

Regulatory Story

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TIDM KSK
Headline Subsidiary Quarterly Results
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KSK Power Ventur plc
 ("KSKPV" or "the Company")

Indian subsidiary financial results (under Indian GAAP) for the three months ended 30 June 2010 and business update

KSK Power Ventur plc (KSK.L), the power project company listed on the London Stock Exchange, with interests in multiple power plants across India, is pleased to announce that its subsidiary, KSK Energy Ventures Limited ("KSKEV"), the equity shares of which are listed and traded on the National Stock Exchange of India Limited ("NSE") and the Bombay Stock Exchange Limited ("BSE"), has filed with the NSE and BSE on 7th August 2010, its unaudited financial results for the three months ended 30 June 2010.

Full details of the KSKEV unaudited results are available from the KSK section of the NSE website (www.nseindia.com) and the BSE website (www.bseindia.com).

Business update

The quarter witnessed higher tariff realization and enhanced gross generation to 438 mn kwh (Q1 2009:243 mn) and this is expected to further increase as more units are commissioned and generation activity stabilized. As a result, the consolidated income during the quarter ended 30 June 2010 was INR 2429 million, up 115 % against previous year of INR 1131 million and substantially contributed by power generation activity. The quarter saw increasing fuel costs as well, as fuel was purchased in the market to bridge short term shortfalls. Resulting profit from operations was (before other income, interest and exceptional items) INR 1398 million, up 136% against previous year of INR 593 million.

Profit before tax was INR 1039 million, up 57% against INR 661 million for the corresponding period last year. KSKEV experienced a consolidated profit after taxes (prior to minority interest) of INR 966 million, up 87% against a profit of INR 515 million in the previous period. This profit is to be reckoned as a minority interest, which represents the share of shareholders who consume power from various power plant companies but do not carry any economic entitlement to profits and this amount belongs exclusively to KSK

Additionally, the Company reports the lighting of the boiler and commencement of steam blowing with respect to the second unit (135 MW) of the 540 MW Wardha Warora project (4X 135 MW). It is anticipated that the next three to four weeks would witness synchronization with the Grid and commencement of coal based power generation from this unit as well.

The first Unit of 135 MW which commenced power generation during May 2010 has completed the test protocols and planned reliability shutdowns and the unit has since achieved stabilized production.

It is anticipated that the both Unit 3 and Unit 4 would achieve significant completion progress in the next two quarters and commencement of power generation before the end of the year.

The Company has already on 8th June 2010 notified execution of a Supplementary Development Agreement with respect to the grant of a right of first refusal on certain indirect shareholding interests of Lehman Brothers in KSKEV. Pursuant to the above arrangement, the Company has made a deposit payment of \$ 9.3m, which funds were sourced through a one year short term debt facility, with early pre payment options, from Standard Chartered Bank.

To support the debt facility, Sayi Energy Ventur Limited, (the holding company that represents the interest of Directors Mr. S.Kishore and Mr. K.A.Sastry, as well as GE Capital), has pledged 3.8 million ordinary shares in KSK plc, representing 2.72% of the total issued share capital of KSK plc as security for the facility. The Directors, Mr Kishore and Mr Sastry, continue to have an interest in shares of KSK Power Ventur through their interest in K&S Consulting Group, Sayi Power Energy and Sayi Energy Ventur limited which is the beneficial owner of 100,000,000 ordinary shares of KSK Power Ventur plc.

For further information, please contact:

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KSK Energy Ventures Limited**Unaudited Consolidated Financial Results for the period ended June 30, 2010**

(All amounts in Indian Rupees million, except share data and where otherwise stated)

S.No	Particulars	3 months	3 months	Year ended	
		ended 30-Jun-10 Unaudited	ended 30-Jun-09 Unaudited	31-Mar-10 Audited	
1	a	Net sales/Income from operations	2,301.35	1,085.51	4,534.05
	b	Other operating income	127.61	45.42	490.50
		Total income	2,428.96	1,130.93	5,024.55
2		Expenditure			
	a	(Increase)/decrease in stock in trade and work in progress	-	-	-
	b	Consumption of raw materials	523.99	285.35	1,209.00
	c	Purchase of traded goods	-	-	-
	d	Employees cost	56.07	27.98	119.98
	e	Depreciation	203.99	61.26	259.73
	f	Other expenditure	247.13	163.77	636.77
		Total expenditure	1,031.18	538.36	2,225.48
3		Profit from operation before other income, interest and exceptional items (1-2)	1,397.78	592.57	2,799.07
4		Other income	62.49	333.27	635.97
5		Profit before interest and exceptional items (3+4)	1,460.27	925.84	3,435.04
6		Interest	421.18	264.80	1,246.38
7		Profit after interest but before exceptional items (5-6)	1,039.09	661.04	2,188.66
8		Exceptional items	-	-	-
9		Profit from ordinary activities before tax (7+8)	1,039.09	661.04	2,188.66
10		Tax expense	72.96	145.36	275.95
11		Net Profit from ordinary activities after tax (9-10)	966.13	515.68	1,912.71
12		Extraordinary Items	-	-	-
13		Net Profit for the period (11-12)	966.13	515.68	1,912.71
14		Minority interest *	158.11	36.64	161.64
15		Shares of associates	-	-	-
16		Other related items	-	-	-
17		Consolidated Net Profit for the period (13-(14 to 16))	808.02	479.04	1,751.07
18		Face Value (in Rs.)	10.00	10.00	10.00
19		Paid-up equity share capital	3,726.30	3,461.05	3,726.30
20		Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	22,894.08
21		Earnings Per Share (EPS)			
	a	Before extraordinary items for the period, for the year to date and for the previous year/period (non annualized)			
		- Basic	2.17	1.38	4.92
		- Diluted	2.17	1.38	4.92
	b	After extraordinary items for the period, for the year to date and for the previous year/period (non annualized)			
		- Basic	2.17	1.38	4.92
		- Diluted	2.17	1.38	4.92
22		Public shareholding			
		- Number of shares	176,123,868	154,882,709	176,123,868
		- Percentage of shareholding	47.27%	44.75%	47.27%
23	a	Pledged/Encumbered			
		- Number of shares	52,000,000	52,000,000	52,000,000
		- Percentage of shares (as a % of total shareholding of the Promoter and Promoter group)	26.46%	27.19%	26.46%
		- Percentage of shares (as a % of total Share capital of the Company)	13.95%	15.02%	13.95%
	b	Non-encumbered			
		- Number of shares	144,506,586	139,222,031	144,506,586
		- Percentage of shares (as a % of total shareholding of the Promoter and Promoter group)	73.54%	72.81%	73.54%
		- Percentage of shares (as a % of total Share capital of the Company)	38.78%	40.23%	38.78%

