

# SINGH RAY MISHRA & CO.

## CHARTERED ACCOUNTANTS

H.O.: Premise No.4(P) & 5(P), 3<sup>rd</sup> Floor, BMC Panchadeep Complex, Bhouma Nagar, Unit- IV  
Market, Bhubaneswar-751001, Odisha

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## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO  
THE BOARD OF DIRECTORS OF  
ODISHA POWER GENERATION CORPORATION LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of ODISHA POWER GENERATION CORPORATION LIMITED (the "Company"), for the nine months ended 31<sup>st</sup> Dec, 2022 (the "Statement"), being submitted by the Company.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India(ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Bhubaneswar

Date: 01.03.2023

For M/S SINGH RAY MISHRA & CO  
CHARTERED ACCOUNTANTS  
(FRN:318121E)



CA J.K.MISHRA  
(Partner)

M.No:052796



UDIN: 23052796BGWWRH5605

Odisha Power Generation Corporation Limited  
Unaudited Consolidated Balance Sheet as at December 31, 2022

(Rupees in Lakh)

Particulars	Note No.	Nine months ended	Six months ended	Year ended
		As at Dec 31, 2022 (Unaudited)	As at Sep 30, 2022 (Unaudited)	As at March 31, 2022 (Audited)
<b>ASSETS</b>				
<b>1 Non-current assets</b>				
a. Property, Plant and Equipment	3	9,46,441.22	9,48,566.23	9,56,370.03
b. Capital work-in-progress - Tangible	4	25,653.20	26,235.46	30,091.57
c. Other Intangible assets	5	661.05	532.96	606.89
d. Intangible assets under development	6	-	-	-
e. Financial Assets				
(i)* Investments	7	59,655.70	61,122.61	29,161.86
(ii) Loans	8	118.79	136.15	161.23
(iii) Others	8	6,268.24	5,350.78	2,501.34
(iii) Trade receivables	11	-	-	-
f. Deferred tax assets (Net)	22	1,501.07	7,648.96	13,318.20
g. Other non-current assets	9	26,189.00	26,528.92	26,536.99
<b>Total non-current assets</b>		<b>10,66,488.28</b>	<b>10,76,122.07</b>	<b>10,58,748.11</b>
<b>2 Current assets</b>				
a. Inventories	10	22,378.50	20,929.51	21,210.21
b. Financial Assets				
(i) Trade receivables	11	62,463.57	60,534.29	57,038.34
(ii) Cash and cash equivalents	12	611.20	470.64	292.77
(iii) Bank Balances other than (ii) above	12	23,654.45	17,702.55	22,015.49
(iv) Loans	13	318.64	354.44	265.85
(v) Others	14	1,548.35	1,491.44	965.25
c. Current Tax Assets (Net)	15	1,894.15	2,151.92	2,059.79
d. Other current assets	16	7,687.60	10,833.95	3,864.29
<b>Total Current Assets</b>		<b>1,20,556.46</b>	<b>1,14,468.74</b>	<b>1,07,711.99</b>
<b>TOTAL ASSETS</b>		<b>11,87,044.73</b>	<b>11,90,590.81</b>	<b>11,66,460.11</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
a. Equity Share capital	17	2,02,949.74	2,02,949.74	2,02,949.74
b. Other Equity	18	1,56,846.70	1,42,009.81	93,668.13
<b>Total equity</b>		<b>3,59,796.44</b>	<b>3,44,959.55</b>	<b>2,96,617.87</b>
<b>LIABILITIES</b>				
<b>1 Non-current liabilities</b>				
a. Financial Liabilities				
(i) Trade Payables				
- Total Outstanding dues of micro and small enterprises		-	-	-
- Total Outstanding dues of creditors other than micro and small enterprises		-	-	-
(ii) Borrowings	19	6,25,447.54	6,32,763.70	6,51,799.86
(iii) Other financial liabilities	20	291.44	291.44	291.44
b. Provisions	21	7,116.19	7,116.21	7,116.19
c. Deferred tax liabilities (Net)	22	-	-	-
<b>Total non-current Liabilities</b>		<b>6,32,855.17</b>	<b>6,40,171.35</b>	<b>6,59,207.49</b>
<b>2 Current liabilities</b>				
a. Financial Liabilities				
(i) Trade Payables				
- Total Outstanding dues of micro and small enterprises	23	-	-	310.36
- Total Outstanding dues of creditors other than micro and small enterprises	23	21,530.73	19,893.04	16,083.87
(ii) Borrowings	24	1,30,425.53	1,41,703.58	1,49,219.03
(iii) Other financial liabilities	25	32,615.44	31,575.49	34,576.55
b. Other current liabilities	26	8,087.05	10,732.98	8,130.02
c. Provisions	27	1,734.37	1,554.83	2,314.92
d. Current Tax Liabilities (Net)	15	-	-	-
<b>Total Current Liabilities</b>		<b>1,94,393.12</b>	<b>2,05,459.91</b>	<b>2,10,634.75</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,87,044.73</b>	<b>11,90,590.81</b>	<b>11,66,460.11</b>

Notes forming part of the Financial Statements

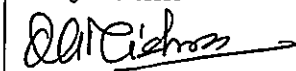
1-42

In terms of our report attached.

For Singh Ray Mishra & Co

Chartered Accountants

Firm Reg No: 318121E



(CA J. K. Mishra)

Partner

Membership No 052796

Place - Bhubaneswar

Date: 1/3/23

For and on behalf of the Board



(Ajit Kumar Panda)

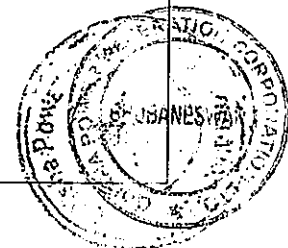
Chief Financial Officer



(P. K. Mohapatra)

Managing Director

DIN: 07800722



UDIN - 23052796BQWWRH 560

Odisha Power Generation Corporation Limited

Unaudited Consolidated Statement of Profit and Loss for the nine months ended December 31, 2022

(Rupees in Lakh)

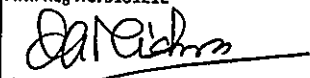
	Particulars	Note No.	Quarter ended	Six months ended	Nine months ended	Year ended
			June 30, 2022	Sep 30, 2022	Dec 31, 2022	March 31, 2022
			(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from Operations	28	83,874.67	1,76,167.18	2,74,869.71	2,85,213.20
II	Other Income	29	965.34	1,426.07	4,442.25	1,465.48
III	Total Income (I + II)		84,840.01	1,77,593.25	2,79,311.96	2,86,678.68
IV	Expenses					
	a. Cost of materials consumed	30	40,424.38	84,025.82	1,31,877.65	1,56,441.89
	b. Employee benefit expenses	31	2,006.83	5,428.27	8,108.53	10,117.11
	c. Finance costs	32	16,957.52	33,928.11	50,141.42	73,356.01
	d. Depreciation and amortization expenses	33	7,531.20	15,062.34	22,687.36	30,196.56
	f. Other expenses	35	7,461.86	17,098.54	25,753.89	29,987.39
	Total expenses (IV)		74,381.78	1,55,543.08	2,38,568.85	3,00,098.96
V	Profit/(loss) before share of profit/(loss) of an associate / a joint venture and exceptional items (III - IV)		10,458.23	22,050.17	40,743.11	-13,420.28
VI	Share of Profit/(loss) of an associates					
VII	Share of Profit/(loss) of a joint venture		17,846.74	31,960.75	30,493.85	7,438.41
V	Profit/(loss) before exceptional items and tax (V - VI - VII)		28,304.97	54,010.92	71,236.96	(5,981.87)
IX	Exceptional Items		-	-	-	-
X	Profit/(loss) before tax (VIII-IX)		28,304.97	54,010.92	71,236.96	(5,981.87)
XI	Tax Expenses:					
	(i) Current tax		-	-	-	-
	(ii) Tax of earlier years		-	-	41.26	-
	(iii) Deferred tax		4,432.41	5,669.50	11,817.13	(3,137.19)
	Total tax expenses		4,432.41	5,669.50	11,858.39	(3,137.19)
XII	Profit/ (Loss) for the Period (X - XI)		23,872.57	48,341.42	59,378.57	(2,844.68)
XIII	Other Comprehensive Income / (Expenses)					
	(i) Items that will not be reclassified to profit and loss					
	Remeasurements of the defined benefit plans		-	-	-	(338.36)
	(ii) Income tax relating to items that will not be reclassified to profit and loss		-	-	-	85.17
	(i) Items that will be reclassified to profit and loss		-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit and loss		-	-	-	-
	Total Comprehensive Income / (Expenses) for the Period		-	-	-	(253.19)
	Total Comprehensive Income / (Expenses) for the Year (IX+X)		23,872.57	48,341.42	59,378.57	(3,097.88)
XI	(IX+X) (Comprising Loss and Other Comprehensive Income for the Period)		23,872.57	48,341.42	59,378.57	(3,097.88)
XII	Equity shares of par value of Rs. 1000 /- each					
XII	Earnings per Equity Share:- Basic and diluted (Rs)	37	117.63	238.20	292.58	(56.42)
XIII	Notes forming part of the Financial Statements	1-42				

In terms of our report attached.

For Singh Ray Mishra & Co  
Chartered Accountants

Firm Reg No: 318121E

For and on behalf of the Board



(CA J. K. Mishra)

Partner

Membership No. 052796

Place : Bhubaneswar

Date : 1/3/23 .



(Ajit Kumar Parida)

Chief Financial Officer



(P. K. Mohapatra)

Managing Director

DIN: 07800722

UDIN - 23052796 BQWWRH5605.



Odisha Power Generation Corporation Limited  
Unaudited consolidated Statement of Cash Flow for the nine months ended Dec 31, 2022

(Rupees in Lakh)

Particulars		Nine months ended Dec 31, 2022	Year Ended March 31, 2022
<b>A</b>	<b>Cash flows from operating activities:</b>		
	Profit before taxes	71,236.96	(13,420.26)
	<b>Adjustments for:</b>		
	Depreciation and amortization expenses	22,687.36	30,196.56
	Provision for impairment	-	-
	(Profit)/loss on sale of Fixed Assets	-	6.70
	Trade Receivable written off	-	-
	Foreign currency fluctuation gain/(loss)	0.18	1.18
	Gain/(Loss) on Physical Inventory-spares	-	4.56
	Gain/(loss) on Physical Inventory-ACB Coal	(1.43)	54.11
	Interest and finance charges	50,123.09	73,333.64
	Interest Income from investment & deposits	(949.11)	(512.43)
	CSR expenditure	69.10	95.54
	<b>Operating profit before working capital changes</b>	<b>1,43,166.15</b>	<b>89,759.59</b>
	<b>Adjustments for:</b>		
	Trade receivable	(5,425.23)	(11,743.49)
	Inventory	(1,168.29)	(2,151.55)
	Other financial and non financial assets	(4,191.35)	2,952.29
	Trade and other payables	5,136.50	4,172.13
	Other financial and non financial liabilities	(3,057.03)	6,864.11
	<b>Cash generated from operations</b>	<b>1,34,460.74</b>	<b>89,853.08</b>
	Taxes Paid	124.38	(270.31)
	CSR expenditure	(69.10)	(95.54)
	<b>Net cash flow from operating activities</b>	<b>1,34,516.02</b>	<b>89,487.23</b>
<b>B</b>	<b>Cash flows from Investing Activities:</b>		
	Payments for purchase of fixed assets	(14,034.00)	(34,972.31)
	Interest received	4,042.04	392.26
	Payment for FD	(1,638.95)	(11,043.57)
	Payment for Investment	-	(2,037.45)
	<b>Net cash used in investing activities</b>	<b>(11,630.92)</b>	<b>(47,661.07)</b>
<b>C</b>	<b>Cash flows from Financing Activities:</b>		
	Issue of shares	-	20,700.00
	Dividends paid on redeemable cumulative preference shares	-	-
	Dividends paid to owners of the Company	-	-
	Proceeds from borrowings	(45,145.82)	12,358.78
	Interest paid	(46,927.06)	(74,667.01)
	Repayment of other financial liabilities	-	-
	<b>Net cash flows from financing activities</b>	<b>(92,072.89)</b>	<b>(41,608.23)</b>
	<b>Net Increase/(decrease) in cash or cash equivalents</b>	<b>318.37</b>	<b>217.93</b>
	<b>Cash and cash equivalents at the beginning of the Year</b>	<b>292.77</b>	<b>74.84</b>
	<b>Cash and cash equivalents at the end of the quarter</b>	<b>611.13</b>	<b>292.76</b>

Notes forming part of the Financial Statements

Note No. 1-42


- (i) Cash and cash equivalents consist of cheques, drafts, stamps in hand, balances with banks and deposits with original maturity of upto three months.
- (ii) Reconciliation of cash and cash equivalents is shown at Note 12
- (iii) Figures in brackets are cash outflows / incomes as the case may be.

In terms of our report attached.

For Singh Ray Mishra & Co

Chartered Accountants

Firm Reg No: 318121E

  
(CA J. K. Mishra)


Partner

Membership No. 052796

Place : Bhubaneswar

Date : 1/3/23

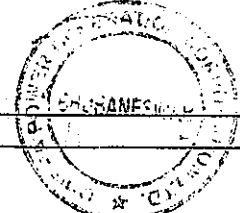
For and on behalf of the Board

  
(P. K. Mohapatra)

Managing Director

DIN: 07800722

UDIN - 23052796BQWWRH5605



**Odisha Power Generation Corporation Limited**

**Unaudited Consolidated Statement of Changes in Equity for nine months ended Dec 31, 2022**

**A. Equity Share Capital**

For quarter ended Dec 31, 2022

(Rupees in Lakh)				
Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the Period	Balance as at Dec 31, 2022
2,02,949.74	-	-		2,02,949.74

For the Year Ended March 31, 2022

(Rupees in Lakh)				
Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the Period	Balance as at March 31, 2022
1,82,249.74			20,700.00	2,02,949.74

**B. Other Equity**

For quarter ended Dec 31, 2022

Particulars	Share application money pending allotment	Reserves and Surplus		
		Security Premium	General Reserve	
Balance as at April 1, 2022		5,888.43	8,960.23	78,819.47
Profit/(loss) for the Period				59,378.57
Other Comprehensive Income/(expenses) for the Total Comprehensive Income/(Expenses)				
Dividend paid (including tax on dividend)				-
Transfer to General Reserve	3,800.00		-	-
Share application money received during the period	3,800.00			
<b>Balance as at Dec 31, 2022</b>		<b>5,888.43</b>	<b>8,960.23</b>	<b>1,38,198.04</b>



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For the Year Ended March 31, 2022

Particulars	Share application money pending allotment	(Rupees in Lakh)		
		Security Premium	Reserves and Surplus General Reserve	Retained earnings
Balance as at April 1, 2021				81,917.34
Profit/(loss) for the Year		5,888.43	8,960.23	(10,283.07)
Other Comprehensive Income/(expenses) for the Year				(253.19)
Total Comprehensive Income/(Expenses)				(10,536.27)
Dividend paid (including tax on dividend)				-
Transfer to General Reserve				-
Balance as at March 31, 2022		5,888.43	8,960.23	71,381.07
Notes forming part of the Financial Statements				
Note No. 1-42				

In terms of our report attached.

