OPGC
Power for Progress

36th ANNUAL REPORT

2019-2020

Our Vision

A world-class power utility committed to generate clean, safe and reliable power, enhancing value for all stake holders and contributing to national growth.

Our Mission

- To attain global best practices by adopting, innovating and deploying cutting edge solutions
- To achieve excellence in reliability, safety and quality of power by creating a culture of empowerment and high performance
- To be a responsible corporate citizen having concern for environment, society, employees and people at large.

Our Values

- Put Safety First
- Honour Our Commitments
- Act with Integrity
- Strive for Excellence
- Have Organisational Pride
- Foster Teamwork

CONTENTS

About OPGC

Incorporated on November 14, 1984, with the main objective of establishing, operating & maintaining large thermal power generating stations, Odisha Power Generation Corporation Ltd. (OPGC) established Ib Thermal Power Station having two units of 210 MW each in the IB Valley area of Jharsuguda District in the State of Odisha. These units are operating since1994 and entire generation from these units is committed to GRIDCO on the basis of a long-term Power Purchase Agreement. OPGC has excellent track record of plant performance and earnings and has firmly established its credentials as a successful power generating Company both technically & commercially by providing clean, safe & reliable power. After divestment of 49% of the equity shares in favour of AES Corporation, USA in early 1999, OPGC with its present ownership structure is unique of its kind in the country.

Under expansion programme, OPGC has constructed two numbers of supercritical units of 660MW each, in the same location adjacent to its existing operational units. These two units namely Units 3 & 4 went in to Commercial Operation on 3rd July'19 and 21st Aug'19 respectively. OPGC has signed a long-term power purchase agreement with GRIDCO, under which supply 75% of power is being supplied to GRIDCO till March' 23 and 100% thereafter. With the available resources and fuel security in terms of allocation of coal mine to Odisha Coal and Power Ltd. [a joint venture Company of OPGC (51%) and Odisha Hydro Power Corporation Ltd. (49%)] for exclusive use of OPGC 2x660 MW expansion units- 3&4, OPGC is poised to be the most reliable source of power for the State of Odisha.

OPGC II PROGRAM - AN OVERVIEW

OPGC had commenced construction of major expansion project i.e., 1320 MW (2 x 660) MW coal fired super critical Plant adjacent to its 2x 220 MW operating Power Plant at ITPS, Banharpali, Jharsuguda in March'2014. The Scope of the OPGC II programme included construction of the Power Plant, Ash Pond and dedicated rail corridor from the Manoharpur Coal block to the project and township facilities for the O&M staff.

Power Plant

The contract for construction of power plant was awarded to BHEL and BGRE on EPC concept for BTG and BOP scope of the Power Plant respectively in March 2014 with DCPL as Owner Engineer. The Commercial Operation of Unit#3 and Unit#4 commenced on 3rd July'19 and 21st Aug'19 respectively. Like every new unit, these units are also facing initial teething issues and expected to attain stability shortly.

MGR

The Merri-Go- Round (MGR) rail connectivity (47 KM, one of the longest MGR line in country) from captive Coal Mines at Manoharpur to Power Plant at Banharpali is under construction by the EPC contractor L&T. However, Charla connectivity (intermediate loading station) has been established to facilitate supply of coal from MCL. All other works like P-Way works, station building, bridges and S&T works are in progress.

Ash Pond

The Ash Pond is being developed in 2 Phases with a partition bund in between. Presently, Phase-1 has been taken into service since Jan'20 and ash generated from new units is being dumped in it. Phase-2 construction is in full swing. The construction has been done in an environment friendly manner and HDPE liner has been used in its bed and embankment slope.

Township

Development of residential and recreational facility for Project and O & M staff is underway. People have already started using major part of residential apartments, School & one club. Construction work is in progress for balance structures.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a responsible electricity producer, OPGC is creating societal value by operating in an economically, environmentally and socially sustainable manner through Corporate Social Responsibility (CSR) initiatives. OPGC has an inclusive CSR Policy that guides and aids in strategizing and executing Corporate Social Responsibility programmes at its operational areas – ITPS Plant site, project sites. OPGC's CSR Policy for FY 2019-20 has been approved by the Board of Directors and has been placed in the Company's website, i.e. **http://www.opgc.co.in/com/csr-policy.asp.** Seeking to scale new heights, OPGC, being a responsible Corporate Citizen, is conscious of the impact it is having on all aspects of society, including economic, social, and environmental and thus its projects and programmes are well-integrated into the community-level decision-making structures and processes of the Organization. OPGC, as a continuous and consistent process, is striving for development of the peripheral villages surrounding its operational areas and as a responsible corporate citizen the company is contributing for developmental activities since its inception. Stakeholder Engagement is a key ingredient of OPGC's CSR vision to find out issues that matter most to the relevant people in order to improve overall quality of life, smoothen the decision-making process in conceptualising projects, and at the same time helps in raising the level of efficiency, transparency and accountability within the Organisation.

OPGC adheres to its CSR guidelines and norms set by adopting the principles laid down in the Companies Act 2013, the CSR Rules 2014 and its philosophy of achieving sustainability through comprehensive Stakeholder Engagement. OPGC works in the core sectors of Education, Preventive Health, Sustainable Livelihood & Skill development, Infrastructure Development and Sports Training in its operational area.

As the growth in terms of generation capacity is poised to jump four times from 420 MW to 1740 MW in the subsequent years, the projected revenue growth is expected to quadruple and so are the profits, the Board of Directors is keen to ensure a sustainable and responsible development of its business that also serves broader economic and societal interests of the community.

During the year, the Company has spent ₹ 146.76 Lakhs as against the mandated spending of ₹ 262.28 Lakhs. A detailed report on CSR activities prepared in line with various applicable provisions of the Companies Act, 2013 is attached at **Annexure-V**.

CSR @OPGC

Corporate Social Responsibility at OPGC supports the Company's Vision and Mission statements and thus aspires to become a world-class responsible corporate citizen. OPGC has always strived to engage in actions that further social and environmental good, beyond its obvious interests i.e. business relationships and statutory compulsions. The Company is guided by Section 135 of the Companies Act, 2013 and the stipulations made in the notified CSR Rules of 2014. All its key interventions are aligned with the activities specified in Schedule VII of the Companies Act, 2013. OPGC works actively in the areas of preventive healthcare, promoting education, providing drinking water, sanitation, facilitating vocational skills for employability, livelihoods and income generation for empowerment of women and youth, creation and development of community infrastructure for rural development, and training of children/youth in sports. All these activities aim at an overall enrichment in the quality of life of the people surrounding the Power Plant.

Robust Governance

OPGC's Board of Directors has set up a CSR Committee which periodically reviews the CSR Policy, CSR Strategy, recommends broad CSR actions to be implemented, and also assists the Board in reporting and disclosures as per applicable law and rules.

Monitoring & Measurement

CSR Committee guides the CSR Team to ensure regular monitoring of projects and ensures periodic measurement of outcome/ impact of CSR activities which could become the basis for 'learning from experience' and thereby improving delivery of intended outcomes year after year.

Alignment with Sustainable Development Goals (SDG)

India along with other countries has signed the declaration on the 2030 agenda for sustainable development thereby adhering to the 17 SDGs and 169 targets. OPGC is doing its part by contributing to the national development agenda through innovative and more impact-oriented projects.

Collaboration

OPGC is focusing more and more on building meaningful partnerships with organisations/ agencies from the social development sector having the expertise and knowledge base to build up from the resources allocated by the Company. Also, projects have been taken up in convergence mode with partially/ fully Government sponsored programmes such Swachh Bharat, Deen Dayal Upadhyaya Grameen Kaushal Yojana (DDU-GKY) for Skill Development of youth.

Thrust on Sustainability

All projects have an end date eventually, but the project impact should continue. With this thought, the Company is geared to implement more and more projects which would be sustainable in the long run so that stakeholders can realise the maximum value out of the project even after its completion with minimum maintenance and also learn to cope with the dynamic environment.

OUR FOCUS AREAS

PROMOTING EDUCATION

- Support to 35 Primary, Upper Primary, High Schools and 01 College located in the peripheral villages for quality learning.
- Provision of teaching learning materials, Awareness campaigns on safety, health & hygiene.
- Regular support to two unaided high schools for teacher.
- Construction of school building, additional class rooms, renovation and repairing of schools, provision of bi-cycle sheds, construction of toilets and electrification work.

PREVENTIVE HEALTHCARE

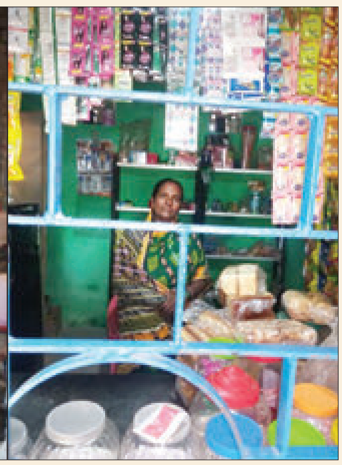
- Regular services to the local community since October 1993 with its well-equipped 18-bedded secondary hospital.
- Over the years, more than 80% of its OPD (Out Patient Department) patients have been from the nearby communities.
- Preventive awareness programmes on HIV/AIDS and Malnutrition among school children, mothers and members of women self-help groups.
- Fogging operation in surrounding villages and habitations for malaria prevention.
- Medical camps are organized in the villages and provided with free consultation and free medicines for common ailments. ITPS Hospital organizes such camps all-round the year.

DRINKING WATER & SANITATION

- Ongoing Water Sanitation and Hygiene (WASH) Project generated awareness on better practices in hygiene among the local community. Villages/ Hamlets Covered: 39 in 04 Gram Panchayats.
- Three water points covering - Toilet, Bathroom and Kitchen area in each household are connected with 24x7 supply.
- Village Water & Sanitation Committees (VWSCs) look after day-to-day O&M of the infrastructure, manage funds and ensure 100% Open Defecation Free (ODF) status.
- OPGC has been providing drinking water through tankers every summer season to around 44 water-scarce periphery villages in five Gram Panchayats.

SKILL DEVELOPMENT OF YOUTH LIVELIHOODS & INCOME GENERATION

- Youth in the age group of 18-35 years are encouraged to undergo various skill-based courses for increasing their employability.



- Ib Srushti Women Livelihoods Services Producer Company Limited incorporated in 2016 incubated and promoted by OPGC
- Caters to women, farmers and fishermen.
- The initiative has reached 1047 target families who have now access to financial services, skill-based trainings and enhancing their livelihood activities, and link their produce to larger markets.
- Generated local employment.

COMMUNITY INFRASTRUCTURE

- Critical Infrastructure projects which help augment quality of life are implemented in peripheral villages keeping in view the needs of stakeholders.
- Various projects are taken up such as Community Centre, Street-lighting, Bathing Ghat, Kalyan Mandap, Pond excavation, improvement of roads, etc.
- Due procedures are followed for tendering and works are executed by reputed contractors under supervision of OPGC's in-house engineers. Quality of work done is of utmost priority at OPGC.

Preventive Action Taken by OPGC to Fight COVID-19

OPGC launches massive sanitization drive in the periphery of Ib Thermal Power Station to fight COVID-19 as a part of its CSR initiative.

In view of outbreak of COVID-19, a global pandemic declared by WHO, OPGC has initiated preventive health measures to contain the spreading of virus in the Community around Ib Thermal Power Station by spraying disinfectants, distributing face masks, hygienic soaps and alcohol-based hand sanitizers in the villages. Besides this, OPGC supported Jharsuguda District Administration by supplying Surgical Gloves, V-4420 respirators, Alcohol-based hand Sanitizers for the District's Medical Use and also supplied around 1.30 lakh double ply cotton masks for distribution to the villagers by the District Collector. For widespread awareness and communication, posters are being displayed in the villages on the importance of handwashing and Social distancing.

As an effective preventive measure, OPGC has also taken up Sanitization work, spraying Sodium Hypochlorite solution and bleaching powder, in 7 Gram Panchayats involving 33 villages which cover 6015 households in the area around the operational areas of OPGC.

Director (Operations), OPGC along with CSR Team during launch of the disinfection drive in surrounding villages of Ib Thermal Power Station

For widespread awareness, OPGC has taken further initiative to distribute 10,500 hand sanitizer bottles and 8000 hygiene soaps and 14,000 cotton masks to villagers residing in 8257 number of households in 12 number of Gram Panchayats of Lakhanpur Block.

Some snapshots from the Community during awareness and distribution of cloth masks, hand sanitiser and hygiene soaps

Posters on
"proper handwashing"
displayed in the community

Besides these steps, a COVID Care Home (CCH) has been set up within the Ib Thermal Township to provide isolation facility to COVID positive persons.

- Set-up 20-bedded (15 Male and 5 Female) COVID CARE HOME in ITPS Club Premises to take care of asymptomatic positive patients
- Adequate numbers of bed, mattress, pillow, bedsheet, bucket, mug, waste bin etc. provided
- Medical equipment like Infrared thermometer, BP monitor, Oxymeter, Glucometer and Oxygen Cylinder placed
- Disposable PPE kit, Sanitisers, disinfectant and Triple-layer masks available for attendants and caregivers
- Bio-medical waste disposal pit
- Three ANMs hired for engagement in the CCH
- Cleaning & Housekeeping of the premises arranged
- Three Security persons man the premises 24x7
- One Ambulance has been dedicated for CCH

The massive awareness-cum-sanitisation drive by OPGC shall continue during the year to fight the pandemic with full resolve

FINANCIAL HIGHLIGHTS

(₹ in Lakh)

Financial Performance	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Revenue	1,64,335.74	88,771.23	62,311.60	75,809.00	70,595.39
PBDIT	46,290.86	29,348.14	3,407.24	13,795.77	20,007.92
Depreciation & Amortization	20,970.32	2,118.86	2,528.35	2,559.52	2,192.05
Interest	46,668.48	35.92	19.99	977.19	465.42
PBT	(21,347.94)	27,193.37	858.90	11,236.25	17,815.87
Taxes	(7182.86)	10,045.76	379.84	4,443.35	6,333.22
PAT	(14,165.08)	17,147.61	479.06	6,792.91	11,482.65
Per Share Data	**2019-2020**	**2018-2019**	**2017-18**	**2016-17**	**2015-2016**
EPS (`)	(77.72)	108.22	4.36	130.44	234.24
Book Value (`)	1634.63	1,713.21	1,716.83	2,176.82	3,209.94
Dividend per Share (`)	Nil	Nil	Nil	65.00	75.00
Financial Position	**2019-2020**	**2018-2019**	**2017-18**	**2016-17**	**2015-2016**
Share Capital	1,82,249.74	1,82,249.74	1,58,049.74	97,521.74	49,071.74
Net worth	2,97,910.75	3,12,232.94	2,71,344.63	2,12,287.57	157,356.79
Total Debt	7,75,925.81	6,88,283.48	5,48,040.93	3,78,681.12	162,570.33
Tangible Assets	8,52,224.50	67,608.48	33,770.29	23,277.48	21,213.32
Intangible Assets	925.60	701.06	765.91	804.48	73.83
Cash and Investments	36,063.12	48,502.16	64,632.89	40,140.55	50,147.62
Current Assets	89,445.15	83,668.35	68,215.77	77,244.72	102,880.40

BOARD OF DIRECTORS

Mr. Nikunja Bihari Dhal, IAS
Chairman

Mr. Partha Sarathi Mishra, IAS
Director

Mr. Prasant Kumar Mohapatra
Managing Director

Mr. Pravakar Mohanty
Director (Finance)

Mr. Manas Ranjan Rout
Director (Operations)

NOTICE FOR THE
36TH ADJOURNED ANNUAL GENERAL MEETING

Notice is hereby issued that the 36th Adjourned Annual General Meeting of the members of Odisha Power Generation Corporation Ltd. will be held on **15.04.2021 at 11.00 A.M.** at the Registered Office of the Corporation at Zone-A, 7th Floor, Fortune Towers, Chandrasekharpur, Bhubaneswar to transact the following business:

ORDINARY BUSINESS:

1) To receive, consider and adopt the audited Balance Sheet as at March 31, 2020 and the Statement of Profit and Loss for the year ending on that date together with Directors' Report and Auditors' Report thereon.

By order of the Board

Date- 12.04.2021
Zone-A, 7th Floor, Fortune Towers
Chandrasekharpur
Bhubaneswar-751 023

Sd/-
(M. MISHRA)
COMPANY SECRETARY

Encl: 1) Proxy Form
2) Consent Form
3) Copy of the Annual Accounts.

Note: A member entitled to attend and vote may appoint Proxy to attend and vote in his/her place and the Proxy need not be a member of the Company.

NOTICE FOR THE
36TH ANNUAL GENERAL MEETING

Notice is hereby issued that the 36th Annual General Meeting of the members of Odisha Power Generation Corporation Ltd. will be held on **31.12.2020 at 11.00 A.M.** at the Registered Office of the Corporation at Zone-A, 7th Floor, Fortune Towers, Chandrasekharpur, Bhubaneswar to transact the following business:

ORDINARY BUSINESS:

1) To receive, consider and adopt the audited Balance Sheet as at March 31, 2020 and the Statement of Profit and Loss for the year ending on that date together with Directors' Report and Auditors' Report thereon.

2) To note the appointment of M/s Singh Ray Mishra & Co., Chartered Accountant, as Statutory Auditors for the financial year 2020-21 and authorize the Board to fix their remuneration.

By order of the Board

Date-
Zone-A, 7th Floor, Fortune Towers
Chandrasekharpur
Bhubaneswar-751 023

Sd/-
(M. MISHRA)
COMPANY SECRETARY

Encl: 1) Proxy Form
2) Consent Form
3) Copy of the Annual Accounts.
4) Copy of the letter of appointment of Auditors

Note: A member entitled to attend and vote may appoint Proxy to attend and vote in his/her place and the Proxy need not be a member of the Company.

MANAGEMENT REPORT

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 36th Annual Report on the performance and operating result of the Company for the financial year 2019-20 together with the Audited Financial Statement and the Report of the auditors thereon. The comments of the Statutory Auditors and Comptroller and Auditor General of India U/s 143 (6) (b) of the Companies Act, 2013 on the said accounts also form part of the report. We take this opportunity to share the performance of the Company on various fronts and major achievements during the year.

PERFORMANCE HIGHLIGHTS OF OPGC

OPGC-I (2X210 MW)

The year under report has recorded a total generation of 2643.545 MUs corresponding to an average Plant Load Factor (PLF) of 71.65% at plant availability of 89.43 % against the previous year performance of 3085.446 MUs corresponding to PLF of 83.86 % at Plant availability of 91.70 %. However, it exceeded All India Average PLF% of 55.99% for Thermal sector in FY 19-20. (courtesy: CEA Annual Report).

Less generation compared to previous year is majorly attributable to inconsistent coal quality, Unit 2 outage of 10 days due to shortage of coal and Unit 1 outage of 34 days on account of Generator Stator failure.

Since inception of both units (2X210 MW), the inferior quality of coal has been a major constraint for us to achieve the higher generation and efficiency. Now, ageing is a contributing factor for degraded performance of these two units, which are in service for more than 24 years. OPGC has been regularly following up with MCL at various levels for improvement of coal quality and quantity as well.

OPGC-II (2X660 MW)

Unit #3 & Unit #4 COD (Commercial date of operation) was achieved on 3rd July-2019 and 21st August-2019 respectively. The year under report has recorded a total generation of 3852.248 MUs corresponding to an average Plant Load Factor (PLF) of 49.13%.

Less generation is mainly due to limitation in Ash disposal system, Unit #3 GT (Generator Transformer) B-phase failure, inconsistent coal quality, low load operation for 17 days on account of shortage of coal and Unit 4 outage of 10 days on account of power evacuation & regulatory issue.

Since COD of both units (2X660 MW), limitation in Ash disposal system has been the major constraint to achieve the higher generation and efficiency. As a part of remedial measure, ash system modification job has been taken up by M/s BGRE. Also, coal with high ash content is also one of the major contributing factors for ESP & AHP limitations. Now, Power from Units 3 & 4 is being scheduled (ex-bus) by SLDC through STU network. 75% power of OPGC-II has been contracted with GRIDCO till march-2023 and 100% thereafter.

Project Development:

Construction of pending works of OPGC's expansion project of 2x660 MW progressed well during Financial Year 2019-20 with some interruptions due to Covid restrictions. The ash handling system modification works of both units started to resolve the fly ash evacuation constraints and to support full load operation. BGRE has achieved 15% cumulative progress of ash modification work at end of financial year. Phase-1 Ash Pond work was completed by SBEPL on September 2019 and Phase-2 work started. Ash discharge piping work is under execution by BGRE to support evacuation to Phase-1 pond by July 2020. Construction of Ash Water Recycling & Cooling Tower Blowdown System is under progress and Driplex has achieved about 82% overall progress at end of financial year.

Construction of dedicated railway corridor (Merry Go Round 'MGR') for transportation of coal from Odisha Coal & Power Limited (OCPL)'s Manoharpur coal mine and from Mahanadi Coalfields Limited (MCL)'s Lakhanpur Mines is under progress by Larsen & Toubro Limited (L&T). L&T has achieved about 88% overall progress at end of financial year. IB Valley land of MCL was handover to L&T on Janauary'2020. MGR overall progress was impacted primarily due to delays in handover of land by MCL. On account of non-completion of MGR, coal could not be procured from OCPL. As of now coal is being procured from MCL's Lakhanpur Mines primarily through the part-completed MGR i.e., from Charla yard at Chainage 9.8Km.

Coal for the power plant will be primarily sourced from the Manoharpur coal blocks under our subsidiary company OCPL. Coal Production from mine has commenced in October 2019 and OCPL is striving to monetize the same through sale arrangement with Coal India Limited on account of lack of transport arrangement to OPGC. MCL is being pursued to meet the coal requirement of OPGC from its Lakhanpur Mines.

Construction of Township and renovation is being done by NCC Limited and likely to be completed in coming months.

For ensuring power sale from the expansion units under a restricted power market and enhancing viability of the project, Govt. of Odisha has issued notification dt:20/12/2018 where under power offtake by GRIDCO has been enhanced from 50% to 75% of the installed capacity till March 2023, on same terms as the existing PPA and 100% thereafter for 25 years. Supplementary Agreement to this effect was signed with GRIDCO on 24/01/2019. Balance 25% power will be sold in merchant markets through available options in order to maximize the revenue from generation. OPGC had filed application for determination of interim tariff with OERC prior to expected date of commercial operation, which would prevail till final tariff is determined after COD of the expansion units. OERC in its order allowed interim tariff of INR 2.75 per kWh and directed OPGC to file final tariff after the new tariff regulations are notified by OERC for the control period of 2019-2024. As the interim tariff is very low compared to the expectation a review petition was filed citing financial difficulties OPGC is expected to face on account of low tariff.

Power evacuation was to be done through two connecting transmission lines i.e. OPTCL and PGCIL. However, as 100% power was to be taken by the state the linkage with PGCIL has been relinquished and an application has been filed with concerned authorities to allow interconnection of Unit 3 & 4 by closing bus sectionaliser within its switchyard in order to evacuate GRIDCO's power through state transmission network. This will mitigate the liability of short term open access charges and procedural issues.

SAP Implementation

Updates on Roll out SAP Application for Unit 3&4 and Implementation of DMS for OPGC

The Project "Roll out SAP Application for Unit 3&4 and Implementation of DMS for OPGC" successfully went live on 5th July 2019. SAP Document Management System (DMS) module with workflow-based online Note sheet Approval System was implemented in OPGC and put in business usage with effect from 1st September 2019 eliminating paper-based note sheet approval process. The SAP Application is now stable and running seamlessly for all units of OPGC. Roll out post Implementation support is being provided by M/s Tech Mahindra for Unit-3&4 and will continue till 5th March 2021. OPGC SAP Team is providing continuous SAP support to all the users for the day-to-day running of the business transactions for OPGC-1 & Corporate office and will continue to support OPGC-2 upon exit of M/s Tech Mahindra.

FINANCE & ACCOUNTS

(₹ in Lakh)

Particulars	Consolidated Result		Standalone Result	
	2019-20	**2018-19**	**2019-20**	**2018-19**
Revenue from Operations	1,62,352.13	86,291.87	1,62,352.13	86,291.87
Other income	1,983.61	2,479.36	1,983.61	2,479.36
Total income	**1,64,335.74**	**88,771.23**	**1,64,335.74**	**88,771.23**
Expenses excluding interest and depreciation & impairment of assets	1,18,044.88	59,322.11	1,18,044.88	59,322.11
Interest, depreciation & impairment of assets	67,638.80	2,255.75	67,638.80	2,255.75
Profit Before Tax	**(21,347.95)**	**27,193.36**	**(21,347.94)**	**27,193.36**
Tax Expenses	(7,182.87)	10,045.76	(7,182.86)	10,045.76
Share of Loss in Joint Venture	(93.98)	(143.28)		
Profit After Tax	**(14,259.06)**	**17,004.34**	**(14,165.08)**	**17,147.61**

Since equity method of consolidation under Ind AS is applicable to your Company for consolidation of the accounts of its lone subsidiary, Odisha Coal and Power Limited (OCPL), there is no difference in the consolidated numbers excepting that of Profit After Tax.

Important items that have been considered in the preparation of financial statements having substantial impacts are provided in respective Notes forming part of financial statements.

1. On substantial completion of the project, Unit-3 and Unit- 4 were put to use during the year on 3rd July 2019 and 21st August 2019 respectively. All the expenses related to Unit 3 and Unit 4 were accrued under Capital Work in Progress (CWIP) are now transferred to the new asset account on respective commercial operation dates. The completed asset, now shown on the company's balance sheet as

an "asset" under the property, is plant and equipment (PPE) amounting to Rs 8047.56 Cr. The procedure and assumptions taken for capitalisation of Unit 3 & 4 is through a Process note and Accounting policy adopted by your company on year on year basis.

2. Sales have been accounted for in accordance with the tariff approval by OERC for FY20 and rebate allowed towards early payment has been netted off with revenue. While determining the tariff for Ib TPS (Unit 1&2), OERC had computed the tariff in terms of OERC Tariff Regulation. For Unit 3 & 4 interim tariff of 2.75 Rs/Kwh has been approved by OERC and accordingly accounted for.

3. The details of units generated, sales and sales in value given below:

Particulars	Unit 1 & 2	Unit 3 & 4
Generation (MU)	2,643.54	3,852.25
Sales (MU)	2,326.79	3,576.29
Sale (Net) (Rs in Cr)	628.93	994.59

4. Employee Benefit Expenses includes an amount of Rs.10.36 Cr (previous year Rs 9.39 Cr) towards provision for Variable Pay of the employees under approved performance management system of the company. Employee benefit expenses includes provisions of Rs 4.45 Cr (Previous year Rs. 9.33 Cr) as Gratuity, an amount of Rs 3.96 Cr (Previous year Rs. 4.89 Cr) as Earned Leave, an amount of Rs 0.88 Cr (Previous year Rs. 1.88 Cr) as Half Pay Leave and an amount of Rs 2.12 Cr (Previous year Rs. 3.65 Cr) as Terminal TA & onetime pension to employees.

5. The Company has availed moratorium in payment of interest and principal instalment due to Power Finance Corporation Ltd. (PFC) on 15th April 2020 and 15th July 2020 for an amount of Rs.266.10 Cr as per the PFC's moratorium policy in line with COVID-19 Regulatory package of RBI.

6. Power Finance Corporation Ltd. (PFC) and Rural Electrification Corporation Ltd. (REC) has sanctioned term loan of Rs.434.40 Cr each to fund the Environment Retrofit Project to be implemented by the Company with Debt Equity ratio of 4:1.

7. Company availed working capital loan of Rs 500 Cr (cash credit) from Union Bank of India at MCLR which is 7.7% pa.

DIVIDEND & DIVIDEND POLICY

The Company's overarching objective is to strike the right balance between adequately rewarding shareholders through dividend and providing enough funds to drive future growth to maximize long term sustainable shareholder value. Your company had adopted a policy of declaring dividend at such percentage of paid-up share capital for each financial year as is equal to a minimum of 25% of the net profit after tax. considering the balance investments in the project including that in environment retrofit project in future years, your Directors do not recommend any dividend on Equity Shares for the year under report.

RESERVES AND SURPLUS

The balance amount in Reserves and Surplus stands at Rs. 115,661.01 lakhs (previous year 129,983.20 lakhs) at the year under review. No amount is transferred to any reserve during the year under report.

TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO IEPF

There is no unpaid or unclaimed dividend amount outstanding for a period of seven years from the date of declaration, which needs to be transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

GENERAL

Your Directors state that there is no disclosure or reporting requirement in respect of the following items as there were no transactions relating to these items during the year under report:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares, sweat equity shares and ESOS to employees of the Company.
- Neither MD nor the Whole-time Directors of the Company receive any commission from the Company.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

MATERIAL CHANGES

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate till the date of this report.

Risk and Areas of Concern

The Company is considering laying down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process of both business and non-business risk.

Subsidiary, Joint Ventures and Associate Companies

The Company has only one subsidiary company namely Odisha Coal and Power Limited (OCPL) which was formed as a wholly owned subsidiary Company of OPGC on 20th January, 2015. Pursuant to GoO Notification dated 4th, 11th and 21st February, 2015; 49% equity shares of OCPL was transferred to OHPC thus converting it into a joint venture (JV) company.

The Shareholders' Agreement between your company and OHPC was executed on 21st April, 2016. As per the Shareholders' Agreement, the Chairman, OPGC shall preside over the meeting of the Board and General Meetings of OCPL. Apart from the Chairman three directors each have been nominated on the Board of OCPL by both OPGC and OHPC.

The Board has reviewed the affairs of OCPL, Subsidiary Company, and confirms that there were no material changes in the said company or in the nature of business carried on by them. During the year under review i.e. FY 2018-19, the Company has incurred a Loss of Rs. 184.26 Lakh as the operational activities are yet to commence in full fledge. The consolidated financial statements prepared taking into account the financials of OCPL are attached to the Annual Report.

OPGC has no Associate company during the year under report.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, as required to be disclosed under the Companies Act, 2013 are given in the Annexure-I to this report.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as Annexure -II to this Report.

DIRECTORS

During the year under report the Board comprised of 8 Directors i.e. 4 each from Govt. of Odisha and AES as per the Share Holders' Agreement.

STATUTORY AUDITORS

M/s Nag & Associates, Chartered Accountants (Firm Regn. No. 312063E), Bhubaneswar were appointed by the C&AG of India as the Statutory Auditors for the year under report. The report of the Statutory Auditors to the shareholders on the accounts for the year 2019-20 and comments of C&AG of India u/s 143 (6) (b) of the Companies Act, 2013 are enclosed as part of the report.

COST AUDITORS AND COST AUDIT REPORT

M/s. Niran & Co., Cost Accountants (Firm Registration No. 000113) were re-appointed as Cost Auditors In accordance with the requirement of the Central Government and pursuant to Section 148 of the Act, your Company carries out an annual audit of cost accounts relating to electricity. The Cost Audit Report and the Compliance Report of your Company for 2019-20, was filed on 06.11.2020 with the Ministry of Corporate Affairs through Extensive Business Reporting Language (XBRL) by M/s. Niran & Co., Cost Accountants, For the financial year 2019-20, the Board of Directors of the Company, on the recommendations of the Audit Committee, has re-appointed M/s. Niran & Co. Cost Accountants, as Cost Auditors of the Company.

INTERNAL AUDITORS

The Board of Directors of the Company based on recommendations of the Audit Committee had appointed. M/s. SRB and Associates, Chartered Accountants (Firm Regn. No.310009E) as Internal Auditors for FY 20. The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliances with operating systems, accounting procedures and policies at all locations of the Company and reports the same on quarterly basis to the Audit Committee and Board. For the FY 20 with the recommendation of Audit Committee Board of Directors of the Company has constituted an internal audit team within the organization for smooth conduct of audit during the pandemic situation.

MANAGEMENT COMMENTS ON STATUTORY AUDITORS' REPORT

The comments of the statutory auditors and management's reply on each of the observations are placed in Annexure – III and form part of the Directors' Report. Attention is drawn to the contents thereof for critical appreciation of the finance and accounts of the Company.

MANAGEMENT COMMENTS ON C&AG REVIEW

Review of the Accounts for the year ended on March 31, 2019 by the Comptroller and Auditor General of India (C&AG) as furnished at Annexure – IV also forms part of this report and Management's replies there to given in the said annexure may also be read as a part of this report.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

OPGC has not entered into any material contract or arrangement with related parties as defined under

Section 188 (1) of the Companies Act, 2013 except for sharing of human resources of AES India Private Limited under a well-defined policy duly approved by the Board of Directors of OPGC in the year 2008 and 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The details of loans, guarantees or investments are given under Notes to Accounts of financial statements.

INTERNAL CONTROL

The Company's internal control systems are commensurate with its size and the nature of its operations. It has well documented policies, procedures and authorisation guidelines to ensure that all assets are safeguarded against unauthorised use or losses, all the transactions are properly authorised, recorded and reported, and all applicable laws and regulations are complied with. The effectiveness of internal control mechanism is tested and certified by independent auditors appointed for the purpose (IFC Auditors), covering key areas of operation, based on an annual audit plan giving due weightage to the various risk parameters associated with the business. Major audit observations and follow-up actions are reviewed and monitored by the Audit Committee.

The IFC Auditors also assesses the effectiveness of risk management and governance process. The IFC Auditors independently evaluate the adequacy of internal controls and audit the majority of the transactions in terms of value and criticality. The observations and recommendations for improvement of the business operations are reviewed by the management and are reported to the Audit Committee. Internal audit programme of the company adequately covers the project management and operational controls and ensures adherence to policies and systems. On review of the internal audit observations, IFC Audit observations and action taken on audit observations, we can state that there are no adverse observations having material impact on financials, commercial implications or material non-compliances which have not been acted upon.

ENVIRONMENT, HEALTH & SAFETY (EHS)

Safety tops the list of OPGC Value system and comes before everything else as OPGC cares for its people and wants them to go home safely after each day's work. OPGC's goal is to make that possible for each OPGC person and contractor/service provider by creating and sustaining an incident-free workplace. The company has been continuing its pro-active safety management procedures, nurturing a culture focused on safety. The safety strategy is centred on the belief that all occupational injuries can be prevented and zero harm is achievable. The approach to safety is defined in the OPGC EHS Policy, Values & Beliefs. The following four safety beliefs are the four corner pillars of safety management system of OPGC and it strives to practise its safety beliefs:

1. Safety comes first for the OPGC people, contractors and the individuals in communities, and all work activities need to be conducted in a safe manner that promotes personal health, safety and well-being.
2. All occupational incidents can be prevented.
3. Working safely is a condition of employment and each person is responsible for his /she own safety as well as the safety of the teammates and the people in the communities in which he/she works.
4. All OPGC people and contractors have the right and obligation to stop work as soon as they identify a situation they believe to be unsafe.

OPGC's EHS management system is in line with ISO14001, OHSAS 18001 & Global safety standards helps it achieve what it really believes in.Your Company has bagged number of State, National and International level EHS awards and also received the prestigious Kalinga Safety Award (Silver Category) for the performance year 2019. Your Company has also completed the period as LTI free year.

Commitment to improve environment:

OPGC has developed strategies and objectives designed to drive long term improvement in Environmental performance, which have been integrated into business planning processes. "We care for our environment" through:

- Fostering and promoting a continuous improvement culture
- Maintain and improve our pollution control equipment and facilities
- The efficient use of resources
- Pollution prevention strategies and mitigation
- Reducing the environmental impact of operations.
- Expansion and increasing density of existing green belts/green covers

Few highlights:

- Emission control through ESP maintained with optimum efficiency
- 1 Nos of New Online Effluent Quality Monitoring Station installed at the outlet of Effluent Treatment Plant of OPGC-2

- 2 Nos of new Continuous Ambient Air Quality Monitoring Stations (CAAQMS) have been added to the existing fleet of 4 CAAQMS. Thus total continuous ambient air monitoring stations increased to 6 Nos covering all locations of the Plant.
- Real time and uninterrupted emission, ambient air & effluent quality data transmission to OSPCB & CPCB ensured through installation of data loggers to push even the back log data.
- Maximum Recycle & Reuse of Liquid effluents ensured. The recycling of STP treated water increased by extension of recirculation line to ITPS Orchard for irrigation of fruit bearing trees and lawns.
- Safe Ash Pond Management and 100% recycling of Ash Pond water.
- Fugitive dust control measures through advanced dry fogging in CHP
- Coal transport by rail wagons
- 01 MLD capacity zero discharge Sewage Treatment Plant.
- 01 MT capacity Kitchen waste based biogas plant for eco- friendly disposal of kitchen waste.
- More than 34% Green Belt & Plantation coverage and distribution of around 4500 Nos of tree saplings distributed amongst the surrounding communities (4000 Nos of fruit saplings & 500 Nos of forest species saplings) in FY 2019-20

Ash Utilization has ever been a big challenge for OPGC mainly due to its locational disadvantages. OPGC still strives hard to bring improvement in this area to achieve the target. Although target utilization of 100 % could not be achieved, OPGC was successful in achieving 66.5 % ash utilization which is highest utilization % since the commissioning of the plant in 1994.

RIGHT TO INFORMATION

The Corporation has implemented Right to Information Act, 2005 in order to provide information to citizens and to maintain accountability and transparency. The Company has designated a Public Information Officer (PIO) and an Appellate Authority who are dealing with the information requests of the public in compliance with the applicable provisions of the said Act.

INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has constituted an internal complaint committee under section 4 of The Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed before the said committee.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a responsible electricity producer, OPGC is creating societal value by operating in an economically, environmentally and socially sustainable manner through Corporate Social Responsibility (CSR) initiatives. OPGC has an inclusive CSR Policy that guides and aids in strategizing and executing Corporate Social Responsibility programmes at its operational areas – ITPS Plant site, project sites. OPGC's CSR Policy for FY 2019-20 has been approved by the Board of Directors and has been placed in the Company's website, i.e. http://www.opgc.co.in/com/csr-policy.asp. Seeking to scale new heights, OPGC, being a responsible Corporate Citizen, is conscious of the impact it is having on all aspects of society, including economic, social, and environmental and thus its projects and programmes are well-integrated into the community-level decision-making structures and processes of the Organization. OPGC, as a continuous and consistent process, is striving for development of the peripheral villages surrounding its operational areas and as a responsible corporate citizen the company is contributing for developmental activities since its inception. Stakeholder Engagement is a key ingredient of OPGC's CSR vision to find out issues that matter most to the relevant people in order to improve overall quality of life, smoothen the decision-making process in conceptualising projects, and at the same time helps in raising the level of efficiency, transparency and accountability within the Organisation.

OPGC adheres to its CSR guidelines and norms set by adopting the principles laid down in the Companies Act 2013, the CSR Rules 2014 and its philosophy of achieving sustainability through comprehensive Stakeholder Engagement. OPGC works in the core sectors of Education, Preventive Health, Sustainable Livelihood & Skill development, Infrastructure Development and Sports Training in its operational area.

As the growth in terms of generation capacity is poised to jump from 420 MW to 1740 MW in the subsequent years and the projected volume of operations is expected to increase the Board of Directors is keen to ensure a sustainable and responsible development of its business that also serves broader economic and societal interests of the community.

During the year, the Company has spent Rs. 146.76 Lakhs as against the mandated spending of Rs. 262.28 Lakhs. A detailed report on CSR activities prepared in line with various applicable provisions of the Companies Act, 2013 is attached at Annexure-V.

MEETINGS OF THE BOARD

During the year, six Board meetings were held.

The details of attendance of the members of the Board during financial year 2019-20 are as under:

Name & Position	No. of Meetings held during the tenure of the member	Number of Meetings attended
Sri Hemant Sharma, IAS – Chairman	2	2
Sri Bishnupada Sethi, IAS- Chairman	4	4
Sri Indranil Dutta- Managing Director	6	6
Sri Pravakar Mohanty- Director (F)	6	6
Sri Alok Mukherjee - Director (O)	6	6
Sri Vijay Arora, IAS – Director	6	-
Sri D. K. Jena, IAS – Director	1	-
Sri R. N. Das - Director	5	4
Sri Mark Eugene Green – Director	6	5
Sri Ekin Niksarli – Director	6	6

AUDIT COMMITTEE

As a measure of good Corporate Governance your company has volunteered to adopt governance norms of the corporate administration and in order to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted by the Board comprising of three Directors. Audit Committee of the Board of Directors regularly reviews the adequacy and effectiveness of internal audit environment and monitors implementation of internal audit recommendations including those relating to strengthening of company's control system against unscrupulous, unethical and fraudulent transactions.

Major terms of reference of the Committee include overseeing the financial reporting process, review of the financial statements, ensuring compliance with the regulatory guidelines, review of internal audit reports, recommending appointment and remuneration of the internal, cost and statutory auditors to the Board of Directors and review of adequacy of internal control systems and internal audit function.

During the year under review, three meetings of the Committee were held on 18th June 2019, 19th November, 2019 and 13th March, 2020.

Members of the Committee during the year ending on 31st March, 2020 are as below:

1	Sri Hemant Sharma, IAS	Chairman – Non executive
2	Sri Bishnupada Sethi, IAS	Chairman – Non executive
3	Sri Alok Mukherjee	Director (Operations), Member- executive
4	Sri Mark Eugene Green	Director, Member- Non executive

The details of attendance of the members of the Committee are as under:

Name & Position	No. of Meetings held during the tenure of the member	Number of Meetings attended
Sri Hemant Sharma, IAS, Chairman	1	1
Sri Bishnupada Sethi, IAS	2	2
Sri Alok Mukherjee, Director (Operations), Member	3	3
Sri Mark Eugene Green, Director, Member	3	3

H.R.D. & MANPOWER PLANNING

Your Company believes in retaining and nurturing a highly motivated work force to drive the company along its vision & mission with the values and work culture that foster operational excellence through team work.

The company has devised an effective and progressive workforce intake strategy that is aligned to its business needs and suited well to counter the varied complexities as well as evolving business environment of the organisation. During the year under report 05 persons with requisite skill sets were inducted in to the executive cadre to meet part of the manpower requirements of the Company as well as to replenish the manpower loss that occurred in the previous years.

Your company believes in continuous development of its human resource to foster productivity and makes continuous endeavour to keep its employees updated in their respective areas of skill and proficiency. This was carried further during the year under report by imparting in-house training and encouraging their participation in external workshops, symposiums and crash courses organised by professional institutes of national repute. During the year, 62 in-house training programmes were organised to empower them with up to date knowledge on various subjects in which 1086 employees have undergone training and 29 employees were given opportunity to attend 15 institutional training programmes and seminars. In this period 5910 Man hours of training have been imparted. As part of career progression policy and broader objective of maintaining a motivated workforce, 22 executives and 29 non-executives were promoted to higher positions.

INDUSTRIAL RELATIONS

Your company has maintained healthy, cordial and harmonious industrial relations at all levels. The year under report, has not registered any major concern in the industrial relation front and no man days were lost due to any industrial relation issues. Your Directors wish to place on record their sincere appreciation for the excellent spirit with which the entire team of the company worked at site and corporate offices and made useful contribution to the all round progress of the company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under Section 134 (5) of the Companies Act, 2013 state that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts on a going concern basis;

(e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Board of Directors gratefully acknowledge and place on record their appreciation for the support, guidance and co-operation extended to the Company by various departments of the Govt. of Odisha and Ministries of the Govt. of India particularly the Ministry of Power and Coal and Ministry of Environment & Forest.

Your Directors also place on record their appreciation for the continued co-operation and support received from GRIDCO, IDCO, MCL, Union Bank of India, State Bank of India, Central Bank, Andhra Bank, Yes Bank, REC, PFC, Auditors, Solicitors, business associates and shareholders during the year and look forward to continuance of the supportive relationship in future.

We also acknowledge the constructive suggestions received from Government of Odisha and Internal and Statutory Auditors.

Your Directors also appreciate the contribution of contractors, service providers, vendors and consultants in the implementation of various projects of the Company and wish to place on records their appreciation for the support and co-operation extended by all members of the OPGC family.

For and on behalf of the Board of Directors

Sd/-

CHAIRMAN

Place: Bhubaneswar

Annexure-I

Details of Conservation of energy, technology absorption, foreign exchange earnings and outgo

A	**Conservation of energy**		
	(i)	The steps taken or impact on conservation of energy	• **Boiler Feed pump 1A:** Cartridge has been replaced & in recirculation valve overhaul has been done which has brought down the specific energy consumption. • **Boiler Feed pump 1B & 1C:** recirculation valve overhaul has been done which has brought down the specific energy consumption
	(ii)	The steps taken by the company for utilising alternative sources of energy	• 9 KW Roof Top Solar (ON Grid) on the roof of service building has been in pipeline. The feasibility study has been completed & procurement order has been placed. • Replacement of conventional lights with LED Lights, street lights & lamps in progress
	(iii)	The capital investment on energy conservation equipments	Total investment: • Cost of 9KW (ON Grid) Solar system: ₹ 4.84 Lakhs
B	**Technology absorption**		
	(i)	The effort made towards technology absorption	• Use of Aerial Inspection devices (Drone) is in service since 2018. • Robotic Based Inspection opportunities has been explored.
	(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	Improving work place safety by reduction of human exposure to high risk work condition. Improving the reliability of Inspection.
	(iii)	In case of impaired technology (imported during the last 3 years reckoned from the beginning of the financial year)	Nil
	(iv)	The expenditure incurred on research and development	Nil
C	**Foreign exchange earnings and outgo**		Nil
	(i)	The foreign exchange earned (actual inflows)	Nil
	(ii)	The foreign exchange outgo (actual outflows)	Nil

Annexure-II

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2020

[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	U40104OR1984SGC001429
ii)	Registration Date	14th November 1984
iii)	Name of the Company	Odisha Power Generation Corporation Limited
iv)	Category / Sub - Category of the Company	Company limited by Shares / State Government Company
v)	Address of the registered office and contact details	Zone -A, 7th Floor, Fortune Tower, Chandrasekharpur, Bhubaneswar, Orissa-751023
vi)	Whether Listed company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl No.	Name and Description of main products / Services	NIC Code of the Product / Services	% to total turnover of the company
1	Generation of Thermal Power	40102	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl No	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Odisha Coal and Power Limited	U10100OR2015SGC018623	Subsidiary	51.00%	2(87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category - wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2019)				No. of Shares held at the end of the year (As on 31.03.2020)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF									
b) Central Govt									
c) State Govt (s)		9294737	9294737	51.00		9294737	9294737	51.00	
d) Bodies Corp.		796178	796178	4.37		796178	796178	4.37	
e) Banks / FIs									
f) Any other									
Sub-total (A) (1) :									
(2) Foreign									
a) NRIs Individuals									
b) Other Individuals									
c) Bodies Corp.		8134059	8134059	44.63		8134059	8134059	44.63	
d) Banks / FIs									
e) Any other									
Sub-total (A) (2) :									
Total shareholdings of Promoter									
(A) = (A) (1) + (A) (2)		**18224974**	**18224974**	**100**		**18224974**	**18224974**	**100.00**	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c)Central Govt									
d) State Govt (s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B) (1) :									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholdings holding nominal share capital upto ₹ 1 lakh									
ii) Individual shareholdings holding nominal share capital in excess of ₹ 1 lakh									
c) Others (specify)									
i) NRI									
ii) Clearing Member									
Sub-total (B) (2) :									
Total Public Shareholding									
(B) = (B) (1) + (B) (2)									
C. Shares held by Custodian for									
GDRs & ADRs (C)									
Grand Total (A+B+C)		**18224974**	**18224974**	**100.00**		**18224974**	**18224974**	**100.00**	

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2019)			Shareholding at the end of the year (As on 31.03.2020)			
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1	Government of Odisha	9294737	51		9294737	51		Nil
2	AES India Private Limited	796178	4.37		796178	4.37		Nil
3	AES OPGC Holding (Incorporated in Mauritius)	8134059	44.63		8134059	44.63		Nil
	Total	**18224974**	**100.00**		**18224974**	**100.00**		

iii) Change in Promoters' Shareholding

Sl No.	Shareholder's Name	No. of Shares issued during the Financial Year 2019-20
		No. of Shares
1	Government of Odisha	0
2	AES India Private Limited	0
3	AES OPGC Holding (Incorporated in Mauritius)	0
	Total	**0**

iv) Shareholding Pattern of top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the begining of the year (As on 01.04.2019)		Cumulative Shareholding during the year (01.04.2019 - 31.03.2020)	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
a	At the begining of the year as on 01.04.2019	**NA**			
b	Changes during the year	**NA**			
c	At the end of the year as on 31.03.2020	**NA**			

v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (As on 01.04.2019)		Cumulative Shareholding during the year (01.04.2019 - 31.03.2020)	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
a	At the begining of the year as on 01.04.2019	**NA**			
b	Changes during the year	**NA**			
c	At the end of the year as on 31.03.2020	**NA**			

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

				(₹. In Lakh)
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	548426.08			379086.03
ii) Interest due but not paid	5908.74			
iii) Interest accrued but not due				4370.86
Total (i+ii+iii)	554334.82			383456.89
Change in Indebtedness during the financial year				
• Addition	140,225.05			169340.05
• Reduction				
Net Change	169340.05			169340.05
Indebtedness at the end of the financial year				
i) Principal Amount	688651.13			379086.03
ii) Interest due but not paid	7254.15			
iii) Interest accrued but not due				4370.86
Total (i+ii+iii)	**695905.29**			**554334.82**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

							(₹. In Lakh)
Sl No	Particulars of Remuneration	Mr. Pravakar Mohanty, Director (F)		Total Amount	Mr. Pravakar Mohanty, Director (F)		Total Amount
		w.e.f. 20-06-2018			FY 2019-20		
1	Gross Salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961						
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00		0.00	-		0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commision						
	- as % of profit	-	-	-	-	-	-
	- others, specify...	-	-	-	-	-	-
5	Others, please specify (Pension contribution and leave salary)	.		-	-		-
	Total (A)	**0.00**	**0.00**	**0.00**	**-**	**0.00**	**0.00**
	Ceiling as per the Act						

B. Remuneration to other Directors:

Sl No	Particulars of Remuneration	Name of Directors					Total Amount
1	**Independent Directors**						
	a) Fee for attending Board/Committee meetings						
	b) Commission						
	c) others, please specify						
	Total (1)						
2	**Other Non-Executive Directors**						
	a) Fee for attending Board/Committee meetings						
	b) Commission						
	c) others, please specify						
	Total (2)						
	Total (B) = (1+2)						
	Total Managerial Remuneration (A+B)						
	Overall ceiling as per the Act						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sl No	Particulars of Remuneration	Key Managerial Personnel				
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commision					
	- as % of profit	-	-	-	-	-
	- others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**-**

VII. PENALTIES /PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Componding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Annexure-III

Odisha Power Generation Corporation Ltd.
Statutory Audit Observations and Management Replies for the FY 2019-20

Sl. No.	Observation	Management Replies
1.	We draw attention to Note No.14,16,20,23 & 25 to the standalone financial statements in respect of balances under current loans, other current assets, Non-Current-Other Financial liabilities, current Trade payables, Other Financial Liabilities and current liabilities which, in many cases have not been confirmed and any adjustments due to consequent reconciliation, if any, required are not ascertainable.	All major parties' accounts are reconciled and confirmation are being obtained. Joint reconciliations have been carried out with all major parties MCL, IOCL, BGRE, BHEL, AES India(P) Ltd and GRIDCO. All current and non-current loans mainly loan taken from PFC & REC are reconciled periodically. Balance confirmation from PFC & REC on outstanding balances as on 31st March 2020 obtained and reconciled with book balances. Regarding other current assets which includes prepaid expenses and prepaid insurances are periodically reconciled and accounted for.
2.	We draw attention to Note No.39 (vi) to the Ind AS standalone financial Guarantee amounting to Rs 6280 lakhs provided by the Company to Axis Bank Ltd. For Odisha Coal and Power Ltd.(OCPL)- a subsidiary Company of OPGC Limited. This guarantee is in the nature of Financial Guarantee as per Appendix-A of Ind AS 109: Financial Instruments and the said Financial Guarantee has not been measured and recognised in the Financial statements as per the requirements of Ind AS 109 by the company.	In the present case, Odisha Coal and Power Ltd (OCPL) has issued a performance guarantee in shape of Bank Guarantee from Axis Bank Ltd in favour of the Nominated Authority, Ministry of Coal, Government of India. The Bank Guarantee is backed by Corporate Guarantees of both the shareholders of OCPL viz. OPGC and OHPC. Further, OCPL has also provided margin money to the Bank for the purpose. Thus, the corporate guarantee provided by OPGC to OCPL to obtain a bank guarantee is for the performance and as such cannot be termed as financial guarantee. Accordingly, not required to be measured and recognised in the financial statement.
3.	Terms and conditions of appointment and remuneration payable to Managing Director and Director (Operations) for services rendered to OPGC have not been furnished. The managerial remuneration earned by the above directors is not disclosed in the Annual Return as required under section 92 of the Companies Act, 2013.	Managing Director and Director (Operations) are appointed by AES as per the Shareholders' Agreement. The Managing Director and Director (Operations) are employees of AES and do not draw any remuneration from OPGC. Hence disclosure of remuneration is not needed.
4.	Attention is drawn to note 35 to the standalone financial statements in respect of an amount of Rs.1259.62 lakhs paid/provided towards Resource Sharing fees to AES India Pvt. Ltd, a related party. It is explained that there is no agreement between company and AES India Pvt. Ltd. for the purpose and a copy of an unsigned document with the title "Policy on Reciprocal Resource Sharing between OPGC and Strategic Investor" is furnished to us which in our view is not a valid and binding document between the parties.	The Policy on Reciprocal Resource Sharing between OPGC and AES (one of the shareholders) was approved by the Board of Directors in their 147th Board Meeting held on 30th June 2010 and also by the Government of Odisha.

5.	The Company has formed its Audit Committee, but terms of reference of the said committee are not furnished to us. In course of audit, it is observed that related party transactions have not been placed to the Audit Committee.	Disclosure of the related party transactions is a part of the financial statements which are mandatorily placed before the Audit Committee for scrutiny before recommendation of the same to the Board of Directors. However, the Audit observation is noted for future compliance.
6.	Lubricants Procured from IOCL for an amount of Rs 1.88 lakhs during the year have not been accounted for by the company resulting understatement of current liabilities and stock in transit by that amount.	Observation Noted. Out of invoice value of Rs. 1.88 lakhs, Rs 0.77 lakhs has already been accounted for and paid to the vendor. Follow up is made with the vendor to obtain the other invoice of Rs.1.10 lakhs and will be adjusted in FY 2020-21.
7.	Attention is drawn to note no 4B to the standalone Financial statements in respect of stock in transit and pending inspection amounting to Rs 2692.48 lakhs lying unadjusted from FY 2016-17(1239.35 lakhs), FY 2017-18(1424.01lakhs), FY 2018-19 (29.12 lakhs) resulting overstatement of capital work in progress and current liabilities – Other Financial Liabilities as per note no 25.	Observation Noted. Out of Stock in Transit and pending inspection related to project 3 & 4 amounting to Rs.2692.48, Stores and spares valuing Rs.623.34 lakhs have already been accounted for on 10.03.2021. Out of balanceRs.2069.14lakhs, Goods Receipt Note (GRN) of Rs.1098.15 have been prepared and accounted for by 31.03.2021. Follow up is being made to obtain the invoices in respect of balance Stock in transit valuing Rs. 970.99 lakhs and will be adjusted in FY 2020-21.
8.	The company has not made disclosure for assessment in the financial statements about the impact of COVID-19, global pandemic on the operations and financial matters of the company. Material misstatement if any of the information related to COVID-19 pandemic is unascertainable.	Business of the company at large not impacted by the pandemic. However, observation noted for suitable disclosure in FY 21.
9.	As regards Entry level controls, the company is having following deficiency – Different operating manuals for functions like Accounts, procurement, compliance, corporate Governance & Comprehensive Risk Management Policy needs to be updated	Accounts manual and Cost Accounts Manual are being updated by Professional accounting firms during FY 2020-21, regarding other policy and compliances it will be updated in due course.
10.	As regards process level controls, the company's input validation data checks are inadequate with reference to data input in SAP and lack of provision in the system to generate alerts with reference to non-moving and obsolete stores items in SAP leading to potential risk of erroneous and unreliable output results.	SAP has its own set of standards for data validation applicable for the respective modules and functions within that. However, if any additional validation is required by the business then the feasibility will be checked and further enhancement in SAP can be taken up. Appropriate Authorisation has already been incorporated for PO through SAP Authorisation Matrix. For better control mechanism, SAP System data validation audit had been conducted by a System Audit (DISA) qualified Professional Accounting Firm and necessary correction made on recommendation of the Firm.

Annexure-IV

Odisha Power Generation Corporation Ltd.
Replies on observations of C & AG of India for the financial year 2019-20

Sl. No.	Audit Observation	Management Reply
A	**Comments on Profitability**	
1.	**Balance Sheet** **Assets** **Non-Current Assets** **Property, Plant and Equipment (Note No.3)** **Building-Rs.510.26 crore** The above is understated by Rs.16.98 crores due to non-capitalisation of assets created and handed over to the management under the expansion project 3 & 4 during the FY 2019-20. This also resulted overstatement of CWIP to the same extent. Further, due to non-capitalisation of these assets the depreciation on these fixed assets has been understated to the extent of Rs.7.32 lakh with corresponding understatement of Loss to the same extent.	Government i)Capitalization of Property, Plant and Equipment: Paragraph 7 of Ind AS 16 "'Property Plant & Equipment", the cost of an item of property, plant and equipment shall be recognised as an asset if, and only if: (a) it is probable that future economic benefits associated with the item will flow to the entity; and (b) the cost of the item can be measured reliably. Again, as per para 55 of Ind AS 16, depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. ***As per Para 2.7 of the Accounting Policy of the Company*** *"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.* In the present case, the assets like New Guest House, IB Club House, Library, Solar Power System and Fire Protection Systems were not completed in FY 2019-20 and following documentation were still pending as on this date: 1. Joint reconciliation certification by OPGC & NCC Ltd. 2. The final RA bill by the contractor. Based on the Ind AS principles and approved Accounting policy of the company, it was decided that the cost of the above assets cannot be measured reliably pending above documentations and accordingly were not capitalized during FY2019-20. This will be reviewed again during FY2020-21.

2.	**Balance Sheet** **Assets** **Non-Current Assets** **Property, Plant and Equipment (Note No.3)** **Plant & Equipment's- Rs.7911.24 Crore** The above does not include Rs. 1.73 Cr. towards BHEL-BTG Entry Tax claim on Supply of Boiler Turbine Generator assets which was not released by the company inadvertently during FY 2019-20 and taken into October-2020. This has resulted in understatement of current liability of Rs 1.73 cr. and understatement of Plant & Equipment by the same amount.	Rs 1.73 Cr paid to BHEL in Oct 2020 on the basis of claim made by BHEL and after joint reconciliation certificate signed by both parties. The same was however already booked earlier as part of CWIP on the date of GRN i.e. 31.03.2018. Hence, there is no understatement of current liability and Plant & Equipment.
B.	**Comments on Disclosure**	
	Significant Accounting Policies A reference is invited to paragraph No.2.12 (inventories) of significant Accounting Policies where in it is stated that **"Transit and handling losses/gain arises on physical verification including carpeting of coal are included in the cost of coal"**. However, as per the Power Purchase Agreement of the company, the normative transit and handling loss is 0.2 % of the coal dispatched by the coal supply company and is to be considered for calculation of Energy Charges. Thus, any loss beyond 0.2 % is abnormal loss and as per clause 16(a) of Ind As-2, should be excluded from the inventory and to be recognised as expenses. Hence transit and handling losses should be limited to normative transit and handling losses and the policy needs to be suitably modified accordingly. Further, as disclosed in Note-30(ii) and (iii) the quantity of coal consumption for Unit 3 & 4 including shortage has been shown as 29,45,572.18 MT (22,81,522.58 MT + 6,64,049.60 MT) but as per the physical verification report the quantity of consumption is 33,10,130.80 MT which needs reconciliation. Similarly, in Note-30, the amount of coal consumption has been shown as Rs 869.44 cr but in detail explanation to Note-30(Para-i, ii and iii) the total amount shown as Rs 870.30 cr(Rs 380.24cr+378.60cr+111.46cr)which needs reconciliation.	***As per Para 2.12 of the Accounting Policy (Inventories) followed consistently:*** Cost of Inventories includes purchase price, non-refundable taxes & duties and other directly attributable costs incurred in bringing the same to their present location and condition. Transit and handling losses /gain arises on physical verification including carpeting of coal are included in the cost of coal as expenses. Based on above and also as per Ind AS-2, Para 16(a), the transit losses are accounted for and charged to P & L Accounts in FY 2019-20 as expenses. As regards to the 0.2% norm is concerned, the same is applicable for tariff computation and not applicable for expenses recognition. Consumption as per the physical verification report includes 3,64,520 MT of commissioning coal out of which cost of 3,31,323 MT capitalised and balance cost of 33,197 MT charged to revenue and disclosed as part of Note-30 (iii) in the financial statement. The difference in figures between Note 30 and explanation is noted for future compliance.

Annexure-V

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

FY: 2019-20

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

   The CSR Policy of OPGC was developed and reviewed by the CSR Committee, the same was approved by the Board of Directors (BoD) on recommendation of CSR Committee. The CSR Policy of OPGC provides for projects and programmes, i.e. preventive health, education, nutrition, drinking water, sanitation, vocational skills for employability, sustainable livelihoods and income generation and empowerment of women and youth, creation and development of critical community infrastructure (e.g. roads, renovation of water bodies, community centres, educational facilities, etc.) for rural development, water resource management and water conservation and training of children/ youth in sports.

   The strategy outlined in the CSR Policy is aimed to ensure a sustainable and responsible development of its business that serves larger economic and societal interests of the community thereby underlining sustainability inherent in its business model. The strategy covers three broad areas:

   (1) Promoting good CSR Governance;

   (2) Projects to be aligned with CSR Rules; and

   (3) Monitoring and Measurement of CSR Projects

   The CSR Policy and a brief update on CSR programmes are available at: http//www.opgc.co.in/

2. The composition of the CSR Committee.

   There were three members in the CSR Committee as approved by OPGC Board of Directors (BoD) during FY 2019-20.

   a. Managing Director : Mr. Indranil Dutta

   b. Director (Finance) : Mr. Pravakar Mohanty

   c. Director : Mr. Alok Mukherjee

3. Average Net Profit of the Company for last three financial years.

   INR ₹ 13113.87 Lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).

   INR ₹ 262.28 Lakhs

5. Details of CSR spent during the financial year.

   a. Total amount to be spent for the financial year: ₹ 262.28 Lakhs

   b. Amount unspent, if any: ₹ 115.52 Lakhs

   c. Manner in which the amount spent during the financial year detailed below.

-1	-2	-3	-4	-5	-6	-7	-8
Sl. No.	**CSR Project or activity identified**	**Sector in which the project is covered**	**Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or program wise**	**Amount spent on the projects of programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads**	**Cumulative expenditure up to the reporting period**	**Amount spent: Direct or through implementing agency***
1	Preventive Health (Malaria Prevention; HIV/AIDS Prevention and Malnutrition Prevention)	Schedule-VII Sl. No. (i)	Program: (1) undertaken in local area (2) Dist.-Jharsuguda; State-Odisha	₹ 41,50,000.00	(1) Direct: ₹ 17,03,400.00 (2) Overhead: Nil	₹ 69,99,472.00	Direct & Implementing Agency
2	Sanitation	Schedule-VII Sl. No. (i)	Program: (1) undertaken in Dist.-Puri; State- Odisha	₹ Nil	(1) Direct: ₹. Nil (2) Overhead: Nil	₹ 53,50,020.00	Implementing Agency
3	Safe Drinking Water	Schedule-VII Sl. No. (i)	Program: (1) undertaken in local area (2) Dist.-Jharsuguda State- Odisha	₹ 109,00,000.00	(1) Direct: ₹ 23,37,432.00 (2) Overhead: Nil	₹ 1,45,53,207.00	Direct
4	Livelihood Enhancement	Schedule-VII Sl. No. (ii)	Program: (1) undertaken in local area (2) Dist.-Jharsuguda State- Odisha	₹ 1,79,42,000.00	(1) Direct: ₹ 33,39,369.00 (2) Overhead: Nil	₹ 1,69,60,754.00	Direct and Implementing Agency
5	Vocational Skill Development	Schedule-VII Sl. No. (ii)	Program: (1) undertaken in local area (2) Dist.-Jharsuguda State- Odisha	₹ 90,00,000.00	(1) Direct: ₹ 3,59,690.00 (2) Overhead: Nil	₹ 69,07,891.00	Direct and Implementing Agency
6	Education	Schedule-VII Sl. No. (ii)	Program: (1) undertaken in local area (2) Dist.-Jharsuguda; State- Odisha	₹ 1,72,20,000.00	(1) Direct: ₹ 9,92,988.00 (2) Overhead: Nil	₹ 1,93,90,496.00	Direct & through Implementing Agency
7	Ensuring Environmental Sustainability and Ecological Balance	Schedule-VII Sl. No. (iv)	Program: (1) undertaken in local area (2)Dist.-Jharsuguda; State- Odisha	₹ 30,30,000.00	(1) Direct: ₹ 6,10,263.00 (2) Overhead: Nil	₹ 26,39,263.00	Direct

8	Protection of National Heritage, Art and Culture	Schedule-VII Sl. No. (iv)	Program: (1) undertaken in local area (2) Dist.-Puri; State- Odisha	₹ Nil	(1) Direct: Nil (2) Overhead: Nil	₹ 39,98,916.00	Direct
9	Rural Sports Training	Schedule-VII Sl. No. (vii)	Program: (1) undertaken in local area (2) Dist.-Jharsuguda; State- Odisha	₹ 35,00,000.00	(1) Direct: ₹ 3,51,462.00 (2) Overhead: Nil	₹ 80,44,685.00	Direct
10	Rural Development	Schedule-VII Sl. No. (x)	Program: (1) undertaken in local area (2) Dist.-Jharsuguda; State- Odisha	₹ 2,95,00,000.00	(1) Direct: ₹ 44,98,142.00 (2) Overhead: Nil	₹ 3,24,13,747.00	Direct
11	Overheads (Monitoring, Capacity Building, etc.)	N.A. (as per provisions of Section 135)	Program: (1) undertaken in local area (2) Dist.-Jharsuguda State- Odisha	₹ 9,00,000.00	(1) Direct: Nil (2) Overhead: ₹ 4,84,081.00	₹ 18,65,588.00	Direct

*** Give details of implementing agency:**

i. i. Bharat Pest Management, Plot No. 579, At: Nuagaon, P.O. Itipur, PS-Lingaraj, Old Town, Bhubaneswar-751002 (Engaged for Preventive Health Project: Malaria Prevention).

ii. Bharat Gyan Vigyan Samiti (BGVS), C-124, BHB Colony, Baramunda, Near Trinatha Bazar, Bhubaneswar-751003, Odisha, (implemented Malnutrition prevention awareness programme in peripheral villages of ITPS under preventive health category).

iii. Access Livelihood Consulting India Ltd., 17-1-383/47, 4th Cross Road, Vinay Nagar Colony, Saidabad, Hyderabad – 500059 (for Livelihood Enhancement Programme and Skill Development Programme)

iv. Nag & Sons Motor Driving Academy, Baraipali, Sambalpur, 768004 (For Skill Development Programme)

v. Kherwadi Social Welfare Agency (KSWA), Yuva Parivartan, Mumbai 400051 (For Skill Development Programme)

1. 1. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board Report.

   The Company hasn't been able to spend the mandated amount of CSR expenditure in the financial year under reporting. The Company was able to spend ₹ 146.76 Lakhs out of mandated spend of ₹ 262.28 Lakhs. The reasons for this shortfall in spending are as follows:

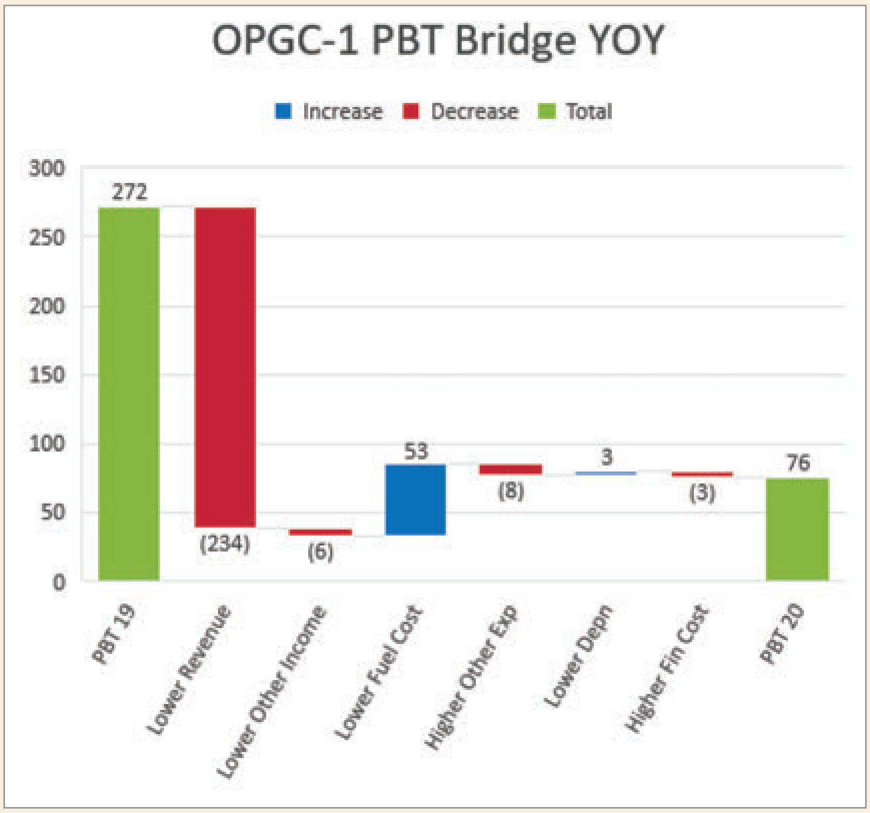
   - The tendering process takes very long as OPGC has to go through a number of rules and procedures as a Government Company.
   - Suitable parties are not available in case of some projects which are not implemented at the end.
   - Dispute in the community delays implementation and completion of projects.

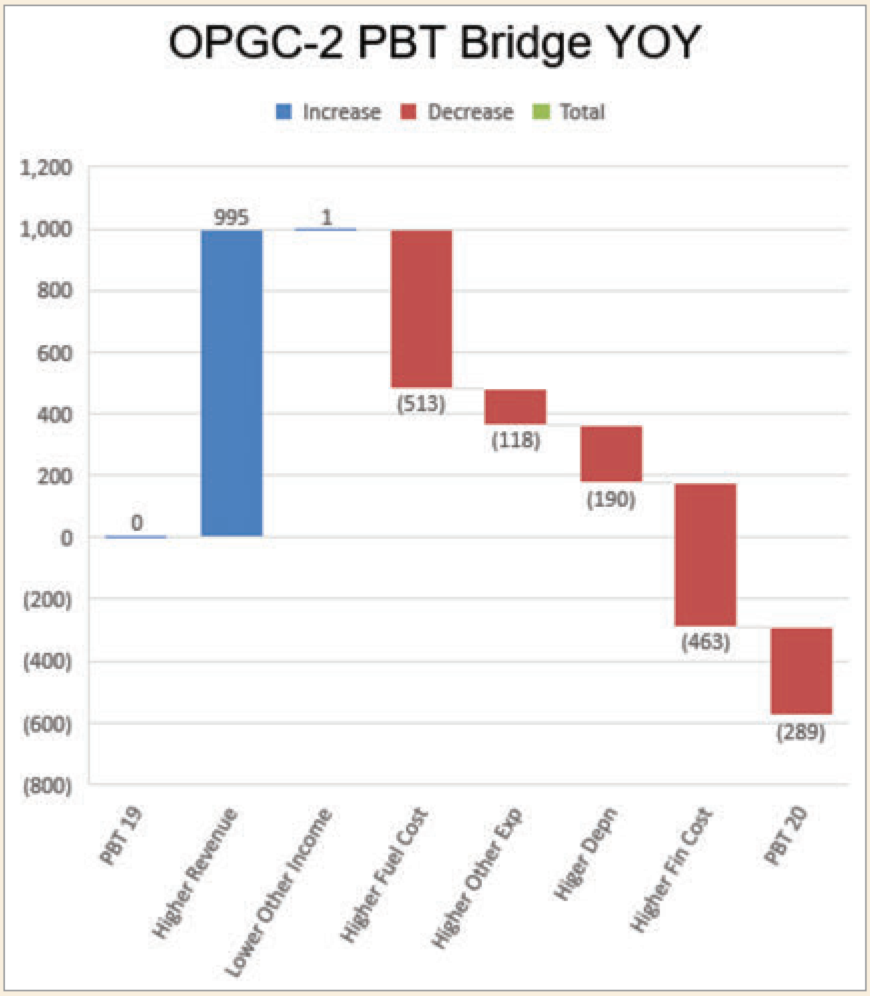
2. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives of the company.

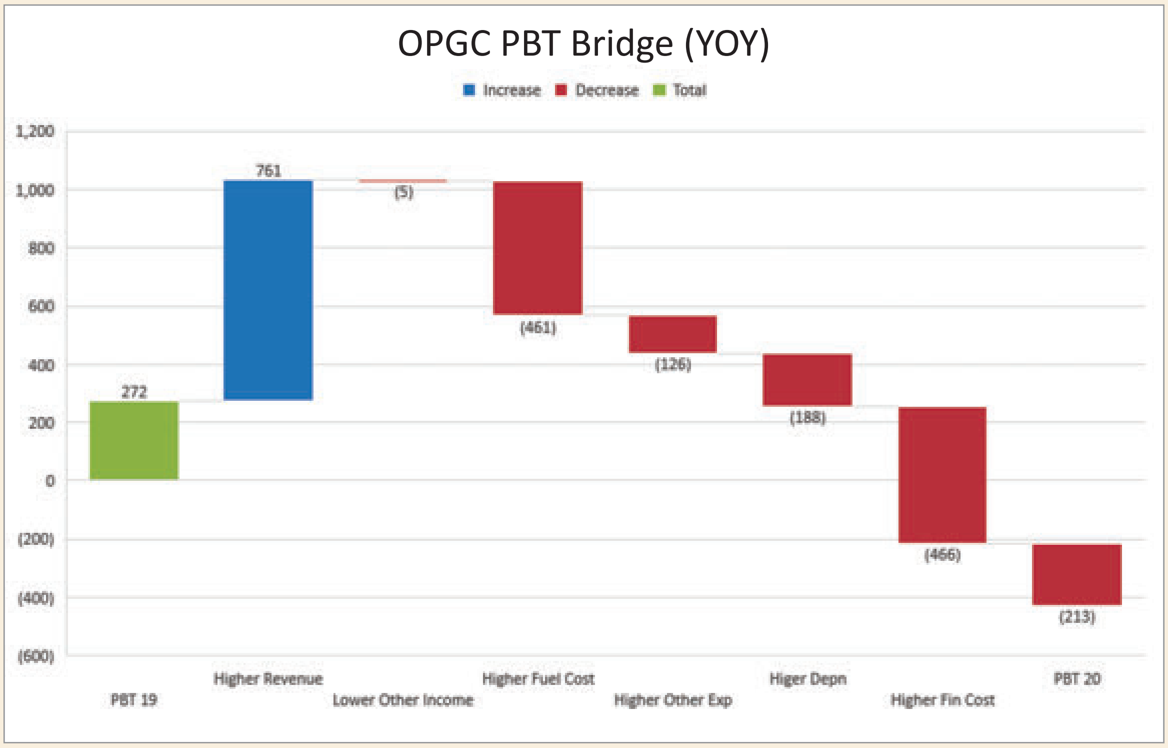
   The CSR Committee declares that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives of our Company.

