OCPL

Odisha Coal and Power Limited

ANNUAL REPORT 2018

OCPL

Odisha Coal and Power Limited

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

Contents

ABOUT OCPL

MSA Signing Ceremony

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, GoI 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.

DIRECTORS' PROFILE

Mr. Hemant Sharma, IAS, Chairman : Mr. Hemant Sharma at present is the Commissioner-cum-Secretary to the Department of Energy, Govt. of Odisha. He is also the Chairman-cum-Managing Director of GRIDCO & OPTCL, Bhubaneswar and Chairman of OPGC and OCPL. Mr. Sharma is an IAS Officer of 1995 Batch. Prior to his present assignment he had served as the Managing Director of Aska Sugar Co-Op Mill, Odisha State Financial Corp., Industrial Development Corp. of Odisha (IDC), Bargarh and was Director at various Government Departments of Government of Odisha.

Mr. Sharma has a rich experience in power sector, he guides the Board on all crucial matters and he is instrumental in providing valuable inputs to the Board for taking various strategic decisions to enable the Company in achieving its visions.

Mr. Vishal Kumar Dev, IAS, Director: Mr. Vishal Kumar Dev, IAS, at present the Commissioner-cum-Secretary to Govt., Tourism and Culture Department & Sports and Youth Services Department, Govt of Odisha. He is also the Chairman-cum-Managing Director of Odisha Hydro Power Corporation Limited. Mr. Dev is an alumnus of IIT- BHU, Varanasi; IIM, Lucknow and University of Sussex, UK. He served for about 03 years in prestigious Corporate Sector Organizations before joining Indian Administrative Service in 1996.

He is an able Administrator and strong believer in time bound work execution & completion. He has successfully handled important assignments in the past such as Municipal Commissioner, Cuttack as well as Bhubaneswar; CEO, OCAC & Director, IT; Vice-Chairman, Bhubaneswar Development Authority; CMD, The Industrial Development Corporation of Odisha Limited & Odisha Industrial Infrastructure Development Corporation; Commissioner-cum-Secretary to Govt., Industries Department and Women & Child Development Deptt., Govt. of Odisha. He has contributed significantly to the development of the IT/ITES Sector as well as Industrial development of the State. Under his guidance, Odisha successfully hosted the 22nd Asian Athletic Championship in July, 2017 and Hockey World Cup in November, 2018 at Bhubaneswar.

His interest areas include infrastructure development, Urban Management and e-Governance.

Mr. Indranil Dutta, Director : Mr Indranil Dutta is B.Tech (Hon's) in Mechanical Engineering from IIT, Kharagpur. He has a rich and varied experience of over 28 years of Commercial, Engineering, Project Services, Power Station Management, development and implementation of strategies for the profitability and efficient functioning of the Business Unit. He has worked in Tata Steel for more than a decade and also worked in Bharat Aluminium Company Ltd (Balco), before joining AES India in 2011. He is Managing Director, OPGC. Mr. Dutta was Director (Operations) of OPGC since April, 2011. He has competence at both strategic and the operational levels as commercially astute business leader.

Mr. Rajendra Shrivastav, Director : Mr. Shrivastav is the Market Business Leader of AES India. Having over 40 years of working experience in various world reputed power utilities and industries, Mr. Shrivastav possesses multidimensional C Level executive experience in operation utilities and several manufacturing companies working under MNCs and India listed companies. Being a business strategist and team builder, he has played a pivotal role in conceptualizing and commissioning of large number of multi-million dollar nuclear, thermal and renewable power projects.

Before joining AES India, he was Managing Director (Nuclear Business), Alstom, CSR Officer, Director for Solar P V and CSP at Alstom Power from February 2012.He was leading high level teams of experts for design, construction, supply and service provision for Conventional Island of Nuclear power plants of PHWR, LWR types and Leader for negotiation of EPC / Supply / Services contracts, Licensing, Commercial Contracts of high value and Business Development. Prior to this, he has held key positions in many leading power companies including CEO and MD of TES LLC; President, Indorama and Country Director, EDF.