For Singh Ray Mishra & Co

Chartered Accountants

Firm Reg No: 318121E

*(Signature)*

(CA J. K. Mishra)

Partner

Membership No. 052796

Place : Bhubaneswar

Date : 1/3/2022

DIN - 23052796 BGRWRH 5605.

For and on behalf of the Board

*(Signature)*

(Ajit Kumar Panda)

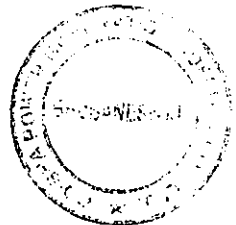
Chief Financial Officer

*(Signature)*

(P. K. Mohapatra)

Managing Director

DIN: 07800722



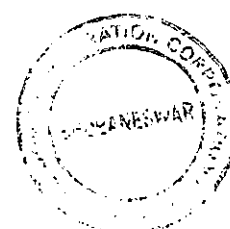
## Notes to Financial Statements

1. **General Corporate Information:** Odisha Power Generation Corporation Limited ("the Group") with its registered office at Bhubaneswar, Odisha, India. The Group primarily generates and makes bulk supply of power by establishing, operating & maintaining power generating stations. The Group's Accounting Policy to form part of the financial statements for the Period ended Dec 31, 2022 is in line with Accounting Policy approved by the Board of Directors for the year 2021-22.
  2. **Significant Accounting Policies:** The significant accounting policies applied by the Group in preparation of its consolidated financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements and preparing the opening Ind AS financial statement as at April 1, 2015 for purpose of transitions to Ind AS, unless otherwise indicated.
- 2.1. **Basis of preparation**
- (i) **Compliance with Ind AS and Schedule III of the Companies Act, 2013:** The consolidated financial statements of the Group is prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with section 133 of Companies Act, 2013 and presentation requirements of Schedule III to the Companies Act, 2013 (as amended).
  - (ii) **Basis of Measurement:** The consolidated financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date
  - (iii) **Functional and presentation currency:** The functional and presentation currency of the Group is Indian Rupee ("INR") which is the currency of the primary economic environment in which the Group operates. Figures are taken from the source and rounded to the nearest lakhs (up to two decimals), except when indicated otherwise.
  - (iv) **Classification of Current / Non-Current Assets and liabilities:** All assets and liabilities have been classified as current or non-current as per Group's operating cycle and other criteria set out in Schedule-III of the Companies Act 2013. Based on the nature of business, the Group has ascertained its operating cycle as 12 months for the purpose of current or noncurrent classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current on net basis.
- 2.2. **Changes in accounting policies and disclosures:** The accounting policies adopted in the preparation of the consolidated Financial Statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st March 2022, except for the adoption of new standard effective as of 1st April, 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Recent pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

- (i) **Ind AS 16 – Property Plant and equipment- Proceeds before intended use:** The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any,



shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Group does not expect the amendment to have any significant impact in its financial statements.

- (ii) **Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract:** The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.
- (iii) **Ind AS 103 – Business Combinations-Reference to Conceptual Framework:** The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.
- (iv) **Ind AS 106 – Exploration for and Evaluation of Mineral Resources-Annual Improvements to Ind AS (2021):** The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.
- (v) **Ind AS 109 – Financial Instruments-Annual Improvements to Ind AS (2021):** The amendment clarifies the treatment of any cost or fees incurred by an entity in the process of derecognition of financial liability in case of repurchase of the debt instrument by the issuer. The Group does not expect the amendment to have any significant impact in its financial statements.

2.3. **Use of estimates and critical accounting judgments:** The consolidated financial statements have been prepared based on estimates and assumptions in conformity with the recognition and measurement principles of Ind AS. In preparation of financial statements, the Group makes judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on historical experience and other factors considered reasonable and prudent in the circumstances. They are formulated when the carrying amount of assets and liabilities is not easily determined from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and any future periods affected. Significant judgements and estimates relating to the carrying amount of assets and liabilities, while evaluating / assessing useful lives of property, plant and equipment, impairment of property, plant and equipment, impairment of investments, provision for employee benefits and





other provisions, recoverability of deferred tax assets, commitments and contingencies is considered. Key sources of estimation of uncertainty at the reporting date, which may cause a material adjustment to the carrying amounts of assets and liabilities for future years are provided in at para 2.22.

- 2.4. **Cash and cash equivalent:** Cash and cash equivalents in the balance sheet comprises of cash at banks, cash in hand and short-term deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value, unrestricted for withdrawal and usage.
- 2.5. **Cash Flow Statement:** Cash flow is reported using the indirect method, where by profit / (loss) before extra-ordinary items and tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. For the purposes of the Cash Flow Statement, cash and cash equivalents as defined above is the net of outstanding bank overdrafts. In the balance sheet, the bank overdrafts are shown under borrowings in current liabilities.
- 2.6. **Basis of consolidation:** The consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Group i.e. its subsidiaries. It also includes the Group's share of profits, net assets and retained post acquisition reserves of joint arrangements and associates that are consolidated using the equity or proportionate method of consolidation, as applicable.

Control is achieved when the Group is exposed to, or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity.

The results of subsidiaries, joint arrangements and associates acquired or disposed of during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Wherever necessary, adjustments are made to the financial statements of subsidiaries, joint arrangements and associates to bring their accounting policies in line with those used by other members of the Group., less any impairment in net recoverable value that has been recognised in profit or loss.

#### **Interest in joint arrangements**

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake an economic activity where the strategic financial and operating policy decisions relating to the activities of the joint arrangement require the unanimous consent of the parties sharing control.

Where Group entity undertakes its activities under joint arrangements directly, the Group's share of jointly controlled assets and any liabilities incurred jointly with other parties are recognized in its financial statements and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on the accrual basis. Income from the sale or use of the Group's share of the output of jointly controlled assets, and its share of joint arrangements expenses, are recognized when it is probable that the economic benefits associated with the transactions will flow to the Group and their amount can be measured reliably.

#### **2.7. Property, Plant and Equipment and Intangible Assets (Other than goodwill)**

##### **2.7.1. Tangible Assets:**

- (i) Property, plant and equipment (PPE) held for use in the production or/ and supply of goods or services, or for administrative purposes, are measured at cost, less any subsequent accumulated depreciation and impairment loss, if any. Such cost comprises purchase price



(net of recoverable taxes, trade discount and rebate etc.), borrowing cost, and any cost directly attributable to bringing the assets to its location and condition for intended use.

- (ii) Expenditure incurred on development of freehold land is capitalized as part of the cost of the land. Deposits, payments / liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
- (iii) In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, borrowing costs if any attributable to such construction.
- (iv) Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors and verified & accepted by the Group.
- (v) In the case of assets put to use, where final settlement of bills with contractors are yet to be effected, capitalization is done on provisional basis subject to necessary adjustment, if any, in the year of final settlement.
- (vi) Unsettled liabilities for price variation in case of contracts are accounted for on estimated basis as per terms of the contracts.
- (vii) Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates / assessments.
- (viii) Spare parts having unit value of more than Rs 5 lakh that meets the criteria for recognition as PPE are recognized as PPE. Other spare parts are carried as inventory and recognised in the statement of profit and loss on consumption.

#### 2.7.2. Intangible Assets:

- (i) Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses. Intangible assets having finite useful lives are amortized over their estimated useful lives, whereas intangibles assets having infinite useful lives is not amortized. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

#### 2.7.3. Subsequent expenditure:

- (i) Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.
- (ii) Expenditure on major maintenance or repairs including cost of replacing the parts of assets and overhaul costs where it is probable that future economic benefits associated with the item will be available to the Group, are capitalized and the carrying amount of the item so replaced is derecognized.
- (iii) Similarly, overhaul costs associated with major maintenance are capitalized and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognized.
- (iv) The costs of the day-to-day servicing of PPE is recognized in the statement of profit and loss as incurred.

#### 2.7.4. Decommissioning costs

- (i) The present value of the expected cost for the decommissioning of the asset after its use is



included in the cost of the respective asset if the recognition criteria for a provision are met.

**2.7.5. Capital work-in-progress**

- (i) Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment (if any) under Capital Work-in-progress. The cost includes purchase cost of materials / equipment's duties and nonrefundable taxes, any directly attributable costs and Interest on borrowings used to finance the construction of assets.
- (ii) Capital expenditure on assets not owned by the Group related to generation of electricity business is reflected as a distinct item in capital work-in-progress till the period of completion and ready for the intended use and, thereafter, under Property, plant and equipment. However, similar expenditure for CSR / community development is charged off to revenue.
- (iii) Expenses for assessment of new potential projects incurred till and for the purpose of making investment decision are charged to revenue.
- (iv) Expenses incurred relating to project, net of income earned during project development stage prior to its intended use are considered as expenditure during construction / trial run and disclosed under Capital-Work-In-Progress.

**2.7.6. Depreciation and Amortization:**

- (i) Depreciation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of PPE.
- (ii) Freehold Land is not depreciated.
- (iii) Premium paid on leasehold land including land development and rehabilitation expense are amortized over 30 years by taking its useful life.
- (iv) Capital expenditure on assets laid on land not owned by the Group as mentioned above is amortized over a period of its useful life.
- (v) Depreciation is provided on a straight-line basis over the useful lives of assets, which is in accordance with Schedule II of Companies Act, 2013 or based upon technical estimate made by the Group.
- (vi) Depreciation on the following assets is provided over estimated useful life as ascertained based on internal assessment and independent technical evaluation that the useful lives as best represent the period over which Group expects to use these assets. Hence the useful lives for these assets are different from the useful life as prescribed under part C of Schedule II of the Companies Act 2013:

**Tangible Assets:**

Particulars	Depreciation / amortization
Plant & Equipment (BTG & BOP)	Over a period of 30 years
MGR Track and Railway siding	Over a period of 30 years
Leasehold Land	Over the lease period or 30 years whichever is less. In absence of finalization of lease period, amortization made over a period of 30 years.



Ash Ponds	Over remaining period of useful life, evaluated on the basis of technical estimate made annually which includes the estimates of generation, utilization and increase of capacity in future years.
Porta Cabin	Over a period of five years
Tools and Tackles	Over a period of five years
CMT Colony Buildings	Over a period of 30 Years
<b>Intangible Assets</b>	
Computer software / Licenses	Over a period of legal right to use subject to maximum ten years.

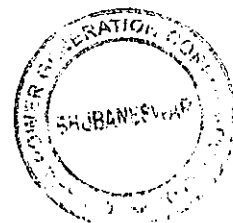
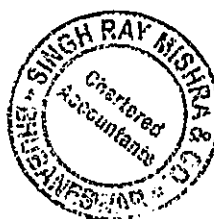
- (vii) The estimated useful lives and residual values are reviewed at each year end, with the effect of any changes in estimate, accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of that item is depreciated separately if its useful life differs from the others components of the asset.
- (viii) PPE including tools and tackles costing up to Rs. 5,000 (Five Thousand Only) are fully depreciated in the year in which it is for put to use.
- (ix) Physical verification of Fixed Assets is undertaken in a phased manner by the management over a period of three years. The discrepancies noticed, if any, are accounted for in the year in which such differences are found

#### 2.7.7. Disposal and derecognition of assets

- (i) An item of PPE and intangible asset is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the proceeds from disposal, if any and the carrying amount of the asset and is recognized in profit or loss

#### 2.8. Impairment of tangible and intangible assets

- (i) At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is reviewed in order to determine the extent of the impairment loss if any.
- (ii) Where an asset does not generate cash flows that are largely independent of those from other assets, the Group estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs. Thermal Power Plant and each Mini Hydel Project are separately considered as cash generating units for determination of impairment of assets.
- (iii) Intangible assets with an indefinite useful life are tested for impairment annually and whenever there is an indication that the assets may be impaired.
- (iv) Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate, that reflects current market assessments of time value of money and the risks specific to the asset for which the estimation of future cash flows have not been adjusted.



- (v) An impairment loss is recognized in the statement of profit and loss as and when the carrying amount of an asset exceeds its recoverable amount.
- (vi) When an impairment loss subsequently reverses, the carrying amount of asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined if there had no impairment loss been recognized for the asset (or a cash generating unit) in prior year.
- (vii) A reversal of an impairment loss is recognized in the statement of profit and loss immediately.

#### 2.9. Foreign Currency Transactions

- (i) Transactions in foreign currencies are initially recorded in reporting currency i.e. Indian Rupees, using the exchange rates prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange prevailing at the end of the reporting period. Non-monetary items are measured at historical cost.
- (ii) Exchange differences arising on monetary items are recognized in the statement of profit and loss in the period in which they arise.

#### 2.10. Provisions, Contingent Liabilities and Contingent Asset

- (i) Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated.
- (ii) The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When appropriate, provisions are measured on a discounted basis, the discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to that liability.
- (iii) Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.
- (iv) Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

##### Onerous contracts

- (i) A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the



expected cost of terminating the contract and the expected net cost of continuing with the contract.

**Restoration, rehabilitation and decommissioning**

- (i) An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing production of power and other manufacturing facilities.
- (ii) If recognized, such costs are discounted to net present value and are provided for and a corresponding amount is capitalized at the start of each project, as soon as the obligation to incur such costs arises. These costs are charged to the statement of profit or loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost estimates are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost estimates or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, changes to lives of operations, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as finance and other cost in the statement of profit or loss.

**Environmental liabilities**

Environment liabilities are recognized when the Group becomes obliged, legally or constructively to rectify environmental damage or perform remediation work.

