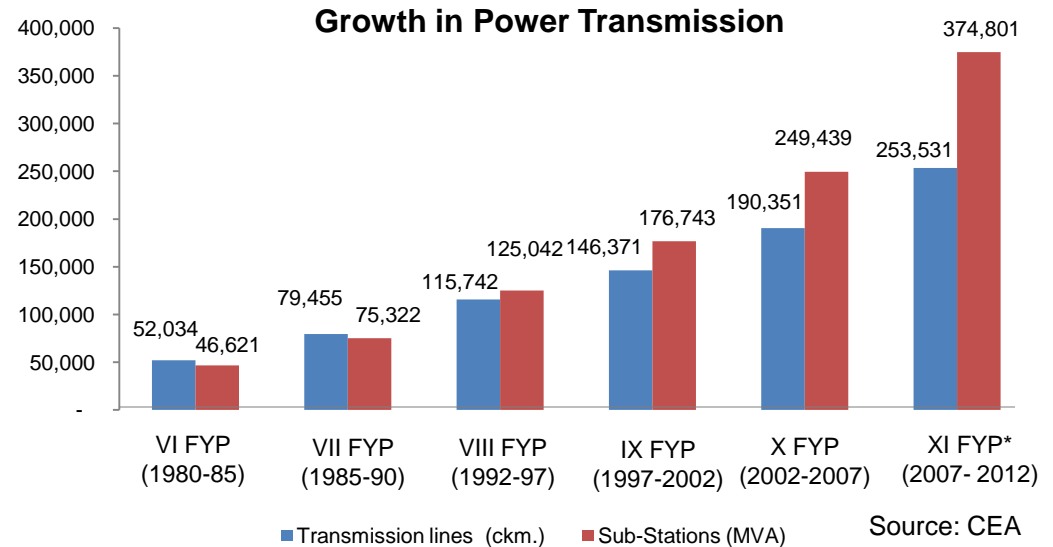


XIIth plan (2012-2017) to witness 67% of new capacities from private sector*

Power Sector Overview : Transmission



- Bulk power transmission increased from 3,708 ckm (circuit kilometer) in 1950 to more than 141,151 till March'12 with advent of new & advanced technologies
- Transmission substation size increased from 46,621 MVA in VIth Five Year Plan to 374,801 till XIth FYP
- Currently State Transmission Utilities (STUs) and Central Transmission Utilities (CTUs) together own almost 98% of transmission network in India.
- Private sector participation encouraged after promulgation of Electricity Act, 2003



	Central	State	JV/Pvt	Total
Growth in Power Transmission (ckm)				
765 kV	6,202	411		6,613
400kV	76,967	31,960	5,608	114,535
220kV	10,393	129,928	830	141,151
+/-500kV HVDC Lines	5,948	1,504	1,980	9,432

Source: CEA

Power Sector Opportunities: Transmission



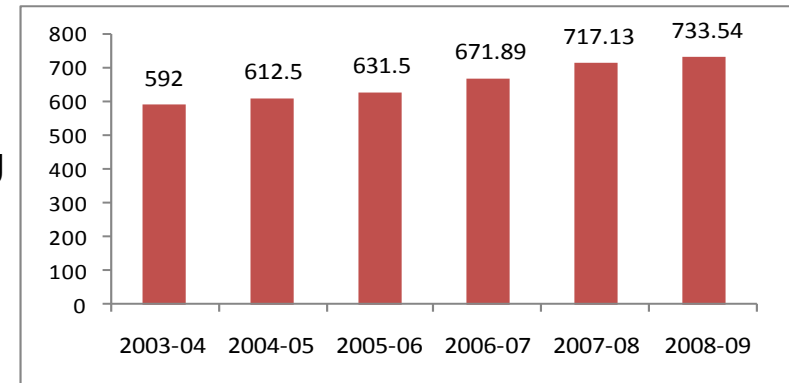
- Power transmission lines estimated to reach 2,93,372 ckm by 2012 and sub-station capacity is estimated to increase by about 41% to 428,000 MVA to address capacity constraints*
- Investments of US\$ 12 bn have been planned at the interstate and intrastate levels to increase the inter-regional transmission capacity for the XIth (2007-2012) Plan period
- Ambitious target for an integrated National Power Grid in the country by 2012 with*
 - ~ 200,000 MW generation capacities and
 - ~ 37,700 MW of inter-regional power transfer capacity which will be subsequently enhanced to 58,700 MW by 2014-15
- Private investment is set to pick up due to increased focus on participation in transmission sector through
 - **Joint Venture (JV) Route** - 26% to be owned by CTU/STU and the balance by the Joint Venture Partner (JVP)
 - **Independent Private Transmission Company (IPTC) Route** - 100 percent equity owned by the private entity
 - **Model Transmission Agreement (MTA)** - Minimum concession period of 25 yrs
- Focus on competitive bidding and distance-and-direction based tariff envisaged by the National Tariff Policy to encourage private sector participation

