



ANNUAL REPORT
2015-16



OCPL

**Odisha Coal and
Power Limited**



OCPL

**Odisha
Coal and
Power
Limited**

Contents

01. About OCPL	02
02. Board of Directors	03
03. Peripheral Development Initiatives	04
04. Notice for the 1 st Annual General Meeting	07
05. Directors' Report	09
06. Annexures to the Directors' Report	
- Annexure - I : Details of Conservation of Energy	17
- Annexure - II : Extract of Annual Return	18
- Annexure - III : Replies of the Management on the Comments of Statutory Auditors on Accounts for the Year-2015-16	24
- Annexure - IV : Replies of the Management on the comments of C & AG of India on Accounts for the year 2015-16	25
- Annexure - V : Form No. AOC-2	26
07. Independent Auditor's Report	28
08. Balance Sheet as at 31 st March, 2016	38
09. Statement of Profit and Loss for the Year ended on 31 st March, 2016	39
10. Cash Flow Statement for the Year ended 31 st March, 2016	40
11. Significant Accounting Policies	41
12. Comments of the Comptroller and Auditor General of India (Financial Statements)	54



Vision Statement

"To be a pioneering Coal Mining Company in the Country".



Mission Statement

"Production of coal with continuous focus on safety, efficiency and quality in an eco-friendly environment"



Core Values

- Putting Safety first
- Honouring commitment
- Striving for excellence
- Integrity and transparency
- Collaboration and team work

About OCPL



The Odisha Coal and Power Limited (OCPL) was incorporated on 20th January, 2015 as a wholly owned subsidiary company of Odisha Power Generation Corporation Limited (OPGC). Subsequently, pursuant to the Government of Odisha (GoO) notification No. 1088 dated 4th February, 2015 and No. 1160 dated 6th February, 2015 OCPL was converted into Joint Venture Company by transferring 49% equity shares in favour of Odisha Hydro Power Corporation Limited (OHPC). Based on the application of OCPL for allocation of Manoharpur & Dip-side Manoharpur coal blocks, the Nominated Authority, MoC, Gol has allotted these coal blocks in favour of OCPL on 31st Aug 2015 to supply coal exclusively to the OPGC expansion power plants. The Shareholders Agreement (SHA) among OPGC, OHPC and OCPL was executed on 21st April, 2016.

Board of Directors

Mr. Rajesh Verma, IAS
Chairman

Mr. Hemant Sharma, IAS
Director

Mr. Indranil Dutta
Director

Mr. Shital Kumar Jena
Director

Mr. Pravakar Mohanty
Director

Mr. A.K. Mishra
Director

Mr. Ritwik Mishra
Director

Senior Management

Dr. Kshirod Chandra Brahma
Chief Executive Officer (I/C)

Mr. Manish Kumar Tiwari
Company Secretary

Mr. Santosh Kumar Satapathy
Addl. General Manager (Civil)

Mr. Saroj Kumar Kar
Dy. General Manager (Mech.)

Mr. Nihar Satapathy
Dy. General Manager (Mines)

Mr. Ayaskant Kanungo
Dy. General Manager (C&C)

Peripheral Development Initiatives

OCPL has carried forward the legacy of doing different development activities in the community around the peripheral villages of the project. It has sustained the activities previously done by OPGC in the area. The projects are designed with people participation and action plan is made involving all stakeholders. The development intervention includes onetime asset creation activity as well as continuous support to activities which need long term support. Community Development Activities aim at giving back to the society what it earns from within by making a positive impact in the quality of Life of the stakeholders. There are different core areas which the Company addresses:

1. Education– Bridging the Gaps
2. Health and Sanitation including Better health for everybody, Safe Drinking water, Conservation of water bodies & Swaccha Bharat Abhijan- Wellness at the Grassroots
3. Rural Infrastructure - Communication
4. Entrepreneurship and Livelihood Development – Opportunity to self sustain
5. Environment- Plantation and awareness Programme to be Eco-friendly.
6. Sports & Culture- Promoting the traditional culture.

Industrial Training Centre

The main objective of this program is to promote skill development of local youth, exposure to new technology as per the industrial requirement and creation of employment opportunities in collaboration with the industries setting up operations / business in the specified locality. With this background, on

27.03.2014, vide letter No-VT/XV-01/2013, SCTE and VT, the ITI got the necessary permission and affiliation as per guideline framed by DTET, Odisha.

For day to day management and operation of the ITI, a professional organisation called Majhighariani Institute of Technical Education (MITS) has been engaged and as per the guideline of SCVT & ET, the ITI is operating with 1 trade i.e. Electrician (2 +1) with 21 seats effective from February, 2014 for 2 years.

The seat allotment has been framed as per the guideline of DTET with first priority being given to the land ousters / project affected candidates in OCPL Coal Mine area. As the ITI is functioning in Hemgir block, some seats have been reserved for the local candidates. With the above arrangement 14 seats have been reserved for DPs/APs students with free admission and provisioning of other supports like books



material, uniform etc on free of cost. 7 seats have been reserved for the local candidates from the Hemgir Block. Present student's strength is 39 (19 students for 1st batch & 20 for 2nd batch). Out of 39 students 24 are from displaced categories.



The examination process for the 1st batch students under SCVT pattern have been completed for 3

semesters and out 3 semesters in 2 semester result percentage is 100% and third semester result is awaited. Under NCVT pattern 1st semester examination is completed and out of 19 students 18 passed. For the 2nd batch students the 1st semesters has been completed under SCVT pattern and pass percentage is 100%.

Improvement of Quality Education:

For improvement of quality education program in different schools of our project area, every year we are continuing to provide financial support to Village Education Committee (VEC) of different project village. This is meant for engagement of temporary teachers in their schools. These teachers were selected by the local VEC with a recommendation from BDO and Block Education Office (BEO). The main objective of the program is better and quality teaching facilities for the students, improving the performance of students in the school examination, handhold support to other teachers of the schools, reducing the dropout rate in the schools, preserving the cleanliness of the schools, and promoting sports & culture activities in the school.

Shishu Mohatsav (An educational cum talent competition)

On the auspicious occasion of 15th August and 26th January, Odisha Coal and Power Limited organized "Shishu Mahotsav" an educational cum talent competition for the project and periphery areas schools and colleges. The inter school educational and knowledge competition includes curricular and extra-curricular events like essay, debate, quiz, math Race, songs, drawing, rangoli, project work, Mono Acting, Fancy dress, Musical chair skipping, hand writing, balance race etc.

The objective of the festival to identify the talent of students, enhance the quality of education through curricular and extra-curricular activities and create positive competitive mindset among students from the Project affected and periphery villages.

Health Camps:



In our project area health is one of the major hindrances towards development of the poor family and community at large. Even though Govt. has ventured into many new health initiatives because of low literacy awareness and lack of proper coordination, access to the

community at the time of need could not be fully established.

In view of the context 02 numbers diagnostic health camps were organised as part of our sustainable Community Health programme for the project affected people. In both the camps free medicine along with medical consultative services has been given to the people of the project area. The major aim of the program is to

- Enable the community to address health related issues and achieve sustainable improvement in the nutrition and health status in the project area.
- To provide diagnostic facility at door step.

Encouraging Rural Sports:

Sports have been known for bringing in health and cognitive benefits for children as well as adults. Towards this objective, OCPL has been promoting rural sports in the nearby communities. It provides sports kits and actively supports various sport training events. OCPL is being also providing financial assistance to project villages for organizing different cultural events & sports in the area.



NOTICE FOR THE 1ST ANNUAL GENERAL MEETING

Notice is hereby given that the 1th Annual General Meeting of the members of Odisha Coal and Power Ltd. will be held on Friday, December 23, 2016 at 5.30 PM at the Registered Office of the Corporation at Zone-A, Ground Floor, Fortune Towers, Chandrasekharpur, Bhubaneswar to transact the following businesses:-

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss for the year ending on that date together with Directors' Report and Auditors' Report thereon.
- 2) To Declare dividend for the financial year 2015-2016.
- 3) To note the appointment of M/s. Anil Mihir & Associates, Chartered Accountants, as Statutory Auditors and authorize the Board to fix their remuneration.

By order of the Board

Date- 23.12.2016

Zone-A, Ground Floor, Fortune Towers,
Chandrasekharpur,
Bhubaneswar-751 023.

(M.K. Tiwari)
COMPANY SECRETARY

- Encl: 1) Proxy Form
2) Consent Form
3) Copy of the Annual Accounts
4) Communication from C&AG of India

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 have the pleasure in presenting the 1st Annual Report on the project development, performance and operating result of the Company for the financial year 2015-16 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 part of the report.

ABOUT THE COMPANY

Odisha Coal and Power Limited (OCPL) was incorporated on 20th January, 2015 as a wholly owned subsidiary Company of OPGC with an objective of getting back the coal block in compliance with the requirements of the Coal Mines (Special Provisions) Act, 2015. Subsequently, by order of Govt. of Odisha dated 4th & 6th February, 2015, OCPL was converted into joint venture company with shareholding pattern of 51:49 between two state run entities — Odisha Power Generation Corporation (OPGC) and Odisha Hydro Power Corporation (OHPC) respectively.

OCPL applied for allotment of Manoharpur and Dip-Side Manoharpur Coal Blocks (which were earlier allocated to OPGC and subsequently de-allocated by the Order of Hon'ble Supreme Court) through Government dispensation route on 27th February, 2015 and was declared as a successful allottee on 24th March, 2015. Thereafter, OCPL signed Allotment Agreement with the Nominated Authority, Ministry of Coal, Government of India on 30th March, 2015. Amended Allotment Agreement was executed with Nominated Authority, Ministry of Coal, Government of India on 31st August, 2015

followed by the issuance of the Allotment Order on same date, which is being treated as the zero date of allotment.

These coal blocks have been allocated to OCPL to supply coal exclusively to OPGC expansion Power Plants 1,320 MW (2X660 MW super critical units) at Ib valley.