Sd/-	Sd/-	Sd/-
(Chief Executive Officer or Managing Director or Director)	(Chairman, CSR Committee)	(Person specified under clause (d) of sub-section (1) of section 380 of the Act)

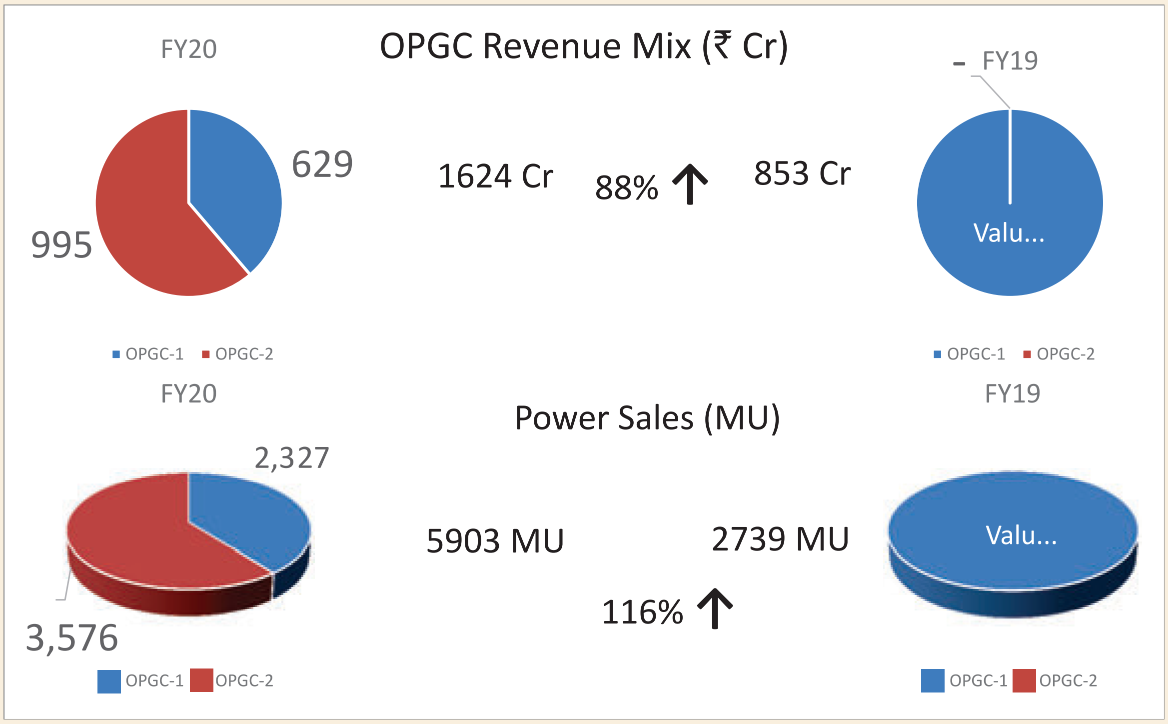
FINANCIALS


OPGC-1 PBT Bridge YOY
Increase
Decrease
Total
300
250
200
150
100
50
0
272
(234)
(6)
53
(8)
3
(3)
76
PBT 19
Lower Revenue
Lower Other Income
Lower Fuel Cost
Higher Other Exp
Lower Depn
Higher Fin Cost
PBT 20


OPGC-2 PBT Bridge YOY
Increase
Decrease
Total
1,200
1,000
800
600
400
200
0
(200)
(400)
(600)
(800)
0
995
1
(513)
(118)
(190)
(463)
(289)
PBT 19
Higher Revenue
Lower Other Income
Higher Fuel Cost
Higher Other Exp
Higer Depn
Higher Fin Cost
PBT 20



OPGC PBT Bridge (YOY)
Increase
Decrease
Total
1,200
1,000
800
600
400
200
0
(200)
(400)
(600)
272
761
(5)
(461)
(126)
(188)
(466)
(213)
PBT 19
Higher Revenue
Lower Other Income
Higher Fuel Cost
Higher Other Exp
Higer Depn
Higher Fin Cost
PBT 20



FY20
OPGC Revenue Mix (₹ Cr)
FY19
629
995
1624 Cr
88%
853 Cr
Valu...
OPGC-1
OPGC-2
FY20
Power Sales (MU)
FY19
2,327
3,576
5903 MU
2739 MU
116%
Valu...
OPGC-1
OPGC-2

Source and Application of Funds (₹ in Crore)		
Particulars	**As on 31st Mar, 2020**	**As on 31st Mar, 2019**
Equity & Reserves	2,979	3,122
Long Term borrowings	7,181	6,883
Other non-current liabilities	75	84
Trade paybles	57	48
Short Term borrowings	205	-
Other current liabilities	857	563
Sources of Funds	**11,354**	**10,700**
Fixed Assets	9,824	9,435
Financial Assets	195	163
Other Non-Current Assets	441	266
Inventories	130	59
Trade Receivable	469	348
Cash & Bank	184	332
Other Current Assets	112	96
Application of Funds	**11,354**	**10,700**

Independent Auditor's Report

To
The Members of
Odisha Power Generation Corporation Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of Odisha Power Generation Corporation Limited("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the financial statements including a summary of the significant accounting policies and other explanatory information(hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs(financial position) of the Company as at 31st March, 2020, and its profit(financial performance including other comprehensive income),changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities of the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI), together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

1. We draw attention to Note No.No.14, 16, 20, 23 & 25 to the Standalone Financial Statements in respect of balances under Current Loans, Other Current Assets, Non Current-Other Financial Liabilities, Current Trade- Payables, Other Financial Liabilities and Other Current Liabilities, which, in many cases have not been confirmed and any adjustments due to consequent reconciliation, if any, required are not ascertainable.

2. We draw attention to Note No.39 (vi) to the Standalone Financial Statements in respect of Corporate Guarantee amounting to Rs. 6280 lakhs provided by the Company to Axis Bank Ltd. for Odisha Coal and Power Ltd. (OCPL) – a subsidiary Company of OPGC Limited. This guarantee is in the nature of Financial Guarantee as per Appendix-A of Ind AS 109: Financial Instruments and the said Financial Guarantee has not been measured and recognised in the financial statements as per the requirements of Ind AS 109 by the company.

3. Terms and conditions of appointment and remuneration payable to the Managing Director and Director (Operations) for services rendered to OPGC have not been furnished. The managerial remuneration

earned by the above directors is not disclosed in the Annual Return as required under section 92 of the Companies Act, 2013.

4. Attention is drawn to note 35 to the Standalone Financial Statementsin respect of an amount of Rs.1259.62 lakhs paid / provided towards Resource Sharing fees to AES India Pvt. Ltd., a related party. It is explained that there is no agreement between the Company and AES India Pvt. Ltd. for the purpose and a copy of an unsigned document with the title "Policy on Reciprocal Resource Sharing between OPGC and Strategic Investor" is furnished to us which in our view is not a valid and binding document between the parties.

5. The Company has formed its Audit Committee, but terms of reference of the said committee are not furnished to us. In course of audit, it is observed that related party transactions have not been placed to the Audit Committee.

6. Lubricants procured from IOCL for an amount of Rs.1.88 lakhs during the year have not been accounted for by the Company resulting in understatement of current liabilities and stock in transit by that amount.

7. Attention is drawn to note 4 B to the Standalone Financial statements in respect of Stock in transit and pending inspection amounting to Rs.2692.48 lakhs lying unadjusted from the FY 2016-17 (Rs.1239.35 lakhs), FY 2017-18 (Rs.1424.01 lakhs) and FY 2018-19 (Rs.29.12 lakhs) resulting in over statement of Capital work in Progress and Current liabilities-Other Financial Liabilities as per note 25.

8. The Company has not made disclosure for assessment in the financial statements about the impact of COVID-19, a global pandemic on the operations and financial matters of the company. Material misstatement if any of the information related to COVID-19 pandemic is unascertainable.

Our opinion is not modified in respect of these matters.

Key Audit Matters:

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Stand alone Financial Statements of the current year. These matters were addressed in the context of our audit of the Stand alone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters is not applicable to the Company as it is an unlisted company.

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis of financial performance highlights; Board's report including Annexure to Board's Report, Business Responsibility Report, Report on Corporate Governance, Share holders information and other information in Integrated Annual Report but does not include the Stand alone Financial Statements and our auditor's report thereon.

Our opinion on the Stand alone Financial Statements does not cover the other information and we do not express any form of assurance and conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Sec 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) prescribed under Sec 133 of the Act read with the Companies (Indian Accounting Standards) Rules,2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent ; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternate but to do so.

The responsibility also includes to make a detailed assessment of the impact of COVID-19 on the financial statements including disclosures in the financial statements (eg. appropriateness of carrying values of intangible assets, future operating results, cash flows and financial position of the entity. Other disclosures may include business risk factors and management's discussion and analysis of results, liquidity and capital resources)

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with the governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure A" to this report, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. In compliance to the directions of the Comptroller and Auditor-General of India (CAG) under Section 143(5) of the Act, we give in "Annexure B" and "Annexure C" to this report statement on the matters specified therein.
3. As required by Section143(3) of the Act, we report that:

    (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

    (ii) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    (iii) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the statement of Cash Flow dealt with by this Report are in agreement with the books of account;

    (iv) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015 as amended

    (v) Section 164(2) of the Act regarding disqualification of Directors is not applicable to the Company by virtue of Notification No. G.S.R. 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Govt. of India.

    (vi) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure D"

(vii) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, and Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the Company

(viii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

a. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer Note- 39 to the Standalone Financial Statements;

b. The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

c. There have been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

For Nag & Associates
Chartered Accountants
FRN: 312063E

Sd/-

(Nilotpal Majumder)
Partner
M.No. 037287
UDIN : 20037287AAAAAB6125

Place: Bhubaneswar
Date: 24.10.2020

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Odisha Power Generation Corporation Limited on the Standalone Financial Statements for the year ended 31 March 2020

i. a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of its major portion of property, plant and equipment.

b) The Company has a regular programme of physical verification of its major portion of property, plant and equipment. In accordance with this programme, major portion of property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company, except as follows:

Mouza	Area(in Acres)	Year of acquisition	Remarks
Banahrapali	197.49	1997	Permissive possession for non-forest use received on03.04.1998
Banahrapali	31.38	1997	-do-
Baragada	32.24	1997	-do-
Telenpalli	10.27	1997	-do-
Telenpalli	7.99	1997	-do-
Kusuraloi	5.34	1997	-do-
Khadam	0.32	1997	-do-
Sahajbahal	11.26	1997	-do-

ii. a) The inventories except Components, Stores, Spares, chemicals, tools and tackles have been physically verified by the management during the year end. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management for these inventories are generally reasonable and adequate in commensurate with the size and nature of the business. No physical verification of Components, Stores, Spares, chemicals, tools and tackles is carried out by the Company during the year and we are unable to express any opinion on the impact of discrepancy if any.

b) The Company has maintained proper records of inventories. As per the information and explanation given to us, the discrepancies between the physical inventories and book records arising out of physical verification have been properly dealt with in the books of accounts.

iii. The Company has not granted any loans, secured or unsecured, to Companies, firms, or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). Hence, the provisions of clause 3(iii) of the Order are not applicable to the Company.

iv. Section 185 of the Act regarding loans to directors is not applicable to the Company by virtue of Notification No. G.S.R. 463 (E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Govt. of India. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 186 of the Act with respect to the loans and investments made.

v. The company has not accepted any deposits from the public.

vi. The Central Government has prescribed for the maintenance of cost records under section 148(1) of the Act, read with Companies (Cost Records and Audit) Rules 2014. On the basis of limited review of the books of accounts maintained by the Company, we are of the opinion that prima facie, the relevant records are maintained. However, we have not carried out a detailed examination of the same to determine whether they are accurate and complete.

vii. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, cess, electricity duty, GST & other material statutory dues with the appropriate authorities, and there are no undisputed statutory dues as at 31st March 2020 outstanding for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, the following dues of sales tax and Income Tax have not been deposited by the Company on account of disputes:

<table>
<tr><th>Name of the Statute</th><th>Nature of dues</th><th>Period to which the amount relates</th><th>Total amount of demand Rs. in lakhs</th><th>Amount deposited Rs. in lakhs</th><th>Forum where dispute is pending</th></tr>
<tr><td rowspan="4">Orissa Sales Tax Act</td><td rowspan="4">Sales Tax</td><td>FY-1992-93 & 1993-94</td><td>13.52</td><td>13.52</td><td>Sales Tax Tribunal, Odisha</td></tr>
<tr><td>1994-95</td><td>1.05</td><td>1.05</td><td>Sales Tax Tribunal, Odisha</td></tr>
<tr><td>1996-97</td><td>1.08</td><td>1.08</td><td>Sales Tax Tribunal, Odisha</td></tr>
<tr><td>1997-98</td><td>0.25</td><td>0.15</td><td>Sales Tax Tribunal, Odisha</td></tr>
<tr><td rowspan="4">Income Tax Act,1961</td><td rowspan="4">Income Tax</td><td>2006-07, 2007-08& 2008-09</td><td>150.26</td><td>Nil</td><td>High Court of Orissa</td></tr>
<tr><td>2012-13</td><td>0.61</td><td>Nil</td><td>ITAT, Cuttack</td></tr>
<tr><td>2014-15</td><td>20.50</td><td>36.42</td><td>CIT(A-I),BBSR</td></tr>
<tr><td>2016-17</td><td>129.59</td><td>Nil</td><td></td></tr>
<tr><td>Service Tax</td><td></td><td>2016-17</td><td>515.91</td><td>Nil</td><td>Principal Commissioner, GST&C Ex</td></tr>
<tr><td></td><td>TOTAL</td><td></td><td>832.77</td><td>52.22</td><td></td></tr>
</table>

viii. The Company has not defaulted in repayment of dues to financial institutions, banks and not issued any debentures.

ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanations given to us, the money raised by the Company by way of term loans has been applied for the purposes for which they were obtained.

x. According to the information and explanations given to us, and as represented by the management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no case of fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year

xi. Section 197 of the Act regarding managerial remuneration is not applicable to the Company vide notification No. GSR 463(E) dated 5thJune, 2015 issued by the Ministry of Corporate Affairs, Government of India

xii. The provisions of clause 3 (xii) of the Order, for Nidhi Company, are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are not in compliance with section 177. The Company however complied with section 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial statements as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Nag & Associates
Chartered Accountants
FRN: 312063E

Sd/-
(Nilotpal Majumder)
Partner
M.No. 037287
UDIN : 20037287AAAAAB6125

Place: Bhubaneswar
Date: 24.10.2020

ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to themembers of Odisha Power Generation Corporation Limited on the Standalone Financial Statements for the year ended 31 March 2020

No	Direction	Reply
1	Whether the company has clear title / lease deeds for freehold and leasehold respectively? If not please state, the area of free hold and leasehold and for which title/ lease deeds are not available?	The Company is having clear title/lease deeds for entire freehold and lease hold land except for 296.29 acres for which permissive possession for non-forest use received on 03.04.1998.
2	Whether there are any cases of waiver/ write- off debts/loans/interest etc., if yes, the reasons there for and the amount involved.	The Company has not waived or written off any amount towards debts/loans/interest etc. during the year.
3	Whether proper records are maintained for inventories lying with third parties and assets received as gifts/grant (s) fromthe Governmentor other authorities.	Proper records are maintained for inventories lying with third parties. During the financial year under audit, no asset is received as gift/grant fromthe Government or other Authorities.

For Nag & Associates
Chartered Accountants
FRN: 312063E

Sd/-
(Nilotpal Majumder)
Partner
M.No. 037287
UDIN : 20037287AAAAAB6125

Place: Bhubaneswar
Date: 24.10.2020

ANNEXURE-C TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to themembers of Odisha Power Generation Corporation Limited on the Standalone Financial Statements for the year ended 31 March 2020

No	Direction	Reply
1	Adequacy of steps to prevent encroachment of idle land owned by Company may be examined. In case land of the Company is encroached, under litigation, not put to use or declared surplus, details may be provided.	According to information and explanations given to us, there is no case of land under litigation and there is no encroachment of the Companyowned land.
2	Where land acquisition is involved in setting up new projects, report whether settlement of dues done expeditiously and in a transparent manner in all cases. The cases of deviation may please be detailed.	The lands acquired by the Company for setting of new projects arethrough the nodal organization of Government of Odisha, IDCO and Government of Odisha. The funds were placed with IDCO as per demand raised by them.
3	Whether the Company has an effective system for recovery of revenue as per contractual terms and the revenue is properly accounted for in the books of accounts in compliance with the applicable Accounting Standards?	The Company has an effective system for recovery of revenue. Revenue has been accounted for as per applicable Accounting Standards.
4	How much cost has been incurred on abandoned projects and out of this how much cost has been written off?	According to information and explanations given to us, no project of the Company is abandoned during the year.
5	In the cases of Thermal Power Projects, compliance of the various Pollution Control Acts and the impact thereof including utilization and disposal of ash and the policy of the Company in this regard, may be checked and commented upon.	According to information and explanations given to us, the Company was granted Consent to Operate by the State Pollution Control Board, Odisha which is valid up to 31.03.2021 .As per available information, the ash utilization target stipulated for the Company has not been achieved.
6	Has the Company entered into revenue sharing agreements with private parties for extraction of coal at pitheads and it adequately protects the financial interest of the Company?	Not applicable
7	Does the Company have a project system for reconciliation of quantity/quality coal ordered and received and whether grade of coal moisture and demurrage etc. are properly recorded in the books of accounts?	The Company is procuring coal from Mahanadi Coal Fields Ltd. (MCL)through a Fuel Supply Agreement and there is a regular system of reconciliation of quantity/ quality of coal ordered and received and grade of coal, moisture and demurrage etc. are properly recorded in the books of account.

8	How much share of free power was due to the State Government and whether the same was calculated as per the agreed terms and depicted in the accounts as per accepted accounting norms?	Not Applicable
9	In the case of hydroelectric projects, the water discharge is as per policy / guidelines issued by the state Government to maintain biodiversity. For not maintaining it penalty paid / payable may be reported.	Not Applicable

For Nag & Associates
Chartered Accountants
FRN: 312063E

Sd/-
(Nilotpal Majumder)
Partner
M.No. 037287
UDIN : 20037287AAAAAB6125

Place: Bhubaneswar
Date: 24.10.2020

ANNEXURE – D TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 3 (vi) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Odisha Power Generation Corporation Limited on the Standalone Financial Statements for the year ended 31 March 2020

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of Odisha Power Generation Corporation Limited ("the Company") as on 31 March, 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements , including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2020:

a. As regards Entry Level Controls, the Company is having the following deficiency:

   Different operating manuals for functions like Accounts, Procurement, Compliance, Corporate Governance & Comprehensive Risk Management Policy needs to be updated.

b. As regards process level controls, the Company's input validation data checks are inadequate with reference to data input in SAP and lack of provision in the system to generate alerts with reference to non-moving and obsolete stores items in SAP leading to potential risk of erroneous and unreliable output results.

c. No agreement is executed between the Company and AES India Private Ltd. a Related Party for resource sharing involving an expenditure of Rs. 1259.62 lakhs during the year.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has in all material respects, an adequate internal financial controls system with reference to Standalone Financial statements in place and such internal financial controls with respect to Standalone Financial Statements were operating effectively as at 31 March 2020, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Nag & Associates
Chartered Accountants
FRN: 312063E

Sd/-
(Nilotpal Majumder)
Partner
M.No. 037287
UDIN : 20037287AAAAAB6125

Place: Bhubaneswar
Date: 24.10.2020

ODISHA POWER GENERATION CORPORATION LIMITED

Balance Sheet as at March 31, 2020

(₹ in Lakh)

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
	ASSETS			
1	**Non-current assets**			
	a. Property, Plant and Equipment	3	852,224.50	68,786.78
	b. Capital work-in-progress - Tangible	4	129,221.38	873,853.22
	c. Other Intangible assets	5	925.60	701.06
	d. Intangible assets under development	6	-	114.94
	e. Financial Assets			
	(i) Investments	7	17,646.00	15,300.00
	(ii) Loans and Advances	8	1,874.72	1,006.10
	(iii) Trade receivables	11	-	-
	f. Deferred tax assets (Net)	22	6,102.00	-
	g. Other non-current assets	9	37,979.12	26,638.41
	Total non-current assets		**1,045,973.32**	986,400.51
2	**Current assets**			
	a. Inventories	10	12,977.08	5,882.96
	b. Financial Assets			
	(i) Trade receivables	11	46,881.63	34,835.41
	(ii) Cash and cash equivalents	12	5,386.96	3,960.98
	(iii) Bank Balances other than (ii) above	12	13,030.16	29,241.18
	(iv) Loans	13	226.36	175.61
	(v) Others	14	628.15	720.45
	c. Current Tax Assets (Net)	15	2,701.08	3,058.08
	d. Other current assets	16	7,623.73	5,692.72
	Total Current Assets		**89,455.15**	83,567.39
	TOTAL ASSETS		**1,135,428.47**	1,069,967.90
	EQUITY AND LIABILITIES			
	EQUITY			
	a. Equity Share capital	17	182,249.74	182,249.74
	b. Other Equity	18	115,661.01	129,983.20
	Total equity		**297,910.75**	312,232.94
	LIABILITIES			
1	**Non-current liabilities**			
	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	718,058.98	688,283.48
	(iii) Other financial liabilities	20	667.36	574.44
	b. Provisions	21	6,799.07	6,764.57
	c. Deferred tax liabilities (Net)	22	-	1,022.36
	Total non-current Liabilities		**725,525.41**	696,644.85
2	**Current liabilities**			
	a. Financial Liabilities			
	(i) Trade Payables			
	- Total Outstanding dues of micro and small enterprises	23	643.31	5.79
	- Total Outstanding dues of creditors other than micro and small enterprises	23	5,067.61	4,834.02
	(ii) Borrowings	24	20,549.00	-
	(iii) Other financial liabilities	25	82,410.61	45,676.09
	b. Other current liabilities	26	1,012.96	1,352.91
	c. Provisions	27	2,308.82	2,023.50
	d. Current Tax Liabilities (Net)	15	-	7,197.80
	Total Current Liabilities		**111,992.31**	61,090.11
	TOTAL EQUITY AND LIABILITIES		**1,135,428.47**	1,069,967.90
Notes forming part of the financial statements		**1-43**		

In terms of our report attached.

For Nag & Associates
Chartered Accountants

For and on behalf of the Board

Sd/-	Sd/-	Sd/-	Sd/-
(Nilotpal Majumder)	**(M. R. Mishra)**	**(Pravakar Mohanty)**	**(Indranil Dutta)**
Partner	Company Secretary	Director Finance	Managing Director

FRN : 312063E
Membership No: 037287
Place : Bhubaneshwar
Date : 24.10.2020

ODISHA POWER GENERATION CORPORATION LIMITED

Statement of Profit and Loss for the Year Ended March 31, 2020

(₹ in Lakh)

	Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I	Revenue from Operations	28	162,352.13	86,291.87
II	Other Income	29	1,983.61	2,479.36
III	**Total Income (I + II)**		**164,335.74**	88,771.23
IV	**Expenses**			
	a. Cost of materials consumed	30	90,110.18	44,017.04
	b. Employee benefit expenses	31	8,486.58	7,124.01
	c. Finance costs	32	46,668.48	35.92
	d. Depreciation and amortization expenses	33	20,970.32	2,219.83
	e. Impairment losses	34	-	-
	f. Other expenses	35	19,448.13	8,181.07
	Total expenses (IV)		**185,683.69**	61,577.87
V	**Profit before exceptional items and tax (III - IV)**		**(21,347.94)**	27,193.36
VI	Exceptional Items		-	-
VII	**Profit before tax (V-VI)**		**(21,347.94)**	27,193.36
VIII	Tax Expenses:			
	(i) Current tax		-	10,031.81
	(ii) Tax of earlier years		(142.88)	(664.89)
	(iii) Deferred tax		(7,039.98)	678.84
	Total tax expenses		**(7,182.86)**	10,045.76
IX	**Profit for the year (VII -VIII)**		**(14,165.08)**	17,147.60
X	**Other Comprehensive Income / (Losses)**			
	(i) Items that will not be reclassified to profit and loss			
	- Remeasurements of the defined benefit plans		(241.47)	(706.01)
	(ii) Income tax relating to items that will not be reclassified to profit and loss		84.38	246.71
	(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 / (Losses)		**(157.09)**	(459.30)
XI	**Total Comprehensive Income / (Losses) for the year (IX+X) (Comprising Loss and Other Comprehensive Income for the year)**		**(14,322.17)**	16,688.30
XII	Earnings per equity share:- Basic and diluted (Rs)	37	(77.72)	108.22
XIII	**Notes forming part of the financial statements**	**1-43**		

In terms of our report attached.
For Nag & Associates
Chartered Accountants

For and on behalf of the Board

Sd/-	Sd/-	Sd/-	Sd/-
(Nilotpal Majumder)	**(M. R. Mishra)**	**(Pravakar Mohanty)**	**(Indranil Dutta)**
Partner	Company Secretary	Director Finance	Managing Director

FRN : 312063E
Membership No: 037287
Place : Bhubaneshwar
Date : 24.10.2020

ODISHA POWER GENERATION CORPORATION LIMITED

Statement of Cash Flow for the Year Ended March 31, 2020

(₹ in Lakh)

	Particulars	**Year ended March 31, 2020**	Year ended March 31, 2019
A	**Cash flow from operating activities:**		
	Profit before taxes	**(21,347.94)**	27,193.36
	Adjustments for:		
	Depreciation and amortization expense	20,970.32	2,118.86
	Provision for impairment	-	-
	(Profit)/loss on sale of Fixed Assets	9.83	4.26
	Trade Receivable written off	151.36	-
	Foreign currency fluctuation gain/(loss)	(1.78)	(0.43)
	Interest and finance charges	46,668.48	35.92
	Interest Income from investment & deposits	(1,642.35)	(2,089.77)
	CSR expenditure	146.77	228.76
	Operating profit before working capital changes	**44,954.69**	27,490.96
	Adjustments for:		
	Trade receivable	(12,197.58)	(24,984.96)
	Inventory	(6,426.43)	(1,413.84)
	Other financial and non financial assets	(2,905.36)	(4,954.60)
	Trade and other payables	871.11	1,203.18
	Other financial and non financial liabilities	(2,148.17)	(21,784.63)
	Cash generated from operations	**22,148.26**	(24,443.89)
	Taxes Paid	(6,697.92)	(3,048.95)
	CSR expenditure	(146.77)	(228.76)
	Net cash flow from operating activities	**15,303.57**	(27,721.60)
B	**Cash flows from investing activities:**		
	Payments for purchase of fixed assets	(53,223.44)	(93,027.57)
	Sale of property, plant and equipment		-
	Interest received	1,793.23	2,167.26
	Payment for Investment	(2,346.00)	-
	Repayment of loan and other receivable*	-	-
	Payment for FD	16,211.02	13,322.57
	Dividend including Dividend Distribution Tax		
	Payment towards capital and other advances	-	-
	Advance payments against leasehold land	-	-
	Net cash used in Investing Activities	**(37,565.19)**	(77,537.74)
C	**Cash flows from financing activities:**		
	Issue of shares	-	24,200.00
	Dividends paid on redeemable cumulative preference shares		
	Dividends paid to owners of the Company	-	-
	Interest paid		
	Proceeds from borrowings	50,324.50	140,242.55
	Interest paid	(26,636.90)	(61,991.37)
	Repayment of other financial liabilities		
	Net cash flow from financing activities	**23,687.60**	102,451.18
	Net Increase/(decrease) in cash or cash equivalents	**1,425.98**	(2,808.17)
	Cash and cash equivalents at the beginning of the year	**3,960.98**	6,769.14
	Cash and cash equivalents at the end of the year	**5,386.96**	3,960.98
Notes forming part of the financial statement		**Note No. 1-43**	
(i)	Repayment of loan includes conversion of loan to equity during the year Rs. Nil (Previous Year : Rs Nil lakhs)		
(ii)	Figures in brackets are cash outflows / incomes as the case may be.		
(iii)	Previous years figures have been rearranged / regrouped wherever necessary to confirm to current year classification.		
(iv)	The company has undrawn borrowings of Rs. 54,092.44 lakh (Previous year: Rs. 74,103.52 lakh) for expansion project from PFC and REC .		

In terms of our report attached.

For Nag & Associates
Chartered Accountants

For and on behalf of the Board

Sd/-	Sd/-	Sd/-	Sd/-
(Nilotpal Majumder)	**(M. R. Mishra)**	**(Pravakar Mohanty)**	**(Indranil Dutta)**
Partner	Company Secretary	Director Finance	Managing Director

FRN : 312063E
Membership No: 037287
Place : Bhubaneshwar
Date : 24.10.2020

ODISHA POWER GENERATION CORPORATION LIMITED
Statement of Changes in Equity for the Year Ended March 31, 2020

A. Equity Share Capital

(₹ in Lakh)

Balance as at April 1, 2019	Changes in equity share capital during the year	Balance as at March 31, 2020
1,82,249.74	-	**1,82,249.74**

B. Other Equity

(₹ in Lakh)

Particulars	Reserves and Surplus		
	Security Premium	General Reserve	Retained earnings
Balance as at April 1, 2019	5,888.43	8,960.23	115,134,54
Profit for the year			14,165.08
Other Comprehensive Income			(157.09)
Total Comprehensive Income			**14,322.17**
Dividend (including tax on dividend)			-
Transfer of profits of the year to General Reserve		-	-
Balance as at March 31, 2020	**5,888.43**	**8,960.23**	**1,00,812.37**
Notes forming part of the financial statement		**Note No. 1-43**	

In terms of our report attached.
For Nag & Associates
Chartered Accountants

For and on behalf of the Board

Sd/-	Sd/-	Sd/-	Sd/-
(Nilotpal Majumder)	**(M. R. Mishra)**	**(Pravakar Mohanty)**	**(Indranil Dutta)**
Partner	Company Secretary	Director Finance	Managing Director

FRN : 312063E
Membership No: 037287
Place : Bhubaneshwar
Date : 24.10.2020

Notes to Financial Statements

1. General Corporate Information

Odisha Power Generation Corporation Limited ("the Company") incorporated in India with its registered office at Bhubaneswar, Odisha, India. The main objective of Company is of establishing, operating & maintaining large thermal power generating stations.

The vision of the Company is to be a world-class power utility committed to generate clean, safe and reliable power, enhancing value for all stake holders and contributing to National growth.

The functional and presentation currency of the Company is Indian Rupee ("INR") which is the currency of the primary economic environment in which the Company operates.

The Accounting Policy to form part of the financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorised for issue on 16.10.2020

2. Significant Accounting Policies

The significant accounting policies applied by the Company in preparation of its 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

The financial statements of the Company have been prepared in accordance with Ind AS and relevant provisions of the Companies Act, 2013 (to the extent notified and applicable).

The Company has adopted all the applicable Ind AS and such adoption was carried out in accordance with Ind AS 101 – First Time Adoption of Indian Accounting Standards. The Company has transited from Indian GAAP which is its previous GAAP, as defined in Ind AS 101 with necessary disclosures relating to reconciliation of Shareholders' equity and the comprehensive net income as per Previous GAAP to Ind AS.

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be measured 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. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule-III of the Companies Act 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of Current or noncurrent classification of assets and liabilities.

2.2 Changes in accounting policies and disclosures

New and amended standards

The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31st March 2019, except for the adoption of new standard effective as of 1st April, 2019. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. In addition to Ind AS 116 - "Leases", which is applicable for the first time, several other amendments and interpretations apply for the first time from 1st April, 2019, but do not have an impact on the Financial Statements of the Company

2.2.1 Ind AS 116 – "Leases"

Ind AS 116 supersedes Ind AS 17 "Leases". The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Effective 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied to all lease contracts, identified under Ind AS 17, existing on 1st April, 2019 using the modified retrospective method on the date of initial application. Pursuant to adoption of Ind AS 116, the Company recognised right-of-use assets and lease liabilities for those leases which were previously classified as operating leases, except for short-term leases and leases of low-value assets. The Company recorded the lease liability at the present value of the lease payments at the date of initial application and right-of-use asset at an amount equal to the lease liability adjusted for any prepayments/ accruals recognised in the balance sheet as on 31st March, 2019. There is no impact on retained earnings as on 1st April, 2019.

Pursuant to above, the Company recognized right-of-use asset and lease liability as at 1st April, 2019 amounting to Rs 1178. 30 Lakh and Rs Nil Lakh respectively as all the payments towards lease liability already made at the time of lease agreement.

Set out below are the new accounting policies of the Company upon adoption of Ind AS 116, which have been applied from the date of initial application:

Right-of-use assets: The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets, which comprises the initial amount of the lease liability, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the lower of its estimated useful life and the lease term. Right-of-use assets are subject to impairment

Lease liabilities: At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets: The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12months or less from the commencement date and do not contain a purchase option). It also applies recognition exemption to leases for which the underlying asset is of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Lessor accounting under Ind AS 116 is substantially unchanged compared to Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is lessor

Other amendments and interpretations as outlined below apply for the year ending 31st March 2020, but do not have an impact on the financial statements.

(a) Ind AS 12: Uncertainty over Income Tax Treatment

(b) Ind AS 109: Prepayment Features with Negative Compensation

(c) Ind AS 19: Plan Amendment, Curtailment or Settlement,

(d) Ind AS 23: Borrowing Costs

(e) Ind AS 28: Investments in Associates and Joint Ventures

The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

2.2.2 Amendments to Ind AS 12 'Income taxes'

The first amendment requires an entity to create a corresponding liability for Dividend Distribution Tax (DDT) when it recognises a liability to pay a dividend. The liability for DDT shall be recorded in statement of profit & loss, other comprehensive income or equity, as the case may be.

The second amendment (Appendix C of Ind AS12) relates to tax consequence of an item whose tax treatment is uncertain. Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not. If there is uncertainty over tax treatment of an item an entity should predict the resolution of the uncertainty. If it is probable that the taxation authority will accept the tax treatment, there will be no impact on the amount of taxable profits/losses, tax bases, unused tax losses/credits and tax rates. In vice-versa case, the entity shall show the effect of the uncertainty for each uncertain tax treatment on amount of related items by using either the most likely outcome or the expected outcome of the uncertainty.

2.2.3 Amendment to Ind AS 19 'Employee benefits'

The amendments to the guidance in Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder period of a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

2.2.4 Amendment to Ind AS 23 'Borrowing Costs

The amendments to the guidance in Ind AS 23, 'Borrowing Costs', clarifies the following:

- while computing the capitalisation rate for funds borrowed generally, borrowing costs applicable to borrowings made specifically for obtaining a qualified asset should be excluded, only until the asset is ready for its intended use or sale.
- borrowing costs (related to specific borrowings) that remain outstanding after the related qualifying asset is ready for its intended use or sale would subsequently be considered as part of the general borrowing costs.

2.3 Use of estimates and critical accounting judgments.

These 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 company 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 Investments in subsidiaries, associates and joint ventures

SUBSIDIARY - A subsidiary is an entity that is controlled by another entity. Control is achieved when the Company, has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

ASSOCIATE - An associate is an entity over which the Company has significant influence. Whereas significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

INTERESTS IN JOINT VENTURES - A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investment in subsidiaries, associates and joint ventures are measured at cost in accordance with Ind AS 27 – Separate Financial Statements, less any impairment in net recoverable value that has been recognised in profit or loss.

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

Tangible Assets:

Property, plant and equipment 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.

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 relatable to land in possession are treated as cost of land.

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.

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors and verified & accepted by the company.

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.

Unsettled liabilities for price variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates / assessments.

Spare parts having unit value of more than Rs 5 lakh that meets the criteria for recognition as Property, plant and equipment are recognized as Property, plant and equipment. Other spare parts are carried as inventory and recognised in the statement of profit and loss on consumption.

Intangible Assets:

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.

Subsequent expenditure:

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.

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 Company, are capitalized and the carrying amount of the item so replaced is derecognized. 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.

The costs of the day-to-day servicing of property, plant and equipment is recognized in the statement of profit and loss as incurred.

Decommissioning costs

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.

Capital work-in-progress

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.

Capital expenditure on assets not owned by the company 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

Expenses for assessment of new potential projects incurred till and for the purpose of making investment decision are charged to revenue.

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.

Depreciation & Amortization:

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 property, plant and equipment. Freehold Land is not depreciated. Premium paid on leasehold land including land development and rehabilitation expense are amortized over 30 years by taking its useful life.

Capital expenditure on assets laid on land not owned by the company as mentioned above is amortized over a period of its useful life.

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 Company.