Power Sector Overview : Distribution

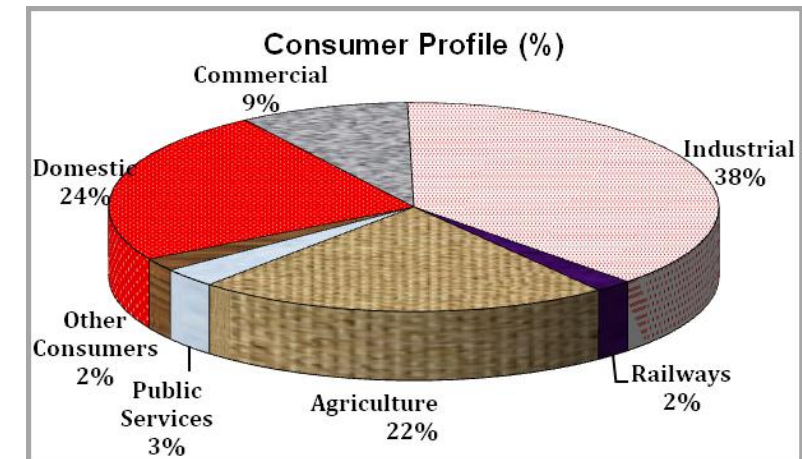


- India's Distribution infrastructure includes more than 6.76 million ckm (circuit kilometer) of lines and 316,000 MVA of distribution transformer capacity
- Estimated 160 million electricity consumers in India growing at an annual rate of 4.5 %*
- Distribution lines and capacity growing at an annual average growth rate of around 3% and 7.5 % respectively*
- Emphasis on regulatory reforms in distribution network identified as key to growth in power sector
 - **Franchisee Model** – State utilities transferring rights to supply, maintain and recover dues to private players
 - **Revised APDRP** (Accelerated Power Development and Reform Program) provides support and financial incentives for reduction in T&D losses
 - **Rationalisation of tariff**; industrial tariff progressively reduced whereas tariff for agriculture & other categories increased

All India Annual per Capita consumption of Electricity (KwH)



Source: CEA



Power Sector Opportunities: Distribution



- **Projected Investment of ~ US\$ 78 bn** estimated in next five years in transmission & distribution network

- **Rural Electrification –**

Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) aimed at rural electrification providing focus and funds to rural distribution system

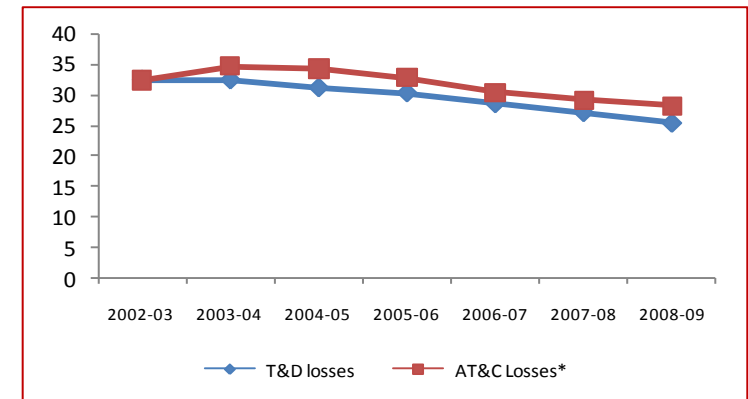
- **T&D and AT&C Loss**

- APDRP emphasises on reducing the T&D losses, bringing it down to ~ 25% in 2008-09 from 32% in 2002-03;
- Target to bring AT&C losses at the level of ~ 15%
- ROE of 16.5% on distribution assets to promote / facilitate investment in Distribution Sector.