PROJECT DEVELOPMENT HIGHLIGHTS

OCPL has been vigorously pursuing development of Manoharpur & dip-side Manoharpur coal blocks and considerable progress has been achieved. It is planned to produce coal initially from the Manoharpur coal block. The critical milestones viz. land acquisition of mine lease area is complete. Stage –I & II Forest Clearance, Environment Clearance and approval of Mine Plan & Mine Closure Plans are in place. Construction of R&R colony and other infrastructural facilities including temporary mine office and transit guest house have been completed.

The efficiency parameters stipulated in the schedule E of the Allotment Agreement mentions the time limit for individual milestones. During the development period any non compliance of the milestones in the efficiency parameters is liable to appropriation of Performance Security.

Performance Security and Upfront Payment

In compliance with requirements of the Allotment Agreement, Performance Security in the form of Bank Guarantee (BG) for Rs. 153.92 Cr. was submitted with the Nominated Authority, Ministry of Coal, Government of India on 27-04-2015 and further amended on 18-05-2015 having validity till 26-10-2016. The renewed Bank Guarantee has been deposited on 25th

October, 2016 for a period of one year. Up-front payment of Rs. 31.06 Cr. has also been deposited with the Nominated Authority on 27th April, 2015.

Statutory Permits / Clearances:

Your Company has obtained the following statutory permits / clearances till 31st October, 2016:

Manoharpur Coal Block		
Sl. No.	Permits/Clearances	Authority/Department
1.	Revised Mine Plan and Mine Closure Plan (Revision-1) (Along with Allotment Order)	Ministry of Coal
2.	Forest Clearance of Manoharpur coal mines to OCPL	Ministry of Environment & Forest Clearance and Climate Change (MoEF & CC)
3.	Environment Clearance of Manoharpur coal mines to OCPL	Ministry of Environment & Forest Clearance and Climate Change (MoEF & CC)
4.	Consent to Establish for Coal Mine in favour of OCPL	State Pollution Control Board, Odisha
5.	Grant of 5.55 Cusec of water from Hirakud Dam	Department of Water Resources, GoO
6.	Explosive License	Ministry of Commerce & Industry, Petroleum & Explosive Safety Organisation (PESO)
7.	Non-Mineralisation Clearance to OCPL	Directorate of Geology, Odisha
8.	Permanent Power drawal from NTPC	MOP
9.	Power supply permission for R&R colony Phase-I at Sukhabandh	WESCO
10.	Nalla Diversion Permission in favour of OCPL	Department of Water Resources, GoO
11.	Road Diversion Permission in favour of OCPL	Department of Rural Development, GoO
12.	Environment Clearance for R&R Colony to OCPL	State Level Environment Impact Assessment Authority, Odisha / State Pollution Control Board, Odisha
13.	Consent to Establish for R&R Colony in favour of OCPL	State Pollution Control Board, Odisha
14.	Consent to Operate for R&R Colony of OCPL	State Pollution Control Board, Odisha
15.	Site Specific Wildlife Conservation Plan for Coal Mine	Principal Chief Conservator of Forest & Chief Wildlife Warden, Odisha
16.	Ownership of ITC Hemgir	Directorate of Technical Education and Training, Odisha, Cuttack

Dip-Side Manoharpur		
1.	Prospecting License (PL) deed execution	Govt. of Odisha
2.	PL Registration	Registering Authority, Collector, Sundargarh
3.	Permission for drilling of boreholes in forest area	Forest & Environment Department, GoO

Mine Plan

OCPL has the approved mine plan (Revision-1) but for adoption of new technology in the coal mining area, CMPDIL has been appointed to prepare revised mine plan (Revision-2) and mine closure plan with a long term planning for Manoharpur and Dip-Side Manoharpur coal blocks having the provision for application of In-pit Crushing and Conveying (IPCC) technology and new CHP design.

Drilling

Manoharpur coal block is an explored one with a total net geological reserves of 181.68 MT of coal. Dip side of Manoharpur block is a regionally explored block with a total indicated reserves of 350 MT of coal.

OCPL has awarded the contract for detailed coal exploration in Dip side of Manoharpur Block to M/s South West Pinnacle Exploration Pvt. Ltd. and preparation of Integrated Geological Report on Manoharpur and Dip Side of Manoharpur Coal Blocks to CMPDIL. The chemical analysis of coal is being carried out by IMMT, Bhubaneswar.

Land and R & R

Out of the total area of private land i.e. Ac. 982.10, registration for an area of Ac. 856.56 with IDCO has been completed. Lease deed for an area of Ac. 125.84 is in process with IDCO. IDCO has allotted Ac. 698.21 and given permissive possession for Ac. 46.63 to OCPL out of the total area of Govt. land i.e. Ac. 786.89. The balance is in process at various levels.

Rehabilitation and Resettlement:

The shifting of Manoharpur villagers to the R&R colony at Sukhabandh, Hemgir has commenced. Till 31st October, 2016, 57 families from Manoharpur village have shifted to the R&R colony. The Pattas are being handed

over to the beneficiaries by the administration. The Annuity Scheme has been implemented through LIC, India and the first disbursement has been made in the 1st week of November, 2016.

Significant and Material Order Passed by the Regulators or Court or Tribunal impacting the going concern status and Company Operations in future

OCPL received a show cause notice from the Nominated Authority, MoC, GoI, on 28th April, 2016 for the delay in obtaining the Prospecting License (PL) for Manoharpur & Dip-side Manoharpur Coal Mines. It has been replied by OCPL explaining the reasons of delay which are on account of the late issuance of prior approval under Section 5 (1) of the MMDR Act, 1957 by the Ministry of Coal, Govt. of India.

Request has been made to the Nominated Authority to drop this show cause notice.

Shareholders Agreement

Shareholders Agreement was executed among the Odisha Power Generation Corporation Limited, Odisha Hydro Power Corporation Limited and Odisha Coal and Power Limited on 21st April, 2016 upon its approval from the Govt. of Odisha and approval from the respective Board's.

Project Target-Project Schedule:

Allotment Agreement has been signed with the Nominated Authority, Ministry of Coal specifying the time line to start the mine operation after the 44 months i.e. 1st May 2019 from the zero date i.e. 31st August 2015.

Capital Structure

The Authorised Share Capital of the Company is Rs. 350.00 crore, divided into 3,50,00,000 Equity Shares of Rs. 10/- each. The paid up Equity Share Capital of the Company stands at



Rs. 100.00 crore. The entire paid up Equity Share Capital are held by Odisha Power Generation Corporation Limited and Odisha Hydro Power Corporation Limited in the ratio of 51:49.

Long Term Financing

The project cost of Manoharpur coal mine has been approved by the Board amounting to Rs. 1382 crores. The revised mine plan and cost estimate for the project is under preparation by CMPDI. So far the equity contributions from the share holders are Rs. 100 Cr. from OPGC and OHPC. The debt portion is proposed to be financed through Financial Institutions/

Commercial Banks. Memorandum of Agreement has been signed with PFC for a term loan of Rs. 518 Crore. Sanction for an amount of Rs. 518 Crore has been received from REC.

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 below for easy appreciation of the financial health of the company.

(Rs. in Lakhs)	
Particulars	2015-16 (15 months)
Revenue from Operations	--
Other income	6.82
Total Income	6.82
Cost of material consumed	--
Employee benefit expenses	--
Administrative & other expenses	86.76
Finance Cost	--
Depreciation & Amortization expenses	--
Total Expenses	86.76
Profit before Exceptional items	(79.94)
Less: Exceptional items	--
Profit/(Loss) before tax	(79.94)
Less: Tax expenses	--
Profit/(Loss) after Tax	(79.94)
Less: Any appropriations, if any	--
Balance carried to Balance Sheet	(79.94)

REVIEW OF OPERATIONS

During the year under review, the Total Income was Rs. 6.82 Lakhs with no revenue from operation. The Company posted a net loss after tax of Rs. 79.94 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

Inter-corporate loan from Odisha Power Generation Corporation Limited and Odisha Hydro Power Corporation Limited stands at Rs.95.68 Cr. and Rs.30 Cr. respectively as on

31st March, 2016. However, inter-corporate loan of Rs. 50.97 Cr. and Rs. 30 Cr. of OPGC and OHPC respectively was converted into equity shares on 2nd July, 2016. Further, an advance against equity amounting to Rs. 18.98 Cr. given by OHPC was adjusted towards issue of equity shares on 2nd July, 2016.

Subsequently, OHPC has advanced an amount of Rs. 80 Cr. as inter-corporate loan. Hence, the balance of inter corporate loan stands at Rs. 49.21 Cr. and Rs. 80 Cr. from OPGC and OHPC respectively.

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 ends 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 has inbuilt 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 carrying out coal mine development and plans for its operation complying with the regulatory and statutory requirements. Hence, Policy of Government may impact OCPL's development as well as operational strategy. OCPL's risk management process revolves around following parameters:

1. Risk Identification and Impact Assessment
2. Risk Evaluation
3. Risk Reporting and Disclosure
4. Risk Mitigation

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. Hemant Sharma, IAS, (DIN 01296263) and Mr. A.S. Roa (DIN 00307270) are first Directors of the Company upon incorporation. Subsequently, Mr. Indranil Dutta, (DIN 03496368) and Mr. Sital Kumar Jena (DIN 05169683) & Mr. Santosh Kumar Sahu (DIN 05297051) were inducted on the Board of Directors as nominee of OPGC and OHPC respectively. Mr. B K Behera (DIN 06725949) was inducted on the Board on 17th February, 2016 in place of Mr. Santosh Kumar Sahu upon withdrawal of his nomination by OHPC.

Upon execution of the Shareholders Agreement among OPGC, OHPC and OCPL on 21st April, 2016, Chairman OPGC became the Chairman OCPL and 3 more Directors from OPGC (4



Directors from OPGC in toto) and 3 Directors from OHPC are required to be nominated in the OCPL Board.