**Litigation**

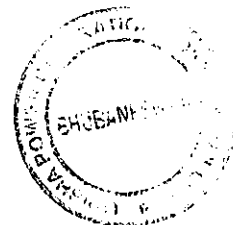
Provision is recognized once it has been established that the Group has a present obligation based on consideration of the information which becomes available up to the date on which the Group's financial statements are finalized.

**2.11. Leases**

- (i) The Group determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Group in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for accordingly.
- (ii) Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**The Group as lessee:**

- a. The Group's lease asset classes primarily consist of leases for land, plant & equipment, buildings and offices. The Group assesses whether a contract contains a lease, at the inception of a contract. Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. For short-term leases, non-lease components and lease of low value assets, the Group recognizes the lease rental payments as an operating expense.



- b. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. An impairment loss is recognized where applicable, when the carrying value of ROU assets of cash generating units exceeds it fair value or value in use, whichever is higher.
- c. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. The lease liabilities are initially measured at the present value of the future lease payments.

**The Group as lessor:**

- a. Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease.
- b. All other leases are classified as operating leases.

The Group has the following policy applicable till 31st March 2019 Ind As -17 "Leases".

A lease is classified as a finance or an operating lease as applicable.

**Operating lease:** Rental income from operating leases is recognized in the statement of profit and loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

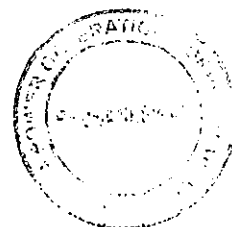
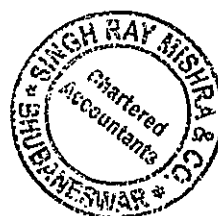
**Finance lease:** When assets are leased out under a finance lease, the present value of the minimum lease payments is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is recognized as an unearned finance income. Lease income is recognized over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

**2.12. Inventories**

- (i) Cost of Inventories includes purchase price, nonrefundable taxes & duties and other directly attributable costs incurred in bringing the same to their present location and condition.
- (ii) Inventories of construction materials, raw materials, stores, chemicals, spare parts and loose tools are valued at lower of cost determined on weighted average basis and net realizable value. Materials in transit and materials pending for inspection are valued at cost.
- (iii) The diminution in the value of unserviceable, obsolete and surplus stores and spares is ascertained on the basis of annual review and provided for in the statement of profit and loss.
- (iv) Transit and handling losses /gain arises on physical verification including carpeting of coal are included in the cost of coal. Carpeting of coal during pre-commissioning period is treated as inventory and charged off to cost in the first year of operation.
- (v) Handling losses including sludge of oil as per Group norms are included in the cost of oil.

**2.13. Trade receivable**

- (i) Trade receivables are amounts due from customers for sale of power in the ordinary course of business.



- (ii) Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115 (or when the entity applies the practical expedient) or pricing adjustments embedded in the contract. Loss allowance for expected life time credit loss is recognized on initial recognition.

#### 2.14. Financial Instruments

Financial assets and liabilities (together Financial Instruments) are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liabilities.

- (i) **Financial assets at amortized cost:** Financial assets are subsequently measured at amortized costs if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (ii) **Financial assets at fair value through other comprehensive income (FVTOCI):** Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual term of the financial assets give rise on specified days to cash flows that are solely payment of principals and the interest on principal amount outstanding.
- (iii) **Financial assets at Fair value through Profit or loss (FVTPL):** Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive item on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit or loss.
- (iv) **Financial liabilities and equity instruments issued by the Group**

##### a. Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method.

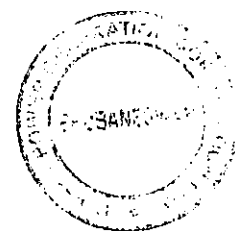
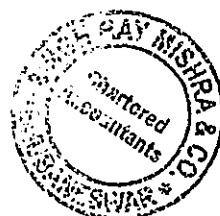
##### b. Other financial liabilities are measured at amortized cost using the effective interest method:

###### Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

###### Compound instruments:

The component parts of compound instruments (convertible instruments) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortized cost





basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently re-measured.

**(v) Financial guarantee contract liabilities:**

Financial guarantee contract liabilities are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with IND AS 37 - Provisions, Contingent Liabilities and Contingent Assets; and
- the amount initially recognized less, where appropriate, cumulative amortization recognized in accordance with the revenue recognition policies.

**(vi) Derecognition of financial assets:**

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

**(vii) Impairment of financial assets:**

At each reporting date, the Group assess whether the credit risk on a financial instrument has increased significantly since initial recognition. If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the statement of profit and loss.

**(viii) Derecognition of financial liability:**

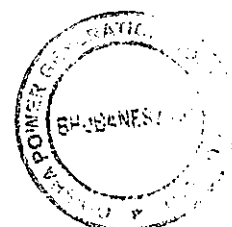
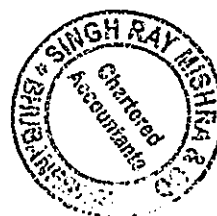
The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

**(ix) Offsetting financial instruments:**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

## 2.15. Borrowing cost

- (i) Borrowing Costs comprise interest expenses, applicable gain / loss on foreign currency borrowings in appropriate cases and other borrowing costs. Interest expense arising from financial liabilities is accounted for under effective interest rate method.
- (ii) Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets is substantially ready for their intended use.
- (iii) A qualifying asset is an asset that necessarily takes a substantial period of time to get ready



for their intended use. The Group considers a period of twelve months or more as a substantial period of time.

- (iv) When the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalised. When Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalisation of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset.
- (v) Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.
- (vi) All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

**2.16. Accounting for Government grants / Grants in Aid** Government grants are recognized when there is reasonable assurance that we will comply with the conditions attaching to them will be complied and that the grants will be received.

- (i) Government grants are recognized in the statement of profit and loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate.
- (ii) Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized in the balance sheet by setting up the grant as deferred income.
- (iii) Other government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.
- (iv) Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support within future related costs are recognized in the statement of profit and loss in the period in which they become receivable.
- (v) Grants related to income are presented under other income in the statement of profit and loss except for grants received in the form of rebate or exemption which are deducted in reporting the related expense.
- (vi) The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

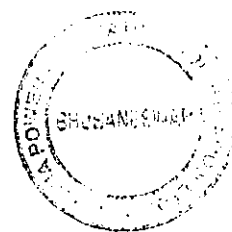
#### **2.17. Employee Benefits**

##### **Short-term employee benefits:**

Liability in respect of short-term employee benefit is recognized at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employee in an accounting period.

##### **Post-employment benefits:**

- (i) **Defined Contribution Plans:** Those plans where the Group pays fixed contributions to a fund managed by independent trust. Contributions are paid in return for services rendered by employees during the year. The Group has no legal or constructive obligations to pay further



contributions if the fund does not hold sufficient assets to pay employee benefits. The Group pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The contributions to the fund for the year are recognized as expense and are charged to the statement of profit and loss. The obligation of the Group is to make such fixed contributions and to ensure a minimum rate of return to the members as specified by the Government of India.

- (ii) **Defined Benefit Plans:** Those post-employment benefit plans other than a defined contribution plan. The gratuity schemes are funded by the Group and are managed by separate trusts. The present values of these defined benefit plans are ascertained by an independent Actuary on each balance sheet date using the Projected Unit Credit Method as per requirement of Ind AS 19 – Employee Benefits. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognized immediately in other comprehensive income. The service cost, net interest on the net defined benefit liability / (asset) is treated as a net expense within employment costs. Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized, whichever is earlier.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

**Long-term employee benefits (unfunded):**

These benefits include liabilities towards leave benefits (including compensated absence which are not expected to occur within twelve months after the end of the period in which the employee renders the related service) and two months last drawn salary to meet travelling expenses payable in case of retirement on superannuation or death. The present value of obligation against long term employee benefits is ascertained on each balance sheet date by an independent actuary using Projected Unit Credit Method as per requirement of Ind AS 19 – Employee Benefits. All actuarial gains and losses and past service cost are recognized in the statement of profit and loss in the period in which they arise.

As per the Group's policy, part of the employees are paid six months last drawn salary as one-time financial benefit toward pension on retirement. The present value of obligation against long term employee benefits is ascertained on each balance sheet date by an independent actuary using Projected Unit Credit Method as per requirement of Ind AS 19 – Employee Benefits. All actuarial gains and losses and past service cost are recognized in the statement of profit and loss in the period in which they arise.

Expenses on leave travel concession, leave salary including pension contribution (employees on deputation) are accounted for on cash basis following materiality concept.

**2.18. Tax Expenses**

- (i) The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.
- (ii) A provision is recognised for those matters for which the tax determination is uncertain but



it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

- (iii) Deferred tax assets and liabilities are recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised for all deductible temporary differences to the extent it is probable that taxable profit will be available against which the deductible temporary differences can be utilized

#### 2.19. Revenue Recognition

- (i) Effective 1 April 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method, applied to the contracts that were not completed as of 1 April 2018 and therefore the comparatives have not been restated and continues to be reported as per Ind AS 18 "Revenue".
- (ii) The Group's operations in India are regulated under the Electricity Act, 2003 and Odisha Electricity Regulatory Commission ("OERC") determines the major part of tariff for the power plants.
- (iii) Revenue from the sale of electrical energy which is regulated based on certain formulae and parameters set out in tariff regulations issued from time to time. Tariff is based on the cost incurred for a specific power plant and primarily comprises two components: capacity charge i.e. a fixed charge, that includes depreciation, cost of capital, return on equity, interest on working capital, operation & maintenance expenses, interest on loan and energy charge i.e. a variable charge primarily based on fuel costs.
- (iv) Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Group recognises revenue when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the products or services is transferred to a customer.
- (v) In the comparative period, revenue from the sale of energy was measured at the fair value of the consideration received or receivable. Revenue was recognised when the significant risks and rewards of ownership had been transferred to the buyer, recovery of the consideration was probable, the associated costs could be estimated reliably, there was no continuing management involvement, and the amount of revenue could be measured reliably.
- (vi) Revenue from sale of energy is accounted for based on tariff rates approved by the OERC (except items indicated as provisional) or as modified by the orders of higher Appellate authority for electricity to the extent applicable and best management estimates wherever needed. Revenue from sale of energy is recognised once the electricity has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. As at each reporting date, revenue from sale of



energy includes an accrual for sales delivered to beneficiaries but not yet billed i.e. unbilled revenue.

- (vii) The incentives/disincentives are accounted for based on the norms notified/approved by the OERC as per principles enunciated in Ind AS 115.
- (viii) Revenue from sale of energy through trading is recognized based on the rates, term & condition mutually agreed with the beneficiaries and/or revenue earned through trading in power exchanges.
- (ix) Delayed Payment Surcharge for late payment/ overdue trade receivables against sale of energy is recognized when there is no significant uncertainty as to measurability or collectability exists.
- (x) Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.
- (xi) Other Income: Rent, Interest / surcharge recoverable on advances to suppliers as well as warranty claims / liquidated damages is recognized when there is no significant uncertainty about collectability exists or accepted by other party.
- (xii) Dividend Income: Dividend income from investments is recognized when the shareholder's rights to receive payment have been established.
- (xiii) Interest Income: Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable. The effective interest rate applicable which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### 2.20. Exceptional items:

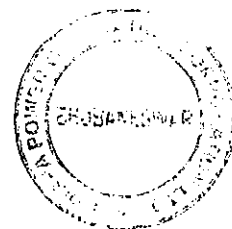
Exceptional items are items of income and expenses within profit or loss from ordinary activities but of such size, nature or incidence whose disclosure is felt necessary for better explanation of the performance of the Group.

#### 2.21. Restatement of material error / omissions

Incomes / expenditure relating to prior period of non-material nature i.e. below Rs.5 lakh is not considered for restatement.

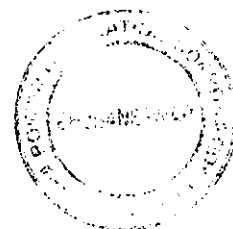
#### 2.22. Critical accounting judgments and key sources of estimation uncertainty

- (i) In the application of the Group's accounting policies, which are described in Note-2 the management of the Group is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.
- (ii) The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.
- (iii) The following are the critical judgments, apart from those involving estimations (see point "b" below), that the management have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the financial statements:



- a. **Financial assets at amortized cost:** The management has reviewed the Group's financial assets at amortized cost in the light of its business model and has confirmed the Group's positive intention and ability to hold these financial assets to collect contractual cash flows.
- b. **Key sources of estimation uncertainty:** The following are the key assumptions concerning the future, and other key sources of estimation of uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:
- i. **Impairment of investments:** The Group reviews the carrying value of investments carried at amortized cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than the carrying amount, the impairment loss is accounted for.
  - ii. **Provisions:** Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.
  - iii. **Contingent liabilities:** Contingent liabilities arising from past events the existence of which would be confirmed only on occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Group or contingent liabilities where there is a present obligation but it is not probable that economic benefits would be required to settle the obligations are disclosed in the financial statements unless the possibility of any outflow in settlement is remote.
  - iv. **Fair value measurements and valuation processes:** For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
    - Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
    - Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
    - Level 3 inputs are inputs that are not based on observable market data (unobservable inputs).

\*\*\*\*\*



	(Rupees in Lakhs)	
	As at Dec 31, 2022	As at March 31, 2022
Carrying amounts of:		
Freehold Land	44.27	44.27
Building	54,920.55	53,588.25
Plant & Equipment	8,18,475.11	8,30,989.03
Furniture & Fixture	820.00	929.23
Vehicles	352.08	416.44
Office Equipment	1,176.28	1,451.47
Road Bridge & Culvert	45,247.11	44,746.54
Water Supply Drainage & Sewerage	558.63	583.24
Power Supply Distribution & Lighting	11,217.08	9,635.41
Heavy Mobile Equipment	11.10	11.10
Right to Use Assets	9,32,822.21	9,42,394.98
Leasehold Land	13,619.01	13,975.05
<b>Total</b>	<b>9,46,441.22</b>	<b>9,56,370.03</b>

(i) Gross Block of Road, Bridge and Culvert includes assets laid on land not belonging to the Company of Rs 642.25 lakh.

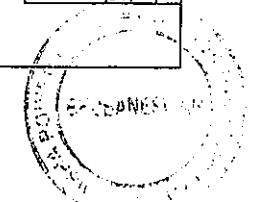
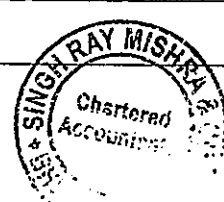
(ii) The Company has not revalued its Property, Plant and Equipment during the reporting period.