Having expertise in vast canvas of energy sector, Mr. Shrivastav regularly contributes articles and columns in magazines and participates on TV channels and panel discussions.

Mr. Pravakar Mohanty, Director : Mr. Mohanty is a fellow member of the Institute of Cost Accountant of India (ICAI), M.Com and law graduate. He has an illustrious career span of more than 37 years in various PSUs in the field of finance & Management. Mr. Mohanty is presently serving as the Director (Finance), Odisha Hydro Power Corporation Limited (OHPC), a "Gold rated State PSU". Prior to OHPC, Mr. Mohanty served Neelachal Ispat Nigam Limited (NINL), a Central PSU, as its Director (Finance) for about two years. Mr. Mohanty starting his career 1984, he has made long journey in Industrial Development Corporation of Odisha Limited (IDCOL), the oldest PSU in Odisha, by serving it in different capacities in Finance & Corporate Planning Division for more than 30 years. Besides he has also handled the responsibility of remaining in charge of Managing Director of Konark Jute Limited, in two spells and also Director of Beach Sand Project of IDCOL. He is presently continuing as a member of Odisha State Productivity Council (OSPC) and nominated by Government of India as a member in the Appellate Authority under Ministry of Corporate Affairs, Government of India.

He has rich experience of teaching in professional Institutions and universities & addressed in many Seminars, Conferences, Workshop etc.

He has played an instrumental role in term loan financing of Rs. 1036 Cr. from Punjab National Bank and Union Bank of India to OCPL.

Mr. Sanjib Kumar Tripathy, Director : Mr. Tripathy presently serving as the Director (Operation) of Odisha Hydro Power Corporation"Gold rated State PSU". He is an alumnus of the prestigious National Institute of Technology, Rourkela (1982 B.Sc. Electrical Engineering Batch). He has completed his Master in Business Administration (HRD) from Indira Gandhi National Open University in 1997. He has also completed a certified course in Disaster Management from Indira Gandhi National Open University in 2004.

After joining the erstwhile Orissa State Electricity Board in 1982, he has served in Talcher Thermal Power Station (Angul), Load Dispatch Station (Angul), Upper Indravati Hydro Electric Project (Mukhiguda), Chipilima Hydro Electric Project (Sambalpur) and Hirakud Hydro Electric Project (Sambalpur), which gave him expertise on planning & engineering, construction, erection, commissioning, operation and maintenance of Thermal & Hydro Electric Projects. During this period he has made numerous significant contributions, which includes, commissioning of 2x110 MW Thermal Units at TTPS, construction, erection & commissioning of 4x150 MW Hydro Power House at Indravati and synchronization of Odisha Grid to Eastern Region Electricity Board (EREB) etc.

He is further associated with the Renewable Energy Development activities in the State through Green Energy Development Corporation of Odisha Ltd. (a wholly owned subsidiary of OHPC) in commissioning of 20 MW ground mounted Solar Plant at Manamunda (Boudh) and 4 MW Rooftop Solar project on Government buildings in Bhubaneswar & Cuttack. Upcoming projects include 275 MW Solar Park in Boudh & Sambalpur, 19 MW Solar Rooftop projects on Government buildings in 16 cities, 600 MW Pumped Storage Project at Indravati and few Small Hydro projects. He has been instrumental in formulation of the Odisha Renewable Energy Policy, 2016.

His long career spanning over 35 years has given him thorough insights of project planning & estimates, survey & feasibility study, financial viability analysis, contract & procurement, project implementation & construction, erection & commissioning, operation & maintenance, power system operation & management, power house renovation, modernization, up-gradation & automation, generation planning & monitoring, tariff and regulatory matters, safety & disaster management etc. in all spheres of the Electrical Industry, i.e. Generation, Transmission, Distribution, Grid Operation and Renewable Energy.

