



PERFORMANCE REVIEW

For the year ended March 2008



Kolkata, 28th April 2008



■ Performance summary (FY08)

- Generation – 7978 MU
- Sales – 7387 MU
- EBIDTA – Rs. 799 cr.
- Net profit – Rs. 354 cr.

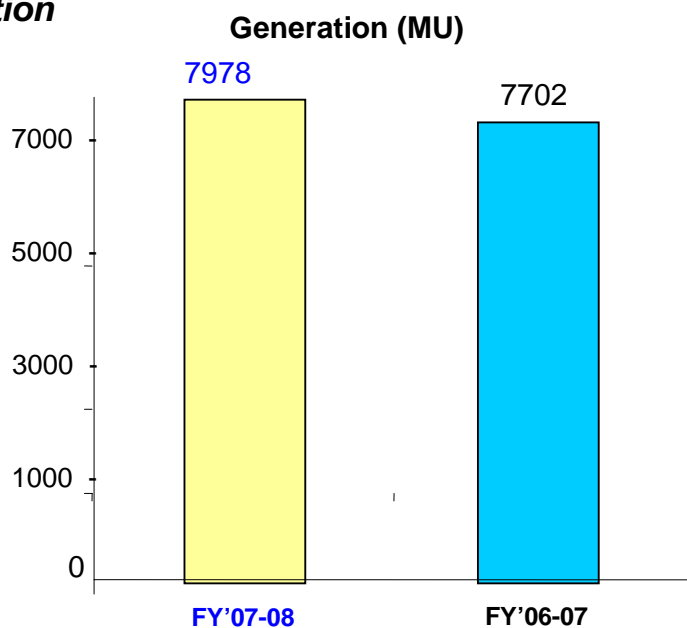
18% REDUCTION IN INTEREST COST

18% INCREASE IN NET PROFIT for the year

Higher Sales and Generation, Lower interest cost and T&D were primarily responsible for increase in profit.

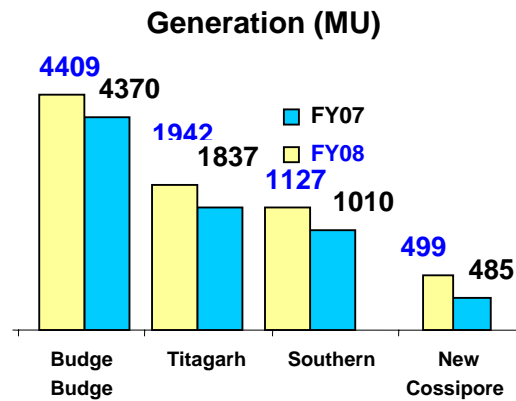
■ Operating highlights

● Generation



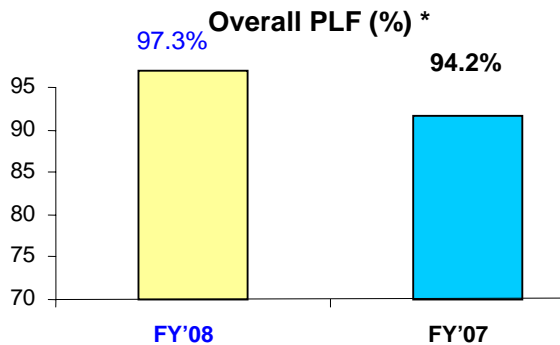
- Plant wise break-up of generation:**

New Cossipore Generating station is only used as a peaking station.



- Plant load factor (PLF)***

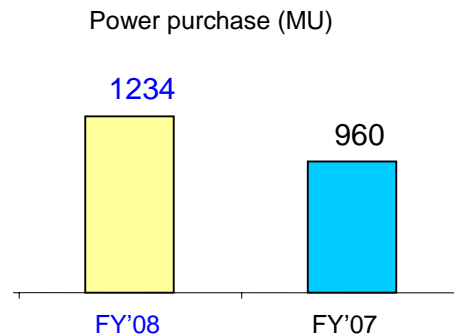
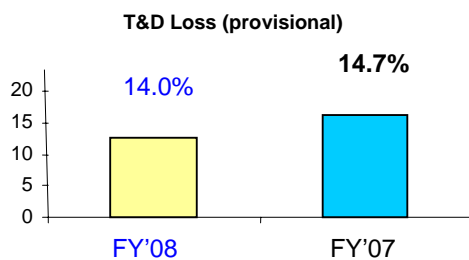
Plant wise PLF is given below:



PLF%	FY08	FY07
Budge Budge	100.4	99.8
Titagarh	92.1	87.4
Southern	95.0	85.4

*Excluding New Cossipore Generating Station

- T&D Loss & Power purchase**



Other highlights

- ***Tariff***

The average tariff for 2007-08 was determined by WBERC at Rs. 3.75/kwh. However the tariff has been provisionally increased by 10 paise/kwh with effect from 1st February' 08 to cover the increase in fuel prices.

- ***Power Export***

The company exported power of 441 MU at higher margin compared to last year.

- ***Future Outlook***

1. Progress on 250 MW third unit at Budge Budge has been satisfactory and loan disbursements for the project are continuing.

2. The Company has acquired land around 70% for Phase I of Hadia Project 600 MW. Coal linkage has since been obtained. The Company is in the process of complying with the terms of reference for getting the final environmental clearance.

3. Joint allocation of coal block (110 MT) obtained in Jharkhand for setting up a 1000 MW merchant power plant. Opportunities are also being explored both in and outside West Bengal for merchant power plants.

4. The property company, a 100% subsidiary is gearing up its activities. Work on development of the Shopping Mall is in progress. New locations in and out of Kolkata are also being identified for development.



Cautionary statement

Statement in this “ Performance Review ” describing the company’s objectives, projections, estimates, expectations or predictions may be “ forward looking statements” within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company’s operations include demand supply conditions, finished goods prices, availability and prices of raw materials, changes in the government regulations, tax regimes, economic development within India and the countries within which the company conducts business and other factors such as litigations and labour negotiations.