(iii) Gross block, Accumulated depreciation and Net block as on Dec 31, 2022 are as follows:

Descriptions	Gross block					Depreciation			Net Block	
	As at 01.04.2022	Addition	Deduction / Adjustment	As at 31.12.2022	As at 01.04.2022	For the year	Deduction/ Written Back	As at 31.12.2022	As at 31.12.2022	As at 31.03.2022
Land	44.27	-	-	44.27	-	-	-	-	44.27	44.27
Leasehold land	16,204.24	41.38	-	16,245.62	2,229.20	397.41	-	2,626.61	13,619.01	13,975.05
Buildings	64,391.72	2,702.64	-	67,094.36	10,803.47	1,370.35	-	12,173.82	54,920.55	53,588.25
Plant & Equipment	10,14,715.38	11,518.03	-	10,26,233.41	1,83,726.35	24,031.95	-	2,07,758.29	8,18,475.11	8,30,989.03
Furniture & Fixtures	1,997.83	4.51	-	2,002.34	1,068.60	113.74	-	1,182.34	820.00	929.23
Vehicles	940.50	-	-	940.50	524.07	64.36	-	588.42	352.08	416.44
Office Equipment	5,943.28	33.12	-	5,976.40	4,491.81	308.30	-	4,800.12	1,176.28	1,451.47
Road Bridge & Culvert	47,612.94	1,702.57	-	49,315.51	2,866.41	1,202.00	-	4,068.41	45,247.11	44,746.54
Water Supply Drainage & Sewerage	1,139.99	-	-	1,139.99	556.75	24.62	-	581.36	558.63	583.24
Power Supply Distribution & Lighting	11,568.09	2,453.36	-	14,021.45	1,932.68	871.69	-	2,804.37	11,217.08	9,635.41
Heavy Mobile Equipment	305.94	-	-	305.94	294.84	-	-	294.84	11.10	11.10
<b>Total</b>	<b>11,64,864.19</b>	<b>18,455.61</b>	<b>-</b>	<b>11,83,319.80</b>	<b>2,08,494.17</b>	<b>28,384.41</b>	<b>-</b>	<b>2,36,878.57</b>	<b>9,46,441.22</b>	<b>9,56,370.02</b>
Previous Year	10,14,728.22	1,53,718.37	(3,582.40)	11,64,864.19	1,73,602.94	34,942.31	(51.08)	2,08,494.17	9,56,370.02	8,41,125.28

(iv) Details of component of assets of operational units 1 & 2, 3 & 4 and MMHP are as follows:

Descriptions	Gross block					Depreciation			Net Block	
	As at 01.04.2022	Addition	Deduction / Adjustment	As at 31.12.2022	As at 01.04.2022	For the year	Deduction/ Written Back	As at 31.12.2022	As at 31.12.2022	As at 31.03.2022
OPGC-1 (2x210 MW), HO and MMHP	1,41,345.29	566.57	-	1,41,911.85	1,19,996.83	1,652.82	-	1,21,649.65	20,266.20	21,352.45
OPGC-2 (2x660 MW)	10,23,514.96	17,889.33	-	10,41,404.29	88,481.06	26,731.29	-	1,15,212.35	9,26,191.94	9,35,033.90
<b>Total</b>	<b>11,64,864.25</b>	<b>18,455.90</b>	<b>-</b>	<b>11,83,320.15</b>	<b>2,08,477.89</b>	<b>28,384.12</b>	<b>-</b>	<b>2,36,862.01</b>	<b>9,46,458.14</b>	<b>9,56,386.36</b>

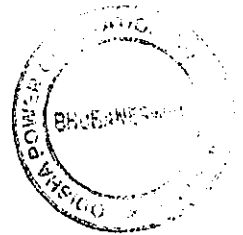


**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

4 Capital work-in-progress - Tangible

(Rupees in Lakh)

Particulars		As at Dec 31, 2022	As at March 31, 2022
A	(i) Tangible Assets		
	For OPGC-1 (2x210 MW)	1,355.99	167.00
	For Mini Micro Hydel Projects	1,314.76	1,314.76
	<i>Less: Accumulated Impairment losses</i>	(1,106.57)	(1,106.57)
	For OPGC-2 (2x660 MW)	843.97	13,574.78
	For OPGC-2 FGD & FGC	23,245.06	16,141.60
	<b>TOTAL</b>	<b>25,653.20</b>	<b>30,091.57</b>





**Odisha Power Generation Corporation Limited**  
Notes forming part of the financial statements

**5 Intangible Assets**

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Carrying amounts of: Software & SAP license	661.05	606.89
<b>Total</b>	<b>661.05</b>	<b>606.89</b>

(i) Gross block, Accumulated depreciation and Net block as on Sep 30, 2022 are as follows:

Descriptions	Gross block				Depreciation			Net Block	
	As at 01.04.2022	Addition	Deduction / Adjustment	As at 31.12.2022	For the year	Deduction/ Written Back	As at 31.12.2022	As at 31.03.2022	
Software	1,476.79	176.29	-	1,653.09	122.13	-	992.03	606.89	
<b>Total</b>	<b>1,476.79</b>	<b>176.29</b>	<b>-</b>	<b>1,653.09</b>	<b>122.13</b>	<b>-</b>	<b>992.03</b>	<b>606.89</b>	

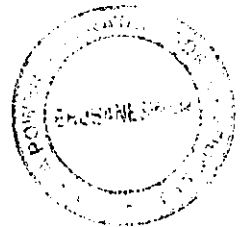
(ii) Details of component of assets of OPGC-1 (2x210 MW) and OPGC-2 (2x660 MW).

Descriptions	Gross block				Depreciation			Net Block	
	As at 01.04.2022	Addition	Deduction / Adjustment	As at 31.12.2022	For the year	Deduction/ Written Back	As at 31.12.2022	As at 31.03.2022	
OPGC-1 (2x210 MW), HO and MMHP	1,428.74	-	-	1,428.74	82.42	-	992.03	542.55	
OPGC-2 (2x660 MW)	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>1,428.74</b>	<b>-</b>	<b>-</b>	<b>1,428.74</b>	<b>82.42</b>	<b>-</b>	<b>992.03</b>	<b>542.55</b>	

Note: Expenses incurred on maintenance of software system payable annually are charged to revenue.

**6 Intangible Assets under development**

Particulars	(Rupees in Lakh)	
	As at 31.12.2022	As at March 31, 2022
Carrying amounts of: Intangible assets under development	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**7 Non-current financial assets- Investments in Subsidiary**

(Rupees in Lakh)

Particulars	As at Dec 31, 2022		As at March 31, 2022	
	No. of shares	Amounts	No. of shares	Amounts
<b>UNQUOTED INVESTMENTS CARRIED AT COST</b>	-	-	-	-
Equity investment in joint ventures (jointly controlled entities)				
Odisha Coal and Power Ltd (Fully paid equity shares of Rs 10/- each)	21,72,34,500	21,723.45	21,72,34,500	29,161.86
Shares pending for allotment		-		
<b>Total</b>		<b>21,723.45</b>		<b>29,161.86</b>

(i) The carrying amount and market value of unquoted investments is as follows:

Particulars	As at Dec 31, 2022	As at March 31, 2022
Aggregate carrying amount of unquoted investments #	59,655.70	29,161.86
<b>Total carrying amount</b>	<b>59,655.70</b>	<b>29,161.86</b>

# Investments have been valued as per accounting policy no. 2.6 and cost represents the best estimate of fair value within that range.

(ii) OCPL has issued Fully Paid Equity shares of 91,13,700 and 1,12,60,800 on dated 26th April 2021 and on 2nd Feb 2022 respectively towards investments made in the previous year by the reporting entity.

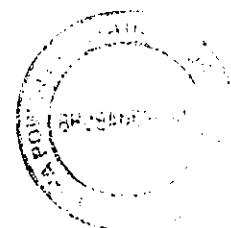
(iv) Details of % of holding and place of business :-

Particulars	As at Dec 31, 2022	As at March 31, 2022
% of Holding	51%	51%
Place of Business	Manoharpur and Dip-side of Manoharpur	Manoharpur and Dip-side of Manoharpur

(v) Odisha Coal and Power Ltd. (OCPL) was incorporated under the Companies Act, 2013 as a wholly owned subsidiary company of OPGC on 20th January 2015. Subsequently, based on the Government of Odisha notification No.1578 dated 21st February 2015, Odisha Hydro Power Corporation Ltd (OHPC) acquired 49% equity shares in OCPL from the reporting company. Shareholder's Agreement among reporting company, OHPC and OCPL is signed on 21st April 2016.

(vi) Pursuant to share sale and purchase agreement dated 26.12.2022 executed between OPGC Ltd, OHPC Ltd, OCPL Ltd and Government of Odisha shares held by OHPC Ltd aggregating to 49% of the paid up share capital of the Company have been transferred to Government of Odisha. The same has also been ratified by Board of Directors in their 231st meeting held on 30.12.2022 and by Government of Odisha Energy Department letter No 12834/ EN, dated 30.12.2022.

(vii) Equity Instrument consist of 217,234,500 numbers of Shares of Face Value per Share Rs.10 each fully paid up (Previous Year 217,234,500 numbers of Shares of Face Value per Share Rs.10 each fully paid up).



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**8 Non Current financial assets- Loans**

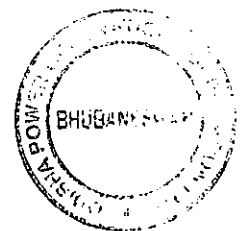
Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
a) Loans to employees		
- Secured, considered good	62.57	85.03
- Unsecured, considered good	56.22	76.20
- Doubtful	-	-
Less : Allowance for credit Loss	-	-
<b>Total</b>	<b>118.79</b>	<b>161.23</b>

- (i) Loan to employees Includes Rs. 207.93 Lakh (Previous Year : Rs.232.79 Lakh) on account of Vehicle loan, Computer Loan and Educational Loan which carries simple rate of interest varying between 6% to 8% per annum.  
 Secured loan represents vehicle loan of Rs 112.28 Lakh (Previous Year : Rs. Rs 123.07 Lakh), which has been hypothecated in the favor of the company.
- (ii) There is no outstanding loans from directors or other officers of the Company.

**8 Non Current financial assets- Others**

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
a) Bank deposits with more than 12 months maturity		
(i) Fixed deposits with banks		-
(ii) Earmarked Balances with Bank towards Fixed Deposits with bank pledged as security or margin money*	1,158.49	930.05
b) Security Deposits	1,571.30	1,571.29
c) Refinancing Adjustment Account	3,538.45	-
<b>Total</b>	<b>6,268.24</b>	<b>2,501.34</b>

- (ii) Refinancing Adjustment Account represents unamortised amount of pre-payment charges paid to REC Ltd. and syndication fees paid to SBI Capital Markets Ltd. Rs.3,540.00 Lakh for availing fresh term loan from Indian Bank Rs.1,00,000 Lakh by takeover of existing term loan of REC Ltd.



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**9 Other non-current assets**

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
<b>Capital Advances</b>		
Capital Advance	26,149.11	26,497.10
Advances related to Indirect Taxes	39.89	39.89
<b>Total</b>	<b>26,189.00</b>	<b>26,536.99</b>

**Notes:**

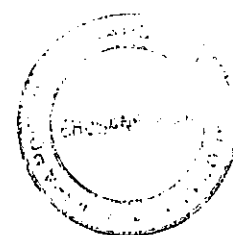
- (i) Capital Advance includes advances given to contractors and service providers for execution of work related to Unit 3 & 4 balance work and FGD & FGC work of Unit 3&4 (2 X 660 MW).

**10 Inventories (At lower of cost or Net Realisable value)**

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
<b>a. Raw Materials*</b>		
Cost	9,157.01	9,332.70
Less: Provision	-	-
<b>b. Components, Chemicals, Stores &amp; Spares*</b>		
Cost	13,027.85	11,178.14
Less: Provision	95.50	95.50
<b>c. Tools &amp; Tackles</b>		
Cost	47.09	27.95
Less: Provision		
<b>d. Stock in Transit</b>		
Cost	84.63	586.00
Less: Provision	-	-
<b>d. Stock pending inspection</b>		
Cost	157.42	180.92
Less: Provision	-	-
<b>Total Inventories</b>	<b>22,378.50</b>	<b>21,210.21</b>

\* Inventories have been valued as per significant accounting policy Note no. 2.12.

\*\* Inventories barring coal and oil have been physically verifies by third party and shoartage/ excess haven been accounted for based on management approval.



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**11 Current financial assets- Trade Receivables**

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Trade receivables		
(i) (a) Secured, considered good	-	-
(b) Unsecured, considered good	62,463.57	57,038.34
(c) Significant increase in Credit Risk	-	-
(d) Credit Impaired	-	-
(ii) Allowance for doubtful debts		
<b>Total</b>	<b>62,463.57</b>	<b>57,038.34</b>

- (i) Trade receivable realisable within 12 months from the balance sheet date is classified as current and where, such receivable is expected to be realised beyond twelve months, the same is classified as non-current along with the provision made for the same.
- (iii) There is no outstanding loans due from Directors or other Officers of the Company.

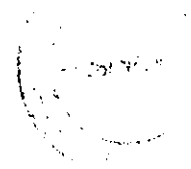
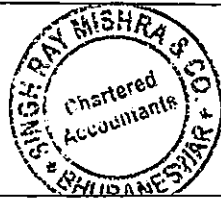


**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**12 Current financial assets- Cash and Bank Balances**

		(Rupees in Lakh)	
Particulars		As at Dec 31, 2022	As at March 31, 2022
a.	Balances with banks		
	Unrestricted Balance with banks		
	(i) In Current Account	607.87	291.40
	Cheques , drafts on hand	-	-
b.	Cash in hand	3.33	1.37
c.	Term Deposit with original maturity up to three months	0	-
	<b>Total</b>	<b>611.20</b>	<b>292.77</b>
d.	Deposits with original maturity of more than three months but not more than twelve months	19,980.73	18,272.15
e.	Earmarked Balances with Bank towards		
	Deposits with banks held as security against guarantee*	3,672.88	3,672.88
	Fixed Deposits with bank pledged as security or margin money**	0.84	70.47
	<b>Total</b>	<b>23,654.45</b>	<b>22,015.49</b>
	<b>Total Cash and Bank Balances</b>	<b>24,265.65</b>	<b>22,308.26</b>

(i) The cash and bank balances are denominated and held in Indian Rupees.