Accordingly, Mr. Rajesh Verma, IAS (DIN 01725746), Chairman OPGC was appointed as Chairman OCPL and Mr. Indranil Dutta, Mr. Hemant Sharma were nominated as nominee of OPGC and Mr. Ritwik Mishra (DIN 00306939) was also nominated as a nominee Director of OPGC in place of Mr. A S Rao. Further Mr. B K Behera and Mr. Shital Kumar Jena were nominated as nominee of OHPC and Mr. Aswini Kumar Mishra was appointed as nominee of OHPC with effect from 2nd June, 2016.

The Directors place on record their appreciation for the valuable services rendered by Mr. A S Rao and Mr. Santosh Kumar Sahu during their tenure as Directors of the Company.

STATUTORY AUDITORS

M/s Panda & Associates, Chartered Accountants, (Firm Regn. No.320015E) 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 2015-16 (20th January, 2015 to 31st March, 2016) and comments of C&AG of India u/s 143 (6) (b) of the Companies Act, 2013 are enclosed as part of the report.

INTERNAL AUDIT

M/s. SAP SJ & Associates, Cost Accountants (Firm Regn. No. 000445) were appointed as the Internal Auditors. 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 Corporate and Site Office of the Company and reports the same on quarterly basis 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 in Annexure – III which form a part of the Directors' Report and Members' 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 March 31, 2016 by the Comptroller and Auditor General of India (C&AG) as furnished at Annexure – IV which also form a part of this report and Management's replies thereto 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

OCPL 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 inter-corporate loans and advances from Odisha Power Generation Corporation Limited and Odisha Hydro Power Corporation Limited under a well defined policy duly approved by the Board of Directors. Particulars of such arrangements are placed in Form AOC-2 pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 as Annexure-V.

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 CONTROL

The Company has a well placed, proper and adequate Internal 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. Firm of Cost Accountants are appointed as auditors for conducting internal audit. The Internal Auditors independently evaluate the adequacy of internal controls and audit the majority of the transactions in value terms. 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.

ENVIRONMENT, HEALTH & SAFETY (EHS)

Environmental Management refers to the management of an organization's environmental programs in a comprehensive, systematic, planned and documented manner. It includes the organizational structure, planning and resources for developing, implementing and maintaining policy for environmental protection.

CORPORATE SOCIAL RESPONSIBILITY

OCPL's vision of sustainable growth drives equally both business decisions as well as Corporate Social Responsibility (CSR) initiatives for OCPL. OCPL works in the core sectors of Education, Community Health, Sustainable Livelihoods development, rural infrastructure development, skill development and support to rural sports training. The requirements under section 135 of the Companies Act are not met by OCPL from either Net Worth, nor Turn over nor from Net Profit point of view. Hence, there is no statutory requirement of a CSR committee.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had held seventeen 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 the Board's oversight responsibilities, an Audit Committee has been constituted by the Board in its 19th Meeting held on 2nd July, 2016 comprising of three Directors to reviews the adequacy and effectiveness of internal audit and monitors 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 empowering the manpower through excellence and team work along its vision and mission with development and operation of its core areas. The company has prepared a statutory and non-statutory requirement of manpower taking into consideration lead time for training and external hiring. The Board of Directors have approved a manpower budget of 130 positions for Corporate and Site office in the first phase. To achieve the milestones and carrying out different jobs a dedicated team 32 officials have been deputed to OCPL from OPGC. Apart from the deputed employees, a few employees have been taken in direct contract & outsourcing pay roll as per the approval of the Board for supporting the work of the Company.

Need based training has been imparted to the workforce to narrow down the performance gaps.

INDUSTRIAL RELATIONS

Your company has maintained 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 spirit with which the entire team of the company worked at site and corporate office 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 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 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 various departments of the Govt. of Odisha and Ministries of the Govt. of India particularly the Ministry of Coal and Ministry of Environment & Forest and Climate Change.

Your Directors also place on record their appreciation on the continued co-operation and support received from OPGC, OHPC, IDCO, MCL, State Bank of India, Yes Bank, REC, PFC, Auditors, Solicitors, business associates and shareholders 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 projects of the Company.

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

Your Directors also wish to place on records their appreciation for the support and co-operation extended by all members of the OCPL family.

For and on behalf of the Board of Directors
Sd/-
CHAIRMAN

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	• Energy efficient LED Bulbs
(ii)	the steps taken by the company for utilising alternative sources of energy	Nil
(iii)	the capital investment on energy conservation equipments	
B Technology absorption		
(i)	the efforts made towards technology absorption	Nil
(ii)	the benefits derived like product improvement,	Nil
(iii)	in case of imported 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		
(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 31.03.2016**

[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	U10100OR2015SGC018623
ii)	Registration Date	20th January 2015
iii)	Name of the Company	Odisha Coal and Power 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, Ground 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	Coal Production	051	Nil
2			

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

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 01.04.2015)				No. of Shares held at the end of the year (As on 31.03.2016)				% 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)									
d) Bodies Corp.		50000	50000	100.00		50000	50000	100.00	
e) Banks / FIs									
f) Any other									
Sub-total (A) (1) :-									
(2) Foreign									
a) NRIs Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks / FIs									
e) Any other									
Sub-total (A) (2) :-									
Total shareholdings of Promoter (A) = (A) (1) + (A) (2)		50000	50000	100		50000	50000	100	
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) FIs									
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 Rs. 1 lakh									
ii) Individual shareholdings holding nominal share capital in excess of Rs. 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)		50000	50000	100.00		50000	50000	100.00	

ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2015)			Shareholding at the end of the year (As on 31.03.2016)			% change in shareholding during the year
		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	
1	Odisha Power Generation Corporation Ltd.	25500	51.00		25500	51.00		Nil
2	Odisha Hydro Power Corporation Ltd.	24500	49.00		24500	49.00		Nil
	Total	50000	100.00		50000	100.00		

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

SI No.	Shareholder's Name	No. of Shares	% of total shares of the company
1	Odisha Power Generation Corporation Ltd.	0	Nil
2	Odisha Hydro Power Corporation Ltd.	0	Nil
	Total	0	Nil

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

SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (As on 01.04.2015)		Cumulative Shareholding during the year (01.04.2015 - 31.03.2016)	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
a	At the beginning of the year as on 01.04.2015	NA			
b	Changes during the year	NA			
c	At the end of the year as on 31.03.2016	NA			

v) Shareholding of Directors and Key Managerial Personnel:

SI No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (As on 01.04.2015)		Cumulative Shareholding during the year (01.04.2015 - 31.03.2016)	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
a	At the beginning of the year as on 01.04.2015	NA			
b	Changes during the year	NA			
c	At the end of the year as on 31.03.2016	NA			

V. INDEBTEDNESS

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

Rs. In Lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)				
Change in Indebtedness during the financial year				
• Addition		12605.55		12605.55
• Reduction				
Net Change		12605.55		12605.55
Indebtedness at the end of the financial year				
i) Principal Amount		12568.21		12568.21
ii) Interest due but not paid		37.34		37.34
iii) Interest accrued but not due				
Total (i + ii + iii)		12605.55		12605.55

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and / or Manager: NA**

Sl No	Particulars of Remuneration			Total Amount
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 (A)	-	-	-
	Ceiling as per the Act			



B. Remuneration to other directors:

NA

SI No	Particulars of Remuneration	Name of Directors: Mr. Shital Kumar Jena					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					64,000	
	b) Commission						
	c) others, please specify						
	Total (2)						
	Total (B) = (1 + 2)					64,000	
	Total Managerial Remuneration (A + B)						
	Overall ceiling as per the Act						

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

NA

SI 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 / Compounding 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

Management reply on the Statutory Auditors Comments

Sl. No	Statutory Auditor's observation	Management's reply
1	<p>On analysis of Inter corporate borrowings from OPGC, it was observed that there was a difference of Rs. 44,44,270.00 as detailed below;</p> <p>Loan balance as on 31.03.2016 as per OPGC - Rs. 96,12,65,045.00 Loan balance as on 31.03.2016 as per OCPL - <u>Rs. 95,68,20,779.00</u> Difference: <u>Rs. 44,44,266.00</u></p> <p>As explained to us, the said expenses of Rs.44,44,266.00 incurred by OPGC on behalf of OCPL were not duly acknowledged as expenditure by OCPL. This has resulted in understating the Capital WIP (Asset) and Short Term Loan (Liability) in the financial statement of OCPL.</p>	<p>The difference of Rs. 44,44,266.00 pertains to certain employee related expenses and rent for office accommodation of deputed staffs of OPGC. The difference still exists, as the employees were not deputed to OCPL on secondment basis during that period.</p>
2	<p>On analysis of vouchers, it was observed that supporting of expenditure to the tune of Rs.10,15,07,103.00 incurred by OPGC on behalf of OCPL during the period from 01.04.2015 to 31.08.2015 were not produced before us for verification. However, in support of the above expenditure an Audit certificate issued by the Statutory Auditor of OPGC was produced before us as a token of evidence. Thus, we have relied on the said audit certificate so far as expenditure to the tune of Rs.10,15,07,103.00 incurred during the year by the company.</p>	<p>OPGC has already been requested to give details of expenditure to the tune of Rs.10.15 Crore for our record purpose. However, OPGC has submitted the Statutory Auditor's certificate in this regard.</p>
3	<p>On evaluation of Internal Financial Control, it was observed that the management has not formulated any formal Internal Financial Control mechanism to be followed by the company.</p>	<p>OCPL have initiated the process for implementation of IFC during the year 2016-17. However, noted for future course of action.</p>

Annexure - IV

Management reply to Comments of the Comptroller And Auditor General of India under section-143(6)(b) of the Companies Act, 2013 on the accounts of Odisha Coal and Power Limited for the year ended 2015-16.