Electricity access in India				
	Electrification rate (%)			Population without electricity (millions)
	Total	Urban	Rural	
Africa	40	66.8	22.7	588.9
China	99.4	100.0	99.0	8.0
India	64.5	93.1	52.5	404.5
Latin America	92.7	98.7	70.2	34.1
Middle East	89.1	98.5	70.6	21.4

Source: IEA

Gradual Decline in T&D and AT&C losses



Source: CEA



Power Exchanges

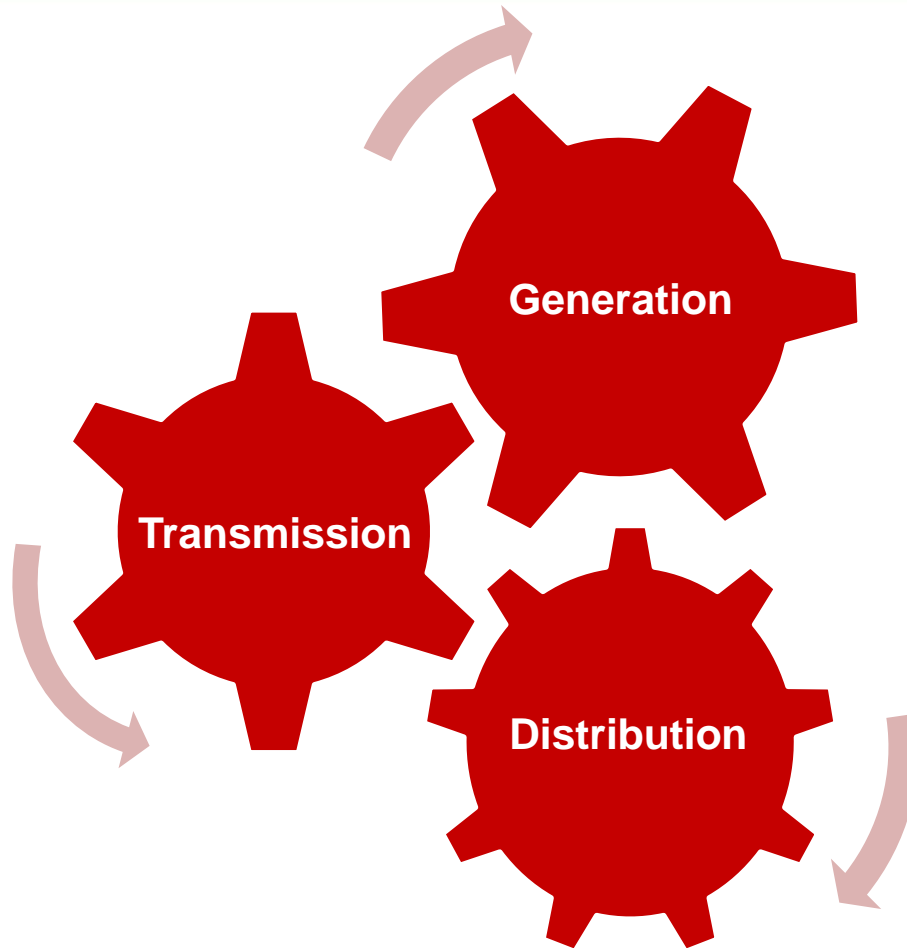
- Currently two power exchanges(PXs) operational in the country- Indian Energy Exchange (IEX) and Power Exchange India Limited (PXIL)

Open Access & Trading

- Capitalising on open access and expansion of interregional transmission capacity , power trading has emerged a key route for short term electricity transaction
- By the end-February 2009, trading constituted only 3% of total power generation whereas in October 2010, the percentage of short-term transactions of electricity to total electricity generation was 8.85 %*
- Of the total short-term transactions of electricity, in October, 2010
 - **41.21% transacted through bilateral** (through traders and term ahead contracts on power exchanges and directly by distribution companies)
 - **39.55% through Unscheduled Interchange (UI)** and
 - **19.24% through Power Exchanges**
- Top 5 trading licenses account for 85.8% in the total volume traded by all the trading licensees.