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**13 Current financial assets-Current Loans**

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
a. Loans to employees		
- Secured, considered good	38.04	38.04
- Unsecured, considered good	280.21	227.42
- Doubtful	-	-
Less : Allowance for credit Loss	-	-
b. Security Deposits	0.39	0.39
<b>TOTAL</b>	<b>318.64</b>	<b>265.85</b>

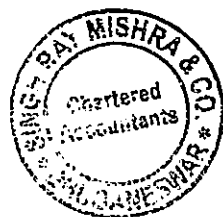
- (i) There is no outstanding loans due from directors or other officers of the Company.  
(ii) For details of loan to employees, please refer Note-8.

**14 Current Financial Asset- Other**

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Advances to others		
Interest accrued on loans and deposits	694.33	248.81
Other Receivables	850.69	583.96
Less: provision for Receivable	(8.35)	(8.35)
Receivable from related parties	11.68	140.83
<b>Total</b>	<b>1,548.35</b>	<b>965.25</b>

Receivable from related parties includes receivables from OCPL as follows;

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Land Advance		
Contract Payment		
Receivable against Statutory Dues (employees)	11.68	127.70
Other Admin Expenses		13.12
Interest on temporary loan		
<b>Total</b>	<b>11.68</b>	<b>140.82</b>



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**15 Current tax assets and liabilities**

(Rupees in Lakh)

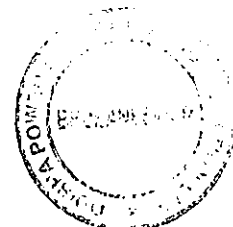
Particulars	As at Dec 31, 2022	As at March 31, 2022
<b>Current tax assets</b>		
Tax refund receivables/Advance Tax	63,814.16	63,938.54
Advance Tax and TDS for the year	260.53	260.53
<b>Total</b>	<b>64,074.69</b>	<b>64,199.07</b>
<b>Current tax liabilities</b>		
Income Tax payable	62,180.54	62,139.28
Provision for taxation for the year	-	-
<b>Total</b>	<b>62,180.54</b>	<b>62,139.28</b>
<b>Current Tax Assets (Net)</b>	<b>1,894.15</b>	<b>2,059.79</b>
<b>Current Tax Liabilities (Net)</b>	<b>-</b>	<b>-</b>

**16 Other current assets**

(Rupees in Lakh)

Particulars	As at Dec 31, 2022	As at March 31, 2022
<b>Other assets</b>		
Other assets	1,851.96	1,292.66
Advances to suppliers	5,835.64	2,571.64
Less: Allowance for doubtful	-	-
<b>Total</b>	<b>7,687.60</b>	<b>3,864.30</b>

- (i) Other assets include payment made for various insurance coverage and annual maintenance contracts etc.
- (ii) Advances to suppliers represents operational supplier which are expected to payable within one year from the balance sheet date. These are unsecured and considered good.





**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**17 Equity Share Capital**

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Equity Share Capital	2,02,949.74	2,02,949.74
<b>Total</b>	<b>2,02,949.74</b>	<b>2,02,949.74</b>
Authorised Share Capital		
300,00,000 nos. of equity shares of Rs 1000/- each	3,00,000.00	3,00,000.00
Issued and Subscribed capital comprises :		
2,02,94,974 nos. of equity shares (Previous Year: 2,02,94,974 nos. of equity shares of Rs 1000/- each)	2,02,949.74	2,02,949.74
<b>Total</b>	<b>2,02,949.74</b>	<b>2,02,949.74</b>

(i) The movement in subscribed and paid up share capital is set out below:

	As at Dec 31, 2022		As at March 31, 2022	
	No. of shares	Rs. Lakh	No. of shares	Rs. Lakh
Ordinary shares of Rs.1000 each				
At beginning of the year	2,02,94,974	2,02,949.74	2,02,94,974	2,02,949.74
Shares allotted during the year	-	-	-	-
	<b>2,02,94,974</b>	<b>2,02,949.74</b>	<b>2,02,94,974</b>	<b>2,02,949.74</b>

(ii) Shares in the company held by each shareholder holding more than 5% shares

Name of Shareholder	As at Dec 31, 2022			As at March 31, 2022		
	No. of Shares Held (Face value of Rs. 1000 each)	% of Total Shares	% Change during the year	No. of Shares Held (Face value of Rs. 1000 each)	% of Total Shares	% Change during the year
Governor of Odisha OHPC Ltd	2,02,94,974	100.00%	78.58%	1,13,64,737	56.00%	0.00%
	<b>2,02,94,974</b>	<b>100%</b>		<b>89,30,237</b>	<b>44.00%</b>	<b>0.00%</b>
				<b>2,02,94,974</b>	<b>100%</b>	

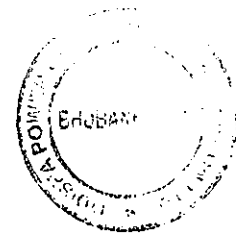
(iii) Details of Shareholding by promoters and changes thereon

Name of Shareholder	As at Dec 31, 2022			As at March 31, 2022		
	No. of Shares Held (Face value of Rs. 1000 each)	% of Total Shares	% Change during the year	No. of Shares Held (Face value of Rs. 1000 each)	% of Total Shares	% Change during the year
Governor of Odisha	2,02,94,974	100.00%	78.58%	1,13,64,737	56.00%	0.00%

(iv) The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding.

(v) Pursuant to share sale and purchase agreement dated 26.12.2022 executed between OPGC Ltd, OHPC Ltd and Government of Odisha shares held by OHPC Ltd aggregating to 44% of the paid up share capital of the Company have been transferred to Government of Odisha. The same has also been ratified by Board of Directors in their 231st meeting held on 30.12.2022.

(vi) The company has only one class of shares referred to as 'Equity Shares' having a par value of Rs.1000/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Corporation, the holders of equity shares will be entitled to receive any of the remaining assets of the corporation, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**18 Other Equity**

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Share application money pending allotment	3,800.00	-
General Reserve	8,960.23	8,960.23
Retained earnings	1,38,198.04	78,819.47
Security Premium	5,888.43	5,888.43
<b>Total</b>	<b>1,56,846.70</b>	<b>93,668.13</b>

(i) **General Reserve**

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Balance at the beginning of the year	8,960.23	8,960.23
Movements	-	-
<b>Balance at the end of the year/period</b>	<b>8,960.23</b>	<b>8,960.23</b>

(ii) **Retained Earnings**

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Balance at the beginning of the year	78,819.47	81,284.06
Profit attributable to owners of the Company	59,378.57	(2,211.39)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	(253.19)
Payment of dividends on equity shares	-	-
Related income tax on dividend	-	-
<b>Balance at the end of the year/period</b>	<b>1,38,198.04</b>	<b>78,819.47</b>

(iii) **Security Premium**

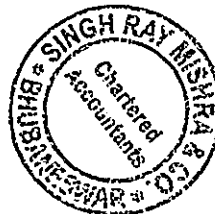
Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Balance at the beginning of the year	5,888.43	5,888.43
Movement during the year	-	-
<b>Balance at the end of the year/period</b>	<b>5,888.43</b>	<b>5,888.43</b>

The nature of reserves are follows:

(a) **General Reserve :-** General Reserve was created through transfer of part of net profit in accordance with applicable regulations under the provisions of erstwhile Companies Act 1956 which is continuing unchanged. Such transfer of part of net profit is no more required under the provisions of the Companies Act 2013

(b) **Securities Premium :** Securities premium is used to record premium received on issue of shares. The reserve is to be utilised in accordance with the provisions of the Indian Companies Act, 2013 .There is no movement in the balance of securities premium during the year.

(c) **Securities Premium :** Share application money of Rs 3800 lakhs received from Government of Odisha on dated 30.12.2022 which is pending for allotment and treated as part of other equity.



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**19 Non Current financial liabilities- Borrowings**

(Rupees in Lakh)		
Particulars	As at Dec 31, 2022	As at March 31, 2022
<b>Secured - at amortised cost</b>		
For Unit 3&4		
From Power Finance Corporation Ltd (PFC)	3,09,890.32	3,25,867.86
From REC Ltd	2,06,149.92	3,15,702.34
Refinancing of Loan		
Indian Bank	91,882.00	-
For FGD & FGC of Unit 3&4		
From Power Finance Corporation Ltd (PFC)	8,659.93	3,687.26
From REC Ltd	8,865.37	6,542.40
<b>Total</b>	<b>6,25,447.54</b>	<b>6,51,799.86</b>

**A Term Loan from PFC and REC:**

- (i) Term loan of Rs 4,33,000 Lakh each were sanctioned by Power Finance Corporation Limited (PFC) and REC Limited (REC) for construction of 2X660 MW Coal based Thermal Power Plant , Development of Manoharpur Coal Mines and Merry Go Round (MGR) Railway System (Project). Both PFC and REC has offloaded proportionate sanctioned limit related to development of coal mine as the coal mine was cancelled and allotted in favor of Odisha Coal and Power Limited, a Joint venture company of OPGC & OHPC. Accordingly the sanctioned limit is reduced to Rs 3,81,187 Lakh and Rs 3,81,200 Lakh by PFC and REC respectively.
- (ii) Additional financial assistance of Rs.47,819 Lakh and Rs.36,925 Lakh have been sanctioned by PFC and REC respectively for the above project as per the original Debt Equity Ratio of 3:1 to fund the estimated Cost Over Run of the project thereby increasing the total sanction / draw down limit of PFC and REC to Rs.4,18,125 Lakh each.

**(iii) Security :-**

- (a) The term loan together with all interest (including additional interest), cost, expenses, applicable taxes, statutory duties and other money is secured with the prescribed coverage ratio (presently 1.1 times) as applicable by a first charge, by way of mortgage on pari- passu basis through equitable mortgage / simple mortgage / English mortgage on the project land of Unit 3 & 4 (2x660 MW) of 1b Thermal project of the Company in favor of PFC and REC on all immovable assets of Project Unit 3 & 4 (2x660MW) and first charge on pari passu basis by way of hypothecation in favor of PFC and REC on all movable assets of the project except raw materials, consumable spares and book debts.

Save priority (in which case, PFC / REC will have 2nd charge) / pari passu on reciprocal basis (as applicable) in favor of the Borrower's Bankers on Borrower's stocks of raw materials, fuel stocks, semi-finished and finished goods, consumable stores and such other movables as may be agreed to by the lender/s for securing the borrowings for working capital requirements in the ordinary course of business.

Equitable mortgage of land admeasuring Ac.101.02 dec. related to Power Plant of Unit 3 & 4 has been created in favor of PFC & REC by deposit of original title document with PFC (Trustee for both PFC & REC).

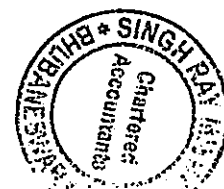
- (b) If the security provided becomes inadequate to cover the balance of each of the loan outstanding, the company has undertaken to provide additional security as may be acceptable to lenders.
- (c) Repayment of the principal, interest and other charges due on term loan from PFC and REC has been secured by opening of "Escrow Account" with Union Bank of India and also the Union Bank of India has been appointed as Escrow Agent for this purpose.

**(iv) Repayment:-**

- (a) Term loan from PFC Ltd is repayable in 60 (sixty) unequal structured quarterly instalments commenced from 15th day of July 2020 and all subsequent instalments become due for payment on 15th day of April, 15th day of July, 15th day of October and 15th day of January every year.
- (b) The term loan from REC Ltd is repayable in 60(sixty) equal quarterly instalment commenced from 30th September 2020 and all subsequent loan repayment due dates shall be the last day of each following calendar quarter till the entire loan amount with interest and all other dues are repaid to REC Ltd in full.

**(v) Interest:-**

- (a) Interest on term loan shall be paid at the prevailing rate applicable to A+ category of State sector borrower with discount / rebate allowed from time to time on the date of each disbursement as per the terms and conditions of sanction of loan and policy of PFC Ltd and REC Ltd.
- (b) Loan from PFC Ltd: Applicable interest rate after discount and timely payment rebate is 9.07% p.a. with quarterly rest and 1 year reset w.e.f. 15.03.2022 on disbursement and outstanding loan balance. Interest rate reset and revised to 8.81% p.a. with quarterly rest and 1 year reset w.e.f. 10.10.2022 on disbursement and outstanding loan balance.



- (c) Loan from REC Ltd: Applicable interest rate is 9.07% p.a. with quarterly rest and 1 years reset on disbursement and outstanding loan balance w.e.f. 31.01.2022 and interest rate reset and revised to 8.81% p.a. with quarterly rest and 1 year reset w.e.f. 11.09.2022 on disbursement and outstanding loan balance.
- (d) Interest on PFC loan to be serviced on quarterly basis and due date for payment of interest is 10th day of April, 10th day of July, 10th day of October and 10th day of January every year.
- (e) Interest on REC loan to be serviced on quarterly basis and due date for payment of interest is last day of the last month of the calendar quarter for every year.
- (f) The Company has availed the option for payment of upfront fee @ 0.05% on term loan sanctioned instead of commitment charges on undrawn amount for each of the quarter.

**B Term Loan Indian Bank:**

- (i) Term loan of Rs 1,00,000 Lakh availed from Indian Bank on dated 30.12.2022 as partial takeover of Term Loan from REC Ltd. relating to construction of 2x660 MW Coal based Thermal Power Plant and Merry Go Round (MGR) Railway System (Project) in peruance to refinancing of existing Term Loan.

**(ii) Security :-**

- (a) **Primery:** The term loan is secured by first pari passu charge by way of mortgage on all immovable assets and hypothecation of all movable assets of 2x660 MW i.e. Unit 3 & 4 (save and except book debt and fuel stock, raw materials, finished and semi finished goods consumable stores & spares and other current assets which is hypothecated / charge for working capital loans), including movable machinery, mandatory spares tools and accessories, spares and materials at site, present and future. The value of security shall not be less than 110% of the loan amount which shall also cover the interest, penal interest, and other charges as applicable from time to time.

**Collateral:** 2nd pari passu charge on the stocks of raw materials, fuel stocks, semi-finished and finished goods, consumable stores and such other movables as may be agreed for securing the borrowings for working capital requirements in the ordinary course of business.