He has imparted many lectures & trainings to both power sector professionals & new entrants, which shows his keenness towards academics. He is affiliated with the Institute of Engineers (India) as Fellow since 2002 and conferred the title of Chartered Engineer (India) in 2003. He is a lifetime member of Odisha Engineering Congress and Solar Energy Society of India.

CEO'S PROFILE

Dr. Kshirod Chandra Brahma, (Chief Executive Officer) : Dr. Kshirod Brahma is the Chief Executive Officer (CEO) (I/C) of OCPL. Dr. Brahma is having more than 31 years of rich multifunctional management experience in Change Management, Mine Development and Operations, Mine Planning & Design and Business Development in Mining and Power Sector. After obtaining Degree in Mining Engineering in 1987 from National Institute of Technology, Rourkela, he joined Coal India Limited and served around 20 years in its different subsidiary companies viz.South Eastern Coalfields Ltd. (SECL), Mahanadi Coalfields Ltd. (MCL) and CMPDIL. He later moved to Gujarat Industries Power Company Limited (GIPCL) as Head of Mines in 2006. He has acquired Master in Industrial Management (MIM), PGD in Environment & Ecology (PGDEE), LLB, PGD in Labour Laws & Personnel Management (PGDLL&PM), PGD in Information Technology (PGDIT) and Ph. D. in Mining Engineering. He has been granted a certificate by MoC, GoI, as a competent person to prepare Mining Plans for coal and lignite in the capacity of a Recognized Qualified Person (RQP). He has also acquired the First Class Mine Managers Certificate of Competency (Coal). He is a member/fellow with various professional bodies such as IE(I), MGMI, IIIE, ORSI, ISTE, AIMA, MEAI, IMMA, NIPM, ISTD, IAEM, SGAT & Institution of Valuers(IV). He has published & presented more than 22 papers in various national and international seminars, symposiums, workshops and journals.

PERIPHERY DEVELOPMENT PROGRAM ODISHA COAL AND POWER LIMITED

With continuous focus on sustainable development of people of the project area, OCPL has initiated different community development activities in the periphery and project villages. The core focus of Community Development activities of OCPL includes:

1. Primary Education & Skill Development Programme through ITI.
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 – Roads, Ponds, Adding Infrastructural Support to educational Institutes.
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.

- One preventive Health Care camp is organised at R&R Colony of Sukhabandh with collaboration with District Mineral Fund (DMF). Total 46 patients attended the camp from nearby periphery villages of the project area. All the patients were provided with free health check up and medicines.
- Every Saturday Health Check-up camp being organised by OCPL at R&R Colony of Sukhabandh. Total 24 no of camps organised where 519 no of patients attended the camp out of which 191 are female. All the patients were provided with free health check up and medicine.
- With a request from Rogi Kalyan Samiti of Hemgir, OCPL supported o3 No of Air Conditioner and 10 no Disposal Bin to CHC(Community Health Center),Hemgir.
- OCPL is continuously participate in the Pulse Polio Eradication drive program organised by local administration.

HEALTH AWARENESS PROGRAM:

OCPL is always focussing on the better health of the people of the project and periphery villages. With this objective different Health Awareness program has been organised at project area.

SKILL DEVELOPMENT:

OCPL has effectively implemented the innovative Skill Development Training Programmes for youth empowerment, where the local youth is being motivated, trained and equipped to accomplish for a

better future. With this background OCPL is providing 2 year full time training to local youth on electrician trade with the approval from SCTE & VT vide order no. 8131 dated.28th December 2016 with effective from August' 2016.

MITS (Majhighariani Institute of Technical Education)a professional group being engaged for operation of the ITI and the seat allotment has been framed as per the guideline of DTET with first priority being given to the project affected candidates of OCPL Coal Mine area. Present student's strength is 40 (20 students for 3rd batch & 20 for 4th batch). Total 40 students has been already pass out from the institute.