Depreciation on the following assets are 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 Company 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
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

Intangible Assets:

Particulars	Depreciation / amortization
Computer software / licenses	Over a period of legal right to use subject to maximum ten years.

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.

Property, plant and equipment including tools and tackles costing up to Rs. 5,000/- are fully depreciated in the year in which it is for put to use.

Physical verification of Fixed Assets are 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.

Disposal and derecognition of assets

An item of property, plant and equipment 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 property, plant and equipment 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

At the end of each reporting period, the Company 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.

Where an asset does not generate cash flows that are largely independent of those from other assets, the Company 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.

Intangible assets with an indefinite useful life are tested for impairment annually and whenever there is an indication that the assets may be impaired.

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. 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.

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. A reversal of an impairment loss is recognized in the statement of profit and loss immediately.

2.9 Foreign Currency Transactions

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.

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 Assets

Provisions are recognized when the Company 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.

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.

Onerous contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company 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

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.

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 company becomes obliged, legally or constructively to rectify environmental damage or perform remediation work.

Litigation

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

Contingent Liabilities and Assets:

Contingent liabilities are possible obligations that arise from past events and whose existence of which will be confirmed only on occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required to settle the obligations, or the amount cannot be measured with sufficient reliability, the obligation is disclosed as a contingent liability, unless the possibility of any outflow in settlement is remote. Contingent liabilities are disclosed on the basis of judgment of the management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

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 Company. 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.

2.11 Leases

The Company 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 Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for accordingly.

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 Company as lessee

The Company's lease asset classes primarily consist of leases for land, plant & equipment, buildings and offices. The Company 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 Company 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 Company recognizes the lease rental payments as an operating expense.

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.

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 Company as lessor

Leases for which the Company 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. All other leases are classified as operating leases.

The Company 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

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.

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.

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.

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.

Handling losses including sludge of oil as per company norms are included in the cost of oil.

2.13 Trade receivable

Trade receivables are amounts due from customers for sale of electrical energy in the ordinary course of business.

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 are recognized when the Company 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.

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.

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.

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.

Financial liabilities and equity instruments issued by the Company

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.

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 Company are recognized at the proceeds received, net of direct issue costs.

Compound instruments

The component parts of compound instruments (convertible instruments) issued by the Company 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.

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.

Derecognition of financial assets

The Company 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.

Impairment of financial assets

At each reporting date, the Company 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 Company 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 Company 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.

Derecognition of financial liability

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

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

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.

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 are substantially ready for their intended use.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for their intended use. The Company considers a period of twelve months or more as a substantial period of time.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalised. When Company 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.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

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.

Government grants are recognized in the statement of profit and loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized in the balance sheet by setting up the grant as deferred income.

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. 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.

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.

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

Defined contribution plans are those plans where the Company pays fixed contributions to a fund managed by independent trust. Contributions are paid in return for services rendered by employees during the year. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay employee benefits. The Company 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 Company is to make such fixed contributions and to ensure a minimum rate of return to the members as specified by the Government of India (GoI).

ii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The gratuity schemes are funded by the Company and are managed by separate trusts. The present value 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 Company's policy, permanent company cader eligible 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

Tax expense for the year comprises current and deferred tax.

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and 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 Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply in the period in which the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

2.19 Revenue Recognition

Effective 1 April 2018, the Company 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".

The Company'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.

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.

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 Company 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.

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.

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.

The incentives/disincentives are accounted for based on the norms notified/approved by the OERC as per principles enunciated in Ind AS 115.

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.

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.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

Other Incomes:

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.

Income from dividend

Dividend income from investments is recognized when the shareholder's rights to receive payment have been established.

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company 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 Company.

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

In the application of the Company's accounting policies, which are described in Note-3 the management of the Company 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.

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.

Critical judgments in applying accounting policies:

The following are the critical judgments, apart from those involving estimations (see point ii below), that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

i. Financial assets at amortized cost

The management has reviewed the Company's financial assets at amortized cost in the light of its business model and has confirmed the Company's positive intention and ability to hold these financial assets to collect contractual cash flows. The carrying amount of these financial assets is Rs 68, 027.98 lakhs (March 31, 2019: Rs. 69, 939.72 lakhs). Details of these assets are set out in note – 41.

ii. 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.

a. Impairment of investments

The Company reviews its 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 its carrying amount, the impairment loss is accounted for.

b. 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.

c. 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 Company or contingent liabilities where there is a present obligations 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.

d. 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 Company 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).

3. Property, Plant and Equipment

(₹ in Lakh)

	As at March 31, 2020	As at March 31, 2019
Carrying amounts of :		
Freehold Land	17.00	17.00
Building	51,026.42	10,518.68
Plant & Equipments	791,124.06	48,478.62
Furniture & Fixture	941.56	982.39
Vehicles	599.97	699.61
Office Equipment	965.25	1,129.01
Road Bridge & Culvert	4,018.07	3,754.77
Water Supply Drainage & Sewerage	649.11	596.14
Power Supply Distribution & Lighting	1,790.73	1,414.99
Heavy Mobile Equipment	15.00	17.27
	851,147.17	67,608.48
Right to Use Assets		
Leasehold Land	1,077.33	1,178.30
Total	**852,224.50**	**68,786.78**

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

(ii) The Company has adopted Ind AS 116 'Leases' effective April 1, 2019 and applied the Standard to its leases, pursuant to which it has reclassified its leased asset as Right-of-Use Assets.

(ii) Gross block, Accumulated depreciation and Net block as on March 31, 2020 are as follows:

Descriptions	Gross block				Depreciation, Amortization and Impairment				Net Block	
	As at 01.04.2019	Addition	Deduction / Adjustment	As at 31.03.2020	As at 01.04.2019	For the year	Deduction/ Written Back	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Land	17.00	-	-	17.00	-	-	-	-	17.00	17.00
Leasehold land	2,753.81	-	-	2,753.81	1,575.51	100.97	-	1,676.48	1,077.33	1,178.30
Buildings	16,701.79	41,687.15	-	58,388.95	6,183.11	1,179.42	-	7,362.53	51,026.42	10,518.68
Plant & Equipment	151,397.99	762,208.51	(69.02)	913,537.47	102,919.36	19,553.26	(59.21)	122,413.41	791,124.06	48,478.63
Furniture & Fixtures	1,570.02	117.17	-	1,687.19	587.63	158.00	-	745.63	941.56	982.39
Vehicles	934.57	-	-	934.57	234.95	99.65	-	334.60	599.97	699.61
Office Equipment	4,442.58	177.10	(0.55)	4,619.13	3,313.57	340.83	(0.52)	3,653.88	965.25	1,129.01
Road Bridge & Culvert	5,039.36	497.22	-	5,536.57	1,284.58	233.92	-	1,518.50	4,018.07	3,754.77
Water Supply Drainage & Sewerage	1,047.26	92.07	-	1,139.33	451.12	39.10	-	490.22	649.11	596.14
Power Supply Distribution & Lighting	2,090.28	658.69	-	2,748.97	675.30	282.95	-	958.24	1,790.73	1,414.99
Heavy Mobile Equipment	305.94	-	-	305.94	288.67	2.28	-	290.95	15.00	17.27
Total	**186,300.59**	**805,437.90**	**(69.57)**	**991,668.92**	**117,513.81**	**21,990.36**	**(59.73)**	**139,444.44**	**852,224.48**	**68,786.78**
Previous Year	148,718.52	37,612.38	(30.31)	186,300.59	113,668.96	3,870.77	(25.93)	117,513.81	68,786.78	

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

Descriptions	Gross block				Depreciation, Amortization and Impairment *				Net Block	
	As at 01.04.2019	Addition	Deduction / Adjustment	As at 31.03.2020	As at 01.04.2019	For the year	Deduction/ Written Back	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Operational Units (Unit 1 & 2, HO,MMHP)	-	-	-	-	-	-	-	-	-	-
Expansion Project (Unit - 3 & 4)	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
*** Property, Plant and Equipment (MMHP) were impaired during the year 2011-12 amounting to Rs 173.36 Lakh as follows:**										
MMHP, Andharibhangi	104.76 ₹ Lakhs									
MMHP, Kendupatna	32.12 ₹ Lakhs									
MMHP, Biribati	36.48 ₹ Lakhs									
Total	**173.36 ₹ Lakhs**									

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

4. Capital Work-in-Progress - Tangible

A.

(₹ in Lakh)

Particulars	As at 31st March , 2020		As at 31st March, 2019	
(i) Tangible Assets				
For Operational Power Plants	**282.74**		75.93	
For Mini Micro Hydel Projects	**1,314.76**		1,314.76	
Less: Accumulated Impairment losses	**(1,106.57)**		(1,106.57)	
For Expansion Power Plants	**128,730.45**		873,569.10	
TOTAL		**129,221.38**		873,853.22

B. Details of expenditure for expansion power plant included under Capital Work in Progress are as follows

(₹ in Lakh)

Particulars	As at 01.04.2019	Additions	Deductions/ Adjustments	Capitalized	As at 31.03.2020
Ash Pond	3,875.61	3,053.30		-	6,928.90
AWRS	3,977.91	2,455.01			6,432.93
Owners workshop	15.19	126.69		-	141.88
Township	4,877.80	-		(898.47)	3,979.34
Consultancy Charges	6,091.89	-		(5,130.62)	961.27
MGR	75,452.29	5,492.26		-	80,944.55
Plant & Machinery (BTG & BOP)	558,291.79			(558,374.22)	(82.44)
Power Supply Distribution lighting	285.14			(277.00)	8.14
Road Bridge & Culvert	118.33			(66.23)	52.10
Water Supply & Arrangements	39.29			(37.69)	1.60
Stock of Coal, Oil & Stores	8,611.14			(7,906.45)	704.68
Stock in Transit & Pending Inspection	4,187.37			(1,494.89)	2,692.48
Expenses During Construction Period	207,745.34			(181,780.33)	25,965.01
Total	**873,569**	**11,127**	**-**	**(755,966)**	**128,730.45**

(i) Loan from Power Finance Corporation Ltd (PFC) & Rural Electrification Corporation Ltd (REC) is secured by mortgages on, all present and future immovable properties of Unit 3 & 4 (2X660 MW). For details, Refer Note 19.

(ii) Expenses during construction period includes an amount of ₹ 1,72,326.15 Lakh towards interest on borrowing costs capitalisied on qualifying assets and ₹ 18,646.24 Lakh pending capitalisation as on reporting date.

(iii) Property, plant and equipment (including Capital work-in-progress) were tested for impairment during the year and there is no indication of impairment is present.

5. Intangible Assets

(₹ in Lakh)

(i)

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of : Software & SAP licence	925.60	701.06
Total	**925.60**	701.06

(ii) Gross block, Accumulated depreciation and Net block as on March 31, 2020 are as follows:

(₹ in Lakh)

Descriptions	Gross block				Depreciation				Net Block	
	As at 01.04.2019	Addition	Deduction / Adjust-ment	As at 31.03.2020	As at 01.04.2019	For the year	Deduction/ Written Back	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Software	1,125.49	351.30	-	1,476.79	424.43	126.76	-	551.20	925.60	701.06
Total	**1,125.49**	**351.30**	**-**	**1,476.79**	**424.43**	**126.76**	**-**	**551.20**	**925.60**	**701.06**

(iii) Details of component of assets of operational units , expansion of Power Plant are as follows.

(₹ in Lakh)

Descriptions	Gross block				Depreciation				Net Block	
	As at 01.04.2019	Addition	Deduction / Adjustment	As at 31.03.2020	As at 01.04.2019	For the year	Deduction/ Written Back	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Operational Units (Unit 1 & 2, HO,MMHP)	1,033.36	-		1,033.36	336.64	109.09		445.73	587.63	696.72
Expansion Project (Unit - 3 & 4)	92.13	351.30	-	443.43	87.79	17.67	-	105.47	337.97	4.34
Total	**1,125.49**	**351.30**	**-**	**1,476.79**	**424.43**	**126.76**	**-**	**551.20**	**925.60**	**701.06**

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

6. Intangible Assets under development

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of : Intangible assets under development	-	114.94
Total	-	114.94

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

7. Non-current Investments

(₹ in Lakh)

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amounts	No. of shares	Amounts
UNQUOTED INVESTMENTS CARRIED AT COST **Equity investment in joint ventures (jointly controlled entities)**	-	-	-	-
Odisha Coal and Power Ltd (Fully paid equity shares of ₹ 10/- each)	176,460,000	17,646.00	153,000,000	15,300.00
Total		**17,646.00**		**15,300.00**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Aggregate carrying amount of unquoted investments #	17,646.00	15,300.00
Total carrying amount	**17,646.00**	15,300.00

Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(ii) Details of % of holding and place of business :

Particular	As at March 31, 2020	As at March 31, 2019
% of Holding	51%	51%
Place of Business	Manoharpur and Dip-side Manhorpaur	Manoharpur and Dip-side Manhorpaur

(iii) Odisha Coal and Power Ltd. (OCPL) is incorporated under the Companies Act, 2013 as wholly owned subsidiary company of OPGC on 20th January 2015. Subsequently Govt. of Odisha vide notification No.1578 dated 21st February 2015 has approved OCPL as joint venture company between the reporting company and Odisha Hydro Power Corporation Ltd (OHPC) by acquisition of 49% equity shares in OCPL from the reporting company. Shareholder's Agreement among reporting company, OHPC and OCPL is signed on 21st April 2016.

8. Non Current-Loans & Advances

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
a) Loans to employees		
- Secured, considered good	186.58	214.18
- Unsecured, considered good	134.67	192.63
- Doubtful	-	-
Less : Allowance for credit Loss	-	-
b) Security Deposits	1,553.47	599.29
Total	**1,874.72**	1,006.10

(i) Loan to employees includes ₹ 354.05 Lakh (Previous Year : ₹ 405.19 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 ₹ 186.58 Lakh (Previous Year : ₹ 214.18 Lakh), which has been hypothecated in the favour of the company.

(ii) There is no outstanding loans from directors of the Company.

ODISHA POWER GENERATION CORPORATION LIMITED

Notes forming part of the financial statement

9. Other non-current assets

(₹ in Lakh)

Particulars	**As at March 31, 2020**	As at March 31, 2019
Capital Advances		
- Advance for Land Acquisition	12,931.36	12,907.15
- Other Capital Advance	24,999.41	13,703.39
Advances related to Indirect Taxes	48.35	27.87
Prepaid Expenses	-	-
Total	**37,979.12**	26,638.41

Notes:

(i) Payment was made to Odisha Industrial Infrastructure Development Corporation (IDCO), Govt. of Odisha and CAMPA towards acquisition of land for Merry-Go-Round (MGR) Railway system and Ash Pond. As per the land acquisition policy of IDCO / Govt. of Odisha, the company deposits with IDCO / Govt. of Odisha and District Collector, the cost of land and service charges after complying the procedures laid down under applicable act and rules. On deposit of such cost and service charges, the land shall first be transferred in favour of IDCO and subsequently in favour of the company through “Lease Agreement”. Pending execution of lease agreement, and subsequent physical possession of land in favour of the company by IDCO, amount paid towards acquisition of land are disclosed as “Advance Against Land Acquisition”.

(ii) Other Capital advance incudes advances given to contractors and service providers for execution of power project Unit 3 & 4 (2x 660 MW).

(iii) Prepaid expenses includes payment made for various insurance coverages.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

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

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
a. Raw Materials*		
1. Cost	7,750.29	1976.94
2. Less: Provision	-	-
b. Components, Chemicals, Stores & Spares*		
1. Cost	5,303.56	3983.02
2. Less: Provision	91.58	91.58
c. Tools & Tackles		
1. Cost	14.81	14.58
2. Less: Provision		
d. Stock in Transit		
1. Cost	-	-
2. Less: Provision	-	-
Total Inventories	**12,977.08**	5,882.96

* Physical verification of inventories except Oil have been carried out by third party and valued as per significant accounting policy Note No. 2.12

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

11. Trade receivables

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables		
(a) Secured, considered good	-	-
(b) Unsecured, considered good	46,881.63	34,835.41
(c) Doubtful	-	-
Allowance for doubtful debts	-	-
Total	**46,881.63**	34,835.41

(i) Trade receivables are dues in respect of sale of energy. This includes an amount of ₹ Nil lakh (Previous year : ₹ 0.46 Lakh) not been confirmed by the customer.

(ii) 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) Trade receivables are further analysed as :

(₹ in Lakh)

As at March 31, 2020	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	33,415.86	-	33,415.86
One month overdue	101.66	-	101.66
Two months overdue	50.78	-	50.78
Three months overdue	106.79	-	106.79
Between three to six months overdue	95.84	-	95.84
Greater than six months overdue	13,110.69	-	13,110.69
TOTAL	**46,881.63**	**-**	**46,881.63**

(₹ in Lakh)

As at March 31, 2019	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	32,190.27	-	32,190.27
One month overdue	22.32	-	22.32
Two months overdue	33.28	-	33.28
Three months overdue	36.22	-	36.22
Between three to six months overdue	63.11	-	63.11
Greater than six months overdue	2,490.20	-	2,490.20
TOTAL	**34,835.41**	**-**	**34,835.41**

(iv) Trade receivable due towards Unit 1 & 2 and Unit 3 & 4 are ₹ 19,916.13 lakhs and ₹ 26,965.49 lakhs respectively.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

12. Cash and Cash Equivalents

(₹ in Lakh)

	Particulars	As at March 31, 2020	As at March 31, 2019
a.	Balances with banks		
	Unrestricted Balance with banks		
	(i) In Current Account	274.85	354.10
b.	Cash in hand	0.98	3.11
c.	Term Deposit with original maturity up to three months	5,111.13	3,603.77
	Total	**5,386.96**	3,960.98
d.	Deposits with original maturity of more than three months but not more than twelve months	7,500.00	23,426.65
e.	Earmarked Balances with Bank towards		
	Deposits with banks held as security against guarantee	4,659.98	4,659.99
	Fixed Deposits with bank pledged as security or margin money	870.18	1,154.54
	Total	**13,030.16**	29,241.18
	Total Cash and Bank Balances	**18,417.12**	33,202.16

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

(ii) Earmarked cash and bank balances primarily represents margin and security provided for obtaining bank guarantee as detailed below:

a. The Company has provided security to Axis Bank Ltd in terms of fixed deposits of ₹ 1,569.98 Lakh (Previous Year : ₹ 1,569.98 Lakh) for issuance of performance bank guarantee on behalf of OCPL in favour of "Nominating Authority, Ministry of Coal, Government of India".

b. The Company has provided security to Yes Bank Ltd in terms of fixed deposits of ₹ 3,090.00 Lakh (Previous Year : ₹ 3,090.00 Lakh) for issuance of bank guarantee in favour of "Power Grid Corporation Ltd" for long term access arrangement of transmission line.

c. Fixed deposits of ₹ 59.62 Lakh (Previous Year : ₹ Nil Lakh) has been pledged to Orissa State Co-operative Bank Ltd as security deposit in favour of "The Executive Engineer, Main Dam Division, Sambalpur, Odisha" for drawl of water from Hirakud reservoir.

d. Fixed deposits of ₹ 801.46 Lakh (Previous Year : ₹ 801.46 Lakh Yes Bank Ltd) has been pledged to ICICI Bank Ltd as security deposit in favour of "The Executive Engineer, Main Dam Division, Sambalpur, Odisha" against supply of water.

e. Fixed deposits of ₹ 9.10 Lakh (Previous Year : nil) has been pledged to State Bank of India as security deposit in favour of " NHAI" against Letter of Credit.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

13. Current Loans

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
a. Loans to employees		
- Secured, considered good	56.79	96.28
- Unsecured, considered good	164.83	74.59
- Doubtful	-	-
Less : Allowance for credit Loss	-	-
b. Loans to Odisha Coal and Power Limited		
- Secured, considered good	-	-
- Unsecured, considered good	-	-
- Doubtful	-	-
Less : Allowance for credit Loss	-	-
c. Security Deposits	4.74	4.74
TOTAL	**226.36**	**175.61**

(i) For details refer Note-8(i).

(ii) There is no outstanding loans due from directors of the Company.

14. Other Current Financial Asset

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2020
Advances to others		
Interest accrued on loans and deposits	187.23	314.02
Other Receivables	279.62	247.99
Receivable from related parties	161.30	158.43
Total	**628.15**	720.44

Receivable from related parties includes

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Receivable against Statutory Dues (employees)	97.32		130.49	
Other Admin Expenses	63.98		27.94	
		161.30		158.43
Total		**161.30**		158.43

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

15. Current tax assets and liabilities

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Current tax assets		
Tax refund receivables/Advance Tax	64,210.51	55,308.43
Advance Tax and TDS for the year	629.85	2,834.01
Total	**64,840.36**	58,142.44
Current tax liabilities		
Income Tax payable	62,139.28	52,250.35
Provision for taxation for the year	-	10,031.81
Total	**62,139.28**	62,282.16

Current Tax Assets (Net)	**2,701.08**	3,058.08
Current Tax Liabilities (Net)	**-**	7,197.80

16. Other current assets

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Other assets	1,237.90	292.49
Advances to suppliers	6,385.83	5,400.23
Less: Allowance for doubtful	-	-
Total	**7,623.73**	5,692.72

(i) Other assets include payment made for various insurance coverage and annual maintenance contracts etc.

(ii) Advance to suppliers are unsecured and considered good.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

17. Equity Share Capital

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Equity Share Capital	1,82,249.74	1,82,249.74
Total	**1,82,249.74**	1,82,249.74
Authorised Share Capital		
300,00,000 nos. of equity shares of ₹ 1000/- each	**3,00,000.00**	3,00,000.00
Issued and Subscribed capital comprises :		
1,82,24,974 nos. of equity shares of ₹ 1000/- each	1,82,249.74	1,82,249.74
Total	**1,82,249.74**	1,82,249.74

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

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	**₹ Lakh**	No. of shares	₹ Lakh
Ordinary shares of Rs.1000 each				
At beginning of the year	18,224,974	182,249.74	15,804,974	158,049.74
Shares allotted during the year	-	-	2,420,000	24,200.00
Total	**18,224,974**	**182,249.74**	18,224,974	182,249.74

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

	As at March 31, 2020		As at March 31, 2019	
Name of Shareholder	**No. of Shares Held (Face value of ₹ 1000 each)**	**% of Total Shares**	No. of Shares Held (Face value of ₹ 1000 each)	% of Total Shares
Governor of Odisha	9,294,737	51.00%	9,294,737	51.00%
AES India Pvt Ltd	796,178	4.37%	796,178	4.37%
AES OPGC Holding (Incorporated in Mauritius)	8,134,059	44.63%	8,134,059	44.63%
Total	**18,224,974**	**100%**	18,224,974	100%

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

18. Other Equity

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Share application money pending allotment	-	-
General Reserve	8,960.23	8,960.23
Retained earnings	100,812.35	115,134.54
Security Premium	5,888.43	5,888.43
Total	**115,661.01**	129,983.20

(i) General Reserve

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	8,960.23	8,960.23
Movements	-	-
Balance at the end of the year	**8,960.23**	8,960.23

(ii) Retained Earnings

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	115,134.52	98,446.23
Profit attributable to owners of the Company	(14,165.08)	17,147.61
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(157.09)	(459.30)
Payment of dividends on equity shares	-	-
Related income tax on dividend	-	-
Balance at the end of the year/period	100,812.35	115,134.54

(iii) Security Premium

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year/period	5,888.43	5,888.43
Movement during the year	-	-
Balance at the end of the year/period	**5,888.43**	5,888.43

The nature of reserves are follows:

(a) **General Reserve :** Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of Companies Act 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn and the balance in the reserve has continued.

(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 (the "Companies Act").

(iv) Proposed Dividend:

In respect of the year ended 31st March 2020, no dividend is proposed by the Company.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

19. Non Current Financial Labilities- Borrowings

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured - at amortised cost		
From Power Finance Corporation Ltd (PFC)	356,136.07	343,124.74
From Rural Electrification Corporation Ltd (REC)	361,922.91	345,158.74
Total	**718,058.98**	688,283.48

(i) Term loan of ₹ 4,33,000 Lakh each were sanctioned by Power Finance Corporation Limited (PFC) and Rural Electrification Corporation 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 favour of Odisha Coal and Power Limited, a Joint venture company of OPGC & OHPC. Accordingly the sanctioned limit is reduced to ₹ 3,81,187 Lakh and ₹ 3,81,200 Lakh by PFC and REC respectively.

(ii) Additional financial assistance of ₹ 47,819 Lakh and ₹ 36,925 Lakh has been sanction by PFC and REC respectively in the Project as per the original Debt Equity Ratio of 3:1 to fund the estimated Cost Over Run of the Project thereby increase in total sanction / draw down limit of PFC and REC to ₹ 4,18,125 Lakh each.

(ii) **Security :**

a. The term loan togather with all interest (including additional interest), cost, expenses, applicable taxes, statutory duties and other money is secured with the presecribed 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, Ph-II (2x660 MW) of Ib Thermal project of the Company in favour 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 favour of PFC and REC on all movable assets of the project except raw materials, conumable spares and book debts.

Save priority (in which case, PFC / REC will have 2nd charge) / pari passu on reciprocal basis (as applicable) in favour 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 favour 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.

(iii) **Interest:**

a. Term loan from PFC shall be repaid in 60 (sixty) unequal structured quarterly instalments commencing from 15th day of July 2020 and subsequent instalments will become due for payment on 15th day of October, 15th day of January and 15th day of April every year.

b. The term loan from REC shall be repaid in 60(sixty) equal quarterly instalment commencing 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 in full.

(iv) **Repayment:**

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. PFC has allowed discount of 60 bps (10 bps related to loan disbursed up to 31.10.2015) on applicable rate and 25 bps as rebate on timely payment of interest subject to interest rate not falling below 10.80% per annum (presently applicable). REC has allowed discount of 85 bps (35 bps related to loan disbursed up to 31.03.2016) on applicable rate subject to interest rate not falling below 10.80% per annum (presently applicable). In case notified/ circular interest rate falls below 10.80% per annum, the same shall be applicable.

c. Interest on PFC loan to be serviced on quarterly basis and due date for payment of interest is 15th day of April, 15th day of July, 15th day of October and 15th day of January every year.

d. 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.

e. The Company has availed the option of interest reset in three years from the date of disbursement and paid upfront fee @ 0.05% on term loan sanctioned instead of commitment charges on undrawn amount for each of the quarter.

(v) The maturity profile of borrowings (Including interest accrued-Refer-Note 25) is as follows:

(₹ in Lakh)

Contractual maturities	**As at March 31, 2020**	As at March 31, 2019
In one year or less or on demand	45,936.30	7,254.15
Between one & two years	46,011.44	17,199.31
Between two & three years	46,011.44	45,910.08
Between three & four years	46,011.44	45,910.08
Between four & five years	47,419.81	45,910.08
More than five years	532,948.78	533,721.60
Total contractual cash flows	**764,339.20**	695,905.28
Less: Capitalisation of transaction costs	343.92	367.65
Total Borrowings	**763,995.28**	695,537.63

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

20. Non Current financial liabilities- Others

(₹ in Lakh)

	Particulars	**As at March 31, 2020**	As at March 31, 2019
a.	Capital Creditors	-	-
b.	Security Deposits	481.78	388.86
c.	EMD and Retention Money	-	0.00
d.	Payable to Government *	185.58	185.58
	Total	**667.36**	574.44

* 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 in the Previous year 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 statement

21. Non Current Liabilities- Provisions

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Employee Benefits		
- Gratuity	-	132.43
- Leave benefits	4,148.64	3,975.58
- One Time Pension benefits	1,534.54	1,552.45
- Terminal TA benefits	616.45	643.05
Provision for Decommissioning liabilities	499.45	461.06
Total	**6,799.07**	6,764.57

(i) Provision for employee benefits include Gratuity, Leave Benefits, Sick Leave, One time pension benefit and Terminal TA.

(ii) Movement in provision balances are analysed below:

As at March 31, 2020

(₹ in Lakh)

Balance Sheet Analysis	Gratuity	Sick Leave	Leave benefits	Pension Benefit	Terminal TA
Present Value of the obligation at end	5,804.89	1,206.01	3,459.50	1,704.50	690.90
Fair Value of plan assets	5,339.64	-	-	-	-
Unfunded Liability/ provision in Balance Sheet	**465.25**	**1,206.01**	**3,459.50**	**1,704.50**	**690.90**

As at March 31, 2019

(₹ in Lakh)

Balance Sheet Analysis	Gratuity	Sick Leave	Leave benefits	Pension Benefit	Terminal TA
Present Value of the obligation at end	5,232.10	1,113.15	3,266.32	1,650.49	688.00
Fair Value of plan assets	4,718.01	-	-	-	-
Unfunded Liability/ provision in Balance Sheet	**514.09**	**1,113.15**	**3,266.32**	**1,650.49**	**688.00**

1. Defined Contribution Plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amount included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The total cost charged to statement of profit and loss during the year on account of defined contribution plans amounted to ₹ 577.15 Lakh (Previous year ₹ 654.05 Lakh). The major defined contribution plans operated by the Company are as below:

a. Provident fund

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Company.

2. Defined benefit plans

a. Pension Benefit

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 and accordingly the Company accounted for the liability for pension benefits payable based on an actuarial valuation.

b. Terminal 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. Accordingly the Company accounted for the liability based on actuarial valuation.

c. Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment in OPGC Ltd as per Rules of the Group Gratuity Scheme of the company. Vesting occurs upon completion of five years of service. The Company makes annual contributions to Life Insurance Corporation of India towards the gratuity contribution. The Company accounted for the liability for gratuity benefits based on an actuarial valuation.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

(iii) The following table sets out the amounts recognized in the financial statements for retiring gratuity plans in respect of the Company.

(₹ in Lakh)

Change in defined benefit obligations:	Year ended March 31,2020	Year ended March 31,2019
(a) Obligation as at the beginning of the year	5,232.10	4,259.75
(b) Current service cost	268.23	248.77
(c) Interest cost	402.87	326.30
(d) Remeasurement (gains)/losses	233.55	696.13
(e) Benefits paid	(331.86)	(298.85)
Obligation as at the end of the year	**5,804.89**	5,232.10

(₹ in Lakh)

Change in plan assets:	Year ended March 31,2020	Year ended March 31,2019
(a) Fair value of plan assets as at beginning of the year	4,718.01	4,171.41
(b) Interest income	355.37	309.64
(c) Remeasurement gains/(losses)		
(d) Employers' Contributions	598.13	535.81
(e) Benefits paid	(331.86)	(298.85)
Fair value of plan assets as at end of the year	**5,339.65**	4,718.01

(₹ in Lakh)

Amount recognised in the balance sheet consists of:	Year ended March 31,2020	Year ended March 31,2019
(a) Fair value of plan assets as at end of the year	**5,339.65**	4,718.01
(b) Present value of obligation as at the end of the year	5,804.88	5,232.10
(c) Amount recognised in the balance sheet	465.23	514.09

(₹ in Lakh)

	Year ended March 31,2020	Year ended March 31,2019
Costs recognised in the statement of profit and loss consist of:		
(a) Current service cost	268.23	248.77
(b) Net interest expense/(income)	39.58	6.77
Costs recognised in the statement of profit and loss:	**307.82**	255.54
Costs recognised in the statement of other comprehensive income consist of:		
(c) The Return on plan assets (excluding amounts included in net interest expense)	(7.92)	(9.88)
(d) Actuarial gains and (losses) arising from changes in demographic assumption	9.11	11.66
(d) Actuarial gains and (losses) arising from changes in financial assumption	(181.73)	91.79
(e) Actuarial gains and (losses) arising from changes in experience adjustments	(60.93)	(799.58)
Costs recognised in the statement of other comprehensive income	**(241.47)**	(706.01)

(iv) The fair value of company's retiring gratuity plan assets as of March 31, 2020 and March 31, 2019 by category are as follows:

	Year ended March 31,2020	Year ended March 31,2019
Assets category (%)		
(a) Equity instruments	-	-
(b) Debt instruments	-	-
(c) Funds Managed by Insurer	**100%**	100%

(v) The assumptions used in accounting for retiring gratuity are set out below:

	Year ended March 31,2020	Year ended March 31,2019
(a) Discount rate (%)	7.70	7.70
(b) Rate of escalation in salary (%)	7.79	8.13

(vi) The Company expects to contribute ₹ 309.67 Lakh to the plan in fiscal year 2020.

(vii) The table below outlines the effect on defined benefit obligation in the event of a decrease/increase of 0.50 % in the assumed rate of discount rate and salary escalation rate.

As at March 31, 2020		
Assumption	**Change in assumption**	**Impact on scheme liabilities**
Discount rate	Increase by 0.50%, Decrease by 0.50%	(132.53) 138.55
Salary escalation	Increase by 0.50%, Decrease by 0.50%	136.47 (131.82)

The above sensitivities may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(viii) Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

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

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities	92,862.39	2,988.81
Less : Deferred Tax Asset	98,964.39	1,966.46
Net Deferred Tax (Asset)/ Liability	**(6,102.00)**	1,022.36

Income Tax

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

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Income before income taxes	(21,347.94)	27,193.37
Tax Calculated based on normal tax rate	(7,459.83)	9,502.45
Items not deductible for tax/not liable to tax		
Donation & CSR Expenses	51.29	79.94
Non deduction of tax at source on expenses	1.05	3.24
Impairment loss	-	-
Others	224.62	460.13
Income tax expense reported	**(7,182.86)**	10,045.76

(ii) Significant component of deferred tax assets and liabilities for the year ended March 31, 2020 is as follows:

(₹ in Lakh)

Particulars	Opening balance as at April 1, 2019	Deferred tax expense/ (income) recognised in profit and loss	Deferred tax expense/ (income) recognised in OCI)	Closing balance as at March 31, 2020
Deferred tax assets				
Provisions	1,955.80	(40.30)	84.38	1,999.88
Businesss Loss	-	-	-	96,964.51
Others	10.65	-	-	-
Total	**1,966.46**	**-**	**84.38**	**-**
Deferred tax liabilities				
Property, plant and equipment and Intangible assets	2,988.81	89,873.57	-	92,862.39
Total	**2,988.81**	**89,873.57**	**-**	**92,862.39**
Net Deferred tax (assets)/ liabilities	**1,022.36**	**-**	**(84.38)**	**-**

The Company is proposed to continue with the existing Income Tax rate of 34.944% including Surchage & Cess and will not availed the option of concessional rate presecribed under section 115BAA of the Income Tax Act and accordingly recognised Deferred Tax Assets & Liabilities considering prevailing Income Tax rate of 34.944%. Deferred Tax Assets / Liabilities shall be adjusted accordingly as and when the Company excercise the option prescribed under Section 115BAA of the Income Tax Act.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

23. Current financial liabilities- Trade Payables

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	643.31	5.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,067.61	4,834.02
Total	**5,710.92**	4,839.81

(i) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

Description	As at March 31, 2020	As at March 31, 2019
a. The principal amount remaining unpaid to supplier as at the end of the year	643.31	5.79
b. The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d. The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-

(ii) Trade Payables includes ₹ 211.64 Lakh (Previous year ₹ 211.64 Lakh) (net) in MCL account which is due to non adjustment of differential entry tax, quantity difference, pumping charges of water supplied and credit allowed in un-graded coal etc at their end.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

24. Current Financial Liabilities- Borrowings

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans repayble on demand		
From Banks		
Unsecured		
Cash credit	20,549.00	-
Total	**20,549.00**	-

(i) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

(ii) Union bank of India has sanctioned working capital loan limit of ₹ 50000 lakhs out of which utilised limit is ₹ 205,49 lakh on the reporting date.

25. Current liabilities-Other Financial Liabilities

(₹ in Lakh)

	Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of non-current borrwoings			
From Financial Institutions			
secured			
a.	From Power Finance Corporation Ltd (PFC)	18,260.13	-
b.	From Rural Electrification Corporation Ltd (REC)	19,057.70	-
c.	Interest accrued on borrowings	8,618.48	7,254.15
d.	Others:		
	Deposits & Retention Money	5,840.63	4,386.69
	Liabilities for Expenses	2,971.18	889.53
	Payable to employees	1,203.80	1,935.61
	Capital Creditors	26,458.69	31,210.11
	Total	**82,410.61**	45,676.09

(i) 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.

26. Current Liabilities-Other Current Liabilities

(₹ in Lakh)

	Particulars	As at March 31, 2020	As at March 31, 2019
a.	Advances from Customers & others	149.62	103.12
b.	Statutory Dues Payables *	863.34	1,249.79
	Total	**1,012.96**	1,352.91

* Statutory dues includes payables in respect of GST, tax deducted at source and dues paybel to OPGC gratuity trust and others.

27. Current Liabilities-Provisions

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Employee Benefits #		
- Gratuity	466.57	476.72
- Leave benefits	516.87	403.88
- One Time Pension benefits	169.96	98.04
- Terminal TA benefits	74.45	44.95
- Pay revision	1,080.97	999.91
Total	**2,308.82**	2,023.50

Details in terms of Note-21

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

28. Revenue from Operations

(₹ in Lakh)

Partculars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of Power	162,352.13	86,291.87
Total	**162,352.13**	86,291.87

(i) Sales has been accounted for in accordance with the tariff approval by Odisha Electricity Regulatory Commission (OERC).

(ii) Sales of energy are net of rebate to beneficiary amounting to ₹ 1894.17 lakh (previous year 1015.23 lakh).

(iii) Sales does not include internal consumption of 316.75 MU including transformer loss of 19.084 MU (previous year 346.46 MU including transformer loss of 26.227 MU), the cost of which has been determined at ₹ 7,698.12 Lakh (previous year ₹ 6935.65 Lakh) approximately for Unit 1 & 2 and 275.96 MU (previous year Nil), cost of which has been determined at ₹ 9980.78 for Unit 3 & 4 respectively.