If the security provided becomes inadequate to cover the balance of each of the loan then outstanding, the company shall provide and furnish to lenders additional security as may be acceptable to lenders to cover such deficiency. Tripartite Escrow Agreement to be executed amongst the Company (Borrower), Indian Bank (Lender) and Union Bank of India (Escrow Agent).

**(iii) Repayment:-**

Term loan from Indian Bank is repayable in 50 (Fifty) equal quarterly instalments commenced from 31st day of March 2023 and all subsequent instalments become due for payment on 30th day of June, 30th day of Sept, 31st day of December every year.

**(iv) Interest:-**

- (a) Interest rate on Term Loan from Indian Bank shall be applied w.e.f. 30.12.2022 at the rate of 7.75% p.a. based on 3 Months MCLR of Indian Bank with monthly rest.
- (b) Interest on loan from Indian Bank to be serviced on monthly basis and due date for payment of interest is 1st day of every month.

**C Term Loan: FGD & FGC**

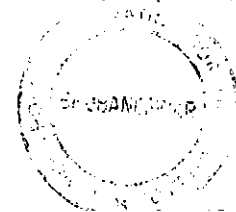
- (i) Term loan of Rs 43,440 Lakh each were sanctioned by Power Finance Corporation Limited (PFC) and REC Limited (REC) for construction of Environment Retrofit Project / Installation of Pollution Control Equipments in Unit 3 & 4 (2X660 MW) Thermal Power Plant with Debt Equity Ratio of 4:1.

**(ii) Security :-**

- (a) The Term Loan is secured by first charge on pari pasu basis by way of mortgage In favour of PFC & REC by extending the existing Charge on the Project land of Unit 3 & 4, Ph-II (2x660MW) of 1b Thermal Project of the Company. And First charge on pari pasu basis by way of hypothecation in favour of PFC & REC of all the Borrowers movable assets (save and except book debts), including movable machinery, mandatory spares, tools & accessories, fuel stock, spares and materials at project site, present and future,

Save priority (in which case, PFC / REC will have 2nd charge) / pari passu on reciprocal basis (as applicable) on the following created and/or to be created in favor of the Borrower's Bankers on Borrower's stocks of raw materials, fuel stocks, semi-finished and finished goods, consumable stores and such other movables as may be agreed to by the lender/s for securing the borrowings for working capital requirements in the ordinary course of business.

- (b) Enhence / open Escrow account for the entire pendency of the loan with the prescribed coverage ratio applicable to the satisfaction of the lender/s for due fulfilment of the obligations of the Borrower and for due repayment of the principal amount of the loan together with all interest (including additional interest), interest tax, service charges, penal interest, interest on penal interest, cost, charges losses, applicable taxes, statutory duties and other money, etc. thereon and/or any other additional amount(s) that become payable.



(r) Repayment of the principal, interest and other charges due on term loan from PFC and REC has been secured by opening of "Escrow Account" with Union Bank of India and also the Union Bank of India has been appointed as Escrow Agent for this purpose.

(iii) Repayment:-

(a) Term loan from PFC is repayable in 180 (One Hundred Eighty) equal monthly instalments due on 15th day of each month, and 1st repayment date shall be the date falling 6 months after scheduled Date of Commencement of Commercial Operation.

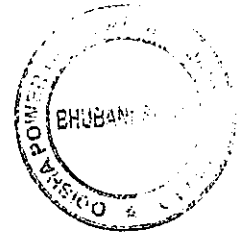
(b) The term loan from REC is repayable in 60(sixty) equal quarterly instalment and the 1st loan repayment due date shall be the last of the last month of the calendar quarter following the quarter in which the moratorium period expires and all subsequent loan repayment due dates shall be the last day of each following calendar quarter till the entire loan amount with interest and all other dues are repaid to REC in full.

(iv) Interest:-

(a) Interest on term loan shall be paid at the prevailing rate applicable to A+ category of state sector borrower with discount / rebate allowed from time to time on the date of each disbursement as per the terms and conditions of sanction of loan and policy of PFC and REC.

(b) Interest rate applicable on the term loan from both PFC and REC is 8.75% p.a. (linked to 3-year AAA Corporate Bond yield plus applicable spread) with monthly rest and 1 year reset. Interest rate revised to 8.75% p.a. after allowing discount of 25 bps on applicable rate of 9.00% p.a. with monthly rest and 1 year reset by both PFC and REC w.e.f. 10.10.2022 and 11.09.2022

(c) The Company has not defaulted in payment of interest and principal instalment on Term Loan during the reporting period.

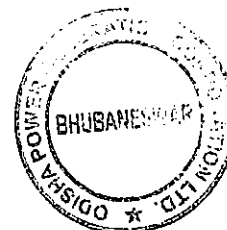


**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**20 Non Current financial liabilities- Others**

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
a. Capital Creditors	-	-
b. Security Deposits	105.86	105.86
c. EMD and Retention Money	-	-
d. Payable to Government *	185.58	185.58
<b>Total</b>	<b>291.44</b>	<b>291.44</b>

\* Payable to Government: Grant of Rs. 185.58 Lakh were received from Ministry of Non-conventional Energy, Govt. of India for construction of Mini Micro Hydel Projects. The Company has impaired four Hydel projects and accordingly grant was reclassified as payable to government. Any unfulfilled conditions and other contingencies attaching to government assistance has not been reviewed and recognized.



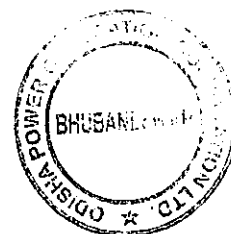
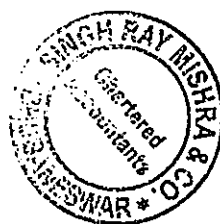
# Odisha Power Generation Corporation Limited

## Notes forming part of the financial statements

### 21 Non Current liabilities- Provisions

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Employee Benefits		
- Gratuity	-	-
- Leave benefits	3,816.60	3,816.60
- One Time Pension benefits	1,689.09	1,689.09
- Terminal TA benefits	637.04	637.04
Provision for Decommissioning liabilities	973.45	973.45
<b>Total</b>	<b>7,116.19</b>	<b>7,116.19</b>

(i) During the reporting period Actuary valuation of above retieral benefits has not done by third party Actuary, however propoinate accrued liabilities have been calculated based on the last year valution report conducted by Actuary and accounted for.



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**22 Non Current liabilities-Deferred tax liabilities (net)**

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Deferred Tax Liabilities	81,567.66	67,891.87
Less : Deferred Tax Asset	75,393.42	81,210.05
<b>Net Deferred Tax (Asset)/ Liability</b>	<b>(1,501.07)</b>	<b>(13,318.20)</b>

**Income Tax**

(i) The reconciliation of estimated income taxes to income tax expenses is as follows:

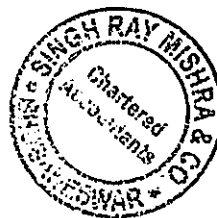
Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Income before income taxes	71,236.96	(13,420.26)
Tax Calculated based on normal tax rate	17,928.92	(3,377.61)
Items not deductible for tax/not liable to tax		
Donation & CSR Expenses	23.19	49.21
Adjustment for ICDS	-	16.83
Impairment loss	-	-
Others	(6,093.71)	174.37
<b>Income tax expense reported</b>	<b>11,858.39</b>	<b>(3,137.19)</b>

(ii) Significant component of deferred tax assets and liabilities for the year ended June 30,2022 is as follows:

Particulars	(Rupees in Lakh)			
	Opening balance as at April 1, 2022	Deferred tax expense/(income) recognized in profit and loss	Deferred tax expense/(income) recognized in OCI	Closing balance as at Dec 31st , 2022
<b>Deferred tax assets</b>				
Provisions	1,526.57	(25.64)	-	1,500.92
Business Loss	79,683.48	(5,790.99)	-	73,892.50
Others	-	-	-	-
<b>Total</b>	<b>81,210.05</b>	<b>(5,816.63)</b>	<b>-</b>	<b>75,393.42</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment and Intangible assets	67,891.87	13,675.79	-	81,567.66
<b>Total</b>	<b>67,891.87</b>	<b>13,675.79</b>	<b>-</b>	<b>81,567.66</b>
<b>Net Deferred tax (assets)/liabilities</b>	<b>(13,318.18)</b>	<b>19,492.42</b>	<b>-</b>	<b>6,174.24</b>

The Company has availed the option of concessional rate prescribed under section 115BAA of the Income Tax Act and accordingly recognized Deferred Tax Assets & Liabilities considering concessional Income Tax rate of 25.17% including surcharge and cess.

\* Deferred tax is computed on provisional basis for the Nine months ended 31st Dec 2022





**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**23 Current financial liabilities- Trade Payables**

		(Rupees in Lakh)	
Particulars		As at Dec 31, 2022	As at March 31, 2022
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises		-	310.36
Total outstanding dues of creditors other than micro enterprises and small enterprises		21,530.73	16,083.87
<b>Total</b>		<b>21,530.73</b>	<b>16,394.23</b>



Odisha Power Generation Corporation Limited  
Notes forming part of the financial statements  
24 Current Financial Liabilities- Borrowings

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Loans repayable on demand		
From Banks		
Secured		
a. Cash credit	63.55	21,915.19
From Financial Institutions		
Secured		
b. Short Term Loan - PFC *	22,850.00	22,850.00
c. Medium Term Loan from REC Ltd **	20,000.00	-
c. Medium Term Loan from REC Ltd	33,333.33	50,000.00
Current maturities of non-current borrowings		
From Financial Institutions		
a. From Power Finance Corporation Ltd (PFC)	21,314.57	21,314.57
b. From REC Ltd	17,938.48	25,783.95
c. From Indian Bank	8,000.00	-
d. Interest accrued on borrowings	6,925.60	7,355.32
Total	1,30,425.53	1,49,219.03

A Cash Credit (CC):

- (i) Cash Credit (CC) Facility, with sanctioned limit of Rs. 50000 Lakh including STL of Rs.10000 Lakh and Bank Guarantee Rs.3200 Lakh, availed from Union Bank of India to meet the Working Capital requirement of the Company.  
Drawl / utilisation of CC facility is based on monthly drawing power determined and margin of 25% to be maintained on stock and book debts (other than book debts more than 180 days) to arrive the drawing power.
- (ii) Security: Cash Credit Facility is secured by First exclusive Hypothecation Charge on Raw materials, Consumable Spares and Book Debts of Unit 1&2 and Unit 3&4 and Second exclusive Charge on all the immovable and movable assets created out of the Term Loan from PFC/REC Ltd and also immovable properties charged to PFC / REC Ltd.
- (iii) Interest: Rate of interest applicable on CC facility is linked to 1 year MCLR rate and reset on yearly basis. Interest Rate applicable during the reporting period w.r.t. CC facility is 7.45% p.a. (April to August 22) and 7.95% p.a. (Sept to Dec 22) and STL is 7.70% p.a. (April to August 22) and
- (iv) The Company has not made any default in repayment of loans or Interest thereon during the reporting period .
- (v) Balance outstanding as on reporting date is duly confirmed by Union Bank of India.

Borrowings (CC) secured against current asset

Monthly statements in agreement with books of accounts related to current assets has been duly filed with the bank within stipulated time.

B Short Term Loan (STL): PFC \*

- (i) STL with sanction limit of Rs.25000 Lakh availed from PFC with Fixed rate of interest of 6 % p.a. to meet the working capital requirement of the Company. The said loan is repayable on 25th March 2023.
- (ii) STL from PFC is secured through Escrow cover for entire amount.
- (iii) Balance outstanding as on reporting date is duly confirmed by PFC.
- (iv) The Company has not made any default in repayment of loans or interest thereon during the reporting period.

C Medium Term Loan (MTL)(Short term in nature): \*\*

- (i) MTL with sanction limit of Rs.25000 Lakh availed from REC to meet the working capital requirement of the Company.
- (ii) Security: MTL is secured by Escrow Cover through tripartite Escrow agreement upto 100 % of the loan amount.
- (iii) Interest: Applicable interest rate for MTL sanctioned by REC is 6% p.a. monthly rest (without reset option).
- (iv) Repayment: The MTL shall be repaid in five equal monthly instalments after moratorium period of 7 months from 1st disbursement. Disbursement of said loan made on 29.06.2022.
- (v) The Company has not made any default in repayment of loans or interest thereon during the reporting Period.
- (vi) Balance outstanding as on reporting date is duly confirmed by REC Ltd.

C Medium Term Loan (MTL):

- (i) MTL with sanction limit of Rs.50,000 Lakh availed from REC to meet the working capital requirement of the Company.
- (ii) Security: MTL is secured by exclusive first charge by way of hypothecation of whole of the existing movable assets i.e. plant & machinery of Unit 1 & 2, 210 MW each at IB Thermal Power Station In Jharsuguda District of Odisha based on fair market value to cover 120% of the sanction limit.
- (iii) Interest: Applicable interest rate for MTL sanctioned by REC is 8.75% p.a. monthly rest.
- (iv) Repayment: The MTL shall be repaid in 24 monthly equal instalments comencing after moratorium period of 12 month from 1st disbursement. The repayment will commence from May 2022.
- (v) The Company has not made any default in repayment of loans or interest thereon during the reporting Period.
- (vi) Balance outstanding as on reporting date is duly confirmed by REC Ltd.

D Current maturities of non-current borrowings

Details in respect of rate of interest and terms of repayment of current maturities of secured non-current borrowings Indicated above are disclosed in Note 19.

25 Current liabilities-Other Financial Liabilities

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
a. Interest accrued on Medium term Loan	50.46	26.29
b. Interest accrued on Short Term Loan	75.12	11.99
c. Others:		
i. Deposits & Retention Money*	4,361.55	4,898.24
ii. Liabilities for Expenses	766.65	531.47
iii. Payable to employees	1,095.36	1,321.28
iv. Capital Creditors	26,266.30	27,787.27
Total	32,615.44	34,576.55

c(iv): Capital creditors represents, supply & services related to Unit 3 & 4 balance work and FGD & FGC work of Unit 3 & 4 .



