



SKS POWER GENERATION (CHHATTISGARH) LIMITED

(CIN : U40103MH2008PLC180231)

Statement of Standalone Audited Financial Results for the six months ended March 31, 2015

(Rs. in lacs, except earning per share)

Particulars	Six months ended	Year to Date Figures for Current Period Ended	Previous accounting year ended
	31-03-2015	31-03-2015	31-03-2014
	Audited	Audited	Audited
1. (a) Net Sales/Income from Operations	-	-	-
(b) Other Operating Income	-	-	-
Total	-	-	-
2. Expenditure	-	-	-
(a). Increase/decrease in stock in trade and work in progress	-	-	-
(b). Consumption of raw materials	-	-	-
(c). Purchase of traded goods	54.35	134.00	172.45
(d). Employees cost (Refer Note 4)	-	-	-
(e). Depreciation (Refer Note 4)	35.13	52.74	47.58
(f). Other expenditure (Refer Note 4)	106.64	167.53	292.01
(g). Professional Fees (Refer Note 4)	196.43	354.27	512.04
Total	(196.13)	(354.27)	(512.04)
3. Profit/ (Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)	16.25	42.85	79.63
4. Other Income (Refer Note 4)	(179.87)	(311.42)	(432.41)
5. Profit/(Loss) before Interest & Exceptional Items (3+4)	4.84	9.30	17.76
6. Interest (Refer Note 4)	-	-	-
7. Exceptional items	(184.72)	(320.72)	(450.17)
8. Profit (+)/ Loss (-) from Ordinary Activities before tax (5)-(6+7)	-	-	19.46
9. Tax expense - Short Provision for Income Tax for an earlier year	(184.72)	(320.72)	(469.63)
10. Net Profit (+)/ Loss (-) from Ordinary activities after tax (8-9)	-	-	-
11. Extraordinary Items	(184.72)	(320.72)	(469.63)
12. Net Profit(+)/ Loss(-) for the period (10-11)	28,949.66	28,949.66	28,949.66
13. Paid-up equity share capital (Face Value of Rs. 10)	2,86,099.33	2,86,099.33	1,68,019.73
14. Paid up Debt Capital (Refer Note 6 (i))	-	-	14,588.95
15. Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-
16. Debenture Redemption Reserve (Refer Note 5)	(0.06)	(0.11)	(0.26)
17. Basic and Diluted Earning Per Share (EPS) for the six months and for the year (not annualised) - (in Rs.)	5.93	5.93	3.77
18. Debt Equity Ratio (Refer Note 6(ii))	NA	NA	NA
19. Debt Service Coverage Ratio (Refer Note 6(iii))	NA	NA	NA
20. Interest Service Coverage Ratio (Refer Note 6(iii))	NA	NA	NA

For SKS Power Generation (Chhattisgarh) Limited

Anil Gupta
Director



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1. The above results were reviewed and taken on record by the Board of Directors at its meeting held on
2. (a) The Company is setting up a 1200 MW coal based thermal power plant ("The Project") in Raigarh district, Chhattisgarh, in 2 Phases, each comprising of 2 units of 300 MW each. Presently implementation of Phase I is under progress and physical progress of 78.5% as on 31st March, 2015 is achieved.

A major EPC Contractor (the Contractor) for Supply, Civil Works and Erection and Commissioning for the Project, due to financial problems faced by it was not in compliance with the respective Contracts entered into for execution of the Project. At the request of the Contractor, the Company has made on account payments against the Contracts and has also made payments to its vendors for the Project and its employees connected with execution of the Project. These payments considered as and included in 'Capital advances' (under 'Long-term loans and advances' in Note 15), are being adjusted against the invoices / proforma invoices raised by the Contractor for the work executed. In the event of any advances pending to be adjusted, the Company holds adequate Bank Guarantees furnished by the Contractor to secure the same. On 12th November, 2013 the Company and the EPC Contractor have entered into Amendment Agreement, pursuant to which the Company has taken over the entire site under its control w.e.f. 30th December, 2013 except supply of equipment which would continue with the said EPC Contractor. Under the said Amendment Agreement, it has been decided that the EPC Contractor shall pay liquidated damages aggregating to Rs. 75 crores in three tranches, which shall be accounted as and when received, the first tranche was payable on or before 31st December, 2014, for which the Company is in discussion with vendor for payment. For pending civil and erection works related to the said EPC Contractor, the Company has signed new contracts with other contractors / sub-contractors.