During training session at the ITI, campus recruitment has been organized by the OCPL with the support from MITS. Out of total 40 pass out students 10 students has been already received job placement with BEWL, Gujarat.

IMPROVEMENT OF QUALITY EDUCATION:

With an objective of providing better and quality education to the students of the project area, OCPL has continuously supported the local schools in the project area. With this objective OCPL continuously engage with the school with different program.

- Financial support given to 13 Village Education Committee (VEC) for engagement 18 no of additional school teachers in their schools on temporary basis. These teachers were selected by Village Education committee with a recommendation of local BEO (Block Education Officer) of Hemgir. These teachers have given an excellent support to their respective school in improving the education standard of the students in their respective schools, which is highly appreciated by their VEC, BEO and BDO of Hemgir.
- Financial support given to Primary school of Dulinga village for improvement of electrification of their school.
- Financial support given to Primary school of Sargipali for Improvement of Sanitation of their School under Swachha Bharat Mishan.
- Financial Support to Durubaga & Behramunda High school for organizing Block level Science Exhibition & Talent hunt program called “Surabhi”.
- Saraswati BidyaMandir of Hemgir has supported with 01 no of Music Set, 4 set of sitting mats and 01 no of water purifier.
- Financial support given to different schools of the project area for organizing Annual Function and sports festival for their school.

- Organized Sishu Mahotsava Program in different school of the project area on occasion of 15th August & 26th January. The objective of the program is to facilitate the talent on the inner quality through cultural program, game & sports and extra-curricular activities. In this occasion inter school competition has been organised on drawing, debate, essay writing and outdoor game.
- Improvement and providing Infrastructural Support to Panchayat Junior College, Hemgir. The job will be executed through Block Development officer for sanitation and Drinking water system and establishment of computer centre.

PROMOTING RURAL SPORTS & CULTURE:

Sports have been known for bringing the health and cognitive benefits to 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 in the area.

- OCPL is providing financial assistance to project villages for organizing different cultural events & sports in the area.
- The company through financial assistance supports cultural programmes organised by the District administration.

DRINKING WATER

Ensuring availability and accessibility of safe and potable drinking water is another major Community Development initiative of OCPL. The company has been supplying safe drinking water to eight periphery villages (Hemgir, Ostali, Durubaga, Katarbaga, Kathphali, Katarbaga, Sanghumuda, & Rangiadhipa) through water tanker during the summer season for meeting drinking water requirements.

This drinking water intervention project is directly benefiting 600 to 700 households having a population size of about 3000 to 4000, which mostly belong to the socio-economically disadvantaged sections of the society.

RURAL INFRASTRUCTURE

OCPL is been working for improvement of infrastructure in the project affected villages and periphery area. Following activities has been undertaken under Rural Infrastructure project.

- Financial support is being provided to village committee of Sanghumuda village for construction of check dam at their village for preserving of water for summer season which will be used for the cattle's.
- Supported 20 No of LED lights and 10 no of 110 Ltrs. Capacity Garbage bin to Gram panchayat office of Hemgir.
- On request of the local administration of Hemgir Block 1050 Mtrs Black Top road has been constructed from Hemgir to Beharamunda. (2nd Phase).

NOTICE FOR THE 3rd ANNUAL GENERAL MEETING

Notice is hereby given that the 3rd Annual General Meeting of the members of Odisha Coal and Power Ltd. will be held on Friday, 28thSeptember, 2018 at 5.00 PM at the Registered Office of the Company 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, 2018 and the Statement of Profit and Loss for the year ending on that date together with Directors' Report and Auditors' Report thereon.

2) To note the appointment of M/s. Anil Mihir & Associates, Chartered Accountants, as Statutory Auditors and authorize the Board to fix their remuneration.