Merchant Power Plants

- Significant increase in merchant power capacity expected to fuel the growth in power trading opportunities



Road to Growth.....DPSC LTD.

A 93 year old Company



Phase 1: 1919-1978 Initial Period

- a. DPSC incorporated in 1919 to provide power supply to the mines.
- b. Extended **Power supply to other industries including Railways**
- c. Dependable from Birth: Continuous Power to make sure that the life of miners was safe

Phase 2: 1979-1991 Expansion Amidst Constraints

- a. Govt support to DPSC despite fund constraint.
- b. Capacity program initiated
- c. Expansion program getting constraint due to the **DVC Act**
- d. Commissioning of **Chinakuri Power Station** to support growth.

Phase 3: 1992 - 2000 An open Economy

- a. Open economy: Global market. liberalization .
- b. Initiated culture change to combat new industrial policy .
- c. Growth in Industrial consumers emphasized on community development
- d. Dependable Prompt Service to Customers as synonym to DPSC got popularized

75 Years

of supplying power

Phase 4: 2001-2008 The New Millennium

- a. **Electricity Act 2003**: Opens avenues for investment and opportunity
- b. Paradigm shift from monopolistic to competitive and regulated regime.
- c. Started dreaming of capacity expansion: conceived **2X270 MW**
- d. Bottleneck: Investments

Phase 5: 2009 & Beyond The Integration

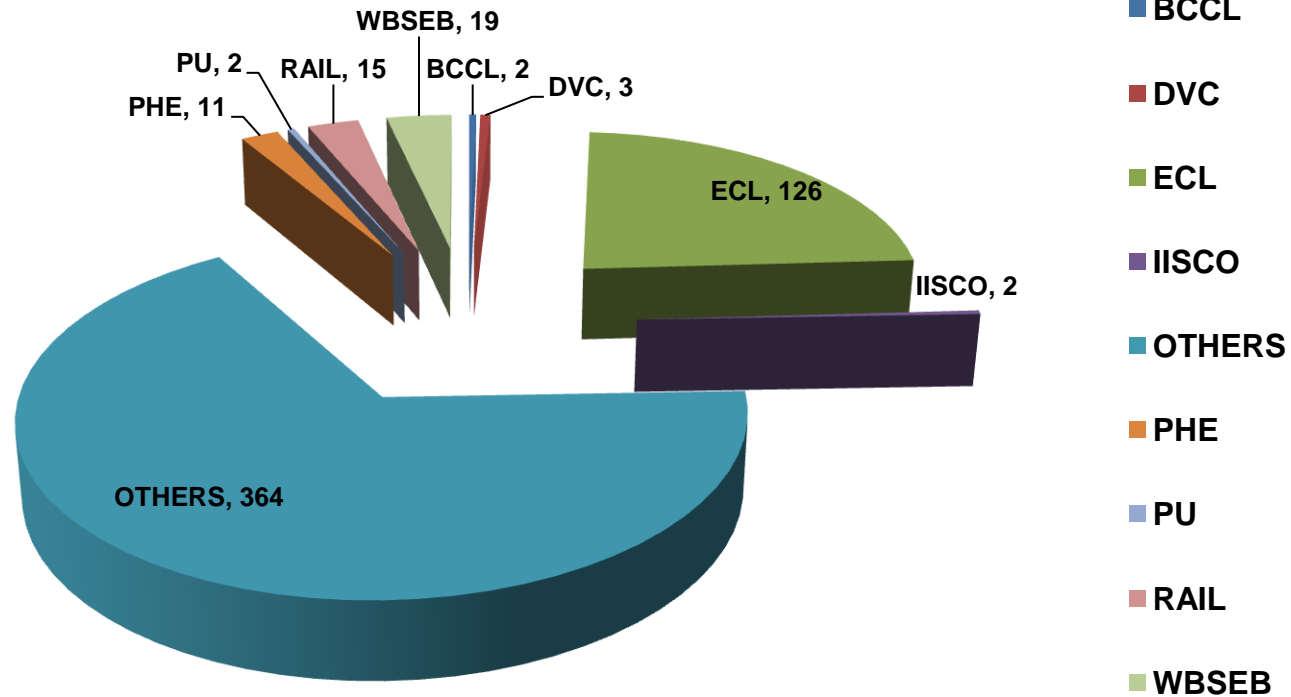
- a. **Integrating with IPCL** A powerful Synthesis
- b. Anxiety among employees - Change Management
- c. Strengthening Bonds: Modernization of the old plant at Dishergarh
- d. Vision 2016: Projected expansion of 15,00 MVA.
- e. Initiating of setting up 450 MW Haldia Power Plant.