Sl.	C & AG Final Comments	Management reply
1	<p>No-ES-I(T)/Accts/OCPL/2015-16/17/16-17/246 Dated: 04.10.2016 Balance Sheet Assets Non-current Assets Fixed Assets Capital Work-in Progress: Rs.125.24 crore</p> <p>The above includes an amount of Rs. 10.24 crore being the claim of Odisha Power Generation Corporation Limited (OPGC) towards interest on the loan of Rs 79.66 crore for development of Manoharpur and Dip-side Manoharpur Coal blocks, to be transferred to the company after getting approval of Govt. of Odisha. Since the loan amount does not exist in the books of accounts of the Company, accounting of interest on the same is not justified. This has resulted in overstatement of capital Work in Progress and current liabilities by Rs 10.24 crore each.</p>	<p>As per clause 5.7 of Shareholders Agreement signed among the OCPL, OPGC & OHPC on 21.04.2016, the expenditure incurred by OPGC, the prior allottee, for development of Manoharpur & Dip-side Manoharpur coal blocks shall be payable by OCPL to OPGC after certification by Statutory Auditors of OPGC and approval by Government of Odisha. Approval of Govt. of Odisha is awaited.</p> <p>Part of the above expenditure was met by OPGC out of loan drawn from PFC for Rs.79.66 Crore which will be brought to books of OCPL on its approval by Govt. of Odisha. Board of Directors in their meeting held on dated 19th March 2016 had approved to transfer the loan availed by OPGC for incurring expenses on development of Coal Mine. Since the approval of Govt. of Odisha is awaited, the loan amount along with expenditures has not been accounted in the books of OCPL. However the interest of Rs.10.24 Crore which was served by OPGC for the Loan of Rs.79.66 Crore during 2015-16 and shown as receivable in compliance to Accounting Standard 21 and Companies Act 2013, is accounted in the books of accounts of OCPL.</p> <p>OCPL is the subsidiary company of OPGC. Therefore, the accounting policies and principles of the Holding company have been followed for consolidation of the financial statement in OCPL for the year ended 2015-16 in compliance with the Sec-129 of the Companies Act, 2013.</p>
2	<p>The above does not include an amount of Rs 0.11 crore payable to M/s Wadia Techno-Engineering Service Ltd towards Consultancy charges of Coal mine for the period from 01.09.2015 to 31.03.2016. The above also does not include an amount of Rs 0.10 crore payable towards technical & other consulting service (Module-4) for development of Manoharpur Coal Block to Norwest Corporation, USA for the work performed during 2015-16. This has resulted in understatement of Capital Work in Progress and other current liabilities to the extent of Rs 0.21 crore</p>	<p>Expenses amounting to Rs. 10.57 lakh payable towards Consultancy to M/s Wadia Techno Engineering Services Ltd related to the period 1st Sept 2015 to 31st March 2016 could not be accounted due to deficiency in submission of statutory documents / clearances by the consultant. Since OCPL is at development stage and this contract is ongoing, the payment has been released receiving the statutory documents /clearances and subsequent transfer of the contract to OCPL.</p> <p>The observation is noted for future reference.</p>



3	The above includes an amount of Rs 0.25 crore being prepaid bank guarantee commission paid for the period 01.04.2016 to 26.04.2016. This has resulted in overstatement of Capital Work in Progress and understatement of prepaid expenses by the same amount.	This is the first year for OCPL to submit the Bank Guarantee (BG) to Nominated Authority which was meant for 18 months ending in Oct 2016. The expenses incurred are to be capitalized. The Company paid an amount of Rs 24,73,690/- towards commission to bank for issue of BG for submission with Nominated Authority which is one time cost. It is a periodic expenses till the peak rated capacity of the mine is achieved. In view of periodic cost / onetime expenses it is accounted during the year 2015-16 in which it is incurred . Since all the expenditure during development of coal mines to be capitalized , it will not affect the financial position of the company.
---	---	--

Annexure - V

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship:
 - i. OPGC Ltd., Holding Company
 - ii. OHPC Ltd, (OCPL's Directors are Director in OHPC)
 - (b) Nature of arrangements: Inter Corporate Loan
 - (c) Duration of the arrangements: Open Ended
 - (d) Salient terms of the arrangements including the value, if any: Inter-corporate loan from OPGC Rs.95.68 Cr. and from OHPC Rs. 30 Cr.
 - (e) Justification for entering into such arrangements: As per Board approval
 - (f) Date(s) of approval by the Board: 17th April, 2015; 20th April, 2015; 8th July, 2015 and 9th November, 2015.
 - (g) Amount paid as advances, if any: NIL
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NA
2. Details of material contracts or arrangement or transactions at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship: NA
 - (b) Nature of contracts/arrangements/transactions: NA
 - (c) Duration of the contracts / arrangements/transactions: NA
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
 - (e) Date(s) of approval by the Board, if any: NA
 - (f) Amount paid as advances, if any: NA

Financials

	2015	2016	2017
...	15.13	25.30%	...
...	40.45	70.10%	...
...	60.15	51.14%	...
...	40.14	35.54%	...
...	15.13	51.14%	...
...	40.14	81.13%	...
...	12.20	30.48%	...
...	...	35.54%	...
...	...	55.64%	...



Independent Auditors' Report

To
The members of
ODISHA COAL AND POWER LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of ODISHA COAL AND POWER LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements Subject to our observations in enclosed Annexure-D give the information required by 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 of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. Since the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, is not applicable to the Company, we have nothing to report in the matters specified in 'Annexure A'.
2. As required by the Directions issued by The Comptroller and Auditor General of India in terms of Subsection (5) of the Section 143 of the Act, we give in Annexure-C a statement on the matters specified in the aforesaid Directions to the extent applicable.
3. As required by Section 143(3) of the Act, we report that:
 - (a) 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.
 - (b) 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the clarification furnished before us since the company is a Government Company the disqualification of Directors u/s 164(2) of the Companies Act 2013 is not applicable.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- (g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has not disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provisions as required under the applicable law or accounting standards, for material foreseeable losses if any, on long-term contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For PANDA & ASSOCIATES
Chartered Accountants
(Firm's Registration NO.-320015E)

PLACE : BHUBANESWAR
DATE : 22nd August 2016

Sd/-
(NIRANJAN PANDA)
(Partner)
(Membership No.-054829)

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)- NOT APPLICABLE

Annexure - B to the Auditor's Report

Report on Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Odisha Coal and Power Limited as of 31st March, 2016 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 control 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 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 the business, including adherence to the Company's policies, the safe guarding of the assets, the prevention and detection of frauds and errors, the accuracy & completeness of accounting records, and the timely preparation of reliable financial information, as required by the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by Institute of Chartered Accountants of India. Those standards and Guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the adequate internal financial controls over financial reporting were 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting 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 auditors judgment including the assessment

of the risks of material misstatement of the 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 systems over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 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 the 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 material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of conclusion 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 over financial reporting to future periods are subject to risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may be deteriorated.

Opinion

In our opinion subject to our observation in 'Annexure-D', the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, 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 Institute of Chartered Accountants of India.

For PANDA & ASSOCIATES
Chartered Accountants
(Firm's Registration NO.-320015E)

Sd/-
(NIRANJAN PANDA)
(Partner)
(Membership No.-054829)

PLACE : BHUBANESWAR
DATE : 22nd August 2016

Annexure - C to the Auditor's Report

Referred to our report of even date

MANUFACTURING :

As the company is not coming under Manufacturing Sector, we have nothing to report in this clause.

MINING SECTOR

1. To the best of our knowledge & according to the information and explanations given to us, the legal formalities for land acquisition of the company are going on. Thus the company has not started any of its operation. However the company has applied & obtained Forest Clearance vide Letter No F. No. 8-63/2011-FC Dt. 30/11/2015 and also obtained environmental clearance Vide Letter No. J-1015/439/2008-IA-II(M) Pt. Dt. 30/12/2015. The Rehabilitations Resettlement program for displaced people is in progress. During the year under audit the company has spent Rs. 3014.60 Lakhs for Rehabilitations Resettlement Purpose.
2. According to the information and explanations given to us, the company is in process obtaining of the statutory clearances required under mining and environmental rules regulations, the details of which has been enumerated in 'Annexure C1' enclosed herewith.
3. To the best of our knowledge & according to the information and explanation given to us, the legal formalities for land acquisition of the company are going on. Thus the company has yet to start its mining operation. Thus the question of overburden removal and back filling of mines does not arise.
4. According to the information and explanations given to us, the company has neither disbanded nor discounted any mines during the year.
5. According to the information and explanations given to us, since the company is in its initial stage of land acquisition, the effect of rehabilitation activity and mine closure plan has not been accounted for in the company's Financial Statements.

POWER GENERATION & DISTRIBUTION SECTOR :

Since the company is in its initial stage of land acquisition etc. and neither started power generation nor power distribution activities, we have nothing to report under this clause.

OTHER MATTERS :

1. According to the information and explanations given to us, the company has not so far acquired any clear title/lease deed for freehold and leasehold land respectively. The Revenue village wise position of land applied, sanctioned and allotted to the company for Government land, Private Land and Forest Land are enclosed herewith and marked as 'Annexure C2' series.
2. To the best of our knowledge & according to the information and explanations given to us, there are no cases of waiver/write off of debts/loans/interest etc. during period under audit.
3. To the best of our knowledge & according to the information and explanations given to us, there are no inventories lying with the third parties and no assets are received as gift/grants from the Government or other authorities.