By order of the Board

Sd/-
(M.K. Tiwari)
Company Secretary

DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure in presenting the 3rd Annual Report on the project development, performance and operating result of the Company for the financial year 2017-18 together with the Audited Statement of Accounts and the Report of the auditors thereon. The comments of the Statutory Auditors and Comptroller and Auditor General of India U/s 143 (6) (b) of the Companies Act, 2013 on the said accounts also form a part of the report.

PROJECT DEVELOPMENT HIGHLIGHTS

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 land acquisition of mine lease area is largely complete. The Mining Lease has been executed with the State Govt. All the Permits/ Clearances including Stage –I & II Forest Clearances, Environment Clearance and approval of Mining Plan & Mine Closure Plan including Mine Opening Permission etc. are in place. Construction of R&R colony (Phase-I) and other infrastructural facilities including temporary mine office and transit guest house have been completed. Drilling at Dip-Side Manoharpur Coal Block for exploration has been completed and the Integrated Geological Report has been received from CMPDI within 22 months of the receipt of Geological co-ordinates from GoI, MoC.

The Efficiency Parameters stipulated in the schedule E of the Allotment Agreement mentions the time limit for individual milestones to be achieved. During the development period, any non-compliance of the milestones in the Efficiency Parameters is liable to appropriation of Performance Security submitted with the Nominated Authority, Ministry of Coal. All parameters of Manoharpur Coal Block has been achieved, whereas the targets w.r.t Dip-side of Manoharpur Coal Block has been delayed due to late receipt of Co-ordinates from the Nominated Authority, Ministry of Coal.

PERFORMANCE SECURITY AND UPFRONT PAYMENT

In compliance with the requirements of the Allotment Agreement, Performance Security in shape of Bank Guarantee (BG) for Rs.153.92 Cr. has been submitted with the Nominated Authority, Ministry of Coal, Government of India on 24-10-2017 for a period of one year.

STATUTORY PERMITS / CLEARANCES:

Your Company has obtained the following statutory permits / clearances:

MANOHARPUR COAL BLOCK		
Sl. No.	Permits/Clearances	Authority/Department
1	Revised Mining Plan and Mine Closure Plan (Revision-II)	Ministry of Coal, Govt. of India
2	Stage-I & II Forest Clearance of Manoharpur coal mines in favour of OCPL	Ministry of Environment & Forest and Climate Change (MoEF & CC), Govt. of India (GoI)
3	Environment Clearance of Manoharpur coal mines in favour of OCPL	Ministry of Environment & Forest and Climate Change (MoEF & CC), Govt. of India (GoI)
4	Consent to Establish for Coal Mine in favour of OCPL	State Pollution Control Board, Odisha
5	Consent to Operate for Coal Mine in favour of OCPL	State Pollution Control Board, Odisha

6	Grant of 5.55 Cusecs of water from Hirakud back water	Department of Water Resources, Govt. of Odisha
7	Explosive License	Ministry of Commerce & Industry, Petroleum & Explosive Safety Organisation (PESO), GOI.
8	Non-Mineralisation Clearance in favour of OCPL	Directorate of Geology, Odisha
9	Permanent Power drawal from NTPC	Ministry of Power, Govt. of India
10	Power supply permission for R&R colony Phase-I at Sukhabandh	WESCO
11	Nalla Diversion Permission in favour of OCPL	Department of Water Resources, Govt. of Odisha
12	Road Diversion Permission in favour of OCPL	Department of Rural Development, Govt. of Odisha
13	Environment Clearance for R&R Colony in favour of OCPL	State Level Environment Impact Assessment Authority, Odisha / State Pollution Control Board, Odisha
14	Consent to Establish for R&R Colony in favour of OCPL	State Pollution Control Board, Odisha
15	Consent to Operate for R&R Colony of OCPL	State Pollution Control Board, Odisha
16	Site Specific Wildlife Conservation Plan for Coal Mine	Principal Chief Conservator of Forest & Chief Wildlife Warden, Odisha
17	Ownership of ITC Hemgir	Directorate of Technical Education and Training, Odisha, Cuttack
18	Mining Lease execution	Collector, Sundargarh, Govt. of Odisha
19	NOC for abstraction of Ground Water	Central Ground Water Authority, Govt. of India
20	Mine Opening Permission	Coal Controller's Organisation, Ministry of Coal, Govt. of India