Our Major Customers

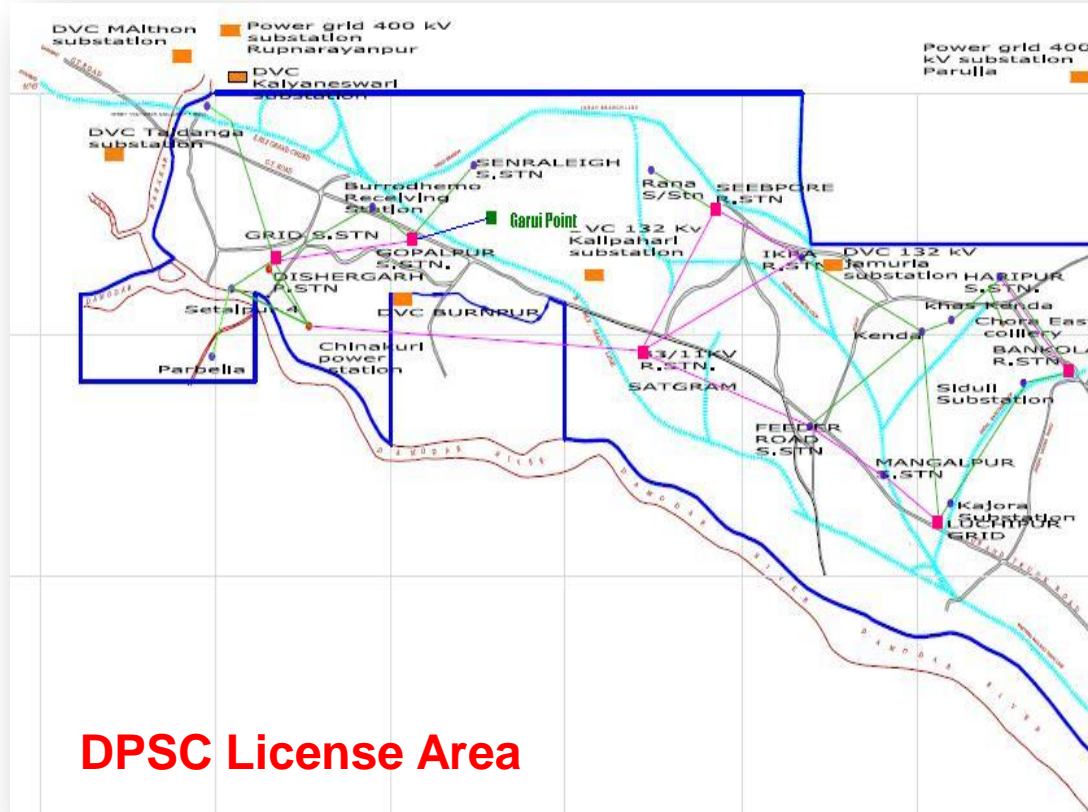


Our major customers are:

1. WBSEB
2. RAIL
3. IISCO
4. DVC
5. BCCL
6. ECL



DPSC : Existing Operations



✓ **248 MVA**



✓ **DPS 12 MW**



Name	Experience	Profile
Hemant Kanoria (Chairman)	<ul style="list-style-type: none"> Over 31 years of experience in Industry, trade and financial services 	<ul style="list-style-type: none"> Chairman of FICCI National Committee on Infrastructure President Calcutta Chamber of Commerce Chairman Confederation of Indian Industry-Eastern Region (CII-ER) Infrastructure Committee
Sunil Kanoria	<ul style="list-style-type: none"> Over 23 years of experience in financial services industry 	<ul style="list-style-type: none"> Presently Vice President of ASSOCHAM. Member of the Working Group on Construction for the Xth Five Year Plan of Planning Commission, Govt. of India President of Hire Purchase & Lease Association - Kolkata (HPLA); Merchants' Chamber of Commerce - Kolkata (MCC) and Federation of Indian Hire Purchase Association (FIHPA)
Amit Kiran Deb	<ul style="list-style-type: none"> Over 35 years of government administrative experience 	<ul style="list-style-type: none"> Retired IAS Officer Former Chief Secretary, Government of West Bengal
Debi Prasad Patra	<ul style="list-style-type: none"> Over 33 years of government administrative experience 	<ul style="list-style-type: none"> Retired IAS Officer
Jyoti Kumar Poddar	<ul style="list-style-type: none"> Over 25 years of experience in tea gardens, real estate and Power 	<ul style="list-style-type: none"> Handled Indian & Sri Lankan operations in solar business for Shell Solar Ltd.
Nand Gopal Khaitan	<ul style="list-style-type: none"> Over 35 years of experience in Law 	<ul style="list-style-type: none"> Committee Member of FICCI Practicing lawyer at the Supreme court and Senior Partner, Khaitan & Co.
Sunirmal Talukdar	<ul style="list-style-type: none"> Over 36 years of experience in Corporate Finance 	<ul style="list-style-type: none"> Former head financial functions of a \$14bn Aluminum & Copper conglomerate

Solar Power Breakthrough In Bengal



In 2009, DPSC entered into a JV with West Bengal Green Energy Development Corporation Limited to set up Photo Voltaic Solar Power Plant

Location: Sheebpore, in Jamuria area of West Bengal (210 kms from Kolkata)

Capacity: 2 MW (3 million units p.a)

Eco Friendly: Save 7 lakh tonnes of CO2 emission a day

The project has many first to it's credit :

- ❖ First in world to transform polluting thermal power unit.
- ❖ Grid connectivity Solar first in India
- ❖ First in India to Cross megawatt threshold
- ❖ First significant climate responsive project in South Asia.





- DPSC Limited, one of the oldest power utility in India established in year 1919
- Engaged in generation & distribution of electricity for public and private purposes
- Licence area of 618 sq. km in high growth industrial belt in and around Asansol - Raniganj area in West Bengal
- Strong Distribution network with Lowest T & D Loss figures in India at 3% against country average of 25%, Loss reduction of 0.25% achieved in 2011-12 compared with 2010-11
- Industrial consumers in licence area growing at CAGR of 11%
- Supplies power to critical utilities like Railways, underground coal mines of Eastern Coalfields Limited, Hospitals.
- Automatic Meter reading.



Generation

- Recently Commissioned 1 X 12 MW Thermal Power Project at Dishergarh

Distribution

- Conversion & Augmentation of 11 kV transmission line system to 33 kV.
- Setting up 220/33 kV Substation at JK Nagar for interconnection with WBSETCL for enhancing capacity and better grid coverage.
- Construction of 33/11 kV substations across the existing network at Dhaseldanga, Dhadhka, Nigha, Parbelia.
- Augmenting distribution network, cutting transmission losses and enhancing reliability through smart Grid conversion and GIS implementation.
- Continuous ongoing modernisation through addition of generating capacity, building, operating and maintaining power plants and distribution network in new areas.



Distribution

- Setting up 400 kV Substation at Chalbalpur for Central Grid Connectivity through Power Grid.
- 1,000 MVA distribution capacity by 2016

Generation

- 2 x 270 MW Thermal Power Project at Raghunathpur, West Bengal



□ DPSC LIMITED may, from time to time, make additional written and oral forward looking statements, including statements contained in the company's filings with National Stock Exchange and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the INDIA POWER CORPORATION LIMITED.

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Thank You