26 Current Liabilities-Other Current Liabilities

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
a. Advances from Customers & others	7,611.00	7,611.33
b. Statutory Dues Payables	476.05	518.69
<b>Total</b>	<b>8,087.05</b>	<b>8,130.02</b>

a. Advance from customer includes Adhoc payment for fuel oil cost against pending FPA bill for the FY 2016-17 to 2020-21 raised to GRIDCO received amounting to Rs. 7603.38 Lakhs

b. Statutory dues include amount payable in respect of GST, TDS, TCS etc which will be paid in next reporting period.

27 Current Liabilities-Provisions

Particulars	(Rupees in Lakh)	
	As at Dec 31, 2022	As at March 31, 2022
Employee Benefits #		
- Gratuity	321.59	458.16
- Leave benefits	811.47	818.40
- One Time Pension benefits	147.18	227.64
- Terminal TA benefits	35.74	94.58
- Pay revision	418.39	716.13
<b>Total</b>	<b>1,734.37</b>	<b>2,314.92</b>

During the reporting period Actuary valuation of above retirement benefits has not done by third party Actuary, however proportionate liabilities have been calculated based on the last year valuation report conducted by Actuary and accounted for.



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

28 Revenue from Operations

(Rupees in Lakh)

Particulars	Nine months ended	Year ended March
	Dec 31, 2022	31, 2022
Energy Sales(including Electricity Duty)	2,36,889.50	2,73,438.52
Sale of energy in Power Exchange through GRIDCO under MOU	37,980.21	11,774.68
<b>Total</b>	<b>2,74,869.71</b>	<b>2,85,213.20</b>

(i) The Company primarily generates revenue from contracts with GRIDCO for supply of energy generated from power plants including from sale of energy in Power Exchange through GRIDCO

(ii) Energy Sales from Unit 1 & 2 of Ib TPS has been accounted for in accordance with the tariff approved by Hon'ble Odisha Electricity Regulatory Commission (OERC).

(iii) Energy Sales from Unit 3 & 4 of Ib TPS up to 75% of the installed capacity under long term PPA with GRIDCO has been accounted for as per interim tariff of Rs 3.30/ kWhr as approved by Hon'ble OERC. Final tariff order has since been pronounced by the Honorable commission based on which the energy bills raised since COD till Dec 2022 on provisional tariff basis will be revised. The company has not quantified the impact of such revision.

(iv) Sale of energy in Power Exchange through GRIDCO under MOU out of balance 25% of Unit 3 & 4 of Ib TPS, is recognised at the market clearing price (MCP).

(v) Sales of energy are net of rebate to beneficiary amounting to Rs.3941.38 Lakh (Previous Year Rs. 4829.53 Lakh).

(vi) Energy Sales Includes electricity duty amounting to Rs. 2456.03 Lakh (Previous Year Rs. 3675.74 Lakh).

(vi) The company has Power Purchase Agreements (PPA) with GRIDCO which are identifiable contract for supply of power. The company recognised revenue in the books of accounts as per Ind AS 115. There will be no impact of standalone selling price as the reporting entity books its revenue on the basis of the tariff order of OERC.

(vii) Sale of energy related to Unit 1 & 2 has been secured through LC arrangement made by Union Bank of India.



# Odisha Power Generation Corporation Limited

## Notes forming part of the financial statements

### 29 Other Income

(Rupees in Lakh)

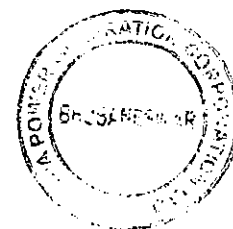
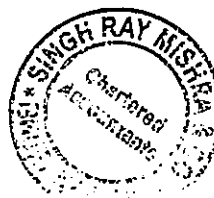
Sl	Particulars	Nine months ended Dec 31, 2022	Year ended March 31, 2022
a	<b>Interest Income</b>		
	Interest income from Bank Deposits at amortised Cost	922.51	493.85
	Interest income from loans to related parties at amortised cost	-	-
	Others	26.60	18.58
		949.11	512.43
a	<b>Dividend Income</b>		
	Dividend Received from Investment- OCPL	2,231.52	-
		2,231.52	-
c	<b>Other non-operating income</b> (net of expenses directly attributable to such income)		
	Sale of Scrap / residual materials	264.94	88.00
	Sale of Ash bricks	-	0.00
	Receipt for Rent, Water, Electricity Charges	171.77	188.02
	Miscellaneous Incomes	351.25	749.77
	Exchange Gain/ (loss)	(0.18)	(1.18)
	Gain/ (Loss) on Physical Inventory-spares	-	(4.56)
	Abnormal Gain/(loss) on Physical Inventory-oil	-	-
	Gain/(loss) on Physical Inventory-ACB Coal	1.43	(54.11)
	Liability/Provision written back	472.41	51.76
		1,261.62	1,017.70
c	<b>Other gains and losses</b>		
	Gain /(loss) on disposal of PPE	-	-
		-	-
	<b>Total (a+b+c)</b>	<b>4,442.25</b>	<b>1,530.13</b>
d	<b>Less :</b>		
	Amount included in the cost of qualifying assets	-	64.64
		-	64.64
	<b>Total</b>	<b>4,442.25</b>	<b>1,465.48</b>

(i) Excess Provision written back related to	Nine months ended Dec 31, 2022	Year ended March 31, 2022
Employee benefits and expense		50.88
Generation and other expenses		-
Administrative expenses		0.88

(ii) Sale of ash bricks after adjusting cost of sales amounting to Nil (Previous Year: Rs Nil), primarily on supplying ash bricks to the agencies engaged inside the plant for developing infrastructural facilities such as construction of auxiliary buildings, various sheds, boundary walls, building partition walls and road paving etc. Supply of fly ash bricks for such activities are made on cost-to-cost basis without any margin thereon and the Company is not selling fly ash/ ash bricks to outside parties for commercial purpose.

As per AGM held on 22.11.2022 by OCPL Ltd( a Joint control entity),the company has distributed dividend for Fy 2021-22 @30% of the distributable profit in proportion to share holding . OPGC has received Rs 2231.52 lacs as dividend on dated 21.12.2022 and

(iii) accounted for as stated above in DEC 2022.



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**30 Cost of raw material consumed**

(Rupees in Lakh)

Particulars	Nine months ended Dec 31, 2022	Year ended March 31, 2022
Imported	-	-
Indigenous	1,31,877.65	1,56,441.89
<b>Total</b>	<b>1,31,877.65</b>	<b>1,56,441.89</b>

**Particulars of raw materials consumed**

(Rupees in Lakh)

Particulars	Nine months ended Dec 31, 2022	Year ended March 31, 2022
Coal	1,30,769.62	1,54,967.96
HFO / LDO	1,108.03	1,473.93
	1,31,877.65	1,56,441.89
Less : Amount included in the cost of qualifying assets	-	-
<b>Total</b>	<b>1,31,877.65</b>	<b>1,56,441.89</b>

(viii) **Quantitative statement of Coal & Oil**

Particulars	Unit	Nine months ended Dec 31, 2022		Year ended March 31, 2022	
		Quantity	Rs Lakh	Quantity	Rs Lakh
MCL Coal Unit 1 & 2	MT	11,16,140	18,729.88	25,96,035	43,185.30
Bridge Linkage Coal Unit 3 & 4	MT	-	-	7,84,928	14,363.99
Flexi Coal Unit 3 & 4	MT	-	-	7,35,976	11,897.05
OCPL Coal U# 3 & 4	MT	23,40,270	49,341.89	15,92,781	32,970.29
OCPL Coal U# 3 & 4 IR / ACB	MT	6,90,539	13,464.86	23,05,750	52,425.25
LDO Unit 1 & 2	KL	801	645.03	1,187	660.68
HFO & LDO Unit 3 & 4	KL	629	263.16	2,160	813.25



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**31 Employee Benefit Expenses**

(Rupees in Lakh)

Particulars	Nine months ended Dec 31, 2022	Year ended March 31, 2022
Salaries and Wages	7,021.14	9,844.48
Contribution to provident and other funds	994.07	1,112.97
Staff Welfare expenses	612.46	741.08
<b>Total (A)</b>	<b>8,627.67</b>	<b>11,698.53</b>
Less :		
Allocated to fuel cost	519.14	828.24
Amount included in the cost of qualifying assets	-	753.18
<b>Total (B)</b>	<b>519.14</b>	<b>1,581.42</b>
<b>Net (A-B)</b>	<b>8,108.53</b>	<b>10,117.11</b>

- (i) Salary accrued amounting to Rs 108.75 Lakh (Previous Year: Rs 217.50 Lakh ) as expenses with respect to key managerial personnel. The details of such expenses are as below:

Particulars	Nine months ended Dec 31, 2022	Year ended March 31, 2022
(a) Short term employee benefits		216.08
(b) Post employment benefits		1.42
(c) Other employee benefits		-

- (ii) It includes an amount of Rs 573.08 Lakh (Previous Year Rs 973.78 Lakh) towards provision for Variable Pay of the employees under approved performance management system of the company.
- (iii) The Company has made contribution to EPF trust amounting to Rs. 174.06 Lakhs on account of cumulative loss by EPF Trust as on 31.03.2021.
- (iv) Disclosure as per Ind AS-19 in respect of provision made towards various employee benefits are given as follows.

**A. Provident Fund:** Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The contribution to the fund for the year is recognised as expense and is charged to the Statement of Profit and Loss. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by Govt. of India.

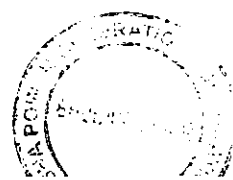
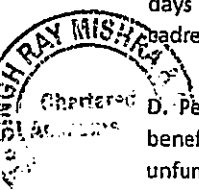
**B. Gratuity:** The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 X last drawn basic salary & dearness allowance as applicable) for each completed year of service or part thereof in excess of six months subject to a maximum of 20 months salary on superannuation, resignation, termination, disablement or on death. The actuarial valuation has been made by taking into account maximum gratuity @ 15 days salary for each completed year of service subject to maximum 20 months salary as specified in OPGC Ltd Rule for Group Gratuity Scheme. The scheme is funded and managed by LIC. The Company recognised liability on the basis of actuarial valuation.

**C. Leave:** The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the cadre employees of the Company which accrue annually at 30 days and 10 days respectively. Similarly the company also provides benefit to Market Based Salary structure employees (MBS) which accrued annually at 24 days. Earned leave and half pay leave is not cashable during service. However total earned leave that can be encashed on superannuation / separation shall be restricted to 300 days in case of cadre employees and 120 days in case of MBS employees. Commutation of half-pay leave shall be permissible for cadre employees only. These schemes are unfunded and the liability for the same is recognised on the basis of actuarial valuation.

**D. Pension:** The Company in its 204th Board meeting held on 28.05.2018 has approved six months salary as one time financial benefits towards pension to the OPGC cadre employees at the time of retirement with effect from 23.03.2017. The scheme is unfunded and the liability for pension benefits payable is recognised based on an actuarial valuation.

**E. Retirement TA:** In accordance with provisions of company Travel Policy, two months last drawn salary is payable to employees on retirement by superannuation to meet travelling expenses. The scheme is unfunded and the liability for pension benefits payable is recognised based on an actuarial valuation.

- (iv) The above mentioned schemes (C, D and E) are unfunded and are recognised on the basis of actuarial valuation.
- (v) The Gratuity scheme is funded and managed by LIC and the liability is recognised on the basis of actuarial valuation.



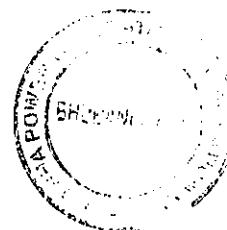
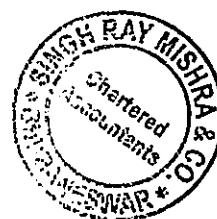
**disha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**Finance Costs**

(Rupees in Lakh)

Particulars	Nine months ended Dec 31, 2022	Year ended March 31, 2022
(a) Interest Expense		
Interest on Term Loan	45,339.69	72,850.80
Interest on Medium Term Loan	2,864.73	3,970.34
Interest on Short Term Loan	1,644.45	26.29
Interest on short term loans from scheduled bank	274.22	1,658.64
Interest on Decommissioning and Construction liability	-	66.88
(b) Other Borrowing Cost		
Upfront fee Charges	18.33	22.37
<b>Total Finance Cost</b>	<b>50,141.42</b>	<b>78,595.32</b>
Less : amount included in the cost of qualifying assets	-	5,239.31
<b>Total</b>	<b>50,141.42</b>	<b>73,356.01</b>

- (i) Interest on term loan from PFC and REC Ltd calculated based on the outstanding loan drawn for Unit 3 & 4. For details refer Note 19.
- (ii) Interest paid towards MTL loan to REC Ltd amounting to Rs 2864.73 lakh (Previous Year Rs 3970.34 lakh) has been accounted for as Finance cost , for details refer Note 24.
- (iii) Interest paid towards STL to PFC amounting to Rs 1032.95 lakh (Previous Year Rs 26.29 lakh) and to REC amounting to Rs.611.51 Lakhs (previous year : Nil) has been accounted for as Finance cost , for details refer Note 24.
- (iii) Interest on Cash Credit laon (CC) taken from Union Bank amounting to Rs 274.22 (Previous Year 1293.63) and Interest on STL from Union Bank of India amounting to Rs Nil (Previous Year Rs. 365.01 lakh) has been accounted for as Finance cost, for details refer Note 24.
- (iv) Interest on Decommissioning and Construction liability represents future decommissioning liability of Ash Pond of Unit 1, 2, 3 & 4.
- (v) Upfront fee / Processing fee charges represents fees paid at the time of availment term loan to PFC, REC & Indian Bank which is amortised over the loan period as other borrowing cost.
- (vi) Cost of refinancing charges represents pre-payment charges paid to REC and syndication fees paid to SBI Capital Markets Ltd towards refinancing of existing term loan, which is amortised over the remaining loan period and stated under other borrowing cost.