* Represents share of shareholders who consume power. However, although the company has classified this amount separately, the consumer shareholding does not carry any economic entitlement to profits and this amount belongs exclusively to KSK.

Segment wise revenue, results and capital employed under clause 41 of the Listing agreement
(All amount in Indian Rupees million, except share data and where otherwise stated)

Particulars	3 months	3 months	Year
	ended 30-Jun-10 Unaudited	ended 30-Jun-09 Unaudited	ended 31-Mar-10 Audited
1. Segment revenue			
(a) Project development	564.05	420.58	2,120.95
(b) Power generation	1,911.01	713.40	2,929.31
(c) Unallocated	-	-	-
Total	2,475.06	1,133.98	5,050.26
Less: Inter segment revenue	46.10	3.05	25.71
Net sales/income from operations	2,428.96	1,130.93	5,024.55
2. Segment results profit before tax and interest			
(a) Project development	486.72	331.15	1,822.22
(b) Power generation	911.06	261.42	976.85
(c) Unallocated	-	-	-
Total	1,397.78	592.57	2,799.07
Less: i) Interest	421.18	264.80	1,246.38
Add : ii) Other un-allocable income net off un-allocable expenditure	62.49	333.27	635.97
Total Profit before tax	1,039.09	661.04	2,188.66
3. Capital employed (Segment assets - Segment liabilities)			
(a) Project development	687.46	704.29	1,774.70
(b) Power generation	78,893.56	46,749.19	73,617.98
(c) Unallocated	5,388.27	14,038.50	6,687.09
Total	84,969.29	61,491.98	82,079.77

All amounts in INR
million

Stand-Alone Information

PARTICULARS	3 months ended		Year ended
	30-Jun-10 Unaudited	30-Jun-09 Unaudited	31-Mar-10 Audited
Turnover	615.93	422.79	2,145.01
Profit before tax	357.36	489.10	1,555.11
Profit after tax	286.61	371.14	1,270.49

Notes:

- The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on August 7, 2010
- The above results for the quarter ended June 30, 2010 have been subjected to "limited review" by the statutory auditors of the company, as per the listing agreement entered in to with the stock exchanges in India.
- The particulars of the proceeds raised from the Public issue and its actual utilisation upto June 30, 2010 for the stated purposes in prospectus are given below:

Funds received up to June 30, 2010

SI No	Particulars	Rs. in Millions
1	Equity Share Capital	346.11
2	Share Premium	7,960.53
3	Interest on Liquid Funds	737.21
	Total	9,043.85

Actual utilisation up to June 30, 2010

SI No	Particulars	Rs. in Millions
1	IPO Expenses (Including service tax)	544.42
2	Investments/Advances - KSK Mahanadi Power Company Limited	8,499.43
	Total	9,043.85

- The segment report of KSK Energy Ventures Limited and its subsidiaries has been prepared in accordance with

the AS 17 "Segment Reporting" issued by the Institute of Chartered Accountant of India and notified by Companies (Accounting Standard) Rules, 2006.

5. The company has no reportable geographical segments referred to in AS 17 "Segment Reporting".

6. There were no investor complaints pending for at the beginning of the quarter. The company has not received any investor complaints during the quarter ended June 30, 2010

7. The Pledge of shares by the Promoter entity i.e, KSK Energy Limited, Mauritius is offered as collateral with respect to the corporate debt facility availed by the Company from a reputed financial institution in India.

8. There are no exceptional /extra-ordinary items during the period ended June 30, 2010.

9. Standalone Financial results of the Company for the period ended June 30, 2010 are available on the Company's website www.ksk.co.in .

10. Figures for the previous period/year have been regrouped and reclassified to confirm to the classification of the current period, wherever necessary.

August 7, 2010

For KSK Energy Ventures Limited

Hyderabad

K.A Sastry Whole time Director

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