(iv) OERC vide case no 35/2018 dated 05.01.2019 has directed to levelised tariff of Rs 3.91/kwh from 2007-08 onwards both for pre and post PPA period for both the units Kendupatna and Biribati on net export basis.On the basis of such approved order and direction, OPGC has issued year wise invoices along with jointly certified meter reading by representatives of OPGC and CESU on 01.03.2019 which are accepted by GRIDCO. On the basis of acceptance OPGC has booked the revenue of Rs 105.71 lakh FY 2018-19 and included in sale of Power.

(v) Sale does not included export of 195940 kwh for the FY 2019-20 amounting to ₹ 7.66 lakh due to pending joint certified meter reading by representative of OPGC & CESU and which has not submitted and accepted by GRIDCO at the year end.

(vi) The company has Power Purchase Agreements (PPA) with GRIDCO which are identifiable contracts 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.

(viii) Particulars of Generation, Auxiliary Consumption and Sale of power

Unit 1 & 2 (₹ in Lakh)

Particulars	2019-20	2018-19
Generation (MU)	2,643.54	3,085.45
Sale (MU)	2,326.79	2,738.98
Internal consumption (MU)	316.75	346.46
Sale (Net) (₹ in Lakh)	62,892.80	86,291.87
Internal consumption (₹ in Lakh)	7,698.12	6,935.65

Unit 3 & 4 (₹ in Lakh)

Particulars	2019-20	2018-19
Generation (MU)	3,852.25	-
Sale (MU)	3,576.29	-
Internal consumption (MU)	275.96	-
Sale (Net) (₹ in Lakh)	99,459.33	-
Internal consumption (₹ in Lakh)	9,980.78	-

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

29. Other Income

(₹ in Lakh)

Sl	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
a	**Interest Income**		
	Interest income from Bank Deposits at amortised Cost	1,264.38	2,056.69
	Others	402.06	33.08
		1,666.44	2,089.77
b	**Other non-operating income (net of expenses directly attributable to such income)**		
	Sale of Scrap / residual materials	77.01	107.40
	Sale of Ash bricks	(0.02)	
	Miscellaneous Incomes	287.46	375.54
	Exchange Gain	1.78	0.43
	Gain/(Loss) on Physical Inventory		(3.34)
	Liability/Provision written back	32.84	93.69
		399.07	573.72
c	**Other gains and losses**		
	Gain /(loss) on disposal of PPE	-	-
		-	-
	Total (a+b+c)	**2,065.52**	2,663.49
d	**Less :**		
	Amount included in the cost of qualifying assets	81.90	184.13
		81.90	184.13
	Total	**1,983.61**	2,479.36

(i) Miscellaneous income includes

a. Township recoveries of ₹ 87.90 Lakh (previous year ₹ 56.48 Lakh).

b. ₹ 23.89 Lakh (previous year ₹ 17.81 Lakh) towards liquidated damage and penalty recovered from contractors and others .

c. ₹ 84.63 Lakh (previous year ₹ 72.02 Lakh) towards Service charges of Water pumping facility to MCL.

(ii)

Excess Provision written back related to	Year ended March 31, 2020	Year ended March 31, 2019
Provision for Debtor	-	-
Obsolete stores/spares	-	-
Employee benefits and expense	2.81	66.28
Generation and other expenses	29.60	4.50
Administrative expenses	0.43	22.91

(iii) Sale of ash bricks amounting to ₹ (0.02) lakh after adjusting cost of sales, 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 is not selling fly ash/ ash bricks to outside parties for commercial purpose.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

30. Cost of raw material consumed

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Imported	-	-
Indigenous	90,110.18	44,017.04
Total	**90,110.18**	44,017.04

Particulars of raw materials consumed

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Coal	86,943.65	43,453.56
FO / LDO	3,166.53	6,381.20
	90,110.18	49,834.77
Less :		
Amount included in the cost of qualifying assets	-	5,817.73
Total	**90,110.18**	44,017.04

(i) For Unit 1 & 2, Coal Consumption of 23,00, 211.58 MT amounting to ₹ 38,023.78 lakh including Coal Shortage of 5756.58 MT amounting to₹ 94.72 Lakh (Previous year 977.06 MT amounting to ₹ 17.42 Lakh) found during physical verification has been charged to cost of raw material consumed as per the policy Note No-2.12.

(ii) For Unit 3 & 4, Bridge Linkage Coal Consumption of 22,81, 522.58 MT amounting to ₹ 37,859.53 lakh including Shortage of 23,891.40 MT amounting to ₹ 406.33 Lakh (Previous year Nil) found during physical verification has been charged to cost of raw material consumed as per the policy Note No-2.12.

(iii) For Unit 3 & 4, Flexi Coal Consumption of 6,64,049.60 MT amounting to ₹ 11,146.05 lakh including coal shortage of 7983.20.40 MT amounting to ₹ 166.64 Lakh (Previous year Nil) found during physical verification has been charged to cost of raw material consumed as per the policy Note No-2.12.

(iv) For Unit 1 & 2, HFO/LDO Consumption of 1556.29 KL amounting to ₹ 823.75 lakh including oil shortage NIL (Previous year NIL) has been charged to cost of raw material consumption.

(v) For Unit 3 & 4, HFO/LDO Consumption of 657.77 KL amounting to ₹ 2342.78 lakh including oil shortage NIL (Previous year NIL) has been charged to cost of raw material consumption.

ODISHA POWER GENERATION CORPORATION LIMITED

Notes forming part of the financial statement

31. Employee Benefit Expenses

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and Wages	10,225.99	10,391.26
Contribution to provident and other funds	869.97	852.68
Staff Welfare expenses	814.00	797.69
Total (A)	**11,909.95**	12,041.63
Less :		
Allocated to fuel cost	522.87	654.58
Amount included in the cost of qualifying assets	2,900.50	4,263.04
Total (B)	**3,423.37**	4,917.62
Net (A-B)	**8,486.58**	7,124.01

(i) The Company has recognised in the statement of profit and loss, an amount of ₹ Nil Lakh (previous year: ₹ 22.12 Lakh) as expenses with respect to key managerial personnel. The details of such expenses are as below:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Short term employee benefits	-	20.61
(b) Post employment benefits	-	1.23
(c) Other employee benefits	-	0.28

(ii) It includes an amount of ₹ 81.87 Lakh (previous year ₹ 999.10 Lakh) towards provision for 7th Pay revision of employees as per Govt. Notification No 26342 dated 07.09.2017.

(iii) It includes an amount of ₹1035.78 Lakh (previous year ₹ 939.02 Lakh) towards provision for Variable Pay of the employees under approved performance management system of the company.

(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. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary.

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.

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 encashable during service. However total earned leave that can be encashed on superannuation / separation shall be restricted to 300 days incase of cadre employees and 60 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, accordingly the Company accounted for the liability for pension benefits payable 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. Accordingly the Company accounted for the liability based on actuarial valuation.

(v) The above mentioned schemes (A, C, D and E) are unfunded and are recognised on the basis of actuarial valuation.

32. Finance Costs

(₹ in Lakh)

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a)	**Interest Expense**		
	Interest on term loan	64,582.23	63,336.78
	Interest on short term loans from scheduled bank	736.83	-
	Interest on Decommissioning and Construction liability	31.85	35.92
(b)	**Other Borrowing Cost**		
	Guarantee Commission	-	
	Total Finance Cost	**65,350.91**	63,372.70
	Less : amount included in the cost of qualifying assets	18,682.43	63,336.78
	Total	**46,668.48**	35.92

(i) Interest on Decommissioning and Construction liability represents future decommissioning liability of Ash Pond 'A' amounting to ₹ 12.37 Lakh and Ash pond 'C' amounting to ₹ 19.47 Lakh (Previous year: ₹ 21.63 Lakh and ₹ 14.29 Lakh respectively).

(ii) Interest on term loan mainly includes interest paid to Power Finance Corporation and Rural Electrification Corporation. For details refer Note 19.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

33. Depreciation & amortisation expenses

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation & amortisations	21,480.48	3,985.80
Less :		
Allocated to fuel cost	61.77	55.33
Amount included in the cost of qualifying assets	448.39	1,710.65
Total	**20,970.32**	2,219.83

(i) Depreciation includes ₹ 100.96 lakh (PY 100.97 lacs) amortization towards use of right to use Leasehold land.

(ii) Depreciation & amortizations includes ₹ 2004 lakhs for Unit 1 & 2 and ₹ 19027.90 lakhs for Unit 3 & 4. Useful life taken for calculating depreciation is as per Accounting policy Note no 2.7 and Schedule II of The Companies Act 2013. For details of assets capitalized during this year on which depreciation calculated refer Note no-3.

34. Impairment losses

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Impairment of CWIP (Mini Micro Hydel Projects) Refer Note- 4	-	
Total	-	-

ODISHA POWER GENERATION CORPORATION LIMITED

Notes forming part of the financial statement

35. Other Expenses

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Generation Expenses:		
Consumption of Stores, spares & chemicals	2,988.19	1,925.25
Electric Power, Electricity Duty and Water	6,453.15	6,560.74
Contract Job outsourcing expenses	2,465.57	1,167.73
Insurance	2,114.94	326.13
Other generation expenses	3,179.77	493.77
Repairs to buildings	376.64	404.54
Repairs to Machinery	103.05	82.29
	17,681.31	10,960.46
Selling and Distribution Expenses:		
Rebate in the nature of cash discount to customer		
Administrative Expenses:		
Rent	267.66	293.34
Professional Fees and expenses	28.58	21.05
General expenses	2,479.53	2,726.08
Management Service Charges	34.03	33.15
Resource Sharing Fee	1,259.62	2,417.98
Rate, Taxes & Cess	39.39	36.02
Other Repairs	116.58	64.31
Travelling expenses	267.80	316.54
Watch and Ward expenses	834.56	692.47
Watch and Ward expenses	909.18	467.69
	6,236.92	7,068.63
Other Expenses:		
Payment to Auditors	14.34	13.90
Peripheral development expenses	20.74	11.85
Donation	(3.65)	-
Trade Receivables Written Off (Net)	151.36	-
Loss on Sale of Fixed Assets	9.83	4.26
Advances written off	-	-
	192.62	30.01
Corporate Social Responsibility	**146.77**	228.76
Less: Allocated to Fuel Cost	1,139.39	943.01
Amount included in the cost of qualifying assets	3,670.10	9,163.77
	4,809.50	10,106.79
Total	**19,448.13**	8,181.07

(i) **Payment to Auditors:**

		2019-20	2018-19
a.	Statutory Audit		
	Statutory Audit Fees	9.44	8.94
	Statutory Audit expenses	0.71	0.71
b.	Tax Audit fees	1.18	1.24
c.	Certification fee	1.30	1.00
d.	Cost Audit		
	Cost Audit Fees	1.42	1.65
	Cost Audit expenses	0.30	0.36
Total		**14.34**	13.90

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

(ii) Other expenses includes generation expenses, administration expenses & other expenses amounting to ₹ 7337.71 lakhs, ₹ 2437.60 lakhs & ₹ 174.25 lakhs respectively for Unit 1& 2 and ₹ 8750.88 lakhs, ₹ 1742.47 lakhs and Nil Lakh for Unit 3 & 4 respectively.

(iii) In terms of section 135 of the companies act 2013, the company is required to make an expenditure on Corporate Social Responsibility for an amount of ₹ 262.28 Lakh during the reporting year.

(iv) Out of ₹ 262.28 Lakh, the company spent as follows during the year

Particulars	**In Cash**	**Yet to be paid in Cash**	**Total**
Construction / acquisition of any asset	-	-	-
On purpose other than (i) above	-	18.60	-
Total	**-**	**18.60**	**-**

Cost of Qualifying Assets(Unit 3 & 4)					
		2019-20		**2018-19**	
A.	**Employee Benefit Expenses**				
	Salaries & Wages	2,711.92		3,894.39	
	Contribution to	-		-	
	Provident fund	89.21		149.00	
	Gratuity fund	55.09		152.53	
	Staff Welfare Expenses	44.29	2,900.50	67.11	4,263.04
B	**Resource Sharing Fees**	961.89	**961.89**	2,176.42	2,176.42
C	**Finance Cost**				
	Interest Expenses	18,646.24		63,319.27	
	Other borrowing Cost	36.19	**18,682.43**	17.51	63,336.78
D	**Raw Material Consumption**				
	Coal Consumption	-		49.91	
	Oil Consumption	-	-	5,767.81	5,817.73
E	**Depreciation And Amortisation Expenses**				
	Depreciation	448.39	**448.39**	1,710.65	1,710.65
F	**Water and Electricity Charges**	638.75	**638.75**	3,868.86	3,868.86
G	**Insurance**	439.10	**439.10**	260.44	260.44
H	**Adminstrative And Other Expenses**				
	Rent	81.37		106.58	
	General expenses	844.33		1,720.10	
	Rate, Taxes & Cess	4.10		-	
	Travelling expenses	68.09		123.46	
	Watch and Ward expenses	74.58		226.53	
	Township development expenses	22.50		75.65	
	Peripheral development expenses	20.74		11.85	
	Consumption of Stores & spares	514.66		593.88	
	Donation	-	**1,630.37**	-	2,858.05
I	**CSR expenditure in compliance to Environmental Clearance**	345.49	**345.49**	458.59	458.59
	Total	-	**26,046.91**		84,750.56

OTHER INCOME				
Interest Income	24.09		-	
Other non-operating income (net of expenses directly attributable to such income)	57.71		184.13	
Other gains and losses	0.09		-	
		81.90		**184.13**

ODISHA POWER GENERATION CORPORATION LIMITED

Notes forming part of the financial statement

36. Related party transactions

Odisha Power Generation Corporation Ltd (the Company) controlled by the Government of Odisha (GoO). GoO holds 51% ownership interest in the Company and balance 49% ownership interest is jointly held by AES India Pvt Ltd (5.04%) and AES OPGC Holding (incorporated in Mauritius) (43.96%) as on March 31, 2019. The Company's related parties principally consist of GoO, OPGC Ltd Provident Fund Trust, AES India Pvt Ltd , AES OPGC Holding and Odisha Coal and Power Ltd (OCPL) as its Joint venture. The Company routinely enters into transactions with these related parties in the ordinary course of business at market rates and terms.

(₹ in Lakh)

Transactions	OCPL	AES India Pvt. Ltd	AES OPGC holding	Key Management Personnel	Relatives of Key Management Personnel	PF Trust	Government of Odisha
Finance Provided							
FY 2019-20	2,346.00						
FY 2018-19							
PF Contribution							
FY 2019-20						1,472.26	
FY 2018-19						1,420.05	
Employee Benefits expenses in respect of deputed employees under reciprocal sharing of resources							
FY 2019-20		1,259.61					
FY 2018-19		2,417.97					
Management Services Charges							
FY 2019-20		34.03					
FY 2018-19		33.15					
Remuneration							
FY 2019-20							
FY 2018-19				22.12			
Guarantee outstanding							
FY 2019-20	6,279.94						
FY 2018-19	6,279.94						
Outstanding receivable							
FY 2019-20	161.30						
FY 2018-19	158.43						
Outstanding payables							
FY 2019-20						170.48	
FY 2018-19						265.40	

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

37. Earning per share (EPS)

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

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit after tax	**(14,165.08)**	17,147.60
Less: Amount to be paid for diluted portion (net of tax)	-	-
Profit attributable to ordinary shareholders - for Basic & Diluted EPS	**(14,165.08)**	17,147.60
Weighted average no. of Ordinary Shares for Basic & Diluted EPS	18,224,974	15,844,755
Nominal value of Ordinary Shares (₹)	1,000.00	1,000.00
Basic & Diluted Earnings per Ordinary Share (₹)	(77.72)	108.22

38. Segment Reporting

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

39. Commitments and Contingencies (To the extent not provided for)

I. Commitments

Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances) ₹ 58,931 Lakh (Previous Year : ₹ 87,101 Lakh).

II. Contingencies

a. Contingent Liabilities:

(₹ in Lakh)

Particulars	Opening balance as on April 01, 2019	During the year 2019-20		Balance as on March 31, 2020
		Additions	Reversal	
a. Claims against the Company not acknowledged as debt				
(i) Income tax demands	272.90	129.59	(101.53)	300.95
(ii) Indirect tax demands (sales tax)	15.90	-	-	15.90
(iii) Indirect tax demands (service tax)	-	515.91		515.91
(iv) Claims of contractors & others	16,444.56	15,063.30	-	31,507.86
b. Outstanding letter of credit and guarantees	8,218.89	247.55	(353.08)	8,113.36
c. Other money for which the Company is contingently liable	6,279.94	-	-	6,279.94
Total	**31,232.19**	**15,956.35**	**(454.61)**	**46,733.93**

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

(ii) Claim of contractor includes demand of ₹ 871.38 Lakh raised by Main Dam Division Burla, towards Penalty against water drawal from Hirakud reservior 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 Principal secretary to GoO water Resource Department with a copy to Principal secretary to GoO Energy Department for waival of the same citing the reason of waival, In response of the same, Principal secretary to GoO Energy Department has forwaded letter no 5275 dtd 25.06.2014 and letter no 5539 dated 11.07.2019 on waival of the same to Principal secretary to GoO water Resource Department.

(iii) Claim of contractor includes ₹ 15,166.43 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 subjudice. As the matter is under dispute and no order received from the competent authority, the same is disclosed under contingent liability.

(iv) Claim of contractor includes ₹ 13,245 lakh raised by GOO to create Water Conservation Fund by way of one-time contribution @ ₹ 2.5 Cr per cusec of water allocated to the industries and the matter is under subjudice. As the matter is under dispute and no order received from the competent authority, the same is disclosed under contingent liability.

(v) Outstanding letter of credit and guarantees includes pledge of fixed deposit of ₹ 1,569.98 Lakh given to Axis Bank as security for issue of **performance bank guarantee** for ₹ 15,392.00 Lakh in favour of nominated authority Ministry of Coal, GoI on behalf of subsidiary Company i.e. Odisha Coal and Power Ltd.

(vi) Other money for which the company is contingently liable includes **Corporate guarantee** of ₹ 6,279.94 Lakh to OCPL

40. Capital Management :

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan, coupled with long term and short term strategic investing plan. The funding requirements are met through equity and other long term and short term borrowings. The Company's policy is aimed at combination of short term and long term borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

41 Disclosure on Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note-7 to the financial statements.

(a) Financial assets and liabilities

The following table presents the carrying amount and fair value of each category of financial assets & liabilities as at March 31, 2020

(₹ in Lakh)

As at March 31, 2020	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances					18,417.12	18,417.12	18,417.12
Trade receivables					46,881.63	46,881.63	46,881.63
Loans					2,101.08	2,101.08	2,101.08
Other financial assets					628.15	628.15	628.15
Total	-	-	-	-	**68,027.98**	**68,027.98**	**68,027.98**
Financial liabilities							
Trade and other payables					5,710.92	5,710.92	5,710.92
Borrowings					738,607.98	738,607.98	738,607.98
Other financial liabilities					83,077.97	83,077.97	83,077.97
Total	-	-	-	-	**827,396.87**	**827,396.87**	**827,396.87**

(₹ in Lakh)

As at March 31, 2019	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances					33,202.16	33,202.16	33,202.16
Trade receivables					34,835.41	34,835.41	34,835.41
Loans					1,181.71	1,181.71	1,181.71
Other financial assets					720.45	720.45	720.45
Total	-	-	-	-	69,939.73	69,939.73	69,939.73
Financial liabilities							
Trade and other payables					4,839.81	4,839.81	4,839.81
Borrowings					688,283.48	688,283.48	688,283.48
Other financial liabilities					46,250.53	46,250.53	46,250.53
Total	-	-	-	-	739,373.82	739,373.82	739,373.82

(b) The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, quoted corporate debt instruments and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The main items in this category are investment in unquoted equity shares, measured at fair value.

(i) The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

(ii) The fair value in respect of the unquoted equity investments cannot be reliably measured.

(iii) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end

(iv) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2020 and March 31 2019

(c) Financial risk management

In the course of its business, the Company is exposed primarily to interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

(i) By creating a stable business planning environment and reducing the impact of currency and interest rate fluctuations on the Company's business plan.

(ii) By achieving greater predictability to earnings and determining the financial value of the expected earnings in advance.

Market Risk : Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

Credit Risk : Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Liquidity Risk : Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

(d) The following table shows a maturity analysis of the anticipated cash flows including interest payable for the Company's non derivative financial liabilities on an undiscounted basis.

(₹ in Lakh)

	As at March 31, 2020				
	Carrying amount	**Contractual cash flows**	**Less than 1 year**	**Between 1 - 5 years**	**More than 5 years**
Non- derivative financial liabilities					
Borrowings including interest thereon	763,995.29	763,995.29	45,592.39	185,454.11	532,948.78
Trade payables	5,710.92	5,710.92	5,710.92	-	-
Other financial liabilities	83,077.97	83,077.97	82,410.61	667.36	-
Total non- derivative financial liabilities	**852,784.18**	**852,784.18**	**133,713.91**	**186,121.47**	**532,948.78**

(₹ in Lakh)

	As at March 31, 2019				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Non- derivative financial liabilities					
Borrowings including interest thereon	695,537.63	695,537.63	6,886.50	154,929.53	533,721.60
Trade payables	4,839.81	4,839.81	4,839.81	-	-
Other financial liabilities	46,250.53	46,250.53	45,676.09	574.44	-
Total non- derivative financial liabilities	**746,627.97**	**746,627.97**	**57,402.40**	**155,503.97**	**533,721.60**

The cost of unquoted investments approximate the fair value because there is a wide range possible fair value measurements and the cost represents estimate of fair value within that range.

42. Previous year figures have been reclassified/ regrouped wherever necessery

43. Events after reporting period

(i) The Company has availed moratorium in payment of interest and principal instalment due to Power Finance Corporation Ltd. (PFC) on April 15, 2020 and July 15, 2020 to an amount of ₹ 26,610.43 Lakh as per the PFC's moratorium policy in line with COVID-19 Regulatory package of RBI.

(ii) Power Finance Corporation Ltd. (PFC) and Rural Electrification Corporation Ltd. (REC) has sanctioned term loan of ₹ 43,440 Lakh each to fund the Environment Retrofit Project to be implemented by the Company with Debt Equity ratio of 4:1.

For Nag & Associates
Chartered Accountants
Sd/-
(Nilotpal Majumder)
Partner
FRN : 312063E
Membership No: 037287
Place : Bhubaneshwar
Date : 24.10.2020

For and on behalf of the Board

Sd/-
(M. R. Mishra)
Company Secretary

Sd/-
(Pravakar Mohanty)
Director Finance

Sd/-
(Indranil Dutta)
Managing Director

Comments of the Comptroller and Auditor General of India under section 143(6) (b) of the Companies Act, 2013 on the Standalone Financial Statements of Odisha Power Generation Corporation Limited for the Year ended 31 March 2020

The preparation of financial statements of Odisha Power Generation Corporation Limited for the year ended 31 March 2020 in accordance with financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated: 24 October 2020

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under Section 143(6) (a) of the Act of the financial statements of Odisha Power Generation Corporation Limited for the year ended 31 March 2020. This supplementary audit has been carried out independently without access to the working paper of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6) (b) of the Act, which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

B1 Comments on Financial Position
Balance Sheet
Assets
Non-Current Assets
Property, Plant and Equipment (Note No. 3)
Building: ₹ 510.26 crore

The above is understated by ₹ 16.98 crore due to non-capitalization of assets created and handed over to the management under the expansion project 3 & 4 during the FY 2019-20. This also resulted in overstatement of CWIP to the same extent. Further due to non-capitalization of these assets the depreciation on these fixed assets has been understated to the extent of ₹ 7.32 lakh with corresponding understatement of loss to the same extent.

B2 Comments on Financial Position
Balance Sheet
Assets
Non-Current Assets
Property, Plant and Equipment (Note No. 3)
Plant & Equipment: ₹ 7911.24 crore

The above does not include ₹ 1.73 crore towards BHEL-BTG Entry Tax claim on supply of Boiler Turbine Generator assets which was not released by the company inadvertently during the financial year 2019-20 and taken into during October 2020. This has resulted in understatement of current liability of ₹ 1.73 crore and understatement of Plant & Equipment by same amount.

C3 Comments on Disclosure

Significant Accounting Policies

A reference is invited to Paragraph No. 2.12 (inventories) of Significant Accounting Policies where in it is stated that "Transit and handling losses/gain arises on physical verification including carpeting of coal are included in the cost of coal". However, as per the Power Purchase Agreement of the Company, the normative transit and handling losses is 0.2% of the coal dispatched by the coal supply company and is to be considered for calculation of Energy Charge. Thus, any loss beyond 0.2% is abnormal loss and as per Para 16 (a) of Ind AS-2, should be excluded from the inventory and to be recognized as expenses. Hence, transit and handling losses should be limited to normative transit and handling losses and the policy needs to be suitably modified accordingly.

Further, as disclosed in Note-30 (ii) and (iii) the quantity of coal consumption for Unit-3 & 4 including shortage has been shown as 29,45,572.18 MT (22,81,522.58 MT + 6,64,049.60 MT) but as per Physical Verification Report the quantity of coal consumption is 33,10,130.80 MT which needs reconciliation. Similarly, in Note-30 the amount of coal consumption has been shown as ₹869.44 crore but in the detail explanation to Note-30 (Para- i, ii and iii) the total amount shown as ₹870.30 crore (₹380.24 crore + ₹378.60 crore + ₹111.46 crore) which needs reconciliation.

For and on behalf of the
Comptroller and Auditor General of India

Sd/-
(BIBHUDUTTA BASANTIA)
PRINCIPAL ACCOUNTANT GENERAL

Place: Bhubaneswar
Date: 19.03.2021

Independent Auditor's Report

To
The Members of
Odisha Power Generation Corporation Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Odisha Power Generation Corporation Limited(referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and Notes to the Consolidated Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements and on the other financial information of the subsidiary as referred in sub-paragraph (1) of the "Other Matters" paragraph below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at 31st March, 2020, and their consolidated net profit (financial performance including other comprehensive income), their consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI), together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report as referred to in sub-paragraph (1) of the 'Other Matters' paragraph below, is sufficient and appropriate, except the matters stated below, to provide a basis for our audit opinion.

Emphasis of Matter

1. We draw attention to Note No.14, 16, 20, 23 & 25 to the Consolidated Financial Statements in respect of balances under Current Loans, Other Current Assets, Non-Current-Other Financial Liabilities, Current Trade- Payables, Other Financial Liabilities and Other Current Liabilities, which, in many cases have not been confirmed and any adjustments due to consequent reconciliation, if any, required are not ascertainable.

2. We draw attention to Note No.39 (vi) to the Consolidated Financial Statements in respect of Corporate Guarantee amounting to Rs. 6280 lakhs provided by the Holding Company to Axis Bank Ltd. for Odisha Coal and Power Ltd. (OCPL) – a subsidiary Company of OPGC Limited. This guarantee is in the nature of Financial Guarantee as per Appendix-A of Ind AS 109: Financial Instruments and the said Financial

Guarantee has not been measured and recognised in the consolidated financial statements as per the requirements of Ind AS 109 by the Holding company.

3. Terms and conditions of appointment and remuneration payable to the Managing Director and Director (Operations) of the Holding Company for services rendered to the Holding company have not been furnished. The managerial remuneration earned by the above directors is not disclosed in the Annual Return as required under section 92 of the Companies Act, 2013.

4. Attention is drawn to note 35 to the Standalone Financial Statements in respect of an amount of Rs.1259.62 lakhs paid / provided towards Resource Sharing fees to AES India Pvt. Ltd., a related party. It is explained that there is no agreement between the Company and AES India Pvt. Ltd. for the purpose and a copy of an unsigned document with the title "Policy on Reciprocal Resource Sharing between OPGC and Strategic Investor" is furnished to us which in our view is not a valid and binding document between the parties.

5. The Holding Company has formed its Audit Committee, but terms of reference of the said Committee are not furnished to us. In course of audit, it is observed that related party transactions have not been placed to the Audit Committee.

6. Attention is drawn to note 10 Inventories and note 23 Current Financial Liabilities-Trade Payables of the Consolidated Financial Statements. Lubricants procured from IOCL by the Holding Company for an amount of Rs.1.88 lakhs during the year have not been accounted by the Holding Company resulting in understatement of Current Liabilities and Inventories by that amount.

7. Attention is drawn to note 4 B to the Consolidated Financial statements in respect of Stock in transit and pending inspection amounting to Rs.2692.48 lakhs lying unadjusted for the Holding Company from the FY 2016-17 (Rs.1239.35 lakhs), FY 2017-18 (Rs.1424.01 lakhs) and FY 2018-19 (Rs.29.12 lakhs) resulting in over statement of Capital work in Progress and Current liabilities-Other Financial Liabilities note 25

8. The Holding Company has not made disclosure for assessment in the Financial statements about the impact of COVID-19, a global pandemic on the operations and financial matters of the company. Material misstatement if any of the information related to COVID-19 pandemic is unascertainable.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters is not applicable to the Company as it is an unlisted company.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis of financial performance highlights; Board's report including Annexure to Board's Report, Business Responsibility Report, Report on Corporate Governance, Shareholder's information and other information but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance and conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance.

The Independent Auditor's Report of the other auditor who audited the financial statements/ financial information of the Subsidiary Company has reported that:

1. The paid-up share capital of the Subsidiary Company amounting to Rs.346 Cr includes Rs.248.95 Cr issued in contravention with section 62 (3) of the Companies Act 2013 over the financial year 2016-17 and 2017-18.

2. Attention is invited to note no 6(iii) of the standalone financial statements of the subsidiary Company regarding pending finalization of lease terms of forest land the amount spent is capitalized on the basis of physical possession held by the other company under "right to use".

3. Attention is invited to note no 22(ii) of the standalone financial statements of the subsidiary Company regarding provision for gratuities and leave encashment has been made in the books of accounts, however fund has not been earmarked for the same.

Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Consolidated Financial Statements in terms of requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance, including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Company including its subsidiaries in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Sec 133 of the Act read with relevant rules made there under.

The respective Board of Directors of the companies and its subsidiaries are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding their assets and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent ; and the design , implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternate but to do so.

The responsibility also includes to make a detailed assessment of the impact of COVID-19 on the consolidated financial statements including disclosures in the consolidated financial statements (eg. appropriateness of carrying values of intangible assets, future operating results, cash flows and financial position of the consolidated entity. Other disclosures may include business risk factors and management's discussion and analysis of results, liquidity and capital resources)

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under the Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding and its subsidiary incorporated in India have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with the governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. We did not audit the financial statements/ financial information of the subsidiary, M/s Odisha Coal and Power Limited whose financial statements/ financial information reflect the details given below of the total assets as on 31st March 2020, total revenues and net cash flows for the year ended on that date.

₹ In lakhs

Total Assets	Total Revenues	Net Cash Inflows/(Out flows)
147,169.42	7.91	115.46

2. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the accounts and disclosures included in respect of the subsidiary company and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the afore said subsidiary, is based solely on the report of the other auditors after considering the requirements of Standard on Auditing (SA 600) on "Using the work of Another Auditor" including materiality.

3. The Consolidated Financial Statements include the Holding Company's share of net loss of ₹ 93.98 lakhs in the entity M/s Odisha Coal and Power Limited using equity method, for the year ended 31 March 2020 whose financial statements/ financial information have not been audited by us.

Our opinion on the consolidated financial statements and our report on other Legal and Regulatory Requirements below is not modified in respect of above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements/ financial information certified by the Holding Company's Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

(i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements

(ii) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors

(iii) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

(iv) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015 as amended.

(v) Section 164(2) of the Act regarding disqualification of directors is not applicable to the Company by virtue of Notification No. G.S.R. 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Govt. of India and on the basis of the Reports of the statutory auditors of its subsidiary, none of the director of the subsidiary is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164(2) of the Act

(vi) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company including its subsidiary and the operating effectiveness of such controls refer to our separate report in Annexure "A";

(vii) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the Holding company and its Subsidiary.

(viii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the Subsidiary as mentioned in the "Other Matters"

a. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note- 39 to the Consolidated Financial Statements

b. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, on long-term contracts including derivative contracts

c. There have been no amounts which were required to be transferred to the Investor Education and Protection Fund by the by the Holding Company and its Subsidiary.

For Nag & Associates
Chartered Accountants
FRN: 312063E

Sd/-

(Nilotpal Majumder)
Partner
M.No. 037287
UDIN : 20037287AAAAAB6125

Place: Bhubaneswar
Date: 24.10.2020

Annexure – A to the Auditor's Report of even date on the Consolidated Financial Statements of Odisha Power Generation Corporation Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2020, we have audited the internal financial controls over financial reporting of Odisha Power Generation Corporation Limited (here in after referred to as "the Holding Company and its subsidiary company which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary, incorporated in India, in terms of their report referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated

Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements

Inherent Limitations of Internal financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses related to the Holding Company have been identified as at 31st March 2020:

a. As regards Entry Level Controls, the Holding company is having the following deficiency:

   Different operating manuals for functions like Accounts, Procurement, Compliance; Corporate Governance & Comprehensive Risk Management Policy needs to be updated.

b. As regards process level controls, the Holding Company's input validation data checks are inadequate with reference to data input in SAP and lack of provision in the system to generate alerts with reference to non-moving and obsolete stores items in SAP leading to potential risk of erroneous and unreliable output results.

c. No agreement is executed between the Holding Company and AES India Private Ltd. a Related Party for resource sharing involving an expenditure of Rs. 1259.62 lakhs during the year.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company and its Subsidiary Company incorporated in India have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)

Other Matters

Our aforesaid report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, in so far as it relates to the subsidiary incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For Nag & Associates
Chartered Accountants
FRN: 312063E

Sd/-
(Nilotpal Majumder)
Partner
M.No. 037287
UDIN : 20037287AAAAAB6125

Place: Bhubaneswar
Date: 24.10.2020

ODISHA POWER GENERATION CORPORATION LIMITED

Consolidated Balance Sheet as at March 31, 2020

(₹ in Lakh)

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
	ASSETS			
1	**Non-current assets**			
	a. Property, Plant and Equipment	3	852,224.50	68,786.78
	b. Capital work-in-progress - Tangible	4	129,221.38	873,853.22
	c. Other Intangible assets	5	925.60	701.06
	d. Intangible assets under development	6	-	114.94
	e. Financial Assets			
	(i) Investments	7	17,094.72	14,842.70
	(ii) Loans and Advances	8	1,874.72	1,006.10
	(iii) Trade receivables	11	-	-
	f. Deferred tax assets (Net)	22	6,102.01	-
	g. Other non-current assets	9	37,979.12	26,638.41
	Total non-current assets		**1,045,422.05**	985,943.21
2	**Current assets**			
	a. Inventories	10	12,977.08	5,882.96
	b. Financial Assets			
	(i) Trade receivables	11	46,881.63	34,835.41
	(ii) Cash and cash equivalents	12	5,386.96	3,960.98
	(iii) Bank Balances other than (ii) above	12	13,030.16	29,241.18
	(iv) Loans	13	226.36	175.61
	(v) Others	14	628.15	720.44
	c. Current Tax Assets (Net)	15	2,701.08	3,058.08
	d. Other current assets	16	7,623.73	5,692.72
	Total Current Assets		**89,455.15**	83,567.38
	TOTAL ASSETS		**1,134,877.20**	1,069,510.59
	EQUITY AND LIABILITIES			
	EQUITY			
	a. Equity Share capital	17	182,249.74	182,249.74
	b. Other Equity	18	115,109.73	129,525.89
	Total equity		**297,359.47**	311,775.63
	LIABILITIES			
1	**Non-current liabilities**			
	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	718,058.98	688,283.48
	(iii) Other financial liabilities	20	667.36	574.44
	b. Provisions	21	6,799.07	6,764.57
	c. Deferred tax liabilities (Net)	22	-	1,022.36
	Total non-current Liabilities		**725,525.41**	696,644.85
2	**Current liabilities**			
	a. Financial Liabilities			
	(i) Trade Payables			
	- Total Outstanding dues of micro and small enterprises	23	643.32	5.79
	- Total Outstanding dues of creditors other than micro and small enterprises	23	5,067.61	4,834.02
	(ii) Borrowings	24	20,549.00	-
	(iii) Other financial liabilities	25	82,410.61	45,676.09
	b. Other current liabilities	26	1,012.96	1,352.91
	c. Provisions	27	2,308.82	2,023.50
	d. Current Tax Liabilities (Net)	15	-	7,197.80
	Total Current Liabilities		**111,992.32**	61,090.11
	TOTAL EQUITY AND LIABILITIES		**1,134,877.20**	1,069,510.59
Notes forming part of the financial statements		**1-44**		

In terms of our report attached.