- (b) Pursuant to an Amendment and Restatement Agreement to the Shareholders Agreement entered into on 27th November, 2013, between the Company, its promoters and investors, referred to in Note no. 1, there are several 'Reserved Matters' on which the presence of at least one of the 2 investor directors is mandatory. On 26th March, 2014, two of the Directors of the Company, being nominee directors of Asia Power FDI Limited- an affiliate of the Blackstone Group (Investor of the Project) resigned from the Board of Directors and also as members of the Project Management Committee. One of the said directors was also a member of the Audit Committee (AC) and the Project Construction and Finance Committee. During the year the board of directors / management of the Company has approved and undertaken/ executed transactions, which are part of reserved matters.

The AC comprised of 3 Directors of the Company. In view of resignation of the directors referred to above, pending appointment of independent directors, as stated in Note 36 below, reformation of Audit Committee could not be done and accordingly these financial statements of the Company were not reviewed by the Audit Committee.

- (c) The Project has suffered time and cost overrun due to certain changes in the project design, exchange rate fluctuation, execution delays by EPC Contractor and delay in arrangement of

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additional funding. The increased project cost of Phase I is estimated at Rs. 5,240 Crs. and the Commercial Operation Date (COD) of Phase I of the Project is expected to be achieved by June 2016. The additional funding arrangement for the Project is being discussed with the lenders/bankers to the Project and the Management is confident of arranging the required necessary funds in the near future for the project completion.

- (d) During the period, the company has allotted 400000 Compulsorily Convertible Preferences Shares (CCPS) of Rs.1,000/- each. Further during the Period, the Company has received Rs. 192.09 crore as unsecured loans.
3. For further expansion, the Company is in process of acquiring 357 acres of land required for an ash pond, staff colony, etc. through compulsory acquisition route by Government of Chhattisgarh, for which Rs. 28,54,43,749 has been paid and is included in 'Capital advances' under 'Long-term loans and advances' in Note 15. This acquisition was challenged by some land owners in the Hon'ble High Court of Chhattisgarh at Bilaspur by filing a writ petition, which was upheld by the single judge by its order dated 4th September, 2012. The appeal was against this order of the single judge, with Division Bench of the Hon'ble High Court of Chhattisgarh at Bilaspur. The Division Bench has dismissed the writ petition and accordingly land-acquisition order has been passed by the Commissioner, Bilaspur, in July 2015. The Company expects to pay the balance amount required for this land and obtain possession of the same in near future. The ongoing construction work for Phase I, is not affected due to the above.
4. The figures for the current period and previous period/year are net of interest on the funds borrowed for the Project, income on temporary investment of the funds borrowed for the Project and expenditure pertaining to the Project which have been debited to the Capital Work in progress.
5. In the absence of profits, no Debenture Redemption Reserve has been created.
6. (i) Paid up Debt Capital = Long-term borrowings, Short-term borrowings and Interest accrued and due on borrowings.
- (ii) Debt Equity Ratio = Paid up Debt Capital / Net Worth (Net Worth = Share Capital + Reserves & Surplus)
- (iii) In the absence of profits, Debt Service Coverage Ratio and Interest Service Coverage Ratio have not been computed.
7. Figures for the previous period/year have been regrouped wherever necessary to conform to current period presentation.

For SKS Power Generation (Chhattisgarh) Limited

Anil Gupta
Director