DIP-SIDE MANOHARPUR COAL BLOCK		
1	Prospecting License (PL) deed execution	Collector, Sundargarh, Govt. of Odisha
2	Permission for drilling of boreholes in forest area	Forest & Environment Department, Govt. of Odisha
3	Mining Lease Application	Collector, Sundargarh, Govt. of Odisha
4	Submission of Mining Plan & Mine Closure Plan	Ministry of Coal, Govt. of India

MINING PLAN

OCPL has obtained the approval of mining plan & mine closure plan (Revision-II) on 17th April, 2018. After preparation & submission of Integrated Geological Report (IGR) by CMPDI, OCPL had submitted the mining plan & mine closure plan (Revision-III) covering both Manoharpur & a part of Dip side of Manoharpur Coal Blocks; with the Ministry of Coal (MoC), GoI for its approval. However, GoI has returned the same with an advice to prepare the plan covering entire area of both the blocks.

DRILLING OF DIP-SIDE MANOHARPUR COAL BLOCK

During allotment, Manoharpur Coal Block was an explored one with a total net geological reserves of 181.68 Million Tonnes (MT) of coal and Dip side of Manoharpur Coal Block was a regionally explored block at the time of allotment of coal blocks with a total indicated reserves of 350 MT of coal.

Detailed exploratory drilling in Dip-Side Manoharpur Coal Block has been completed covering 26801 meters in 79 boreholes. Integrated Geological Report covering both Manoharpur & dip side of Manoharpur Coal Blocks (13.39Sq. Kms) has been received from CMPDI.. The total net geological reserve as per the IGR comes to 978.470 MT of coal. A total of 24 seams intercepted in the property and the coal quality in these blocks varies from G7 to G17 with an average grade of G14.

Mining Lease for dip side of Manoharpur Coal Block has been applied with Competent Authority in February, 2018. The previous approval from Ministry of Coal, Govt. of India U/S-5 of the Mines & Minerals (Development & Regulation) Act is under process.

LAND AND R & R

PRIVATE LAND:

Out of the total area of 1039.51 Ac., allotment of an area of 1036.90 Ac.in favour of Odisha Coal and Power Limited has been completed. The balance are in process at various levels.

GOVERNMENT LAND:

Out of the total area of 1040.94 Ac., allotment for an area of 946.14 Ac.in favour of Odisha Coal and Power Limited has been completed. The balance are in process at various levels.

FOREST LAND:

Possession of 491 Ac. out of 495 Ac. of forest land has been taken over by OCPL. The balance 4 Ac. land is pending due to stay order of the Hon'ble High Court of Odisha on account of FRA compensation matter. In addition to the above 141.04 Ac. of forestland has been transferred from OPGC to OCPL.

REHABILITATION AND RESETTLEMENT:

The shifting of displaced families of village Manoharpur to rehabilitation and resettlement colony at Sukhabandh (Hemgir) is about to be completed. The RoR (Patta for house plots allocated to Displaced Families (DFs) in the R&R colony are handed over by the administration. The Annuity Scheme is implemented through LIC of India ltd. The Company has also engaged MART, an expert agency for promotion of sustainable livelihood among DFs. The agency has been imparting skill development and capacity building training and promoting various livelihood and entrepreneurial activities. The construction work of R&R colony – Phase 2 at Hemgir for Sanghumuda village has started and 100 dwellings are being made.