Annexure - C1
Status of Permits & Clearances
Manoharpur Block

Permits & Clearances	Status	Remarks
Commencement plan	Under process	Letter No OCPL/252 Dt. 28/09/2015
Approval of Mining Plan	Approved & Transferred (Revision 1)	Mining Plan and Closure plan (Revision II) under preparation by CMPDI
Previous Approval	Under Process	Proposal is at MoC, Letter No 115/IV(Coal) SM-13/2015(pt)/SM dated 05.01.2016
Forest Clearance	Transferred	F. No. 8-63/2011-FC Dt. 30/11/2015
Environment Clearance	Transferred	Letter No. J-1015/439/2008-IA- II(M) Pt. Dt.30/12/2015
Grant of Mining Lease	Under Process	Letter No OCPL/153 Dt. 04/09/2015
Approval for Land Acquisition	Transferred	Letter No. 11419/SM IV(Coal) SM-13/2015, Dt.24/11/2015
Opening of Escrow Account		Planned to be opened after execution of Mining Lease
Opening Permission		Application yet to be Submitted to Coal Controller
Ground Water Clearance	Obtained but awaited for renewal	Letter no 21- 4(380)/CGWA/SER/2011-1743 Dt.29/11/2011. Renewal application no - OCPL/165 Dt. 08/09/2015
Working Permission from DGMS		Yet to be Obtained before Scheduled coal Production
Consent to Establish/ Operate from State Pollution Control Board	Transferred	Letter No. 5481/Ind-II-NOC- 5430, Dt.28/03/2016
License for Storage, handling & consumption of explosives from PESO	Transferred	Letter No- A/E/HQ-OR/22/297(E69927) Dt.20/01/2016
NOC for Storage, Handling & Consumption of Petrol/ Diesel/Lubricants from District Authorities	Under the Process of Transfer	Vide Letter No. OCPL 175 Dt. 08/09/2015
Electrical Connectivity for Manoharpur Coal Block	Under the Process of Transfer	As mentioned in the Pre-Commencement Report
Nalla Diversion	Transferred	Vide Letter No. 8693/WR Dt. 12/04/2016
Road Diversion	Transferred	Vide Letter No. 28541600052012/RD Dt.18/01/2016
Site Specific Wildlife Conservation Plan	Under the process Transfer	Letter No. OCPL/167 Dt. 08/09/2015
Environment clearance for resettlement & Rehabilitation colony	Under the process of Transfer	Letter No. OCPL/174 Dt. 08/09/2015
Consent to Establish for Resettlement & Rehabilitation Colony	Transferred	Letter No. 5483/Ind-II-NOC-5845 Dt.28/03/2016
Non-Mineralization Certificate for Mine Colony Land	Transferred	As mentioned in the Pre-Commencement Report. Dt.17/10/2015

Dip-Side of Manoharpur Block

Permits & Clearances	Status	Remarks
Commencement Plan	Under process	Letter No. OCPL/252, Dt. 28/09/2011
Prospecting License	Obtained	Letter No. 212/IV(Coal) SM- 13/2015/SM, Dt. 08/01/2016
Previous Approval	Transferred	Letter No. F. No. 103/25/2015/NA, Dt.18/12/2015
Forest Clearance	Transferred	As mentioned in Pre Commencement Report. Dt.10/12/2015
Execution of Prospecting License	Executed	Dt. 10.02.2016

Annexure - C2

Status of land Acquisition

Government Land Status as on 11th August, 2016

PROJECT	VILLAGE	APPLIED Through IDCO	SANCTIONED to IDCO by State Govt	BALANCE	LEASE With State Govt. by IDCO	POSSESSION TO IDCO	ALLOTMENT By IDCO TO OCPL
Coal mine	Manoharpur	385.80	385.65	0.15	346.66	346.66	346.66
	Dulinga	173.77	172.94	0.83	162.46	162.46	162.46
	Ghumudasan	52.53	52.31	0.22	50.61	50.61	50.61
	Paramanandpur	3.05	3.05	-	2.89	2.89	2.89
	Kathapali	105.79	105.71	0.08	105.71	105.71	105.71
	Durubaga	5.01	5.01	-	2.30	2.30	2.30
SUB TOTAL		725.95	724.67	1.28	670.63 *	670.63	670.63
R & R colony	Sukhabandha	77.07	77.07	-	77.07	77.07	
	Hemgir	102.90	102.90	-	102.90	102.90	
SUBTOTAL		179.97	179.97	-	179.97	179.97	-
Addl. Coal mine	Manoharpur	7.02	3.68	3.34	3.68	3.68	3.68
	Dulinga	26.15	26.15	-	23.90	23.90	23.90
	Ghumudasan	28.72	17.71	11.01	3.23	3.23	
SUBTOTAL		61.89	47.54	14.35	30.81	30.81	27.58
Magazine	Laikera	2.13	2.13	-	-		
Sub Station	Sarbahal	15.08	15.08	-	-		
ITC	Kamalaga	4.00	4.00	-	-		
Office	Hemgir	2.00	2.00	-	2.00	1.00	
Mine Colony	Laikera	30.88	-	30.88			
Approach Road to R&R Colony	Sukhabandha	2.08	-	2.08	-	-	
Inter Connectivity Road	Sukhabandha	0.76	-	0.76	-	-	
	Hemgir	2.61	-	2.61	-	-	
Cremation Ground for R&R Colony	Sukhabandh	1.57	-	1.57	-	-	
TOTAL		1,028.92	975.39	53.53	883.41	882.41	698.21



Private Land Status as on 11th August, 2016

PURPOSE	VILLAGE	Applied Area	Possession Acres to IDCO	Balance Area
COAL MINE	Manoharpur	497.17	497.17	0.00
		29.78	29.78	0.00
	Ghumudasan	93.59	93.59	0.00
		3.16	3.16	0.00
	Dulinga	105.72	105.72	0.00
	Kathphali	32.34	32.34	0.00
	Paramanapu	14.46	14.46	0.00
	0.47	0.47	0.00	
SUB-TOTAL		776.69	776.69	*
Addl. Land for Coal Mine	Ghumudasan	125.54	0.00	125.54
	Dulinga	55.96	55.96	0.00
	Kathphali	12.85	12.85	0.00
	Manoharpur	11.06	11.06	0.00
SUB-TOTAL		205.41	79.87	125.54
Mine Left Out	Manoharpur	1.30	-	1.30
	Ghumudasan	1.54	-	1.54
	Dulinga	3.59	-	3.59
	Sub-Total	6.43	-	6.43
Mine Colony	Laikera	69.11	-	69.11
-	Sub-Total	69.11		69.11
GRAND TOTAL		1,057.64	856.56	201.08

Forest Land Status as on 11th August, 2016

Name of The Village	Diversified Land Total Area in Ace.	Possession Taken	Remaining Area
Dulinga	15.01	15.01	0
Parmanandpur	13.61	13.61	0
Manoharpur	390.71	216.42	174.29
Durubaga	14.63	14.63	0
Ghumudasan	24.5	24.5	0
Resver Forest	5		
Kathapali	31.89	0	31.89
Total	495.35	284.17	206.18

Annexure - D

(Referred to in opinion paragraph of our report of even date)

1. On analysis of Inter Corporate Borrowings from OPGC, it was observed that there was a difference of Rs.44,44,270.00 as detailed below

Loan Balance as on 31.03.2016 as per OPGC-	Rs. 96,12,65,045.00
Loan Balance as on 31.03.2016 as per OCPL -	Rs. 95.68,20.779.00
Difference	Rs. 44,44,266.00

As explained to us, the said expenses of Rs.44,44,266.00 incurred by OPGC on behalf of OCPL were not duly acknowledged as expenditure by OCPL. This has resulted in understating the Capital WIP (Asset) and Short Term Loan (Liability) in the financial statement of OCPL.

2. On analysis of vouchers, it was observed that supporting of expenditure to the tune of Rs.10,15,07,103.00 incurred by OPGC on behalf of OCPL during the period from 01.04.2015 to 31.08.2015 were not produced before us for verification.

However, In support of the above expenditure an Audit Certificate issued by the Statutory Auditor of OPGC was produced before us as a token of evidence. Thus we have relied on the said audit certificate so far as expenditure to the tune of Rs.10,15,07,103.00 incurred during the year by the Company.

3. On evaluation of Internal Financial Control, it was observed that the management has not formulated any formal Internal Financial Control mechanism to be followed by the company.



Balance Sheet as at 31st March, 2016

(Annexure-A)

(Period from 20.01.2015 to 31.03.2016)

₹ in Lakh

PARTICULARS	Note No.	As at 31st March,2016
I.EQUITY AND LIABILITIES		
(1) Shareholders'Fund		
(a)Share Capital	2	5.00
(b)Reserves and Surplus	3	(79.94)
(c) Money Received Against Share Warrant		-
(2) Share application money pending allotment		
		-
(3)Non-current liabilities		
(a)Long-Term Borrowings		-
(b)Deferred Tax Liabilities (net)		-
(c)Other Long Term Liabilities		-
(d)Long Term Provisions		-
Current liabilities		
(a)Short Term Borrowings	4	12,568.21
(b)Trade Payables		-
(c)Other Current Liabilities	5	2,476.23
(d)Short-Term Provisions		-
TOTAL		14,969.50
II.ASSETS		
Non-current assets		
(1) (a) Fixed assets		
(i) Tangible Assets	6	9.28
(ii) Intangible Assets		-
(iii) Capital Work-in-Progress	7	12,524.13
(iv) Intangible Assets under Development		-
(b)Non-Current Investment		-
(c)Deferred Tax assets (net)		-
(d)Long-Term Loans and Advances	8	1,607.42
(e)Other Non-Current Assets		-
(2) Current assets		
(a) Current Investments		-
(b)Inventories		-
(c)Trade Receivables		-
(d)Cash and Bank Balance	9	743.68
(e)Short-Term Loans and Advances	10	71.96
(f)Other Current Assets	11	13.03
TOTAL		14,969.50

Significant Accounting Policies,Notes on Accounts and

The accompanying notes form an integral part of these financial statement - 1 to 22

In terms of our report even date attached

For PANDA & ASSOCIATES

Chartered Accountants.