For Nag & Associates
Chartered Accountants

For and on behalf of the Board

Sd/-	Sd/-	Sd/-	Sd/-
(Nilotpal Majumder)	**(M. R. Mishra)**	**(Pravakar Mohanty)**	**(Indranil Dutta)**
Partner	Company Secretary	Director Finance	Managing Director

FRN : 312063E
Membership No: 037287
Place : Bhubaneshwar
Date :

ODISHA POWER GENERATION CORPORATION LIMITED

Consolidated Statement of Profit and Loss for the Year Ended March 31, 2020

(₹ in Lakh)

	Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I	Revenue from Operations	28	162,352.13	86,291.87
II	Other Income	29	1,983.61	2,479.36
III	**Total Income (I + II)**		**164,335.74**	88,771.23
IV	**Expenses**			
	a. Cost of materials consumed	30	90,110.18	44,017.04
	b. Employee benefit expenses	31	8,486.58	7,124.01
	c. Finance costs	32	46,668.48	35.92
	d. Depreciation and amortization expenses	33	20,970.32	2,219.83
	e. Impairment losses	34	-	-
	f. Other expenses	35	19,448.13	8,181.07
	Total expenses (IV)		**185,683.69**	61,577.86
V	**Profit before exceptional items and tax (III - IV)**		(21,347.95)	27,193.37
VI	Exceptional Items		-	-
VII	**Profit after exceptional items (V - VI)**		**(21,347.95)**	27,193.37
VIII	Share of profit / (loss) of Associates		-	-
IX	Share of profit / (loss) of Joint Ventures		(93.98)	(143.28)
X	Profit before tax (VII + VIII + IX)		(21,441.93)	27,050.09
XI	**Tax Expenses:**			
	(i) Current tax		-	10,031.81
	(ii) Tax of earlier years		(142.88)	(664.89)
	(iii) Deferred tax		(7,039.99)	678.84
	Total tax expenses		**(7,182.87)**	10,045.76
XII	**Profit for the year (VII -VIII)**		**(14,259.06)**	17,004.34
XIII	**Other Comprehensive Income / (Losses)**			
	(i) Items that will not be reclassified to profit and loss Remeasurements of the defined benefit plans		(241.47)	(706.01)
	(ii) Income tax relating to items that will not be reclassified to profit and loss		84.38	246.71
	(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 / (Losses)		**(157.09)**	(459.30)
XIV	**Total Comprehensive Income / (Losses) for the year (IX+X) (Comprising Loss and Other Comprehensive Income for the year)**		**(14,416.15)**	16,545.04
XV	Earnings per equity share:- Basic and diluted (Rs)	37	(78.24)	107.32
XVI	**Notes forming part of the financial statements**	**1-44**		

In terms of our report attached.

For Nag & Associates
Chartered Accountants

For and on behalf of the Board

Sd/-	Sd/-	Sd/-	Sd/-
(Nilotpal Majumder)	**(M. R. Mishra)**	**(Pravakar Mohanty)**	**(Indranil Dutta)**
Partner	Company Secretary	Director Finance	Managing Director

FRN : 312063E
Membership No: 037287
Place : Bhubaneshwar
Date :

ODISHA POWER GENERATION CORPORATION LIMITED

Consolidated Statement of Cash Flow for the year ended March 31, 2020

(₹ in Lakh)

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A	**Cash flow from operating activities:**		
	Profit before taxes	**(21,441.93)**	27,193.37
	Adjustments for:		
	Depreciation and amortization expense	20,970.32	2,118.86
	Provision for impairment	-	-
	(Profit)/loss on sale of Fixed Assets	9.83	4.26
	Trade Receivable written off	151.36	-
	Foreign currency fluctuation gain/(loss)	(1.78)	(0.43)
	Interest and finance charges	46,668.48	35.92
	Interest Income from investment & deposits	(1,642.35)	(2,089.77)
	CSR expenditure	146.77	228.76
	Operating profit before working capital changes	**44,860.71**	27,490.97
	Adjustments for:		
	Trade receivable	(12,197.58)	(24,984.96)
	Inventory	(6,426.43)	(1,413.84)
	Other financial and non financial assets	(2,905.36)	(4,954.60)
	Trade and other payables	871.12	1,203.18
	Other financial and non financial liabilities	(2,148.17)	(21,784.63)
	Cash generated from operations	**22,054.28**	(24,443.89)
	Taxes Paid	(6,697.92)	(3,048.95)
	CSR expenditure	(146.77)	(228.76)
	Net cash flow from operating activities	**15,209.59**	(27,721.60)
B	**Cash flows from investing activities:**		
	Payments for purchase of fixed assets	(53,223.44)	(93,027.57)
	Sale of property, plant and equipment	-	-
	Interest received	1,793.23	2,167.26
	Payment for Investment	(2,252.02)	-
	Repayment of loan and other receivable*	-	-
	Payment for FD	16,211.02	13,322.57
	Dividend including Dividend Distribution Tax		
	Payment towards capital and other advances	-	-
	Advance payments against leasehold land	-	-
	Net cash used in Investing Activities	**(37,471.21)**	(77,537.74)
C	**Cash flows from financing activities:**		
	Issue of shares	-	24,200.00
	Dividends paid on redeemable cumulative preference shares		
	Dividends paid to owners of the Company	-	-
	Interest paid		
	Proceeds from borrowings	50,324.50	140,242.55
	Interest paid	(26,636.90)	(61,991.37)
	Repayment of other financial liabilities		
	Net cash flow from financing activities	**23,687.60**	102,451.18
	Net Increase/(decrease) in cash or cash equivalents	**1,425.98**	(2,808.17)
	Cash and cash equivalents at the beginning of the year	**3,960.98**	6,769.14
	Cash and cash equivalents at the end of the year	**5,386.96**	3,960.98
Notes forming part of the financial statement		**Note No. 1-44**	
(i)	Repayment of loan includes conversion of loan to equity during the year Rs. Nil (Previous Year : Rs Nil lakhs)		
(ii)	Figures in brackets are cash outflows / incomes as the case may be.		
(iii)	Previous years figures have been rearranged / regrouped wherever necessary to confirm to current year classification.		
(iv)	The company has undrawn borrowings of Rs. 54,092.44 lakh (Previous year: Rs. 74,103.52 lakh) for expansion project from PFC and REC .		

In terms of our report attached.

For Nag & Associates
Chartered Accountants

For and on behalf of the Board

Sd/-	Sd/-	Sd/-	Sd/-
(Nilotpal Majumder)	**(M. R. Mishra)**	**(Pravakar Mohanty)**	**(Indranil Dutta)**
Partner	Company Secretary	Director Finance	Managing Director

FRN : 312063E
Membership No: 037287
Place : Bhubaneshwar
Date :

ODISHA POWER GENERATION CORPORATION LIMITED
Consolidated statement of Changes in Equity for the year ended March 31, 2020

A. Equity Share Capital

(₹ in Lakh)

Balance as at April 1, 2019	Changes in equity share capital during the year	Balance as at March 31, 2020
1,82,249.74	-	**1,82,249.74**

B. Other Equity

(₹ in Lakh)

Particulars	Reserves and Surplus		
	Security Premium	General Reserve	Retained earnings
Balance as at April 1, 2019	5,888.43	8,960.23	114,677.23
Profit for the year			(14,259.06)
Other Comprehensive Income			(157.09)
Total Comprehensive Income for the year			**(14,416.15)**
Dividend (including tax on dividend) paid			-
Transfer of profits of the year to General Reserve		-	-
Balance as at March 31, 2020	**5,888.43**	**8,960.23**	**100,261.08**
Notes forming part of the financial statement		**Note No. 1-44**	

In terms of our report attached.
For Nag & Associates
Chartered Accountants

For and on behalf of the Board

Sd/-	Sd/-	Sd/-	Sd/-
(Nilotpal Majumder)	**(M. R. Mishra)**	**(Pravakar Mohanty)**	**(Indranil Dutta)**
Partner	Company Secretary	Director Finance	Managing Director

FRN : 312063E
Membership No: 037287
Place : Bhubaneshwar
Date :

Notes to Financial Statements

1. General Corporate Information

Odisha Power Generation Corporation Limited ("the Company") incorporated in India with its registered office at Bhubaneswar, Odisha, India. The main objective of Company is of establishing, operating & maintaining large thermal power generating stations.

The vision of the Company is to be a world-class power utility committed to generate clean, safe and reliable power, enhancing value for all stake holders and contributing to National growth.

Odisha Power Generation Corporation Limited together with its subsidiaries, joint ventures and associates is herein after referred to as the "Group".

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.

The Group's Accounting Policy to form part of the consolidated financial statements for the year ended March 31, 2020 are approved by the Board of Directors and authorised for issue on 16.10.2020

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 consolidated 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

The consolidated financial statements of the Group have been prepared in accordance with Ind AS and relevant provisions of the Companies Act, 2013 (to the extent notified and applicable).

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 measured 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. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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.

2.2 Changes in accounting policies and disclosures

New and amended standards

The accounting policies adopted in the preparation of the consolidated Financial Statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31st March 2019, except for the adoption of new standard effective as of 1st April, 2019. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. In addition to Ind AS 116 - "Leases", which is applicable for the first time, several other amendments and interpretations apply for the first time from 1st April, 2019, but do not have an impact on the Financial Statements of the Company

2.2.1 Ind AS 116 – "Leases"

Ind AS 116 supersedes Ind AS 17 "Leases". The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Effective 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied to all lease contracts, identified under Ind AS 17, existing on 1st April, 2019 using the modified retrospective method on the date of initial application. Pursuant to adoption of Ind AS 116, the Company recognised right-of-use assets and lease liabilities for those leases which were previously classified as operating leases, except for short-term leases and leases of low-value assets. The Company recorded the lease liability at the present value of the lease payments at the date of initial application and right-of-use asset at an amount equal to the lease liability adjusted for any prepayments/ accruals recognised in the balance sheet as on 31st March, 2019. There is no impact on retained earnings as on 1st April, 2019.

Pursuant to above, the Company recognized right-of-use asset and lease liability as at 1st April, 2019 amounting to Rs 1178. 30 Lakh and Rs Nil Lakh respectively as all the payments towards lease liability already made at the time of lease agreement.

Set out below are the new accounting policies of the Company upon adoption of Ind AS 116, which have been applied from the date of initial application:

Right-of-use assets: The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets, which comprises the initial amount of the lease liability, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the lower of its estimated useful life and the lease term. Right-of-use assets are subject to impairment

Lease liabilities: At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets: The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12months or less from the commencement date and do not contain a purchase option). It also applies recognition exemption to leases for which the underlying asset is of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Lessor accounting under Ind AS 116 is substantially unchanged compared to Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is lessor

Other amendments and interpretations as outlined below apply for the year ending 31st March 2020, but do not have an impact on the financial statements.

(a) Ind AS 12: Uncertainty over Income Tax Treatment

(b) Ind AS 109: Prepayment Features with Negative Compensation

(c) Ind AS 19: Plan Amendment, Curtailment or Settlement,

(d) Ind AS 23: Borrowing Costs

(e) Ind AS 28: Investments in Associates and Joint Ventures

The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

2.2.2 Amendments to Ind AS 12 'Income taxes'

The first amendment requires an entity to create a corresponding liability for Dividend Distribution Tax (DDT) when it recognises a liability to pay a dividend. The liability for DDT shall be recorded in statement of profit & loss, other comprehensive income or equity, as the case may be.

The second amendment (Appendix C of Ind AS12) relates to tax consequence of an item whose tax treatment is uncertain. Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not. If there is uncertainty over tax treatment of an item an entity should predict the resolution of the uncertainty. If it is probable that the taxation authority will accept the tax treatment, there will be no impact on the amount of taxable profits/losses, tax bases, unused tax losses/credits and tax rates. In vice-versa case, the entity shall show the effect of the uncertainty for each uncertain tax treatment on amount of related items by using either the most likely outcome or the expected outcome of the uncertainty.

2.2.3 Amendment to Ind AS 19 'Employee benefits'

The amendments to the guidance in Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder period of a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

2.2.4 Amendment to Ind AS 23 'Borrowing Costs

The amendments to the guidance in Ind AS 23, 'Borrowing Costs', clarifies the following:

- while computing the capitalisation rate for funds borrowed generally, borrowing costs applicable to borrowings made specifically for obtaining a qualified asset should be excluded, only until the asset is ready for its intended use or sale.
- borrowing costs (related to specific borrowings) that remain outstanding after the related qualifying asset is ready for its intended use or sale would subsequently be considered as part of the general borrowing costs.

2.3 Use of estimates and critical accounting judgments.

These 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 consolidated 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 judgments 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 2.23.

2.4 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company 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 Company 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 off 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.

2.5 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.

Joint arrangements that involve the establishment of a separate entity in which each venture has an interest are referred to as joint ventures. The Group reports its interests in joint ventures using the equity method of accounting whereby an interest in joint venture is initially recorded at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the joint venture. The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint venture.

2.6 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.

2.7 Cash Flow Statement

Consolidated 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 Consolidated 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.

2.8 Property, Plant and Equipment and Intangible Assets (Other than goodwill)

Tangible Assets:

Property, plant and equipment 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.

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 relatable to land in possession are treated as cost of land.

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.

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.

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.

Unsettled liabilities for price variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/assessments.

Spare parts having unit value of more than Rs 5 lakh that meets the criteria for recognition as Property, plant and equipment are recognized as Property, plant and equipment. Other spare parts are carried as inventory and recognised in the statement of profit and loss on consumption.

Intangible Assets:

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 indefinite 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.

Subsequent expenditure:

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.

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. 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.

The costs of the day-to-day servicing of property, plant and equipment is recognized in the statement of profit and loss as incurred.

Decommissioning costs

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.

Capital work-in-progress

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.

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.

Expenses for assessment of new potential projects incurred till and for the purpose of making investment decision are charged to revenue.

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.

Depreciation &Amortization:

Freehold Land is not depreciated. Premium paid on leasehold land including land development and rehabilitation expense are amortized over30 years by taking its useful life.

Capital expenditure on assets laid on land not owned by the Group as mentioned above is amortized over a period of its useful life.

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.

Depreciation on the following assets are 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
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

Intangible Assets:

Particulars	Depreciation / amortization
Computer software / licenses	Over a period of legal right to use subject to maximum ten years.

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.

Property, plant and equipment including tools and tackles costing up to Rs.5,000/- are fully depreciated in the year in which it is for put to use.

Physical verification of Fixed Assets are 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.

Disposal and derecognition of assets

An item of property, plant and equipment 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 property, plant and equipment 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.

2.9 Impairment of tangible and intangible assets

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.

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.

Intangible assets with an indefinite useful life are tested for impairment annually and whenever there is an indication that the assets may be impaired.

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. 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.

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. A reversal of an impairment loss is recognized in the statement of profit and loss immediately.

2.10 Foreign Currency Transactions

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.

Exchange differences arising on monetary items are recognized in the statement of profit and loss in the period in which they arise.

2.11 Provisions, Contingent Liabilities and Contingent Assets

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.

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.

Onerous contracts

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

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.

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.

Contingent Liabilities and Assets:

Contingent liabilities are possible obligations that arise from past events and whose existence of which will be confirmed only on occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required to settle the obligations, or the amount cannot be measured with sufficient reliability, the obligation is disclosed as a contingent liability, unless the possibility of any outflow in settlement is remote. Contingent liabilities are disclosed on the basis of judgment of the management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

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 Company. 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.

2.12 Leases

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 Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for accordingly.

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

The Group's lease asset classes primarily consist of leases for land, plant & equipment, buildings and offices. The Company 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 Company 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 Company recognizes the lease rental payments as an operating expense.

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.

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

Leases for which the Company 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. 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.

2.13 Inventories

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.

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.

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.

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.

Handling losses including sludge of oil as per Group norms are included in the cost of oil.

2.14 Trade receivable

Trade receivables are amounts due from customers for sale of electrical energy in the ordinary course of business.

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.

2.15 Financial Instruments

Financial assets and liabilities 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.

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.

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.

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.

Financial liabilities and equity instruments issued by the Group

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.

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.

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.

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.

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.

Derecognition of financial liability

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

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.

2.16 Borrowing cost

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.

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 are substantially ready for their intended use.

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.

When the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalised. When Company 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.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

2.17 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.

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. 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.

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. 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.

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.

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.

2.18 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

Defined contribution plans are 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 (GoI).

ii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The gratuity schemes are funded by the Group and are managed by separate trusts. The present value 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 payable on 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 Company's policy, permanent company cader eligible 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.

Tax Expenses

Tax expense for the year comprises current and deferred tax.

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and 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 and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply in the period in which the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

2.20 Revenue Recognition

Effective 1 April 2018, the Company 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".

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.

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.

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 Company 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.

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.

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.

The incentives/disincentives are accounted for based on the norms notified/approved by the OERC as per principles enunciated in Ind AS 115.

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.

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.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

Other Incomes:

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.

Income from dividend

Dividend income from investments is recognized when the shareholder's rights to receive payment have been established.

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.

2.21 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.

2.22 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.

2.23 Critical accounting judgments and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note-3 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.

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.

Critical judgments in applying accounting policies:

The following are the critical judgments, apart from those involving estimations (see point ii 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.

i. 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. The carrying amount of these financial assets is Rs. 68, 027.98 lakhs (March 31, 2019: Rs. 69, 939.72 lakh). Details of these assets are set out in note – 41.

ii. 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.

a. Impairment of investments

The Group reviews its 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 its carrying amount, the impairment loss is accounted for.

b. 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.

c. 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

d. 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).

3. Property, Plant and Equipment

(₹ in Lakh)

	As at March 31, 2020	As at March 31, 2019
Carrying amounts of :		
Freehold Land	17.00	17.00
Building	51,026.42	10,518.68
Plant & Equipments	791,124.06	48,478.62
Furniture & Fixture	941.56	982.39
Vehicles	599.97	699.61
Office Equipment	965.25	1,129.01
Road Bridge & Culvert	4,018.07	3,754.77
Water Supply Drainage & Sewerage	649.11	596.14
Power Supply Distribution & Lighting	1,790.73	1,414.99
Heavy Mobile Equipment	15.00	17.27
	851,147.17	67,608.48
Right to Use Assets		
Leasehold Land	1,077.33	1,178.30
Total	**852,224.50**	**68,786.78**

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

(ii) The Company has adopted Ind AS 116 'Leases' effective April 1, 2019 and applied the Standard to its leases, pursuant to which it has reclassified its leased asset as Right-of-Use Assets.

(ii) Gross block, Accumulated depreciation and Net block as on March 31, 2020 are as follows:

Descriptions	Gross block				Depreciation, Amortization and Impairment				Net Block	
	As at 01.04.2019	Addition	Deduction / Adjustment	As at 31.03.2020	As at 01.04.2019	For the year	Deduction/ Written Back	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Land	17.00	-	-	17.00	-	-	-	-	17.00	17.00
Leasehold land	2,753.81	-	-	2,753.81	1,575.51	100.97	-	1,676.48	1,077.33	1,178.30
Buildings	16,701.79	41,687.15	-	58,388.95	6,183.11	1,179.42	-	7,362.53	51,026.42	10,518.68
Plant & Equipment	151,397.99	762,208.51	(69.02)	913,537.47	102,919.36	19,553.26	(59.21)	122,413.41	791,124.06	48,478.63
Furniture & Fixtures	1,570.02	117.17	-	1,687.19	587.63	158.00	-	745.63	941.56	982.39
Vehicles	934.57	-	-	934.57	234.95	99.65	-	334.60	599.97	699.61
Office Equipment	4,442.58	177.10	(0.55)	4,619.13	3,313.57	340.83	(0.52)	3,653.88	965.25	1,129.01
Road Bridge & Culvert	5,039.36	497.22	-	5,536.57	1,284.58	233.92	-	1,518.50	4,018.07	3,754.77
Water Supply Drainage & Sewerage	1,047.26	92.07	-	1,139.33	451.12	39.10	-	490.22	649.11	596.14
Power Supply Distribution & Lighting	2,090.28	658.69	-	2,748.97	675.30	282.95	-	958.24	1,790.73	1,414.99
Heavy Mobile Equipment	305.94	-	-	305.94	288.67	2.28	-	290.95	15.00	17.27
Total	**186,300.59**	**805,437.90**	**(69.57)**	**991,668.92**	**117,513.81**	**21,990.36**	**(59.73)**	**139,444.44**	**852,224.48**	**68,786.78**
Previous Year	148,718.52	37,612.38	(30.31)	186,300.59	113,668.96	3,870.77	(25.93)	117,513.81	68,786.78	

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

Descriptions	Gross block				Depreciation, Amortization and Impairment *				Net Block	
	As at 01.04.2019	Addition	Deduction / Adjustment	As at 31.03.2020	As at 01.04.2019	For the year	Deduction/ Written Back	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Operational Units (Unit 1 & 2, HO,MMHP)	139,379.90	682.12	(69.57)	139,992.45	114,405.80	1,895.09	(59.73)	116,241.17	23,751.28	24,974.11
Expansion Project (Unit - 3 & 4)	46,920.69	804,755.79	-	851,676.48	3,108.01	20,095.27	-	23,203.28	828,473.20	4 3,812.68
Total	**186,300.59**	**805,437.90**	**(69.57)**	**991,668.92**	**117,513.81**	**21,990.36**	**(59.73)**	**139,444.44**	**852,224.48**	**68,786.78**
*** Property, Plant and Equipment (MMHP) were impaired during the year 2011-12 amounting to Rs 173.36 Lakh as follows:**										
MMHP, Andharibhangi	104.76 ₹ Lakhs									
MMHP, Kendupatna	32.12 ₹ Lakhs									
MMHP, Biribati	36.48 ₹ Lakhs									
Total	**173.36 ₹ Lakhs**									

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

4. Capital Work-in-Progress - Tangible

A. (₹ in Lakh)

Particulars	As at 31st March , 2020		As at 31st March, 2019	
(i) Tangible Assets				
For Operational Power Plants	**282.74**		75.93	
For Mini Micro Hydel Projects	**1,314.76**		1,314.76	
Less: Accumulated Impairment losses	**(1,106.57)**		(1,106.57)	
For Expansion Power Plants	**128,730.45**		873,569.10	
TOTAL		**129,221.38**		873,853.22

B. Details of expenditure for expansion power plant included under Capital Work in Progress are as follows

(₹ in Lakh)

Particulars	As at 01.04.2019	Additions	Deductions/ Adjustments	Capitalized	As at 31.03.2020
Ash Pond	3,875.61	3,053.30		-	6,928.90
AWRS	3,977.91	2,455.01			6,432.93
Owners workshop	15.19	126.69		-	141.88
Township	4,877.80	-		(898.47)	3,979.34
Consultancy Charges	6,091.89	-		(5,130.62)	961.27
MGR	75,452.29	5,492.26		-	80,944.55
Plant & Machinery (BTG & BOP)	558,291.79			(558,374.22)	(82.44)
Power Supply Distribution lighting	285.14			(277.00)	8.14
Road Bridge & Culvert	118.33			(66.23)	52.10
Water Supply & Arrangements	39.29			(37.69)	1.60
Stock of Coal, Oil & Stores	8,611.14			(7,906.45)	704.68
Stock in Transit & Pending Inspection	4,187.37			(1,494.89)	2,692.48
Expenses During Construction Period	207,745.34			(181,780.33)	25,965.01
Total	**873,569**	**11,127**	**-**	**(755,966)**	**128,730.45**

(i) Loan from Power Finance Corporation Ltd (PFC) & Rural Electrification Corporation Ltd (REC) is secured by mortgages on, all present and future immovable properties of Unit 3 & 4 (2X660 MW). For details, Refer Note 19.

(ii) Expenses during construction period includes an amount of ₹ 1,72,326.15 Lakh towards interest on borrowing costs capitalisied on qualifying assets and ₹ 18,646.24 Lakh pending capitalisation as on reporting date.

(iii) Property, plant and equipment (including Capital work-in-progress) were tested for impairment during the year and there is no indication of impairment is present.

5. Intangible Assets

(₹ in Lakh)

(i)

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of : Software & SAP licence	925.60	701.06
Total	**925.60**	701.06

(ii) Gross block, Accumulated depreciation and Net block as on March 31, 2020 are as follows: (₹ in Lakh)

Descriptions	Gross block				Depreciation				Net Block	
	As at 01.04.2019	Addition	Deduction / Adjust-ment	As at 31.03.2020	As at 01.04.2019	For the year	Deduction/ Written Back	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Software	1,125.49	351.30	-	1,476.79	424.43	126.76	-	551.20	925.60	701.06
Total	**1,125.49**	**351.30**	**-**	**1,476.79**	**424.43**	**126.76**	**-**	**551.20**	**925.60**	**701.06**

(iii) Details of component of assets of operational units , expansion of Power Plant are as follows. (₹ in Lakh)

Descriptions	Gross block				Depreciation				Net Block	
	As at 01.04.2019	Addition	Deduction / Adjustment	As at 31.03.2020	As at 01.04.2019	For the year	Deduction/ Written Back	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Operational Units (Unit 1 & 2, HO,MMHP)	1,033.36	-		1,033.36	336.64	109.09		445.73	587.63	696.72
Expansion Project (Unit - 3 & 4)	92.13	351.30	-	443.43	87.79	17.67	-	105.47	337.97	4.34
Total	**1,125.49**	**351.30**	**-**	**1,476.79**	**424.43**	**126.76**	**-**	**551.20**	**925.60**	**701.06**

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

6. Intangible Assets under development

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of : Intangible assets under development	-	114.94
Total	-	114.94

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

7. Non-current Investments

(₹ in Lakh)

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amounts	No. of shares	Amounts
UNQUOTED INVESTMENTS CARRIED AT COST **Equity investment in joint ventures (jointly controlled entities)**	-	-	-	-
Odisha Coal and Power Ltd (Fully paid equity shares of ₹ 10/- each)	176,460,000	17,646.00	153,000,000	15,300.00
Total		**17,646.00**		**15,300.00**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Aggregate carrying amount of unquoted investments #	17,094.72	14,842.70
Total carrying amount	**17,094.72**	14,842.70

Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

The financial statement of Odisha Coal and power Ltd is un-audited and certified by the management have been considered for *consolidated Financial Statement*.The figures appearing in financial statement may change upon completion of their audit.

(ii) Details of % of holding and place of business :

Particular	As at March 31, 2020	As at March 31, 2019
% of Holding	51%	51%
Place of Business	Manoharpur and Dip-side Manhorpaur	Manoharpur and Dip-side Manhorpaur

(iii) Odisha Coal and Power Ltd. (OCPL) is incorporated under the Companies Act, 2013 as wholly owned subsidiary company of OPGC on 20th January 2015. Subsequently Govt. of Odisha vide notification No.1578 dated 21st February 2015 has approved OCPL as joint venture company between the reporting company and Odisha Hydro Power Corporation Ltd (OHPC) by acquisition of 49% equity shares in OCPL from the reporting company. Shareholder's Agreement among reporting company, OHPC and OCPL is signed on 21st April 2016.

8. Non Current-Loans & Advances

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
a) Loans to employees		
- Secured, considered good	186.58	214.18
- Unsecured, considered good	134.67	192.63
- Doubtful	-	-
Less : Allowance for credit Loss	-	-
b) Security Deposits	1,553.47	599.29
Total	**1,874.72**	1,006.10

(i) Loan to employees includes ₹ 354.05 Lakh (Previous Year : ₹ 405.19 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 ₹ 186.58 Lakh (Previous Year : ₹ 214.18 Lakh), which has been hypothecated in the favour of the company.

(ii) There is no outstanding loans from directors of the Company.

ODISHA POWER GENERATION CORPORATION LIMITED

Notes forming part of the financial statement

9. Other non-current assets

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Advances		
- Advance for Land Acquisition	12,931.36	12,907.15
- Other Capital Advance	24,999.41	13,703.39
Advances related to Indirect Taxes	48.35	27.87
Prepaid Expenses	-	-
Total	**37,979.12**	26,638.41

Notes:

(i) Payment was made to Odisha Industrial Infrastructure Development Corporation (IDCO), Govt. of Odisha and CAMPA towards acquisition of land for Merry-Go-Round (MGR) Railway system and Ash Pond. As per the land acquisition policy of IDCO / Govt. of Odisha, the company deposits with IDCO / Govt. of Odisha and District Collector, the cost of land and service charges after complying the procedures laid down under applicable act and rules. On deposit of such cost and service charges, the land shall first be transferred in favour of IDCO and subsequently in favour of the company through "Lease Agreement". Pending execution of lease agreement, and subsequent physical possession of land in favour of the company by IDCO, amount paid towards acquisition of land are disclosed as "Advance Against Land Acquisition".

(ii) Other Capital advance incudes advances given to contractors and service providers for execution of power project Unit 3 & 4 (2x 660 MW).

(iii) Prepaid expenses includes payment made for various insurance coverages.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

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

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
a. Raw Materials*		
1. Cost	7,750.29	1976.94
2. Less: Provision	-	-
b. Components, Chemicals, Stores & Spares*		
1. Cost	5,303.56	3983.02
2. Less: Provision	91.58	91.58
c. Tools & Tackles		
1. Cost	14.81	14.58
2. Less: Provision		
d. Stock in Transit		
1. Cost	-	-
2. Less: Provision	-	-
Total Inventories	**12,977.08**	5,882.96

* Physical verification of inventories except Oil have been carried out by third party and valued as per significant accounting policy Note No. 2.12

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

11. Trade receivables

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables		
(a) Secured, considered good	-	-
(b) Unsecured, considered good	46,881.63	34,835.41
(c) Doubtful	-	-
Allowance for doubtful debts	-	-
Total	**46,881.63**	34,835.41

(i) Trade receivables are dues in respect of sale of energy. This includes an amount of ₹ Nil lakh (Previous year : ₹ 0.46 Lakh) not been confirmed by the customer.

(ii) 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) Trade receivables are further analysed as :

(₹ in Lakh)

As at March 31, 2020	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	33,415.86	-	33,415.86
One month overdue	101.66	-	101.66
Two months overdue	50.78	-	50.78
Three months overdue	106.79	-	106.79
Between three to six months overdue	95.84	-	95.84
Greater than six months overdue	13,110.69	-	13,110.69
TOTAL	**46,881.63**	**-**	**46,881.63**

(₹ in Lakh)

As at March 31, 2019	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	32,190.27	-	32,190.27
One month overdue	22.32	-	22.32
Two months overdue	33.28	-	33.28
Three months overdue	36.22	-	36.22
Between three to six months overdue	63.11	-	63.11
Greater than six months overdue	2,490.20	-	2,490.20
TOTAL	**34,835.41**	**-**	**34,835.41**

(iv) Trade receivable due towards Unit 1 & 2 and Unit 3 & 4 are ₹ 19,916.13 lakhs and ₹ 26,965.49 lakhs respectively.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

12. Cash and Cash Equivalents

(₹ in Lakh)

	Particulars	As at March 31, 2020	As at March 31, 2019
a.	Balances with banks		
	Unrestricted Balance with banks		
	(i) In Current Account	274.85	354.10
b.	Cash in hand	0.98	3.11
c.	Term Deposit with original maturity up to three months	5,111.13	3,603.77
	Total	**5,386.96**	3,960.98
d.	Deposits with original maturity of more than three months but not more than twelve months	7,500.00	23,426.65
e.	Earmarked Balances with Bank towards		
	Deposits with banks held as security against guarantee	4,659.98	4,659.99
	Fixed Deposits with bank pledged as security or margin money	870.18	1,154.54
	Total	**13,030.16**	29,241.18
	Total Cash and Bank Balances	**18,417.12**	33,202.16

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

(ii) Earmarked cash and bank balances primarily represents margin and security provided for obtaining bank guarantee as detailed below:

a. The Company has provided security to Axis Bank Ltd in terms of fixed deposits of ₹ 1,569.98 Lakh (Previous Year : ₹ 1,569.98 Lakh) for issuance of performance bank guarantee on behalf of OCPL in favour of "Nominating Authority, Ministry of Coal, Government of India".

b. The Company has provided security to Yes Bank Ltd in terms of fixed deposits of ₹ 3,090.00 Lakh (Previous Year : ₹ 3,090.00 Lakh) for issuance of bank guarantee in favour of "Power Grid Corporation Ltd" for long term access arrangement of transmission line.

c. Fixed deposits of ₹ 59.62 Lakh (Previous Year : ₹ Nil Lakh) has been pledged to Orissa State Co-operative Bank Ltd as security deposit in favour of "The Executive Engineer, Main Dam Division, Sambalpur, Odisha" for drawl of water from Hirakud reservoir.

d. Fixed deposits of ₹ 801.46 Lakh (Previous Year : ₹ 801.46 Lakh Yes Bank Ltd) has been pledged to ICICI Bank Ltd as security deposit in favour of "The Executive Engineer, Main Dam Division, Sambalpur, Odisha" against supply of water.

e. Fixed deposits of ₹ 9.10 Lakh (Previous Year : nil) has been pledged to State Bank of India as security deposit in favour of " NHAI" against Letter of Credit.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

13. Current Loans

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
a. Loans to employees		
- Secured, considered good	56.79	96.28
- Unsecured, considered good	164.83	74.59
- Doubtful	-	-
Less : Allowance for credit Loss	-	-
b. Loans to Odisha Coal and Power Limited		
- Secured, considered good	-	-
- Unsecured, considered good	-	-
- Doubtful	-	-
Less : Allowance for credit Loss	-	-
c. Security Deposits	4.74	4.74
TOTAL	**226.36**	**175.61**

(i) For details refer Note-8(i).

(ii) There is no outstanding loans due from directors of the Company.

14. Other Current Financial Asset

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2020
Advances to others		
Interest accrued on loans and deposits	187.23	314.02
Other Receivables	279.62	247.99
Receivable from related parties	161.30	158.43
Total	**628.15**	720.44

Receivable from related parties includes

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Receivable against Statutory Dues (employees)	97.32		130.49	
Other Admin Expenses	63.98		27.94	
		161.30		158.43
Total		**161.30**		158.43

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

15. Current tax assets and liabilities
(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Current tax assets		
Tax refund receivables/Advance Tax	64,210.51	55,308.43
Advance Tax and TDS for the year	629.85	2,834.01
Total	**64,840.36**	58,142.44
Current tax liabilities		
Income Tax payable	62,139.28	52,250.35
Provision for taxation for the year	-	10,031.81
Total	**62,139.28**	62,282.16

Current Tax Assets (Net)	**2,701.08**	3,058.08
Current Tax Liabilities (Net)	**-**	7,197.80

16. Other current assets
(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Other assets	1,237.90	292.49
Advances to suppliers	6,385.83	5,400.23
Less: Allowance for doubtful	-	-
Total	**7,623.73**	5,692.72

(i) Other assets include payment made for various insurance coverage and annual maintenance contracts etc.

(ii) Advance to suppliers are unsecured and considered good.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

17. Equity Share Capital

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Equity Share Capital	1,82,249.74	1,82,249.74
Total	**1,82,249.74**	1,82,249.74
Authorised Share Capital		
300,00,000 nos. of equity shares of ₹ 1000/- each	**3,00,000.00**	3,00,000.00
Issued and Subscribed capital comprises :		
1,82,24,974 nos. of equity shares of ₹ 1000/- each	1,82,249.74	1,82,249.74
Total	**1,82,249.74**	1,82,249.74

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

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	**₹ Lakh**	No. of shares	₹ Lakh
Ordinary shares of Rs.1000 each				
At beginning of the year	18,224,974	182,249.74	15,804,974	158,049.74
Shares allotted during the year	-	-	2,420,000	24,200.00
Total	**18,224,974**	**182,249.74**	18,224,974	182,249.74

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

	As at March 31, 2020		As at March 31, 2019	
Name of Shareholder	**No. of Shares Held (Face value of ₹ 1000 each)**	**% of Total Shares**	No. of Shares Held (Face value of ₹ 1000 each)	% of Total Shares
Governor of Odisha	9,294,737	51.00%	9,294,737	51.00%
AES India Pvt Ltd	796,178	4.37%	796,178	4.37%
AES OPGC Holding (Incorporated in Mauritius)	8,134,059	44.63%	8,134,059	44.63%
Total	**18,224,974**	**100%**	18,224,974	100%

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

18. Other Equity

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Share application money pending allotment	-	-
General Reserve	8,960.23	8,960.23
Retained earnings	100,261.07	114,677.23
Security Premium	5,888.43	5,888.43
Total	**115,109.73**	129,525.89

(i) General Reserve

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	8,960.23	8,960.23
Movements	-	-
Balance at the end of the year	**8,960.23**	8,960.23

(ii) Retained Earnings

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	114,677.22	98,132.19
Profit attributable to owners of the Company	(14,259.06)	17,004.34
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(157.09)	(459.30)
Payment of dividends on equity shares	-	-
Related income tax on dividend	-	-
Balance at the end of the year/period	100,261.07	114,677.23

(iii) Security Premium

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year/period	5,888.43	5,888.43
Movement during the year	-	-
Balance at the end of the year/period	**5,888.43**	5,888.43

The nature of reserves are follows:

(a) **General Reserve :** Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of Companies Act 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn and the balance in the reserve has continued.

(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 (the "Companies Act").

(iv) Proposed Dividend:

In respect of the year ended 31st March 2020, no dividend is proposed by the Company.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

19. Non Current Financial Labilities- Borrowings

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured - at amortised cost		
From Power Finance Corporation Ltd (PFC)	356,136.07	343,124.74
From Rural Electrification Corporation Ltd (REC)	361,922.91	345,158.74
Total	**718,058.98**	688,283.48

(i) Term loan of ₹ 4,33,000 Lakh each were sanctioned by Power Finance Corporation Limited (PFC) and Rural Electrification Corporation 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 favour of Odisha Coal and Power Limited, a Joint venture company of OPGC & OHPC. Accordingly the sanctioned limit is reduced to ₹ 3,81,187 Lakh and ₹ 3,81,200 Lakh by PFC and REC respectively.

(ii) Additional financial assistance of ₹ 47,819 Lakh and ₹ 36,925 Lakh has been sanction by PFC and REC respectively in the Project as per the original Debt Equity Ratio of 3:1 to fund the estimated Cost Over Run of the Project thereby increase in total sanction / draw down limit of PFC and REC to ₹ 4,18,125 Lakh each.

(ii) **Security :**

a. The term loan togather with all interest (including additional interest), cost, expenses, applicable taxes, statutory duties and other money is secured with the presecribed 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, Ph-II (2x660 MW) of Ib Thermal project of the Company in favour 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 favour of PFC and REC on all movable assets of the project except raw materials, conumable spares and book debts.