**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

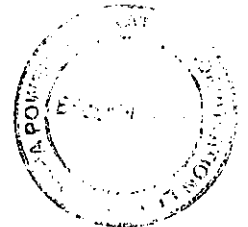
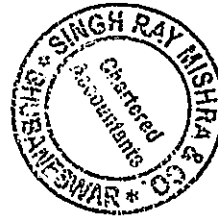
**33 Depreciation & amortisation expenses**

Particulars	(Rupees in Lakh)	
	Nine months ended Dec 31, 2022	Year ended March 31, 2022
Depreciation & amortisations	28,491.48	35,094.07
Less :		
Allocated to fuel cost	5,804.12	4,856.45
Amount included in the cost of qualifying assets	-	41.06
<b>Total</b>	<b>22,687.36</b>	<b>30,196.56</b>

- (i) Depreciation & amortisations include Rs 397.41 Lakh (Previous Year Rs 446.43 Lakh) amortization towards use of right to use of Leasehold land.
- (ii) Depreciation & amortizations include Rs.1857.67 Lakh (Previous Year: Rs.2067.83 Lakh) and Rs. 26731.29 Lakh (Previous Year :Rs. 28,128.72 Lakh) for Unit 1 & 2 and Unit 3 & 4 respectively charged to statement of profit and loss. For details of assets capitalized during the reporting period , refer Note 3, 4 & 5.
- (iii) Useful life taken for calculating depreciation is as per Accounting policy Note no 2.7 and Schedule II of The Companies Act 2013.

**34 Impairment losses**

Particulars	(Rupees in Lakh)	
	Nine months ended Dec 31, 2022	Year ended March 31, 2022
Impairment of CWIP (Mini Micro Hydel Projects). Refer Note- 4	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**35 Other Expenses**

(Rupees in Lakh)

Particulars	Nine months ended Dec 31, 2022	Year ended March 31, 2022
<b>Generation Expenses:</b>		
Consumption of Stores, spares & chemicals	5,790.99	6,661.04
Power, Electricity Duty and Water	6,735.10	8,513.73
Contract Job outsourcing expenses	5,692.73	6,234.45
Insurance	2,505.21	2,598.65
Other generation expenses	2,240.89	3,360.68
Repairs to buildings	426.98	436.57
Repairs to Machinery	88.82	128.59
	<b>23,480.72</b>	<b>27,933.71</b>
<b>Administrative Expenses:</b>		
Rent	167.76	242.64
Recruitment & training expenses	43.79	43.80
Legal fees & expenses	433.77	663.60
IT maintenance expense	310.00	424.64
R/M to other facilities	86.69	112.00
Repair & Running expenses of Motor Cars & other vehicle	272.07	282.63
Professional Fees and expenses	64.84	32.48
General expenses	405.49	461.92
Rate, Taxes & Cess	164.83	214.24
Travelling expenses	53.07	32.68
Watch and Ward expenses	628.19	876.24
Township development expenses	1,228.46	1,188.48
	<b>3,858.96</b>	<b>4,575.34</b>
<b>Other Expenses:</b>		
Payment to Auditors	11.95	18.89
Peripheral development expenses	-	26.58
Donation	-	100.00
Expenses for sale of power in exchange through GRIDCO	2,426.88	712.92
Trade Receivables Written Off (Net)	-	-
Loss on Sale of Fixed Assets	-	6.70
Advances written off	-	-
	<b>2,438.83</b>	<b>865.09</b>
<b>Corporate Social Responsibility</b>	<b>69.10</b>	<b>95.54</b>
Less: Allocated to Fuel Cost	4,093.72	3,463.79
Amount included in the cost of qualifying assets	-	18.50
	<b>4,093.72</b>	<b>3,482.29</b>
<b>Total</b>	<b>25,753.89</b>	<b>29,987.39</b>

(i) Payment to Auditors:

a. Statutory Audit

Statutory Audit Fees

Statutory Audit expenses

Limited Review Fees

b. Tax Audit fees

c. Certification fee

TOTAL

	Nine months ended Dec 31, 2022	Year ended March 31, 2021
Statutory Audit Fees	-	12.39
Statutory Audit expenses	-	0.96
Limited Review Fees	10.62	-
Tax Audit fees	-	1.77
Certification fee	0.71	0.40
<b>TOTAL</b>	<b>11.33</b>	<b>15.52</b>

(iii) In terms of section 135 of the Companies Act 2013, the company is not required to make any expenditure on Corporate Social Responsibility during the reporting year.

The Company's CSR spent during the Period ended Dec 31, 2022 is as under;

Particulars	In Cash	Yet to be paid in Cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	52.93	16.17	69.10
<b>Total</b>	<b>52.93</b>	<b>16.17</b>	<b>69.10</b>



**Odisha Power Generation Corporation Limited**  
Notes forming part of the financial statements

**36 Related party transactions**

**a. Equity Shareholders:**

Odisha Hydro Power Corporation Limited (OHPC) w.e.f 10.12.2020  
Governor of Odisha

**b. Joint Venture Company:**

Odisha Coal and Power Limited (OCPL)

**c. Key Managerial Personnel (KMP):**

**Whole Time Directors**

Sri Prasant Kumar Mohapatra

Managing Director

w.e.f. 12.03.2021

Sri Manas Kumar Rout

Director(Operaton)

w.e.f. 19.04.2021

**Government Nominee Directors:**

Sri Nikunja Bihari Dhala, IAS

Chairman

w.e.f. 01.06.2020

Sri Hrudaya KamaJ Jena

Director

w.e.f. 01.07.2021

Sri Yudhishtr Nayak

Nominee Director

w.e.f 15.09.2022

Sri Sariputta Mishra

Director

w.e.f. 17.12.2022

Other KMP

Sri Ajit Kumar Panda

Chief Financial Officer

Sri Basant Kumar Sahoo

Company Secretary

**d. Post employment benefit plans:**

OPGC Employees Group Gratuity Trust Fund

OPGC Limited Provident Fund

**e. Entities under the control of the same Government:**

The Company is a State Public Sector Undertaking (SPSU) controlled by Odisha Government by holding majority of shares. The Company has applied the exemption available for government related entities and has made limited disclosures in the Financial Statements in accordance with Ind AS 24. Therefore, party-wise details of such transactions may not have been given since such transactions are carried out in the ordinary course of business at arm length basis. Such entities with which the Company has significant transactions include but not limited to GRIDCO Ltd, Odisha Power Transmission Co Ltd (OPTCL), IDCO etc.

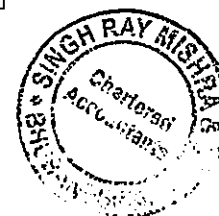
Transactions with related parties are as follows:

(Rupees in Lakh)

Transactions	OCPL	OHPC	Key Management Personnel	Relatives of Key Management Personnel	OPGC Limited Provident Fund	OPGC Employees Group Gratuity Trust Fund
Finance provided						
FY 2022-23 H1	-					
FY 2021-22	2,037.45					
Contribution						
FY 2022-23 H1						
FY 2021-22					1,546.95	455.89
Employee Benefits expenses in respect of deputed employees under reciprocal sharing of resources						
FY 2022-23 H1						
FY 2021-22						
Remuneration						
FY 2022-23 H1			108.75			
FY 2021-22			217.50			
Guarantee outstanding						
FY 2022-23 H1	13,456.00					
FY 2021-22	13,456.00					
Outstanding receivable						
FY 2022-23 H1	11.68					
FY 2021-22	140.83					
Outstanding payables						
FY 2022-23 H1					108.23	
FY 2021-22					109.61	

**Details CTC of Key managerial personnels for FY 2022-23**

Name of the employee	Designation	Fixed Pay	Variable Pay	Total
Prasant Kumar Mohapatra	Managing Director	48.46	14.54	63.00
Manas Ranjan Rout	Director Operation	47.69	14.31	62.00
Basant kumar Sahoo	Company Secretary	18.22	3.28	21.50
Ajit Kumar Panda	CFO	34.15	7.85	42.00
<b>Total</b>		<b>74.26</b>	<b>19.99</b>	<b>94.25</b>



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

**37 Earning per share (EPS)**

The following table reflects the income and shares data used in the basic and diluted earnings per share computations.

Particulars	(Rupees in Lakh)	
	Nine months ended Dec 31, 2022	Year ended March 31, 2022
Profit after tax	59,378.57	(10,283.07)
Less: Amount to be paid for diluted portion (net of tax)	-	-
Profit attributable to ordinary shareholders - for Basic & Diluted EPS	59,378.57	(10,283.07)
Weighted average no. of Ordinary Shares for Basic & Diluted EPS	2,02,94,974	1,82,24,974
Nominal value of Ordinary Shares (Rs)	1,000.00	1,000.00
Basic & Diluted Earnings per Ordinary Share (Rs)	292.58	(56.42)

**38 Segment Reporting**

The company has more than one business segment but not reportable separately since generation from Mini Hydel Projects in terms of revenue is less than 10% of combined revenue. In view of above fact, segment information required as per Ind AS 108 is not provided.

**39 Contingencies (To the extent not provided for)**

(i) Contingencies

a. Contingent Liabilities:

Particulars	Opening balance as on 1st April 2022	During Period ended Dec 31, 2022		Balance as on Dec 31, 2022
		Additions	Reversal	
a. Claims against the Company not acknowledged as debt				
(i) Income tax demands	414.66	-	(0.61)	414.05
(ii) Indirect tax demands (sales tax)	15.90	-	-	15.90
(iii) Indirect tax demands (service tax)	148.49	-	-	148.49
(iv) Claims of contractors and others	86,202.19	16,849.44	(15.4)	1,03,036.23
b. Outstanding Bank guarantees	4,673.39	159.31	-	4,832.70
c. Other money for which the Company is contingently liable	13,456.00	-	-	13,456.00
Total	1,04,910.62	17,008.75	(16.01)	1,21,903.37

(i) Interest on above demand wherever applicable is not ascertained and hence not included in the above.



## Odisha Power Generation Corporation Limited Notes forming part of the financial statements

- (ii) Claims of contractors and others includes demand of Rs. 2124.31 Lakh raised by Main Dam Division Burla, towards Penalty against water drawl from Hirakud reservoir with reference to demand No. MDD/9199 dtd 08.07.2013. In responses to same OPGC has written letter no 1861 dated 02.06.2014, letter no 1865 dated 20.06.2014, letter no 3021 dated 18.12.2018 to Water Resource Department of Government of Odisha with a copy to Energy Department of Government of Odisha (GOO) for waiver of the same citing the reason of waiver, In response of the same, Principal Secretary to GoO Energy Department has forwarded letter no 5275 dtd 25.06.2014 and letter no 5539 dated 11.07.2019 on waiver of the same to Principal secretary to GoO water Resource Department.
- (iii) Claims of contractors and others includes Rs. 15166.23 Lakh raised by OGPTL and PGCIL against power transmission and relinquishment charges. OPGC has raised objection of all the charges before APTEL & CERC and the matter is under dispute and in anticipation of further proceedings, the liability as stated by PGCIL before CERC in Case No 380/MP/2019 after recomputation for an amount of Rs 1544 lakhs which was considered for provisioning towards relinquishment charge, later called back by CTU the and restored the revised relinquishment charges as Rs.112.88 Crore.OPGC has filed its rejoinder before CERC on 28.07.2022 challenging the flip flop and arbitrary assumptions of stranded capacity by CTU contravening the order of the Hon'ble APTEL and the case is pending before Hon'ble APTEL
- (iv) Claims of contractors and others includes Rs. 49884.66 Lakh raised by SBEL against challenging deduction of Royalty as per the enhanced rates prescribed under OMMC Rule, 2016 instead of old rates prescribed under 2004 Rules and had filed a case before Supreme Court of India in SLP No.4938/2020.  
(ii) SBEL has filed its claim for adjudication of various claims including royalty and others arising from the ash pond contract before the Sole arbitrator Mr. Justice (Retd.) Madan B Lokur appointed by Hon'ble High Court of Orissa.
- (v) Claims of contractors and others includes Rs. 30037.61 Lakh raised by Larsen & Toubro Ltd (L&T) for MGR construction and the matter was already filed by L&T before ICC vide case no 25804/HTG for arbitration and the Arbitral Tribunal constituted under ICC rules has agreed on the terms of reference.
- (vi) Outstanding Bank Guarantees includes lien / pledge of fixed deposit of Rs 15,69.98 Lakh given to Canara Bank and 1793.89 Lakh given to PNB as security for issue of performance bank guarantee for Rs 15,392.00 Lakh and 17587.20 Lakh respectively in favor of nominated authority Ministry of Coal, GoI on behalf of subsidiary Company i.e. Odisha Coal and Power Ltd.  
Other money for which the company is contingently liable includes Corporate Guarantee of Rs. 13456 Lakh provided to OCPL.



**Odisha Power Generation Corporation Limited**  
**Notes forming part of the financial statements**

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The Company has continued its operations during lockdown due to outbreak of COVID-19 as the electricity generation is considered as one of the essential services by the Government. The Company's substantial generation capacities are tied up under long term power purchase agreements, which insulates revenue of the Company under such contracts. Further, the Reserve Bank of India had granted relief to borrowers by way of moratorium of interest and principal instalments falling due to banks and financial institution which the company availed by way of deferment of dues of PFC and Interest Instalments on cash credit account of Union Bank of India. Based on its assessment, the management does not expect any medium to long-term impact on the business of the Company. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory, loans, receivables and debt covenants basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to above, and the Company's liquidity position, there is no uncertainty in meeting financial obligations over the foreseeable future due to COVID-19.

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**Other Statutory & Regulatory Information**  
The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.  
The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.  
The Company has not declared as a willful defaulter by any bank or financial institutions or any other lender.  
The Company has not used the borrowings from banks and financial institutions for purposes other than that for which it was taken.  
The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:  
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries), or  
b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries  
The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:  
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries), or  
b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

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During the previous year ended 31st March, 2021 the Central Government has published The Code on Social Security, 2020 ("the Codes") in the Gazette of India, inter alia, subsuming various existing labour and industrial laws which deals with employees related benefits including post-employment. The effective date of the code and the rules are yet to be notified. The impact of the legislative changes, if any, will be assessed and recognised post notification of the relevant provisions.

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The Company has been sanctioned working capital limit from banks or financial institutions on the basis of security of current assets. The quarterly returns and statements comprising (stock statements, book debt statements, and statements on ageing analysis of the debtors) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company

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Previous Year figures have been reclassified/ regrouped wherever necessary.

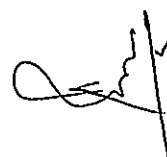
In terms of our report attached.  
For Singh Ray Mishra & Co  
Chartered Accountants  
Firm Reg No: 318121E



(CA J. K. Mishra)  
Partner  
Membership No. 052796  
Place : Bhubaneswar  
Date : 1/2/23

UDIN - 23052796 BQWWRH 5605

For and on behalf of the Board



(P. K. Mohapatra)  
Managing Director  
DIN: 07800722