Sd/-

(CA Niranjan Panda)

Partner

Membership No . 054829

Place : Bhubaneswar

Date:

Sd/-

(Indranil Dutta)

Director(OCPL)

Sd/-

(Manish Tiwari)

Company Secretary

Sd/-

(B.K.Behera)

Director(OCPL)

Sd/-

(Saroj Samal)

Senior Manager(F)

ODISHA COAL AND POWER LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2016

(Period from 20.01.2015 to 31.03.2016)

PARTICULARS	Note No.	₹ in Lakh
		As at 31st March, 2016
INCOME		
Revenue from Operations		-
Other Income	14	6.82
Total Revenue		6.82
EXPENSES		
Cost Of Material Consumed		-
Employee Benefits Expenses		-
Finance Costs		-
Depreciation and amortisation expense		-
Administration and other Expenses	15	86.76
CSR expenditure		-
Prior Period Expenses (net)		-
Total Expenses		86.76
Profit before Exceptional and Extraordinary items and Tax		(79.94)
Exceptional items		-
Profit Before Extraordinary items and tax		(79.94)
Extraordinary items		-
Profit Before Tax		(79.94)
Current Tax		-
Earlier Years Tax		-
Deffered Tax		-
Profit for the Year		(79.94)
Earning per equity share of face value of Rs 10/- each		
Basic EPS		-
Diluted EPS		-

Significant Accounting Policies, Notes on Accounts and the accompanying notes form an integral part of these financial statement - 1 to 22
In terms of our report even date attached

For PANDA & ASSOCIATES
Chartered Accountants.

(Indranil dutta)
Director(OCPL)

(B.K.Behera)
Director(OCPL)

(CA Niranjan Panda)
Partner
Membership No . 054829

(Manish Tiwari)
Company Secretary

(Saroj Samal)
Senior Manager(F)

Place : Bhubaneswar
Date:

ODISHA COAL AND POWER LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2016

(Period from 20.01.2015 to 31.03.2016)

Rs in Lakh

Particulars	2015-16	
A Cash Flows from Operating Activities		
Net Profit Before Tax	(79.94)	
Operating Profit Before Working Capital Changes	(79.94)	
Increase or Decrease in Current Liabilities		
EMD	0.10	
Short term Loan	11,026.58	
Deposit from Contractors and others	(23.92)	
Other Payable	(236.01)	
Retention Money	(221.47)	
Trade Payables	(1,521.91)	
Increase In Current Liabilities	9,023.37	
Increase or Decrease in Current Assets		
Security Deposit	(12.82)	
Advance to Employees	(6.85)	
Increase In Current Assets	(19.67)	
Net Increase in Working Capital	9,003.70	
Net Cash Inflow From Operating Activities		8,923.76
B Cash Flow from investing Activities		
Pre Operative Expenionses Pending For Allocation	(91.13)	
Acquisition of Fixed Assets	(8,093.95)	
Net cash Used in Investing Activities		(8,185.09)
C Cash Flow from Financing Activitries		
Issue of Shares	5.00	
Net cash used I financing activities		5.00
D Net changes in Cash & cash equivalents (A + B + C)		743.68
E Cash & Cash Equivalents - Opening balance		-
F Cash & Cash Equivalents - Closing balance (D + E)		743.68

Note:

I Cash and Bank Balance under current assets at note 11 are cash and cash equivalents for the purpose of drawing Cash Flow.

II Figures in brackets are cash outflow/Incomes as the case may be.

In terms of our report even date attached

For PANDA & ASSOCIATES
Chartered Accountants.

(Indranil Dutta)
Director(OCPL)

(B.K.Behera)
Director(OCPL)

(CA Niranjan Panda)

Partner

(Manish Tiwari)

Company Secretary

(Saroj Samal)

Senior Manager(F)

Place : Bhubaneswar

Membership No . 054829

Date:

Note 1 - Significant Accounting Policies

1. Basis of Accounting:

The financial statements are prepared on accrual basis of accounting under historical cost convention, in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and the relevant provisions of the Companies Act, 2013 including applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

2. Use of Estimates

In preparing the financial statements in conformity with accounting principles generally accepted in India, the company makes estimates and assumptions that affect the reported amount of assets, liabilities, revenue, expenses during reporting period and the disclosure of contingent liabilities at the end of financial year. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and assumptions and such difference is recognized in the period in which the same is determined.

3. Grants-in aid

- 3.1 Grants-in-aid received from Central / State Government or any other authorities towards capital expenditure are initially treated as capital reserve and adjusted in the carrying cost of such asset on the commencement of commercial production.
- 3.2 Grants received from Government and other agencies towards revenue expenditure, are recognized over the period in which related costs are incurred and are deducted from related expenses.

4. Fixed Assets

- 4.1 Tangible assets are carried at historical cost less accumulated depreciation / amortization.
- 4.2 Intangible assets are stated at their cost of acquisition less accumulated amortisation.
- 4.3 Expenditure on renovation and modernisation of tangible assets resulting in increased life and / or efficiency of an existing asset is added to the cost of related assets.
- 4.4 Deposits, payments / liabilities made provisionally towards compensation, rehabilitation and other expenses including expenses on development of land related to acquisition of land are treated as cost of land.
- 4.5 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.
- 4.6 Application software packages acquired / developed from / by outside agencies for internal use treated as intangible asset and are recorded at their cost of acquisition

5. Capital Work in Progress

- 5.1 Projects under which assets are not ready for their intended use are disclosed under Capital Work in Progress.
- 5.2 Administrative and general overhead expenses attributable to development of coal mines incurred till they are ready for their intended use are identified for allocation on a systematic basis to the cost of related asset on capitalization.

- 5.3 Deposit work / cost plus contracts are accounted for on the basis of statement of accounts received from the contractors.
- 5.4 Unsettled liability for price variation / exchange rate variation in case of contracts, are accounted for on receipt / acceptance of bills.

6. Provisions, Contingent Liabilities and Contingent Assets

- 6.1 A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on the management estimate required to settle the obligation at the balance sheet date and are not discounted to present value. Contingent liabilities are disclosed on the basis of judgment of management / independent experts. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.
- 6.2 Contingent assets are neither recognized nor disclosed in the financial statements.

7 Cash Flow Statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on "Cash Flow Statements".

8 Revenue Recognition

- 8.1 Interest recoverable on advances to suppliers including other parties, warranty claims, liquidated damages, subsidies are accounted for on receipt / acceptance.
- 8.2 Insurance claims are accounted for based on certainty of realization.

9 Depreciation and Amortization

- 9.1 Depreciation on fixed assets is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except the following:

Intangible Assets

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

- 9.2 Assets including Tools and Tackles costing up to ₹.5,000/- are fully depreciated in the year in which put to use.
- 9.3 Depreciation on additions to / deductions from fixed assets during the year is charged on pro rata basis from / up to the month in which the assets is available for use / disposal / retirement from active use.
- 9.4 Depreciation on Value adjustment is provided prospectively.

10 Prior Period Income / Expenditure and Prepaid Expenses

Prior period income / expenses and prepaid expenses of items not exceeding 0.50 lakh in each case are charged to natural head of accounts in the current year.

11 Exceptional Items

Exceptional Items are the items of income and expenses within profit or loss from ordinary activities of such size, nature or incidence whose disclosure is necessary.

12. Employee Benefits

Employee benefits, inter-alia includes Provident fund, gratuity, compensated absences and other terminal benefits.

12.1 In terms of arrangements with OPGC, the company liability towards gratuity, leave benefits (including compensated absences) and other terminal benefits etc for the period of service rendered in the company w.r.t. the OPGC employees posted on secondment basis from OPGC to OCPL, is to make contribution on the basis of liability determined by independent actuary, at the year end by using the projected unit credit method.

12.2 Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related services are rendered.

13. Borrowing Cost

13.1 Borrowing costs attributable to development of coal mine and acquisition, construction, renovation / modernization of a qualifying asset are capitalized as part of the cost of that asset. Qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

13.2 Other borrowing costs are recognized as expenses in the period in which these are incurred.

14. Investments

14.1 Current Investments are valued at lower of cost and fair value determined on an individual investment basis.

14.2 Long Term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investment.

15. Foreign Exchange Transactions

Monetary assets and liabilities related to foreign currency transactions remaining unsettled are translated at year end rates.

The difference in translation of monetary assets and liabilities and realized gains and losses in foreign exchange transactions other than those long term liabilities relating to fixed assets, are recognized in the statement of profit and loss. In respect of transactions covered by forward exchange contracts, the difference between the contract rate and spot rate on the date of the transaction is recognized in the statement of profit and loss over the period of the contract.

Exchange differences (including arising out of forward exchange contracts) in respect of liabilities relating to fixed assets are adjusted in the carrying cost of such assets.

Note : Notes to Financial Statement for the Period ended 31st March, 2016

		₹ in Lakh
		As at 31 March, 2016
2	SHARE CAPITAL	
	Authorised share Capital:	
	10,00,00,000 Equity Shares of Rs 10/-each	10,000.00
	Issued,Subscribed & fully Paid Up :	
	50,000 Equity Shares of Rs 10/-each	5.00
	TOTAL	5.00

2.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting Period.

		As at 31 March, 2016	
		Nos.	Amount
	Equity Share at the beginning of the Period	-	-
	Add: Equity Shares issued during the Period	50,000.00	5.00
	Less: Equity Shares bought back during the Period	-	-
	Equity Share at the end of the Period	50,000.00	5.00

2.2 The details of Shareholders holding more than 5% of shares:

		As at 31 March, 2016	
		No.of Shares	% held
	Odisha Power Generation Corporation Limited	25,500.00	51
	Odisha Hydro Power Corporation Limited	24,500.00	49
	Total Number Of Shares	50,000.00	100

3 RESERVE AND SURPLUS

		As at 31 March, 2016	
	Surplus in Statement of Profit and loss		
	As per Last Balance Sheet	-	
	Add: Profit/(Loss) For the Period	(79.94)	
	TOTAL		(79.94)

4 SHORT TERM BORROWINGS

		As at 31 March, 2016	
	(i) Secured Loans	-	
	(ii) Unsecured Loans		
	Loans repayable on Demand		
	From Banks	-	
	From others	-	
	Loans & advance From Related Parties: *		
	Odisha Power Generation Corporation Limited	9,568.21	
	Odisha Hydro Power Corporation Limited	3,000.00	
	TOTAL		12,568.21

* (i) ₹ 95,68,20,779/- and ₹ 30,00,00,000/- has been availed as inter corporate loan from Odisha Power Generation Corporation Ltd (OPGC) the holding Company and Odisha Hydro Power Corporation Ltd (OHPC) to meet different expenses on development of allotted coal mines and the same is payable on the reporting date.