Save priority (in which case, PFC / REC will have 2nd charge) / pari passu on reciprocal basis (as applicable) in favour 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 favour 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.

(iii) **Repayment:**

a. Term loan from PFC shall be repaid in 60 (sixty) unequal structured quarterly instalments commencing from 15th day of July 2020 and subsequent instalments will become due for payment on 15th day of October, 15th day of January and 15th day of April every year.

b. The term loan from REC shall be repaid in 60(sixty) equal quarterly instalment commencing 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 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. PFC has allowed discount of 60 bps (10 bps related to loan disbursed up to 31.10.2015) on applicable rate and 25 bps as rebate on timely payment of interest subject to interest rate not falling below 10.80% per annum (presently applicable). REC has allowed discount of 85 bps (35 bps related to loan disbursed up to 31.03.2016) on applicable rate subject to interest rate not falling below 10.80% per annum (presently applicable). In case notified/ circular interest rate falls below 10.80% per annum, the same shall be applicable.

c. Interest on PFC loan to be serviced on quarterly basis and due date for payment of interest is 15th day of April, 15th day of July, 15th day of October and 15th day of January every year.

d. 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.

e. The Company has availed the option of interest reset in three years from the date of disbursement and paid upfront fee @ 0.05% on term loan sanctioned instead of commitment charges on undrawn amount for each of the quarter.

(v) The maturity profile of borrowings (Including interest accrued-Refer-Note 25) is as follows:

(₹ in Lakh)

Contractual maturities	**As at March 31, 2020**	As at March 31, 2019
In one year or less or on demand	45,936.30	7,254.15
Between one & two years	46,011.44	17,199.31
Between two & three years	46,011.44	45,910.08
Between three & four years	46,011.44	45,910.08
Between four & five years	47,419.81	45,910.08
More than five years	532,948.78	533,721.60
Total contractual cash flows	**764,339.20**	695,905.28
Less: Capitalisation of transaction costs	343.92	367.65
Total Borrowings	**763,995.28**	695,537.63

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

20. Non Current financial liabilities- Others

(₹ in Lakh)

	Particulars	**As at March 31, 2020**	As at March 31, 2019
a.	Capital Creditors	-	-
b.	Security Deposits	481.78	388.86
c.	EMD and Retention Money	-	0.00
d.	Payable to Government *	185.58	185.58
	Total	**667.36**	574.44

* 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 in the Previous year 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 statement

21. Non Current- Provisions

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Employee Benefits		
- Gratuity	-	132.43
- Leave benefits	4,148.64	3,975.58
- One Time Pension benefits	1,534.54	1,552.45
- Terminal TA benefits	616.45	643.05
Provision for Decommissioning liabilities	499.45	461.06
Total	**6,799.07**	6,764.57

(i) Provision for employee benefits include Gratuity, Leave Benefits, Sick Leave, One time pension benefit and Terminal TA.

(ii) Movement in provision balances are analysed below:

As at March 31, 2020

(₹ in Lakh)

Balance Sheet Analysis	Gratuity	Sick Leave	Leave benefits	Pension Benefit	Terminal TA
Present Value of the obligation at end	5,804.89	1,206.01	3,459.50	1,704.50	690.90
Fair Value of plan assets	5,339.64	-	-	-	-
Unfunded Liability/ provision in Balance Sheet	**465.25**	**1,206.01**	**3,459.50**	**1,704.50**	**690.90**

As at March 31, 2019

(₹ in Lakh)

Balance Sheet Analysis	Gratuity	Sick Leave	Leave benefits	Pension Benefit	Terminal TA
Present Value of the obligation at end	5,232.10	1,113.15	3,266.32	1,650.49	688.00
Fair Value of plan assets	4,718.01	-	-	-	-
Unfunded Liability/ provision in Balance Sheet	**514.09**	**1,113.15**	**3,266.32**	**1,650.49**	**688.00**

1. Defined Contribution Plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amount included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The total cost charged to statement of profit and loss during the year on account of defined contribution plans amounted to ₹ 577.15 Lakh (Previous year ₹ 654.05 Lakh). The major defined contribution plans operated by the Company are as below:

a. Provident fund

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Company.

2. Defined benefit plans

a. Pension Benefit

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 and accordingly the Company accounted for the liability for pension benefits payable based on an actuarial valuation.

b. Terminal 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. Accordingly the Company accounted for the liability based on actuarial valuation.

c. Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment in OPGC Ltd as per Rules of the Group Gratuity Scheme of the company. Vesting occurs upon completion of five years of service. The Company makes annual contributions to Life Insurance Corporation of India towards the gratuity contribution. The Company accounted for the liability for gratuity benefits based on an actuarial valuation.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

(iii) The following table sets out the amounts recognized in the financial statements for retiring gratuity plans in respect of the Company.

(₹ in Lakh)

Change in defined benefit obligations:	Year ended March 31,2020	Year ended March 31,2019
(a) Obligation as at the beginning of the year	5,232.10	4,259.75
(b) Current service cost	268.23	248.77
(c) Interest cost	402.87	326.30
(d) Remeasurement (gains)/losses	233.55	696.13
(e) Benefits paid	(331.86)	(298.85)
Obligation as at the end of the year	**5,804.89**	5,232.10

(₹ in Lakh)

Change in plan assets:	Year ended March 31,2020	Year ended March 31,2019
(a) Fair value of plan assets as at beginning of the year	4,718.01	4,171.41
(b) Interest income	355.37	309.64
(c) Remeasurement gains/(losses)		
(d) Employers' Contributions	598.13	535.81
(e) Benefits paid	(331.86)	(298.85)
Fair value of plan assets as at end of the year	**5,339.65**	4,718.01

(₹ in Lakh)

Amount recognised in the balance sheet consists of:	Year ended March 31,2020	Year ended March 31,2019
(a) Fair value of plan assets as at end of the year	**5,339.65**	4,718.01
(b) Present value of obligation as at the end of the year	5,804.88	5,232.10
(c) Amount recognised in the balance sheet	465.23	514.09

(₹ in Lakh)

	Year ended March 31,2020	Year ended March 31,2019
Costs recognised in the statement of profit and loss consist of:		
(a) Current service cost	268.23	248.77
(b) Net interest expense/(income)	39.58	6.77
Costs recognised in the statement of profit and loss:	**307.82**	255.54
Costs recognised in the statement of other comprehensive income consist of:		
(c) The Return on plan assets (excluding amounts included in net interest expense)	(7.92)	(9.88)
(d) Actuarial gains and (losses) arising from changes in demographic assumption	9.11	11.66
(d) Actuarial gains and (losses) arising from changes in financial assumption	(181.73)	91.79
(e) Actuarial gains and (losses) arising from changes in experience adjustments	(60.93)	(799.58)
Costs recognised in the statement of other comprehensive income	**(241.47)**	(706.01)

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

(iv) The fair value of company's retiring gratuity plan assets as of March 31, 2020 and March 31, 2019 by category are as follows:

	Year ended March 31,2020	Year ended March 31,2019
Assets category (%)		
(a) Equity instruments	-	-
(b) Debt instruments	-	-
(c) Funds Managed by Insurer	**100%**	100%

(v) The assumptions used in accounting for retiring gratuity are set out below:

	Year ended March 31,2020	Year ended March 31,2019
(a) Discount rate (%)	7.70	7.70
(b) Rate of escalation in salary (%)	7.79	8.13

(vi) The Company expects to contribute ₹ 309.67 Lakh to the plan in fiscal year 2020.

(vii) The table below outlines the effect on defined benefit obligation in the event of a decrease/increase of 0.50 % in the assumed rate of discount rate and salary escalation rate.

As at March 31, 2020		
Assumption	**Change in assumption**	**Impact on scheme liabilities**
Discount rate	Increase by 0.50%, Decrease by 0.50%	(132.53) 138.55
Salary escalation	Increase by 0.50%, Decrease by 0.50%	136.47 (131.82)

The above sensitivities may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(viii) Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

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

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities	92,862.39	2,988.81
Less : Deferred Tax Asset	98,964.39	1,966.46
Net Deferred Tax (Asset)/ Liability	**(6,102.01)**	1,022.36

Income Tax

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

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Income before income taxes	(21,347.95)	27,193.37
Tax Calculated based on normal tax rate	(7,459.83)	9,502.45
Items not deductible for tax/not liable to tax		
Donation & CSR Expenses	51.29	79.94
Non deduction of tax at source on expenses	1.05	3.24
Impairment loss	-	-
Others	224.61	460.13
Income tax expense reported	**(7,182.87)**	10,045.76

(ii) Significant component of deferred tax assets and liabilities for the year ended March 31, 2020 is as follows:

(₹ in Lakh)

Particulars	Opening balance as at April 1, 2019	Deferred tax expense/ (income) recognised in profit and loss	Deferred tax expense/ (income) recognised in OCI)	Closing balance as at March 31, 2020
Deferred tax assets				
Provisions	1,955.80	(40.30)	84.38	1,999.88
Businesss Loss	-	-	-	96,964.51
Others	10.65	(10.65)	-	-
Total	**1,966.46**	**(50.95)**	**84.38**	**98,964.39**
Deferred tax liabilities				
Property, plant and equipment and Intangible assets	2,988.81	89,873.57	-	92,862.39
Total	**2,988.81**	**89,873.57**	**-**	**92,862.39**
Net Deferred tax (assets)/ liabilities	**1,022.36**	**89,924.52**	**(84.38)**	**(6,102.01)**

The Company is proposed to continue with the existing Income Tax rate of 34.944% including Surchage & Cess and will not availed the option of concessional rate presecribed under section 115BAA of the Income Tax Act and accordingly recognised Deferred Tax Assets & Liabilities considering prevailing Income Tax rate of 34.944%. Deferred Tax Assets / Liabilities shall be adjusted accordingly as and when the Company excercise the option prescribed under Section 115BAA of the Income Tax Act.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

23. Current financial liabilities- Trade Payables

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	643.31	5.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,067.61	4,834.02
Total	**5,710.92**	4,839.81

(i) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

Description	As at March 31, 2020	As at March 31, 2019
a. The principal amount remaining unpaid to supplier as at the end of the year	643.31	5.79
b. The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d. The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-

(ii) Trade Payables includes ₹ 211.64 Lakh (Previous year ₹ 211.64 Lakh) (net) in MCL account which is due to non adjustment of differential entry tax, quantity difference, pumping charges of water supplied and credit allowed in un-graded coal etc at their end.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

24. Current Financial Liabilities- Borrowings

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans repayable on demand		
From Banks		
Unsecured		
Cash credit	20,549.00	-
Total	**20,549.00**	-

(i) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.
(ii) Union bank of India has sanctioned working capital loan limit of ₹ 50000 lakhs out of which utilised limit is ₹ 205,49 lakh on the reporting date.

25. Current liabilities-Other Financial Liabilities

(₹ in Lakh)

	Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of non-current borrwoings			
From Financial Institutions			
secured			
a.	From Power Finance Corporation Ltd (PFC)	18,260.13	-
b.	From Rural Electrification Corporation Ltd (REC)	19,057.70	-
c.	Interest accrued on borrowings	8,618.48	7,254.15
d.	Others:		
	Deposits & Retention Money	5,840.63	4,386.69
	Liabilities for Expenses	2,971.18	889.53
	Payable to employees	1,203.80	1,935.61
	Capital Creditors	26,458.69	31,210.11
	Total	**82,410.61**	45,676.09

(i) 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.

26. Current Liabilities-Other Current Liabilities

(₹ in Lakh)

	Particulars	As at March 31, 2020	As at March 31, 2019
a.	Advances from Customers & others	149.62	103.12
b.	Statutory Dues Payables *	863.34	1,249.79
	Total	**1,012.96**	1,352.91

* Statutory dues includes payables in respect of GST, tax deducted at source and dues paybel to OPGC gratuity trust and others.

27. Current Liabilities-Provisions

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Employee Benefits #		
- Gratuity	466.57	476.72
- Leave benefits	516.87	403.88
- One Time Pension benefits	169.96	98.04
- Terminal TA benefits	74.45	44.95
- Pay revision	1,080.97	999.91
Total	**2,308.82**	2,023.50

Details in terms of Note-21

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

28. Revenue from Operations

(₹ in Lakh)

Partculars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of Power	162,352.13	86,291.87
Total	**162,352.13**	86,291.87

(i) Sales has been accounted for in accordance with the tariff approval by Odisha Electricity Regulatory Commission (OERC).

(ii) Sales of energy are net of rebate to beneficiary amounting to ₹ 1894.17 lakh (previous year 1015.23 lakh).

(iii) Sales does not include internal consumption of 316.75 MU including transformer loss of 19.084 MU (previous year 346.46 MU including transformer loss of 26.227 MU), the cost of which has been determined at ₹ 7,698.12 Lakh (previous year ₹ 6935.65 Lakh) approximately for Unit 1 & 2 and 275.96 MU (previous year Nil), cost of which has been determined at ₹ 9980.78 for Unit 3 & 4 respectively.

(iv) OERC vide case no 35/2018 dated 05.01.2019 has directed to levelised tariff of ₹ 3.91/kwh from 2007-08 onwards both for pre and post PPA period for both the units Kendupatna and Biribati on net export basis.On the basis of such approved order and direction, OPGC has issued year wise invoices along with jointly certified meter reading by representatives of OPGC and CESU on 01.03.2019 which are accepted by GRIDCO. On the basis of acceptance OPGC has booked the revenue of Rs 105.71 lakh FY 2018-19 and included in sale of Power.

(v) Sale does not included export of 195940 kwh for the FY 2019-20 amounting to ₹ 7.66 lakh due to pending joint certified meter reading by representative of OPGC & CESU and which has not submitted and accepted by GRIDCO at the year end.

(vi) The company has Power Purchase Agreements (PPA) with GRIDCO which are identifiable contracts 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.

(viii) Particulars of Generation, Auxiliary Consumption and Sale of power

Unit 1 & 2 (₹ in Lakh)

Particulars	2019-20	2018-19
Generation (MU)	2,643.54	3,085.45
Sale (MU)	2,326.79	2,738.98
Internal consumption (MU)	316.75	346.46
Sale (Net) (₹ in Lakh)	62,892.80	86,291.87
Internal consumption (₹ in Lakh)	7,698.12	6,935.65

Unit 3 & 4 (₹ in Lakh)

Particulars	2019-20	2018-19
Generation (MU)	3,852.25	-
Sale (MU)	3,576.29	-
Internal consumption (MU)	275.96	-
Sale (Net) (₹ in Lakh)	99,459.33	-
Internal consumption (₹ in Lakh)	9,980.78	-

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

29. Other Income

(₹ in Lakh)

Sl	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
a	**Interest Income**		
	Interest income from Bank Deposits at amortised Cost	1,264.38	2,056.69
	Others	402.06	33.08
		1,666.44	2,089.77
b	**Other non-operating income (net of expenses directly attributable to such income)**		
	Sale of Scrap / residual materials	77.01	107.40
	Sale of Ash bricks	(0.02)	
	Miscellaneous Incomes	287.46	375.54
	Exchange Gain	1.78	0.43
	Gain/(Loss) on Physical Inventory		(3.34)
	Liability/Provision written back	32.84	93.69
		399.07	573.72
c	**Other gains and losses**		
	Gain /(loss) on disposal of PPE	-	-
		-	-
	Total (a+b+c)	**2,065.52**	2,663.49
d	**Less :**		
	Amount included in the cost of qualifying assets	81.90	184.13
		81.90	184.13
	Total	**1,983.61**	2,479.36

(i) Miscellaneous income includes

a. Township recoveries of ₹ 87.90 Lakh (previous year ₹ 56.48 Lakh).

b. ₹ 23.89 Lakh (previous year ₹ 17.81 Lakh) towards liquidated damage and penalty recovered from contractors and others .

c. ₹ 84.63 Lakh (previous year ₹ 72.02 Lakh) towards Service charges of Water pumping facility to MCL.

(ii)

Excess Provision written back related to	Year ended March 31, 2020	Year ended March 31, 2019
Provision for Debtor	-	-
Obsolete stores/spares	-	-
Employee benefits and expense	2.81	66.28
Generation and other expenses	29.60	4.50
Administrative expenses	0.43	22.91

(iii) Sale of ash bricks amounting to ₹ (0.02) lakh after adjusting cost of sales, 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 is not selling fly ash/ ash bricks to outside parties for commercial purpose.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

30. Cost of raw material consumed

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Imported	-	-
Indigenous	90,110.18	44,017.04
Total	**90,110.18**	44,017.04

Particulars of raw materials consumed

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Coal	86,943.65	43,453.56
FO / LDO	3,166.53	6,381.20
	90,110.18	49,834.77
Less :		
Amount included in the cost of qualifying assets	-	5,817.73
Total	**90,110.18**	44,017.04

(i) For Unit 1 & 2, Coal Consumption of 23,00, 211.58 MT amounting to ₹ 38,023.78 lakh including Coal Shortage of 5756.58 MT amounting to₹ 94.72 Lakh (Previous year 977.06 MT amounting to ₹ 17.42 Lakh) found during physical verification has been charged to cost of raw material consumed as per the policy Note No-2.12.

(ii) For Unit 3 & 4, Bridge Linkage Coal Consumption of 22,81, 522.58 MT amounting to ₹ 37,859.53 lakh including Shortage of 23,891.40 MT amounting to ₹ 406.33 Lakh (Previous year Nil) found during physical verification has been charged to cost of raw material consumed as per the policy Note No-2.12.

(iii) For Unit 3 & 4, Flexi Coal Consumption of 6,64,049.60 MT amounting to ₹ 11,146.05 lakh including coal shortage of 7983.20.40 MT amounting to ₹ 166.64 Lakh (Previous year Nil) found during physical verification has been charged to cost of raw material consumed as per the policy Note No-2.12.

(iv) For Unit 1 & 2, HFO/LDO Consumption of 1556.29 KL amounting to ₹ 823.75 lakh including oil shortage NIL (Previous year NIL) has been charged to cost of raw material consumption.

(v) For Unit 3 & 4, HFO/LDO Consumption of 657.77 KL amounting to ₹ 2342.78 lakh including oil shortage NIL (Previous year NIL) has been charged to cost of raw material consumption.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

31. Employee Benefit Expenses

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and Wages	10,225.99	10,391.26
Contribution to provident and other funds	869.97	852.68
Staff Welfare expenses	814.00	797.69
Total (A)	**11,909.95**	12,041.63
Less :		
Allocated to fuel cost	522.87	654.58
Amount included in the cost of qualifying assets	2,900.50	4,263.04
Total (B)	**3,423.37**	4,917.62
Net (A-B)	**8,486.58**	7,124.01

(i) The Company has recognised in the statement of profit and loss, an amount of ₹ Nil Lakh (previous year: ₹ 22.12 Lakh) as expenses with respect to key managerial personnel. The details of such expenses are as below:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Short term employee benefits	-	20.61
(b) Post employment benefits	-	1.23
(c) Other employee benefits	-	0.28

(ii) It includes an amount of ₹ 81.87 Lakh (previous year ₹ 999.10 Lakh) towards provision for 7th Pay revision of employees as per Govt. Notification No 26342 dated 07.09.2017.

(iii) It includes an amount of ₹1035.78 Lakh (previous year ₹ 939.02 Lakh) towards provision for Variable Pay of the employees under approved performance management system of the company.

(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. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary.

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.

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 encashable during service. However total earned leave that can be encashed on superannuation / separation shall be restricted to 300 days incase of cadre employees and 60 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, accordingly the Company accounted for the liability for pension benefits payable 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. Accordingly the Company accounted for the liability based on actuarial valuation.

(v) The above mentioned schemes (A, C, D and E) are unfunded and are recognised on the basis of actuarial valuation.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

32. Finance Costs

(₹ in Lakh)

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a)	**Interest Expense**		
	Interest on term loan	64,582.23	63,336.78
	Interest on short term loans from scheduled bank	736.83	-
	Interest on Decommissioning and Construction liability	31.85	35.92
(b)	**Other Borrowing Cost**		
	Guarantee Commission	-	
	Total Finance Cost	**65,350.91**	63,372.70
	Less : amount included in the cost of qualifying assets	18,682.43	63,336.78
	Total	**46,668.48**	35.92

(i) Interest on Decommissioning and Construction liability represents future decommissioning liability of Ash Pond 'A' amounting to ₹ 12.37 Lakh and Ash pond 'C' amounting to ₹ 19.47 Lakh (Previous year: ₹ 21.63 Lakh and ₹ 14.29 Lakh respectively).

(ii) Interest on term loan mainly includes interest paid to Power Finance Corporation and Rural Electrification Corporation. For details refer Note 19.

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

33. Depreciation & amortisation expenses

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation & amortisations	21,480.48	3,985.80
Less :		
Allocated to fuel cost	61.77	55.33
Amount included in the cost of qualifying assets	448.39	1,710.65
Total	**20,970.32**	2,219.83

(i) Depreciation includes ₹ 100.96 lakh (PY 100.97 lacs) amortization towards use of right to use Leasehold land.

(ii) Depreciation & amortizations includes ₹ 2004 lakhs for Unit 1 & 2 and ₹ 19027.90 lakhs for Unit 3 & 4. Useful life taken for calculating depreciation is as per Accounting policy Note no 2.7 and Schedule II of The Companies Act 2013. For details of assets capitalized during this year on which depreciation calculated refer Note no-3.

34. Impairment losses

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Impairment of CWIP (Mini Micro Hydel Projects) Refer Note- 4	-	
Total	-	-

ODISHA POWER GENERATION CORPORATION LIMITED

Notes forming part of the financial statement

35. Other Expenses

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Generation Expenses:		
Consumption of Stores, spares & chemicals	2,988.19	1,925.25
Electric Power, Electricity Duty and Water	6,453.15	6,560.74
Contract Job outsourcing expenses	2,465.57	1,167.73
Insurance	2,114.94	326.13
Other generation expenses	3,179.77	493.77
Repairs to buildings	376.64	404.54
Repairs to Machinery	103.05	82.29
	17,681.31	10,960.46
Selling and Distribution Expenses:		
Rebate in the nature of cash discount to customer		
Administrative Expenses:		
Rent	267.66	293.34
Professional Fees and expenses	28.58	21.05
General expenses	2,479.53	2,726.08
Management Service Charges	34.03	33.15
Resource Sharing Fee	1,259.62	2,417.98
Rate, Taxes & Cess	39.39	36.02
Other Repairs	116.58	64.31
Travelling expenses	267.80	316.54
Watch and Ward expenses	834.56	692.47
Watch and Ward expenses	909.18	467.69
	6,236.92	7,068.63
Other Expenses:		
Payment to Auditors	14.34	13.90
Peripheral development expenses	20.74	11.85
Donation	(3.65)	-
Trade Receivables Written Off (Net)	151.36	-
Loss on Sale of Fixed Assets	9.83	4.26
Advances written off	-	-
	192.62	30.01
Corporate Social Responsibility	**146.77**	228.76
Less: Allocated to Fuel Cost	1,139.39	943.01
Amount included in the cost of qualifying assets	3,670.10	9,163.77
	4,809.50	10,106.79
Total	**19,448.13**	8,181.07

(i) **Payment to Auditors:**

		2019-20	2018-19
a.	Statutory Audit		
	Statutory Audit Fees	9.44	8.94
	Statutory Audit expenses	0.71	0.71
b.	Tax Audit fees	1.18	1.24
c.	Certification fee	1.30	1.00
d.	Cost Audit		
	Cost Audit Fees	1.42	1.65
	Cost Audit expenses	0.30	0.36
Total		**14.34**	13.90

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

(ii) Other expenses includes generation expenses, administration expenses & other expenses amounting to ₹ 7337.71 lakhs, ₹ 2437.60 lakhs & ₹ 174.25 lakhs respectively for Unit 1& 2 and ₹ 8750.88 lakhs, ₹ 1742.47 lakhs and Nil Lakh for Unit 3 & 4 respectively.

(iii) In terms of section 135 of the companies act 2013, the company is required to make an expenditure on Corporate Social Responsibility for an amount of ₹ 262.28 Lakh during the reporting year.

(iv) Out of ₹ 262.28 Lakh, the company spent as follows during the year

Particulars	In Cash	Yet to be paid in Cash	Total
Construction / acquisition of any asset	-	-	-
On purpose other than (i) above	-	18.60	-
Total	**-**	**18.60**	**-**

Cost of Qualifying Assets(Unit 3 & 4)					
		2019-20		**2018-20**	
A.	**Employee Benefit Expenses**				
	Salaries & Wages	2,711.92		3,894.39	
	Contribution to	-		-	
	Provident fund	89.21		149.00	
	Gratuity fund	55.09		152.53	
	Staff Welfare Expenses	44.29	2,900.50	67.11	4,263.04
B	**Resource Sharing Fees**	961.89	**961.89**	2,176.42	2,176.42
C	**Finance Cost**				
	Interest Expenses	18,646.24		63,319.27	
	Other borrowing Cost	36.19	**18,682.43**	17.51	63,336.78
D	**Raw Material Consumption**				
	Coal Consumption	-		49.91	
	Oil Consumption	-	-	5,767.81	5,817.73
E	**Depreciation And Amortisation Expenses**				
	Depreciation	448.39	**448.39**	1,710.65	1,710.65
F	**Water and Electricity Charges**	638.75	**638.75**	3,868.86	3,868.86
G	**Insurance**	439.10	**439.10**	260.44	260.44
H	**Adminstrative And Other Expenses**				
	Rent	81.37		106.58	
	General expenses	844.33		1,720.10	
	Rate, Taxes & Cess	4.10		-	
	Travelling expenses	68.09		123.46	
	Watch and Ward expenses	74.58		226.53	
	Township development expenses	22.50		75.65	
	Peripheral development expenses	20.74		11.85	
	Consumption of Stores & spares	514.66		593.88	
	Donation	-	**1,630.37**	-	2,858.05
I	**CSR expenditure in compliance to Environmental Clearance**	345.49	**345.49**	458.59	458.59
	Total	-	**26,046.91**		84,750.56

OTHER INCOME				
Interest Income	-		-	
Other non-operating income (net of expenses directly attributable to such income)	-		184.13	
Other gains and losses	-		-	
		-		184.13

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

36. Related party transactions

Odisha Power Generation Corporation Ltd (the Company) controlled by the Government of Odisha (GoO). GoO holds 51% ownership interest in the Company and balance 49% ownership interest is jointly held by AES India Pvt Ltd (5.04%) and AES OPGC Holding (incorporated in Mauritius) (43.96%) as on March 31, 2019. The Company's related parties principally consist of GoO, OPGC Ltd Provident Fund Trust, AES India Pvt Ltd , AES OPGC Holding and Odisha Coal and Power Ltd (OCPL) as its Joint venture. The Company routinely enters into transactions with these related parties in the ordinary course of business at market rates and terms.

(₹ in Lakh)

Transactions	OCPL	AES India Pvt. Ltd	AES OPGC holding	Key Management Personnel	Relatives of Key Management Personnel	PF Trust	Government of Odisha
Finance Provided							
FY 2019-20	2,346.00						
FY 2018-19							
PF Contribution							
FY 2019-20						1,472.26	
FY 2018-19						1,420.05	
Employee Benefits expenses in respect of deputed employees under reciprocal sharing of resources							
FY 2019-20		1,259.61					
FY 2018-19		2,417.97					
Management Services Charges							
FY 2019-20		34.03					
FY 2018-19		33.15					
Remuneration							
FY 2019-20							
FY 2018-19				22.12			
Guarantee outstanding							
FY 2019-20	6,279.94						
FY 2018-19	6,279.94						
Outstanding receivable							
FY 2019-20	161.30						
FY 2018-19	158.43						
Outstanding payables							
FY 2019-20						170.48	
FY 2018-19						265.40	

ODISHA POWER GENERATION CORPORATION LIMITED
Notes forming part of the financial statement

37. Earning per share (EPS)

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

(₹ in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit after tax	**(14,259.06)**	17,004.34
Less: Amount to be paid for diluted portion (net of tax)	-	-
Profit attributable to ordinary shareholders - for Basic & Diluted EPS	**(14,259.06)**	17,004.34
Weighted average no. of Ordinary Shares for Basic & Diluted EPS	18,224,974	15,844,755
Nominal value of Ordinary Shares (₹)	1,000.00	1,000.00
Basic & Diluted Earnings per Ordinary Share (₹)	(78.24)	107.32

38. Segment Reporting

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

39. Commitments and Contingencies (To the extent not provided for)

I. Commitments

Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances) ₹ 58,931 Lakh (Previous Year : ₹ 87,101 Lakh).

II. Contingencies

a. Contingent Liabilities:

(₹ in Lakh)

Particulars	Opening balance as on April 01, 2019	During the year 2019-20		Balance as on March 31, 2020
		Additions	Reversal	
a. Claims against the Company not acknowledged as debt				
(i) Income tax demands	272.90	129.59	(101.53)	300.95
(ii) Indirect tax demands (sales tax)	15.90	-	-	15.90
(iii) Indirect tax demands (service tax)	-	515.91		515.91
(iv) Claims of contractors & others	16,444.56	15,063.30	-	31,507.86
b. Outstanding letter of credit and guarantees	8,218.89	247.55	(353.08)	8,113.36
c. Other money for which the Company is contingently liable	6,279.94	-	-	6,279.94
Total	**31,232.19**	**15,956.35**	**(454.61)**	**46,733.93**

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

(ii) Claim of contractor includes demand of ₹ 871.38 Lakh raised by Main Dam Division Burla, towards Penalty against water drawal from Hirakud reservior 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 Principal secretary to GoO water Resource Department with a copy to Principal secretary to GoO Energy Department for waival of the same citing the reason of waival, In response of the same, Principal secretary to GoO Energy Department has forwaded letter no 5275 dtd 25.06.2014 and letter no 5539 dated 11.07.2019 on waival of the same to Principal secretary to GoO water Resource Department.

(iii) Claim of contractor includes ₹ 15,166.43 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 subjudice. As the matter is under dispute and no order received from the competent authority, the same is disclosed under contingent liability.

(iv) Claim of contractor includes ₹ 13,245 lakh raised by GOO to create Water Conservation Fund by way of one-time contribution @ ₹ 2.5 Cr per cusec of water allocated to the industries and the matter is under subjudice. As the matter is under dispute and no order received from the competent authority, the same is disclosed under contingent liability.

(v) Outstanding letter of credit and guarantees includes pledge of fixed deposit of ₹ 1,569.98 Lakh given to Axis Bank as security for issue of **performance bank guarantee** for ₹ 15,392.00 Lakh in favour of nominated authority Ministry of Coal, GoI on behalf of subsidiary Company i.e. Odisha Coal and Power Ltd.

(vi) Other money for which the company is contingently liable includes **Corporate guarantee** of ₹ 6,279.94 Lakh to OCPL

40. Capital Management :

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan, coupled with long term and short term strategic investing plan. The funding requirements are met through equity and other long term and short term borrowings. The Company's policy is aimed at combination of short term and long term borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

41 Disclosure on Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note-7 to the financial statements.

(a) Financial assets and liabilities

The following table presents the carrying amount and fair value of each category of financial assets & liabilities as at March 31, 2020

(₹ in Lakh)

As at March 31, 2020	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances					18,417.12	18,417.12	18,417.12
Trade receivables					46,881.63	46,881.63	46,881.63
Loans					2,101.08	2,101.08	2,101.08
Other financial assets					628.15	628.15	628.15
Total	-	-	-	-	**68,027.98**	**68,027.98**	**68,027.98**
Financial liabilities							
Trade and other payables					5,710.93	5,710.93	5,710.93
Borrowings					738,607.98	738,607.98	738,607.98
Other financial liabilities					83,077.97	83,077.97	83,077.97
Total	-	-	-	-	**827,396.88**	**827,396.88**	**827,396.88**

(₹ in Lakh)

As at March 31, 2019	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances					33,202.16	33,202.16	33,202.16
Trade receivables					34,835.41	34,835.41	34,835.41
Loans					1,181.71	1,181.71	1,181.71
Other financial assets					720.44	720.44	720.44
Total	-	-	-	-	69,939.72	69,939.72	69,939.72
Financial liabilities							
Trade and other payables					4,839.81	4,839.81	4,839.81
Borrowings					688,283.48	688,283.48	688,283.48
Other financial liabilities					46,250.53	46,250.53	46,250.53
Total	-	-	-	-	739,373.82	739,373.82	739,373.82

(b) The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, quoted corporate debt instruments and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The main items in this category are investment in unquoted equity shares, measured at fair value.

(i) The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

(ii) The fair value in respect of the unquoted equity investments cannot be reliably measured.

(iii) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end

(iv) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2020 and March 31 2019

(c) Financial risk management

In the course of its business, the Company is exposed primarily to interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

(i) By creating a stable business planning environment and reducing the impact of currency and interest rate fluctuations on the Company's business plan.

(ii) By achieving greater predictability to earnings and determining the financial value of the expected earnings in advance.

Market Risk : Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

Credit Risk : Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Liquidity Risk : Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

(d) The following table shows a maturity analysis of the anticipated cash flows including interest payable for the Company's non derivative financial liabilities on an undiscounted basis.

(₹ in Lakh)

	As at March 31, 2020				
	Carrying amount	**Contractual cash flows**	**Less than 1 year**	**Between 1 - 5 years**	**More than 5 years**
Non- derivative financial liabilities					
Borrowings including interest thereon	763,995.29	763,995.29	45,592.39	185,454.11	532,948.78
Trade payables	5,710.93	5,710.93	5,710.93	-	-
Other financial liabilities	83,077.97	83,077.97	82,410.61	667.36	-
Total non- derivative financial liabilities	**852,784.19**	**852,784.19**	**133,713.92**	**186,121.47**	**532,948.78**

(₹ in Lakh)

	As at March 31, 2019				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Non- derivative financial liabilities					
Borrowings including interest thereon	695,537.63	695,537.63	6,886.50	154,929.53	533,721.60
Trade payables	4,839.81	4,839.81	4,839.81	-	-
Other financial liabilities	46,250.53	46,250.53	45,676.09	574.44	-
Total non- derivative financial liabilities	**746,627.97**	**746,627.97**	**57,402.40**	**155,503.97**	**533,721.60**

The cost of unquoted investments approximate the fair value because there is a wide range possible fair value measurements and the cost represents estimate of fair value within that range.

42. Statement of net asset and profit and loss as required under Schedule III

Name of the entity	As % of consolidated net assets	Rs. In lakh	As % of consolidated Profit and loss	Rs. In lakh
Parent				
Indian				
Odisha Power Generation Corporation Limited				
As at March 31, 2020	100.19%	297,910.75	99.35%	(14,322.17)
Joint Venture (Investment as per Equity Accounting)				
Indian				
1. Odisha Coal and Power Limited				
As at March 31, 2020	-0.19%	(551.28)	0.65%	(93.98)
Total	**100.00%**	**297,359.47**	**100.00%**	**(14,416.15)**

43. Previous year figures have been reclassified/ regrouped wherever necessery

44. Events after reporting period

(i) The Company has availed moratorium in payment of interest and principal instalment due to Power Finance Corporation Ltd. (PFC) on April 15, 2020 and July 15, 2020 to an amount of ₹ 26,610.43 Lakh as per the PFC's moratorium policy in line with COVID-19 Regulatory package of RBI.

(ii) Power Finance Corporation Ltd. (PFC) and Rural Electrification Corporation Ltd. (REC) has sanctioned term loan of ₹ 43,440 Lakh each to fund the Environment Retrofit Project to be implemented by the Company with Debt Equity ratio of 4:1.

For Nag & Associates
Chartered Accountants

For and on behalf of the Board

Sd/-
(Nilotpal Majumder)
Partner
FRN : 312063E
Membership No: 037287
Place : Bhubaneshwar
Date :

Sd/-
(M. R. Mishra)
Company Secretary

Sd/-
(Pravakar Mohanty)
Director Finance

Sd/-
(Indranil Dutta)
Managing Director

Form AOC-1

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

The company has no subsidiary, therefore Part A relating to subsidiaries is not applicable.

Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Joint Ventures	**Odisha Coal and Power Limited (OCPL)**
1.	**Latest audited Balance Sheet Date**	31.03.2020
2.	**Date on which the Associate or Joint Venture was associated or acquired**	21.02.2015
3.	**Shares of Associate or Joint Ventures held by the company on the year end**	51%
	Numbers	17,64,60,000
	Amount of Investment in Associates or Joint Venture (Rs)	176,46,00,000
	Extent of Holding (in percentage)	51%
4.	**Description of how there is significant influence**	By shareholding
5.	**Reason why the associate/joint venture is not consolidated**	Consolidated
6.	**Net worth attributable to shareholding as per latest audited Balance Sheet (Rs)**	170,94,72,060
7.	**Profit or Loss for the year (Rs)**	(1,84,26,000)
	i. Considered in Consolidation (Rs)	(93,97,260)
	ii. Not Considered in Consolidation (Rs)	(90,28,740)

1. Names of associates or joint ventures which are yet to commence operations: Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year: Nil

For and on behalf of the Board

Sd/-	Sd/-	Sd/-
(M R Mishra)	**(Pravakar Mohanty)**	**(Indranil Dutta)**
Company Secretary	Director (Finance)	Managing Director

Comments of the Comptroller and Auditor General of India under section 143(6) (b) of the Companies Act, 2013 on the Consolidated Financial Statements of Odisha Power Generation Corporation Limited for the year ended 31 March 2020

The preparation of Consolidated Financial Statements of Odisha Power Generation Corporation Limited for the year ended 31 March 2020 in accordance with financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with 129(4) of the Companies Act, is responsible for expressing opinion on the financial statements under Section 143 read with section 129(4) of the Act, based on independent audit in accordance with the Standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated: 24 October 2020

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under Section 143(6) (a) read with section 129(4) of the Act of the Consolidated Financial Statements of Odisha Power Generation Corporation Limited for the year ended 31 March 2020. We conducted a supplementary audit of Odisha Coal and Power Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working paper of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records. On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplementary to statutory auditors' report under Section 143(6)(b) of the Act.