(ii) Inter corporate loan has been availed from OPGC as per decision of the Board of Directors in their 6th meeting held on dated.17th April 2015 (for ₹56 crores) and 10th meeting held on dated 8th July 2015 (for ₹40 crores) to meet expenses on development of coal mines which carried interest at the rate charged by Power Finance Corporation Ltd. (PFC) to State Sector borrowers (Category A+) applicable on the date of each disbursal.

(iii) Inter company loan of ₹30 crores has been availed from OHPC as per decision of the Board of Directors in their 13th meeting held on dated.9th November 2015(approved for ₹42 crores) to meet expenses on development of coal mines which carried interest at same terms and conditions as with OPGC that is at the rate charged by Power Finance Corporation Ltd. (PFC) to State Sector borrowers (Category A+) applicable on the date of each disbursal.

5 OTHER CURRENT LIABILITIES	As at 31 March, 2016	
Interest Accrued and due on borrowing	37.34	
Other Payables *	2,438.88	
TOTAL		2,476.23
*Other Payable includes :		
Statutory dues	93.08	
Liability for Expenses	1.95	
Deposit and retention money from contractors	413.77	
EMD & retention Money	0.10	
Amount Recovered from Contractors for Mobilisation Advance	346.76	
Sundry Creditor for Capital Works	382.11	
Sundry Creditor for Service - others	8.87	
Payable to OPGC - Salary of Deputed Employees	87.39	
Payable to OPGC - Others (Refer Note 7.3)	1,104.85	2,438.88

Note : Notes to Financial Statement for the Period ended on 31st March, 2016, (In Rs.)

Note -6: FIXED ASSETS

Descriptions	Gross Block		Depreciation				Net Block As at 31.03.2016		
	At the Beigning	Addition during the Period	Deduction/ Adjustment	As on 31.03.2016	At the Beigning	For the Period		Arrear Depreciation	Deduction/ Written Back
A : Tangible assets									
Freehold Land Including development Cost	-	-	-	-	-	-	-	-	-
Leasehold Land Including development Cost	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-
Furniture & Fixture.	-	4,89,577	-	4,89,577	-	8,096	-	-	4,81,481
Office & other Equipment.	-	89,000	-	89,000	-	9,864	-	-	79,136
EDP Machines	-	1,92,280	-	1,92,280	-	-	-	-	1,92,280
TV & Cable Equipment	-	96,000	-	96,000	-	2,280	-	-	93,720
Software	-	1,02,000	-	1,02,000	-	20,162	-	-	81,838
Sub Total	-	9,68,857	-	9,68,857	-	40,402	-	-	9,28,455
Grand Total	-	9,68,857	-	9,68,857	-	40,402	-	-	9,28,455

ODISHA COAL AND POWER LIMITED

Zone - A, Ground Floor, Fortune tower
Chandrasekhar pur, Bhubaneswar

DEPRECIATION CHART FOR F. Y. 2015-16

Furniture and Fixtures											
Date of Purchase / Put to use	Particular	Addition	Life as per Co. Act, 2013	Useful Life (in Months)	Life Used in 2015-16 (In Months)	Cumulative life used As on 31.03.2016 (in Months)	Remaining Life (In Months)	Salvaged value	Depreciable amount over whole life	Dep for the Year 2015-16	WDV as on 31st Mar 2016
31-Aug-2015	Furniture & Fittings	88,827	10.00	120	7	7	113	4,441	84,386	4,923	83,904
10-Mar-2016	Furniture & Fittings	4,00,750	10.00	120	1	1	119	20,038	3,80,712	3,173	3,97,577
	Grand Total :	4,89,577						24,479	4,65,098	8,096	4,81,481
Office & Other Equipment											
Date of Purchase / Put to use	Particular	Addition	Life as per Co. Act, 2013	Useful Life (in Months)	Life Used in 2015-16 (In Months)	Cumulative life used As on 31.03.2016 (in Months)	Remaining Life (In Months)	Salvaged value	Depreciable amount over whole life	Dep for the Year 2015-16	WDV as on 31st Mar 2016
31-Aug-2015	Office Equipment	89,000	5.00	60	7	7	53	4,450	84,550	9,864	79,136
	Grand Total :	89,000						4,450	84,550	9,864	79,136
EDP Machines											
Date of Purchase / Put to use	Particular	Addition	Life as per Co. Act, 2013	Useful Life (in Months)	Life Used in 2015-16 (In Months)	Cumulative life used As on 31.03.2016 (in Months)	Remaining Life (In Months)	Salvaged value	Depreciable amount over whole life	Dep for the Year 2015-16	WDV as on 31st Mar 2016
31-Mar-2016	EDP Machines	1,92,280	3.00	36	-	-	36	9,614	1,82,666	-	1,92,280
	Grand Total :	1,92,280						9,614	1,82,666	-	1,92,280
TV & Cable Equipment											
Date of Purchase / Put to use	Particular	Addition	Life as per Co. Act, 2013	Useful Life (in Months)	Life Used in 2015-16 (In Months)	Cumulative life used As on 31.03.2016 (in Months)	Remaining Life (In Months)	Salvaged value	Depreciable amount over whole life	Dep for the Year 2015-16	WDV as on 31st Mar 2016
2-Jan-2016	Tv & Cable	96,000	10.00	120	3	3	117	4,800	91,200	2,280	93,720
	Grand Total :	96,000						4,800	91,200	2,280	93,720
Software											
Date of Purchase / Put to use	Particular	Addition	Life as per Co. Act, 2013	Useful Life (in Months)	Life Used in 2015-16 (In Months)	Cumulative life used As on 31.03.2016 (in Months)	Remaining Life (In Months)	Salvaged value	Depreciable amount over whole life	Dep for the Year 2015-16	WDV as on 31st Mar 2016
31-Jul-2015	Other Software	50,000	3.00	36	8	8	28	2,500	47,500	10,556	39,444
3-Sep-2015	Tally ERP	52,000	3.00	36	7	7	29	2,600	49,400	9,606	42,394
	Grand Total :	1,02,000						5,100	96,900	20,162	81,838

7 CAPITAL WORK IN PROGRESS		As at 31 March, 2016	
	R & R Colony at Sukhabandha (Refer Note 7.3)	3,014.60	
	Construction of Transit Guest House (Refer Note 7.3)	452.98	
	Development of Coal Mines (Refer Note 7.1 & 7.3)	6,652.66	
	Pre operative Expenses (Refer Note 7.2 & 7.3)	2,403.89	
	TOTAL		12,524.13
7.1 Development of Coal Mines			
	Consultancy For coal Mines		91.17
	Consultancy For R & R Colony		6.73
	Up front Fees		3,105.82
	Statutory Clearance Fees & Expenses		3,013.94
	Survey & Soil Investigation (Coal Mines)		9.56
	Geological Report Fees		425.44
	TOTAL		6,652.66
7.2 Pre-operative Expenses			
	Employee Benefit Expenses		262.87
	Finance Cost (Refer Note 7.2)		1,935.76
	Depreciation and Amortisation Expenses		0.40
	Administrative expenses		203.10
	CSR Expenses		1.75
	TOTAL		2,403.89

*It includes an amount of ₹ 14,35,520 towards provident fund & ₹ 4,68,733 gratuity and ₹ 7,10,862 towards leave, paid / payable to OPGC Ltd in accordance with Significant Accounting Policy No - 7

Note : Notes to Financial Statement for the Period ended on 31st March,2016

7.2 EMPLOYEE BENEFIT EXPENSES	Rs. In Lakh
Salaries & Wages	245.81
Contribution to Provident Fund	14.36
Reimbursement Expenses to Employees	1.43
Staff Welfare Expenses	1.28
TOTAL	262.87
FINANCE COST	
Interest Paid to OPGC on A/c of PFC	1,023.55
Interest Paid to OPGC	805.85
Interest Paid to OHPC	41.49
Bank Guarantee Commission	64.86
TOTAL	1,935.76
DEPRECIATION AND AMORTISATION EXPENSES	
Depreciation	0.40
TOTAL	0.40
Administration and other Expenses	
Advertisement Expenses	2.57
Communication Expenses	4.15
Meeting Expenses	3.00
Electricity Charges	4.83
Environment & Safety Awareness Programme Expenses	0.09
Foreign Exchange Flucation	0.05
Hire Charges of Motor Cars	26.65
Hospitality Expenses	3.34
Incidental Expenditure during construction	0.28
Legal Fees and expenses	0.77
Miscellaneous Expenses	0.81
News Paper & Periodicals	0.23
Office Maintenance Expenses	4.50
Postage & Courier	0.16
Printing & Stationery	3.52
Professional Fees and Expenses	14.56
Rate,Taxes & Cess	1.20
Rent	20.46
Running Expenses of Vechiles	31.94
Service Charges Paid	1.18
Trangit House Expenses	13.21
Travelling Expenses	25.81
Watch & Ward Expenses	19.93
Bank Charges	0.60
Peripheral devlopment Expenses	17.50
AC Charges	1.17
Other Maintanance Expenses	0.60
TOTAL	203.10
CSR EXPENDITURE	
CSR Expenditure	1.75
TOTAL	1.75

7.3 (i) Manoharpur and Dipside Manoharpur Coal Blocks (the Coal Blocks) were initially allotted to Odisha Power Generation Corporation Ltd. As per the decision of Hon'ble Supreme Court of India the allotment of Coal Blocks to OPGC were cancelled. The Coal Blocks are then allotted to the Company by the Nominating Authority, Ministry of Coal, Govt of India vide allotment letter No.103/25/2015/NA dated 24.03.2015 and allotment agreement has been executed on 30.03.2015.

(ii) An amount of ₹177,54,75,560 (net off liabilities for Security deposit & Retention Money from Contractor ₹78,08,670/-, Accumulated Depreciation ₹44,50,720/- and Borrowings Rs.79,66,32,770/-) details of which was given at Note 7.4. , incurred by OPGC up to 31st March 2015 as a prior allottee. Out of above expenditure, an amount of ₹79.66 crores was drawn down as loan from PFC (Total loan sanctioned to OPGC includes loan for development of Coal Mines) and balance amount of ₹177,54,75,560 spent from its internal accruals. As per clause 5.7 of Shareholders Agreement signed among the Company , OPGC and OHPC on dated.21st April 2016, the expenditure incurred by OPGC for development of of Manoharpur and Dipside Manoharpur Coal Blocks shall be payable by the Company to OPGC after certification by Statutory Auditors of OPGC and approval by Govt. of Odisha. Approval of Govt. of Odisha is in process. Pending with approval of Govt. of Odisha, above amount could not be accounted for in the books of accounts of the company under Capital Work in Progress as well as respective Liabilities account. ₹34,39,38,533/- paid by OCPL for GR & Conent cost has already been Capitalized in OCPL book. The same amount paid by OPGC earlier which is included in the above mentioned amount will be refunded by the Nominated Authority and hence to be reduced from the total Amount Spent by OPGC as prior allottee. Noted in the Memorandum No. OCPL/145

7.4 Particulars of Expenditure	Amonut (Rs.)
Fixed Assets	118.62
Development Exp including borrowing Cost	6,915.23
Land including Land Advnace	18,239.46
Other Capital Advance to contractor	570.37
TOTAL	25,843.68
LIABILITIES	
Security deposit and retention money from contractor	78.09
Loan from PFC	7,966.33
Accumulated Depreciation	44.51
TOTAL	8,088.92
NET OF LIABILITY	17,754.76

8 LONG TERM LOANS AND ADVANCES	As at 31 March, 2016	
Unsecured Considered good		
Advance against land acquisition*	1,607.42	
TOTAL		1,607.42
*It inculdes Land development expenses		

9 CASH AND BANK BALANCES	As at 31 March, 2016	
(A)Cash and Cash Equivalents		
(1) Balance with Banks		
In Current accounts	743.58	
(B) Cheque or draft on hand/transit	-	
(C) Cash on Hand	-	
(D) Other bank Balances		
(i) Deposit With original maturity of more than 3 months but not more than twelve months	0.10	
TOTAL		743.68

10 SHORT TERM LOANS AND ADVANCES

As at 31 March, 2016

Unsecured considered good	
Loans and advance to employees	0.47
Advance to suppliers and contractors (Refer Note 13)	71.00
Advance Tax (Tax Deducted at Source)	0.49
TOTAL	71.96

11 OTHER CURRENT ASSETS

As at 31 March, 2016

Security Deposit	13.03
	13.03

- 12** As per decision of the board in their 8th meeting held on 14th May 2015 and subsequent request to OPGC, OPGC has released the payment of Rs 8,07,74,124.00 for ongoing contract and allied work for development of coal mines from 01.04.2015 to 31.08.2015. Said amount has been booked to respective nature of expenditure and treated as inter corporate loan, details are given below.

R & R Colony at Sukhabandha	5,63,09,932.00
Construction of Transit Guest House	1,07,61,051.00
Fixed Assets	1,77,827.00
Advance For land Acquisition	3,17,119.00
Development of Coal Mines	38,28,530.00
Pre operative Expenses	1,40,55,742.00
Security Deposit and Retention Money of Contractors Adjusted.	(46,76,077.00)
TOTAL	8,07,74,124.00

- 13** The details of amount outstanding to Micro and Small Enterprises based on available information with the Company is as under.

Particulars	As at 31 March, 2016
Principal amount due and remaining unpaid	NIL
Interest due on above and unpaid interest	NIL
Interest paid	NIL
Payment made beyond appointed day during the year	NIL
Interest due and payable for the period of delay	NIL
Interest accrued and remaining unpaid	NIL
Amount of further interest remaining due and payable in succeeding years	NIL
TOTAL	

Note : Notes to Financial Statement for the Period ended on 31st March, 2016

		Rs in Lakh
14 Other Income		2015-16
Interest From Bank		4.87
Sale of Tender Paper		1.71
Sale of Scrap		0.24
		6.82

15 ADMINISTRATION AND OTHER EXPENSES		2015-16
Administration Expenses		
Director Sitting Fees		0.64
Preliminary Expenses		80.81
Training, Seminar & Conference Expenses		4.45
TOTAL		85.89
Other Expenses		
Statutory Auditors' Remuneration		0.58
Internal Auditors' Remuneration		0.29
TOTAL		0.86

16 Accounting Period:

The Company was incorporated on 20.01.2015 as a wholly owned subsidiary company of Odisha Power Generation Corporation Ltd. Subsequently, OCPL was converted into a Joint Venture (JV) company of OPGC & OHPC as per the Notification 1088 & 1160 of Govt of Odisha dated 04.02.2015 & 06.02.2015 respectively. The account is prepared for the period from 20.01.2015 to 31.03.2016 (one year and 59 days) as per the Provisions of Section 2(41) of the Companies Act, 2013 and the first accounting year ended on 31st March 2016. Accordingly previous year figure is not required to be disclosed.

17 Employees working in the company are deputed from OPGC on secondment basis during the reporting period. In terms of arrangements with OPGC, the company liability towards gratuity, leave benefits (including compensated absences) etc. for the period of service rendered in the company w.r.t. the OPGC employees posted on secondment paid / payable is accounted on the basis of demand raised by OPGC based on liability determined by independent actuary, at the year end by using the projected unit credit method. In view of above no further disclosure under AS-15 Employees Benefits has been made.

18 Expenditure in Foreign Currency:		2015-16
Professional and consultation fees		48,22,444.00

19 Related Party Disclosure:

Nature of transaction	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Key Management Personnel	Relatives of Key Management Personnel	Total
Purchase of Goods	-	-	-	-	-	-	-
Sale of Goods	-	-	-	-	-	-	-
Purchase of Fixed Assets	-	-	-	-	-	-	-
Sale of Fixed Assets	-	-	-	-	-	-	-
Rendering of Services	-	-	-	-	-	-	-
Receiving of Services	-	-	-	-	-	-	-
Agency Arrangements	-	-	-	-	-	-	-
Leasing of Hire Purchase Arrangements	-	-	-	-	-	-	-
Transfer of Research & Developments	-	-	-	-	-	-	-
Licence Agreements	-	-	-	-	-	-	-
Finance (including loans & equity contributions in cash or in kind)	95,70,75,779	-	-	30,02,45,000	-	-	1,25,73,20,779.00
Guarantees & Collaterals	1,53,92,00,000	-	-	-	-	-	1,53,92,00,000.00

Management Contacts including for deputation of Employees

Note:**Name of the Related Parties & Description of Relationship**

1. Holding Companies	Odisha Power Generation Corporation Limited (OPGC)
2. Subsidiaries	NIL
3. Fellow Subsidiaries	NIL
4. Associates	Odisha Hydro Power Corporation Limited (OHPC)
5. Key Management Personnel	ACS Manish Kumar Tiwari.
6. Relatives of Key Management Personnel	NIL

20 Contingent Liabilities not Provided for as on 31st March 2016:

(a) Claim against Company not acknowledged as debts	-
(b) Outstanding LC & Guarantee	1,53,92,00,000
(c) Other money for which the company is contingently liable	-

*Guarantee of ₹ 153.92 cr Issued by Yes Bank in favour of Nominated Authority, Ministry of Coal, Govt. of India against pledge of Fixed Deposit of ₹ 31 crores and Corporate Guarantee given by OPGC of ₹ 122.92 Crores.

21 Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and LC) is ₹ 101,65,99,370/-

22 Segment Reporting:

Since the Company has one business and geographical segment, no information is required to be provided as per Accounting Standard (AS) 17.

Comments of the Comptroller and Auditor General of India under Section 143(6) (b) of The Companies Act, 2013 on the Financial Statements of Odisha Coal and Power Limited for the year ended 31 March 2016.

The preparation of financial statements of Odisha Coal and Power Limited for the year ended 31 March 2016 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: 22 August 2016.

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 Coal and Power Limited for the year ended 31 March 2016. 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 matter 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.

A. Comments on Financial Position

Balance Sheet

Assets

Non-current Assets

Fixed Assets

Capital Work-in Progress: ₹.125.24 crore

1. The above includes an amount of ₹. 10.24 crore being the claim of Odisha Power Generation Corporation Limited (OPGC) towards interest on the loan of ₹ 79.66 crore for development of Manoharpur and Dip-side Manoharpur Coal blocks, to be transferred to the company after getting approval of Govt. of Odisha. Since the loan amount does not exist in the books of accounts of the Company, accounting of interest on the same is not justified. This has resulted in overstatement of capital Work in Progress and current liabilities by ₹ 10.24 crore each.
2. The above does not include an amount of ₹ 0.11 crore payable to M/s Wadia Techno-Engineering Service Ltd towards Consultancy charges of Coal mine for the period from 01.09.2015 to 31.03.2016. The above also does not include an amount of ₹ 0.10 crore payable towards technical & other consulting service (Module-4) for development of Manoharpur Coal Block to Norwest Corporation, USA for the work performed during 2015-16. This has resulted in understatement of Capital Work in Progress and other current liabilities to the extent of ₹ 0.21 crore each.
3. The above includes an amount of ₹ 0.25 crore being prepaid bank guarantee commission paid for the period 01.04.2016 to 26.04.2016. This has resulted in overstatement of Capital Work in Progress and understatement of prepaid expenses by the same amount

For and on behalf of the
Comptroller and Auditor General of India
Sd/-

(DEVIKA NAYAR)

PRINCIPAL ACCOUNTANT GENERAL

Date: Bhubaneswar
Date: 04.10.2016



Office Inauguration by Hon'ble Minister (Energy), Odisha



JV Agreement signing ceremony



Green initiative by CEO, OCPL



OCPL Team at site





OCPL

Odisha Coal and Power Limited

Zone-A, Ground Floor, Fortune Towers, Chandrasekharpur

Bhubaneswar - 751023, Odisha, India