For and on behalf of the
Comptroller and Auditor General of India

Place: Bhubaneswar
Date: 19.03.2021

Sd/-
(BIBHUDUTTA BASANTIA)
PRINCIPAL ACCOUNTANT GENERAL

OCPL

Odisha Coal and Power Limited

A Subsidiary Company

DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure in presenting the 5th Annual Report on the project development, performance and operating result of the Company for the financial year 2019-20 together with the Audited Statement of Accounts and the Report of the auditors thereon. The comments of the Statutory Auditors and Comptroller and Auditor General of India U/s 143 (6) (b) of the Companies Act, 2013 on the said accounts also form a part of the report.

PROJECT DEVELOPMENT HIGHLIGHTS

The Mine Operation started from Manoharpur coal mine from 01-11-2018 by removing top-soil and OB. It has been envisaged to transport the coal to EUP i.e. OPGC power plants through the dedicated MGR system being constructed by OPGC. Due to land acquisition issues in MCL command area, the construction of MGR system is getting delayed and is expected to be completed by June-2021. In absence of the coal evacuation arrangement to OPGC, OCPL obtained the approval from the Nominated Authority, Ministry of Coal to sale the coal produced from Manoharpur mine to CIL at their notified price under the provisions of Allotment Agreement executed between OCPL and Nominated Authority, Ministry of Coal (MoC), Govt. of India. The Coal Controller, MoC, GoI on 25-11-2019 conveyed that OCPL may despatch excess coal produced from Manoharpur coal mine to Mahanadi Coalfields Limited (MCL). Memorandum of Understanding was executed with MCL on 11-12-2019 for sale of such coal from Manoharpur coal mine and to deliver the coal at its Kanika Railway Sidings. The coal despatch to Kanika Sidings started on 14-12-2019. OCPL has produced 1.003 MT of coal in the FY 2019-20 & 1.78MT of Coal till end of December'2020 (FY'2020-21). Total coal produced till end of December'2020 is 2.783 Million Tonne. Coal despatched/ sold to CIL/ MCL in FY 2019-20 is 0.517 MT and till end of December'2020 in FY'2020-21 is 1.25 MT. Cumulative coal despatched/sold to MCL till end of December'2020 is around 1.767 MT.

The land acquisition for Manoharpur coal mine project is largely complete. All the Permits/Clearances including Stage –I & II Forest Clearances, Environment Clearance and approval of Mining Plan & Mine Closure Plan including Mine Opening Permission etc. are in place. The Temporary Mine Office and Transit Guest House at Hemgir are in operation since May-2015 and January-2016 respectively. Construction of R&R colony i.e. Phase-I at village Sukhabandha and Phase-II at Himgir have been completed. The relocation of Manoharpur villagers to the R&R colony (Phase-I) is complete, whereas the relocation of the Sanghumuda village to the R&R Colony (Phase-II) in under progress. As on date 101 DFs of Sanghumuda village have taken possession of houses allotted in their favour and 95 DFs have shifted to the R&R colony along with their household goods. 12 DFs have self-relocated to site of their choice.

The Efficiency Parameters stipulated in the Schedule-E of the Allotment Agreement mentions the time limit for individual milestones to be achieved. During the development period, any non-compliance of the milestones in the Efficiency Parameters is liable to appropriation of Performance Security submitted to the Nominated Authority, MoC. All milestones in respect of Manoharpur Coal Block have been achieved, whereas the OCPL is pursuing seriously to achieve milestones w.r.t Dip-side of Manoharpur Coal Block.

Performance Security and Upfront Payment

In compliance with the requirements of the Allotment Agreement, Performance Security (for Peak Rated Capacity of 8 MTPA) in shape of Bank Guarantee (BG) for Rs.153.92 Cr. has been submitted with the Nominated Authority, Ministry of Coal, Government of India on 26-10-2020.

The Mining Plan and Mine Closure Plan (Rev-III) of Manoharpur and Dip-side Manoharpur coal mine has been revised from 8 MTPA to 16 MTPA and approved by the Ministry of Coal, Government of India on 26-09-2019. Based on the Approved Mining Plan including Mine Closure Plan (Rev-III) for Manoharpur and Dip-side Manoharpur, Nominated Authority after assessment revised the Performance Bank Guarantee to Rs.360.92Cr. OCPL has requested the Nominated Authority, Ministry of Coal, Govt. of India for its reassessment. The matter is under consideration & balance Performance Bank Guarantee will be submitted to the Nominated Authority after obtaining the final assessment & demand to this effect.

Statutory Permits / Clearances:

Your Company has obtained the following statutory permits / clearances:

Manoharpur Coal Block		
Sl.	**Permits/Clearances**	**Authority/Department**
1	Revised Mining Plan and Mine Closure Plan (Revision-III)-16MTPA	Ministry of Coal, Govt. of India
2	Stage-I & II Forest Clearance of Manoharpur coal mines in favour of OCPL	Ministry of Environment & Forest and Climate Change (MoEF & CC), Govt. of India (GoI)
3	Environment Clearance of Manoharpur coal mines in favour of OCPL	Ministry of Environment & Forest and Climate Change (MoEF & CC), Govt. of India (GoI)
4	Consent to Establish for Coal Mine in favour of OCPL	State Pollution Control Board, Odisha
5	Consent to Operate for Coal Mine in favour of OCPL	State Pollution Control Board, Odisha
6	Grant of 5.55 Cusecs of water from Hirakud back water	Department of Water Resources, Govt. of Odisha
7	Explosive License	Ministry of Commerce & Industry, Petroleum & Explosive Safety Organisation (PESO), GOI.
8	Non-Mineralisation Clearance in favour of OCPL	Directorate of Geology, Odisha
9	Permanent Power drawal from NTPC	Ministry of Power, Govt. of India
10	Power supply permission for R&R colony Phase-I at Sukhabandh	WESCO
11	Nalla Diversion Permission in favour of OCPL	Department of Water Resources, Govt. of Odisha
12	Road Diversion Permission in favour of OCPL	Department of Rural Development, Govt. of Odisha
13	Environment Clearance for R&R Colony in favour of OCPL	State Level Environment Impact Assessment Authority, Odisha / State Pollution Control Board, Odisha
14	Consent to Establish for R&R Colony in favour of OCPL	State Pollution Control Board, Odisha
15	Consent to Operate for R&R Colony of OCPL	State Pollution Control Board, Odisha
16	Site Specific Wildlife Conservation Plan for Coal Mine	Principal Chief Conservator of Forest & Chief Wildlife Warden, Odisha
17	Ownership of ITC Hemgir	Directorate of Technical Education and Training, Odisha, Cuttack
18	Mining Lease execution	Collector, Sundargarh, Govt. of Odisha
19	NOC for abstraction of Ground Water	Central Ground Water Authority, Govt. of India
20	Mine Opening Permission	Coal Controller's Organisation, Ministry of Coal, Govt. of India
21	Exemption under Sec (31) of the Contract Labour Act, 1970	Ministry of Labour and Employment.

Dip-Side Manoharpur Coal Block		
1	Prospecting License (PL) deed execution	Collector, Sundargarh, Govt. of Odisha
2	Permission for drilling of boreholes in forest area	Forest & Environment Department, Govt. of Odisha
3	Grant Order for Mining lease	Dept. of Steel & Mines, Govt. of Odisha
4	Land Acquisition under CBA (A&D) Act, 1957- Gazette notification under Section 3, 4 (1), 7(1), NOC from CCO under 8(2), 9(1) & 11(1) issued	Ministry of Coal, Govt. of India
5	Environment Clearance-ToR obtained	Ministry of Environment Forest & Climate Change, GoI
6	Forest Clearance-Proposal accepted and State Serial Number generated. Part II compliance is under progress at DFO level.	Ministry of Environment Forest & Climate Change, GoI

Mining Plan

OCPL has obtained the approval of Mining Plan & Mine Closure Plan (Revision-III) on 26-09-2019 with the peak rated capacity of 16 MTPA for Manoharpur and part of Dip-side Manoharpur coal mine.

Progress of Dip-Side Manoharpur Coal Block

i. Land Acquisition:

Government of India in Ministry of Coal has issued 11 (1) Notification for Dip-side Manoharpur Coal Mine on dated 07.09.2020 and vested the acquired land measuring 684.620 hectares (Approximately or 1691.730 acres (approximately) and all rights in and over the said lands with OCPL with effect from 18.07.2020.

ii. Environmental Clearance:

The Application for EC of Dip-side coal block was filed on 10.12.2018 and updated on 16.11.2019. Terms of Reference (ToR) has been approved on 29.04.2020 by MoEF & CC. Baseline monitoring data generation/ collection has been completed for winter season (Dec 2019 to Feb 2020). As per requirement of ToR, some special studies like Site Specific Wildlife Conservation Plan, study on flora & Fauna and integrated Hydrological study, study on diversion of Nalla in respect of Dip-side Manoharpur coal mine have been initiated. The draft EIA/EMP report based on the approved ToR has been prepared and submitted to the Odisha State Pollution Control Board (OSPCB).

iii. Forest Clearance:

Forest Clearance application filed on 14-12-2018. The application was finally updated on 27/10/2020 and the State Serial Number issued on 03/11/2020. The DFO level compliance are under progress.

Land and R & R

Private Land:

Out of the total area of 1039.51 Ac., allotment of an area of 1037.24 Ac.in favour of Odisha Coal and Power Limited is complete. The balance is in process at various levels.

Government Land:

Out of the total area of 1040.94 Ac., alienation for an area of 1033.37 Ac.in favour of Odisha Coal and Power Limited has been completed. The balance is in process.

Forest Land:

Possession of 491 Ac. out of 495 Ac. of forestland is taken over by OCPL. The balance 4 Ac. land is pending due to stay order of the Hon'ble High Court of Odisha because of FRA compensation matter. In addition to the above 141.04 Ac. of forestland has been transferred from OPGC to OCPL.

Rehabilitation and Resettlement:

Two villages namely Manoharpur and Ghumudasan are required to be displaced for operation of Manoharpur Coal Mine. The shifting of displaced families of village Manoharpur to rehabilitation and resettlement colony at Sukhabandh (Hemgir) is completed. The RoR (Patta) of house plots allotted to Dispalced Families (DFs) in the R&R colony are handed over by the administration. The Annuity Scheme is implemented through LIC of India ltd. The Company has also engaged MART, an expert agency for promotion of sustainable livelihood among DFs. The agency has been imparting skill development and capacity building training and promoting various livelihood and entrepreneurial activities among the DF's. Group Income generating activities are executed through Self-help groups (SHG's). The construction work of R&R colony – Phase 2 at Hemgir for Ghumudasan village is largely complete and 122 dwellings are being made. The relocation of village has started from 2nd August 2019. Until date, 101 families have taken possession of the houses at R&R colony Hemgir, Phase -2 and 95 families have shifted to the colony. 12 DF's have relocated to their place of choice.

Significant and Material Order Passed by the Regulators or Court or Tribunal impacting the going concern status and Company Operations in future

OCPL has received 4 Show Cause Notices issued for not achieving the milestones as per the Efficiency Parameters. OCPL is pursuing with the Nominated Authority to consider 10-12-2015 & 22-03-2016 as the zero date for obtaining Prospecting License and completion of exploration and preparation of Geological Report (GR) respectively and drop the Show Cause Notices issued for not achieving the milestones as per the Efficiency Parameters. MoC informed OCPL that the Scrutiny Committee in its 8th meeting held on 24-09-2018 has recommended that the delay in achievement of milestones of Efficiency Parameters of dip-side Manoharpur may not be attributed to OCPL. The Committee has suggested to consider 10-12-2015 as zero date for obtaining Prospecting License and 22-03-2016 as the zero date for preparation of GR.

Major Contracts and Agreement

Coal Handling Plant:

OCPL is constructing an 8.0 MTPA Coal Handling Plant (CHP) at the village premises of Ghumudasan & Sarbahal of Sundargarh District, outside the mining lease area of Manoharpur Coal Mines. The Run-off-Mine (ROM) coal from the open cast mine shall be received through a Receiving Pit and shall be transported by a series of conveyors to Over Ground Bunker of 30,000 MT capacity and then to Rapid Loading System (RLS) from where the coal of (-) 100 MM size shall be loaded on to the wagons of OPGC for despatch to its Thermal Power Plant at ITPS. Construction of the CHP has been awarded to M/s McNally Bharat Engineering Co. Ltd. (MBECL) through EPC mode with a contract value of Rs. 514.00 Cr. excluding GST. This contract value includes construction of the CHP, other infrastructural facilities and O&M for first two years after completion of the project with supervision of O&M in the third year. Construction of the CHP started on 10.01.2018 and around 72% work is completed till 31.12.2020.

Appointment of Mine Operator for development, operation and maintenance of Manoharpur Coal Mine project:

BGR Mining & Infra Limited has been appointed as the Mine Operator on 10-07-2018 for a period of 10 years which can be extended by further two years on mutually agreed basis. More than one million ton Coal production target has been achieved in the Financial year 2019-20.

Construction of R&R Colony at Hemgir, Sundergarh:

Construction of R&R Colony (Ph-II) at Hemgir, Sundergarh has been awarded to M/s Shree Balajee Engicons Pvt. Ltd. for 122 nos houses for the project displaced families. The construction work is completed.

Manoharpur Township Project

Contract awarded to M/s Diversified Energy Solution Pvt. Ltd. for construction of Manoharpur Township Project for accommodation of own employees of OCPL. Construction work is under process.

Construction of Permanent Power supply arrangement from NTPC, Darlipalli, Sundargarh

Contract awarded to M/s NTPC-GE Power services ltd. for construction of 33/6.6Kv substation, M/s Anil Electrical for 33Kv double circuit transmission line from Darlipalli to Manoharpur Mines and to M/s NTPC for the 132Kv bay extension work. The construction work is under progress.

Project Target-Project Schedule:

Allotment Agreement was signed with the Nominated Authority, Ministry of Coal specifying the time line to start the mine operation within 44 months i.e. May 2019 from the zero date (i.e. 31st August 2015). However, OCPL has already commenced mining operations since 1st November, 2018 which is well within the scheduled timeline. Coal production from Manoharpur Coal Block commenced on 10th October, 2019 and coal despatch to Kanika siding of MCL on 14-12-2019.

OCPL exceeded the target production of 1 Million tonne of coal for the FY2019-20 by producing 1.003 Million tonnes of coal. Over burden removed to achieve the above coal production was 4.11 Million CuM.

Target production for the year 2020-21 is 2.5 Million tonne of coal. As of December-2020, OCPL has produced 1.767 MT of Coal from Manoharpur coal mine. The peak production of 16 Million tonne of coal will be achieved 2025-26.

Capital Structure

The Authorised Share Capital of the Company is Rs.750.00 Cr., divided into 75,00,00,000 Equity Shares of Rs.10/- each. The paid up Equity Share Capital of the Company stands at Rs.386.00 Cr. The entire paid up Equity Share Capital are held by Odisha Power Generation Corporation Limited (OPGC) and Odisha Hydro Power Corporation Limited (OHPC) in the ratio of 51:49.

Long Term Financing

OCPL Board in its 42nd meeting held on 31-05-2019 has approved the revised project cost of Rs.2143 07 Cr. for Manoharpur coal mine and Rs. 230.92 Cr. towards land and R &R cost for part of the Dip-side Manoharpur coal mine to be sourced through equity/ internal accruals for which separate and specific Board approval will be sought for.

The approved project cost for Manoharpur coal mine has been fully tied up with the Banks/FI (Union Bank-Rs. 500 Cr., Punjab National Bank-Rs. 536 Cr. and REC Rs. 571 Cr.) in the debt equity ratio of 75:25. So far, the equity contributions from the shareholders is Rs.386 Cr. from OPGC and OHPC.

FINANCIAL RESULTS/HIGHLIGHTS

The statement of accounts for the year under consideration accompanied by the auditors' report and management's views on the audit observations form an integral part of the report.

The following summarised financial results are furnished as follows for easy appreciation of the financial health of the company.

Particulars	**FY. 2019-20 (Rupees in Lakhs)**	**FY. 2018-19 (Rupees in Lakhs)**
Revenue from Operations	5,476.28	--
Other income	378.11	8.84
Less: Transferred to Capital work in progress	-5,846.48	
Total Income	**7.91**	**8.84**
Cost of mine operation	6483.88	--
Change in inventory	-3075.08	
Cost of transportation	901.47	
Employee benefit expenses	1,092.39	939.44
Finance cost	7282.84	4383.16
Other expenses	1,119.81	2180.28
Depreciation & Amortization expenses	1,394.17	241.33
Less: Expenditure transferred to capital work in progress	-15158.87	-7701.33
Total Expenses	**40.59**	**42.88**
Profit before Exceptional items	-32.68	-34.04
Less: Exceptional items		--
Profit/(Loss) before tax	**-32.68**	**-34.04**
Less: Tax expenses	151.58	246.9
Profit/(Loss) after Tax	**-184.26**	**-280.94**
Less: Any appropriations, if any	--	--
Balance carried to Balance Sheet	**-184.26**	**-280.94**

REVIEW OF OPERATIONS

As per the allotment agreement of Manoharpur and Dipside Manoharpur Coal Mine signed (March' 2015) with Govt. of India (GoI) for supply of coal to Specified End Use Plant (i.e Unit 3, 4, 5 &6 of OPGC) by Odisha Coal and Power Limited, any coal extracted from Coal mine which is in excess of the requirements of coal for Specified End Use Plant and the other plant shall be required to be supplied to Coal India Limited (CIL) at the CIL Notified Price. During the year under review i.e FY.2019-20, the Company has started selling of coal to Mahanadi Coal Fields Ltd. (MCL, as subsidiary of CIL) which was excess due to the constraints in transportation of coal to end use plant associated with its mines.

The company reported a total Income of Rs.7.91 Lakhs with Rs.5476.28 Lakhs as revenue from sale of coal during construction and posted a net loss after tax of Rs.184.26 Lakhs.

DIVIDEND

The Board did not recommend any dividend during the financial year under review.

TRANSFER TO RESERVES

The Board did not recommend any amount for transfer to reserve.

UNSECURED LOAN

During the year under review the Company has not availed any inter-corporate loan from OPGC and OHPC.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under report:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares, sweat equity shares and ESOS to employees of the Company.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and on the date of this report.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

OCPL is in the process of developing the risk management practices to address various developmental and operational risks. The Company has standard operating processes for various developmental activities at present in order to mitigate and prevent risk arising out of various activities and operations. OCPL is currently carrying out coal mine developmental works and its operation has just been commenced for which permits and clearances from different State and Central Govt. agencies are in place. However, the Policy of Government may impact OCPL's development as well as operational strategy in case of any change in law as may be promulgated by Govt.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, as required to be disclosed under the Companies Act, 2013 are given in the Annexure-I to this report.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as Annexure -II to this Report.

DIRECTORS

Mr. Nikunja Bihari Dhal, IAS (DIN 01710101), Chairman OPGC was appointed as Chairman OCPL on 1st June, 2020 in place of Mr. Bishnupada Sethi, IAS (DIN 02268656). Mr. Bishnupada Sethi, IAS (DIN 02268656) and Mr. Manoranjan Biswal (DIN 08778516) were appointed as Directors on 3rd July, 2020 in place of Mr. Bidyadhar Nayak, OFS (SAG) and Mr. Gyana Ranjan Das as Nominee Directors of OHPC. Mr. Indranil Dutta (DIN 03496368) and Mr. Chandan Saha Prashad (DIN 08478500), OPGC nominee Directors, tendered their resignation from the Directorship w.e.f. 10-12-2020.

The Board placed on the record the appreciation for the valuable services rendered by Mr. Bishnupada Sethi, IAS as Chairman & Mr. Bidyadhar Nayak, OFS (SAG), Mr. Gyana Ranjan Das, Mr. Indranil Dutta, Mr. Chandan Saha Prashad as Directors of the Company.

STATUTORY AUDITORS

M/s Anil Mihir and Associates have been appointed as the Statutory Auditors of the Company by Comptroller and Auditor General (C&AG) of India for the year under report. The report of the Statutory Auditors to the shareholders on the accounts for the year 2019-2020 and comments of C&AG of India u/s 143 (6) (b) of the Companies Act,2013 are enclosed as a part of the report.

INTERNAL AUDIT

The Board of Directors of the Company has appointed, after recommendations of the Audit Committee, M/s Tanmaya S. Pradhan & Co, Cost Accountants as internal auditors for conducting Internal Audit. The Internal Auditors monitor and evaluate the efficiency and adequacy of internal control system in the company, its compliances with operating systems, accounting procedures and policies at Corporate and Site Office of the company and reports the same at end of financial year to the Audit Committee and Board.

MANAGEMENT COMMENTS ON STATUTORY AUDITORS' REPORT

The comments of the statutory auditors and management's reply on each of the observations are placed at Annexure – III which form a part of the Directors' Report.

MANAGEMENT COMMENTS ON C&AG OF INDIA REVIEW

Review of the Accounts for the year ended 31st March, 2020 by the Comptroller and Auditor General (C&AG) of India is furnished at Annexure – IV which also forms a part of this report.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

OCPL has not entered into any material contract or arrangement with related parties as defined under Section 188 (1) of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The details of loans, guarantees or investments under Section 186 of the Companies Act, 2013 is given under Notes to Accounts of financial statements.

INTERNAL FINANCIAL CONTROL

The Company has a well-placed, proper and adequate Internal Financial Control system aimed at achieving efficiency in operations, optimum utilization of resources and compliance with applicable laws and regulations. It ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. M/s Jalan & Associates, Charted Accountants have been appointed for assessment and evaluation of the Internal Financial Control systems of the Company and have found the same in order.

ENVIRONMENT, HEALTH & SAFETY (EHS)

Environmental, Health & Safety Management refers to the management of an organization's environmental, Health & Safety programs in a comprehensive, systematic, planned and documented manner. It includes the organizational structure, planning and resources for developing, implementing, maintaining and protecting the environment and health and safety of its stakeholders.

Environment, Health & Safety policy for Manoharpur Coal Mine has been approved and in place. Safety Management Plan for Mining has been prepared and submitted with Directorate General of Mines Safety, Ministry of Labour & Employment, Govt. of India. Further, Revision in Safety Management Plan is under process in collaboration with M/s Bureau Veritas Industrial Solutions (India) Ltd. Meanwhile, OCPL has completed 8.7 million safe man hours cumulatively in all its work sites.

CORPORATE SOCIAL RESPONSIBILITY

The objective of the Company's Corporate Social Responsibility ('CSR') initiatives is to improve the physical quality of life of the residents of the peripheral area. OCPL works in the core sectors of Rural Infrastructure, Sustainable Livelihood Management, Education, Community Health, Training and Skill development and support to Rural sports. The Projects / Activities are decided through a participatory approach with all Key Stakeholders. All the projects have an approval of District Collector to avoid duplicity and meet the requirements of the district. Further the company is contributing to District Mineral Foundation as per the Govt. norms and rules for Periphery Development. The requirements under section 135 of the Companies Act are not met by OCPL from either Net Worth, or Turn over or from Net Profit point of view. Hence, there is no statutory requirement of having a CSR committee for OCPL.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had held five Board meetings during the financial year under review.

AUDIT COMMITTEE

As a measure of good Corporate Governance your company has volunteered to adopt governance norms of the corporate administration and in order to provide assistance to the Board of Directors in fulfilling its oversight responsibilities, an Audit Committee has been constituted by the Board in its 19th Meeting held on 2nd July, 2016 to review the adequacy and effectiveness of internal audit and to monitor the implementation of internal audit recommendations including those relating to strengthening of company's control system against unscrupulous, unethical and fraudulent transactions.

H.R.D. & MANPOWER PLANNING

Your Company believes in retaining and nurturing a highly motivated work force to drive the company along with its vision & mission, the values and work culture that foster operational excellence through team work. The company has prepared a statutory and non-statutory requirement of manpower taking into consideration of lead time for training and external hiring. A dedicated team of 97 employees are working for the development and operation of the coal mine.

The Management provides continuous emphasis on development of the skill set of its people through skill gap analysis and training. Need based training has been imparted to the employees to narrow down the performance gaps. Employees are being regularly sponsored for undertaking trainings, attend seminars and workshops conducted by reputed Govt. and private institutes to keep them updated about the recent developments in their respective sectors.

RIGHT TO INFORMATION

The Corporation has implemented Right to Information Act, 2005 in order to provide information to citizens and to maintain accountability and transparency. The Company has designated a Public Information Officer (PIO) and an Appellate Authority who are dealing with the information/requests of the public in compliance with the applicable provisions of the said Act.

During 2020-21, one application was received under the RTI Act, 2005 and it had been replied.

INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has constituted an internal complaint committee under section 4 of The Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed before the said committee.

INDUSTRIAL RELATIONS

Your company has maintained a healthy, cordial and harmonious industrial relations at all the levels. The year under report has not registered any major concern in the industrial relation front and no man days were lost due to any industrial relation issues. Your Directors wish to place on record their sincere appreciation for the excellent team spirit with which the entire team of the company worked at site and corporate office and made commendable contribution to the all-round progress of the company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under the Section 134 (5) of the Companies Act, 2013 state that:

(a) in the preparation of the annual accounts, the applicable accounting standards have

been followed along with proper explanation relating to material departures;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and the loss of the company for that period;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual accounts on a going on concern basis;

(e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Board of Directors gratefully acknowledge and place on record their appreciation for the support, guidance and co-operation extended to the Company by Department of Energy, Department of Steel & Mines , Department of Revenue & Disaster

Management , Department of Public Enterprise and Forest & Environment Department, etc. of the Govt. of Odisha and Ministries of the Govt. of India particularly the Ministry of Coal, Ministry of Environment & Forest and Climate Change and Coal Controller's Organisation.

Your Directors also place on record their appreciation on the continued co-operation and support received from OPGC, OHPC, IPICOL, IDCO, CIL, MCL, Union Bank of India, Punjab National Bank, ICICI Bank, State Bank of India, AXIS Bank, Yes Bank, REC, PFC, Auditors, Advocates, Solicitors, business associates, shareholders and stakeholders during the year and look forward to continuance of the mutually support relationship in future.

The Board also appreciates the contribution of contractors, vendors and consultants/advisors in the implementation of various activities of the Company.

We also acknowledge the constructive suggestions received from Government of India, Government of Odisha, C&AG of India, Statutory Auditors and Internal Auditors.

Your Directors also wish to place on records their appreciation for the support and co-operation extended by all the members of OCPL family.

For and on behalf of the Board of Directors

Sd/-

CHAIRMAN

ODISHA COAL & POWER LIMITED

Balance Sheet as at March 31, 2020

(₹ in Lakh)

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	5	1,207.28	1,249.85
	(b) Right-of-Use Assets	6	34,664.65	-
	(c) Capital work-in-progress	7	84,807.33	52,261.71
	(d) Other Intangible assets	8	4,437.89	4,606.25
	(e) Financial Assets			
	(i) Loans	9	42.95	39.26
	(ii) Other financial assets	10	771.25	379.43
	(f) Other non-current assets	11	7,107.16	39,048.53
	Total Non - Current Assets		**133,038.50**	**97,585.02**
2	Current assets			
	(a) Inventories	12	3,075.08	-
	(b) Financial Assets			
	(i) Trade receivables	13	3,214.05	-
	(ii) Cash and cash equivalents	14	547.99	432.53
	(iii) Bank balances other than (i) above		-	-
	(iv) Others	15	5.95	1.15
	(c) Current Tax Assets (Net)	16	8.25	13.18
	(d) Other current assets	17	7,279.59	5,596.17
	Total Current Assets		**14,130.92**	**6,043.03**
	TOTAL ASSETS		**147,169.42**	**103,628.05**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	18	34,600.00	30,000.00
	(b) Other Equity	19	(1,080.94)	(896.67)
	Total equity		**33,519.06**	**29,103.33**
	LIABILITIES			
1	Non-current liabilities			
	(a) Financial Liabilities			
	i) Borrowings	20	95,325.25	70,136.18
	ii) Other financial liability	21	1.68	0.84
	(b) Provisions	22	1,076.53	-
	(c) Deferred tax liabilities (Net)	23	708.31	556.73
	Total Non-current liabilities		97,111.78	70,693.75
2	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	24	3,287.08	-
	(ii) Trade payables			
	-Total outstanding dues of micro and small enterprises.		-	-
	-Total outstanding dues of creditors otherthan micro and small enterprises.	25	3,762.21	-
	(iii) Other financial liabilities	26	7,956.49	3,679.63
	(b) Provisions	27	50.11	-
	(c) Other current liabilities	28	1,482.69	151.34
	Total Current liabilities		**16,538.58**	**3,830.97**
	TOTAL EQUITY AND LIABILITIES		**147,169.42**	**103,628.05**
	Notes forming part of the financial statements	**1-40**		

In terms of our report attached.

For and on behalf of the Board

For Anil Mihir & Associates
Chartered Accountants

Sd/-
Indranil Dutta
Director

Sd/-
Pravakar Mohanty
Director

Mihir Ku. Sahu
Partner
(F.R.N: 303038E)
Place : Bhubaneswar
Date :

Sd/-
Manish Tiwari
Company Secretary

Sd/-
A. K. Pattjoshi
Head Finance

Sd/-
K. C. Brahma
CEO (I/C)

ODISHA COAL & POWER LIMITED

Statement of Profit and Loss for the Period Ended March 31, 2020

(₹ in Lakh)

	Particulars	Notes	Period ended March 31, 2020	Period ended March 31, 2019
I	Revenue from Operations	29	5,476.28	-
II	Other Income	30	378.11	100.59
	Less: Transferred to Capital work in progress	7	(5,846.48)	(91.75)
III	**Total Income (I + II)**		**7.91**	**8.84**
IV	**Expenses**			
	(a) Cost of mine operation/excavation	31	6,483.88	-
	(b) Change in inventories of finished goods/ work in progress and stock in trade	32	(3,075.08)	-
	(c) Coal transportation charges		901.47	-
	(d) Employee Benefit expense	33	1,092.39	939.44
	(e) Finance costs	34	7,282.84	4,383.16
	(f) Depreciation and amortization expense	35	1,394.17	241.33
	(g) Other expenses	36	1,119.81	2,180.28
	Less : Expenditure transferred to capital work in progress	7	(15,158.87)	(7,701.33)
	Total expenses (IV)		**40.59**	**42.88**
V	Loss before tax (III - IV)		(32.68)	(34.04)
VI	Tax Expense:			
	(a) Current tax		-	-
	(b) Deferred tax	23	151.58	246.90
	(c) Taxes of earlier years		-	-
	Total tax expense		151.58	246.90
VII	**Loss for the Period (V -VI)**		(184.26)	(280.94)
VIII	**Other Comprehensive Income / (Losses)**			
	(A) (i) Items that will not be reclassified to profit and loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit and loss		-	-
	(B) (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 / (Losses) for the period		-	-
IX	**Total Comprehensive Income / (Losses) for the period (VII+VIII) (Comprising Loss and Other Comprehensive Income for the period)**		(184.26)	(280.94)
X	Earnings per equity share:- Basic and diluted (Rs)	39	(0.06)	(0.09)
XI	**Notes forming part of the financial statement**	1-40		

In terms of our report attached.

For and on behalf of the Board

For Anil Mihir & Associates
Chartered Accountants

Mihir Ku. Sahu
Partner
(F.R.N: 303038E)
Place : Bhubaneswar
Date :

Sd/-
Indranil Dutta
Director

Sd/-
Pravakar Mohanty
Director

Sd/-
Manish Tiwari
Company Secretary

Sd/-
A. K. Pattjoshi
Head Finance

Sd/-
K. C. Brahma
CEO (I/C)

ODISHA COAL & POWER LIMITED

Statement of Cash Flow for the Year Ended March 31, 2020

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(A) Cash flows from operating activities:		
Loss before taxes	(32.68)	(34.04)
Adjustments for:		
Depreciation and amortisation of non-current assets	-	-
Operating profit before Current/Non current assets and liabilities	**(32.68)**	**(34.04)**
Adjustment for:		
Movements in working capital:		
Inventory	(3,075.08)	-
Trade receivable	(3,214.05)	-
(Increase)/ decrease in loans and other financial assets	(4.80)	1.08
(Increase)/decrease in other assets	30,297.62	(6,703.77)
Increase/ (decrease) in other payables & provisions	2,458.00	56.04
Increase/ (decrease) in other financial liabilities	8,039.90	(883.22)
Cash generated from operations	**34,468.91**	**(7,563.91)**
Taxes Paid	4.93	2.41
Net cash flow from operating activities	**34,473.84**	**(7,561.50)**
(B) Cash flows from investing activities:		
Payments for purchase of fixed assets*	(66,999.34)	(21,804.08)
Payments to acquire financial assets	(3.68)	(24.57)
Advance against acquisation of land	(39.67)	(321.68)
Bank balances other than cash & cash equvalent	(391.83)	(379.43)
Net cash used in Investing Activities	**(67,434.52)**	**(22,529.75)**
(C) Cash flows from financing activities:		
Proceeds from issue of shares	4,600.00	-
Other finance by related parties	-	-
Proceeds from long term borrowings from banks	28,476.15	30,009.38
Net cash flow from financing activities	**33,076.15**	**30,009.38**
Net Increase/(decrease) in cash or cash equivalents	**115.46**	**(81.88)**
Cash and cash equivalents at the beginning of the year	**432.53**	**514.40**
Cash and cash equivalents at the end of the year	**547.99**	**432.53**
Notes forming part of the financial statement	Note No. 1-40	

(i) The company has undrawn borrowing of ₹ 4,987.67 lakh (March, 2019: ₹ 33,463.82 lakh) from Banks in respect of the term loan exist as at the reporting date, to settle its capital committmets and future operating activities.
(ii) Figures in brackets represents cash outflows/incomes as the case may be.
(iii) Reconciliation of cash and cash equvalent: Refer note-14 "cash and cash equvalent".
(iv) Reconciliation between the opening and closing balances of liabilities arising from financing activity.

Particulars	Non-current borrowings
Opening balance as at 1st April, 2019	70,136.18
Cashflows during the year	21,258.72
Non cash changes due to:	
-Interest on borrowings compounded during moratorium	7,217.43
-Transaction cost on borrowings	-
Closing balance as at 31st March, 2020	**98,612.33**

In terms of our report attached.

For Anil Mihir & Associates
Chartered Accountants

Mihir Ku. Sahu
Partner
(F.R.N: 303038E)
Place : Bhubaneswar
Date :

For and on behalf of the Board

Sd/-
Indranil Dutta
Director

Sd/-
Pravakar Mohanty
Director

Sd/-
Manish Tiwari
Company Secretary

Sd/-
A. K. Pattjoshi
Head Finance

Sd/-
K. C. Brahma
CEO (I/C)

ODISHA COAL & POWER LIMITED
Statement of Changes in Equity for the Year Ended March 31, 2020

A. Equity Share Capital

(₹ in Lakh)

Balance as at April 1, 2018	Changes in equity share capital during the year	Balance as at March 31, 2019
30,000.00	-	30,000.00

(₹ in Lakh)

Balance as at April 1, 2019	Changes in equity share capital during the year	Balance as at March 31, 2020
30,000.00	4,600.00	34,600.00

B. Other Equity

(₹ in Lakh)

	Reserves and Surplus	
	General Reserve	**Retained earnings**
Balance as at April 1, 2018	-	(615.74)
Loss for the year		(280.94)
Other Comphrehensive Income/ (Losses)		-
Total Comprehensive Income/ (Losses)		**(280.94)**
Transfer of profits of the year to General Reserve	-	-
Balance as at March 31, 2019	**-**	**(896.67)**
Loss for the year		(184.26)
Other Comphrehensive Income/ (Losses)		-
Total Comprehensive Income/ (Losses)		**(184.26)**
Transfer of profits of the year to General Reserve	-	-
Balance as at March 31, 2020	**-**	**(1,080.94)**
Notes forming part of the financial statement	Note No. 1-40	

In terms of our report attached.

For Anil Mihir & Associates
Chartered Accountants

Mihir Ku. Sahu
Partner
(F.R.N: 303038E)
Place : Bhubaneswar
Date :

For and on behalf of the Board

Sd/-
Indranil Dutta
Director

Sd/-
Pravakar Mohanty
Director

Sd/-
Manish Tiwari
Company Secretary

Sd/-
A. K. Pattjoshi
Head Finance

Sd/-
K. C. Brahma
CEO (I/C)

Power Off Taker:

GRIDCO Limited
Janpath, Bhubaneswar

Project Financier':

Power Finance Corporation
Rural Electricity Corporation

Bankers:

State Bank of India
Union Bank of India
Yes Bank Ltd.

Auditors:

Nag & Associates
Chartered Accounts

Registered & Corporate Office:

Odisha Power Generation Corporation Limited
(A Government Company of the State of Odisha)
Zone-A, 7th Floor, Fortune Towers
Chandrasekharpur, Bhubaneswar-751023

Site Office:

IB Thermal Power Station
Banaharpalli, Jharsuguda, Odisha

OPGC
Power for Progress

ODISHA POWER GENERATION CORPORATION LTD.

CIN-U40104OR1984SGC001429

(A Government company of the State of Odisha)

Zone - A, 7th Floor, Fortune Towers, Chandrasekharpur,
Bhubaneswar-751 023