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

For the Dip-side of Manoharpur Coal Block, OCPL has received four show cause notices from the Nominated Authority for delay in achieving the targeted milestones against Schedule -E of the Agreement. Reply to the said notices have been submitted which have been considered by the Nominated Authority. The reasons of delay were late submission of the Geological Co-ordinates w.r.t the Dip-side Coal Block by the Ministry of Coal from which the dates were to be shifted. This has been presented before the committee in the meeting held on 24.09.2018

MAJOR CONTRACTS AND AGREEMENT

COAL HANDLING PLANT:

Contract awarded to M/s McNally Bharat Engineering Company ltd. for construction of 8MTPA capacity Coal Handling plant with allied infrastructure facilities at Manoharpur, Sundergarh, within 810days from the date of issuance of notice to proceed (NTP). Contract signed on 17 th November, 2017 and NTP issued on 10th January 2018 and value of the contract is Rs. 514 Cr., with GST extra as applicable. The construction work is in progress.

Appointment of MO for development, operation and maintenance of Manoharpur Coal Mine project:

This contract has been awarded to M/S BGR Mining & Infra limited. The contract is signed on 31st August 2018. The contract period is for 10 years which can be extended by further two years on mutually agreed basis.

CONSTRUCTION OF R&R COLONY AT HEMGIR, SUNDERGARH:

Construction of R&R Colony at Hemgir, Sundergarh has been awarded to M/s Shree Balajee Engicons Pvt. Ltd. at a price of Rs.35.96 Cr. (inclusive of GST) for 100nos houses for the project displaced families. The construction time line is 24months from the date of notice to proceed (NTP) which was issued on 8th January2018. The construction work is in progress.

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 within 44 months i.e. May 2019 from the zero date (i.e. 31st August 2015). However, OCPL is fully prepared to commence mining operations well within the scheduled timeline from Manoharpur Coal Block.

CAPITAL STRUCTURE

The Authorised Share Capital of the Company is Rs.750.00 Cr., divided into 7,50,00,0000 Equity Shares of Rs. 10/- each. The paid up Equity Share Capital of the Company stands at Rs.300.00 Cr. The entire paid up Equity Share Capital are held by Odisha Power Generation Corporation Limited (OPGC) and Odisha Hydro Power Corporation Limited (OHPC) in the ratio of 51:49.

LONG TERM FINANCING

The project cost of Manoharpur coal mine has been approved by the Board amounting to Rs. 1382 Cr. The revised mine plan and cost estimate for the project is under preparation by CMPDI. So far the equity contributions from the shareholders as on 31st March 2018 is Rs. 300 Cr. from OPGC and OHPC. An amount of Rs.500 Cr. towards debt portion of Project cost has been sanctioned from the Union Bank of India on 15-05-2017 and Rs.536 Cr. has been sanctioned from Punjab National Bank on 21-12-2017.

FINANCIAL RESULTS/HIGHLIGHTS

The statement of accounts for the year under consideration accompanied by the auditors' report and management's views on the audit observations form an integral part of the report.

The following summarised financial results are furnished as follows for easy appreciation of the financial health of the company.

Particulars	(Amount in lakhs) FY 2017-18	(Amount in lakhs) FY 2016-17
Revenue from Operations	–	--
Other income	4.31	18.79
Total Income	4.31	18.79
Cost of material consumed	–	--
Employee benefit expenses	761.87	2519.78
Other expenses	925.19	1821.88
Depreciation & Amortization expenses	209.82	134.62
Less: Expenditure transferred to capital work in progress	(1876.21)	(4261.98)
Total Expenses	20.17	214.31
Profit before Exceptional items	(15.86)	(195.51)
Less: Exceptional items	–	--
Profit/(Loss) before tax	(15.86)	(195.51)
Less: Tax expenses	289.82	20.01
Profit/(Loss) after Tax	(305.68)	(215.52)
Less: Any appropriations, if any	–	--
Balance carried to Balance Sheet	(305.68)	(215.52)

REVIEW OF OPERATIONS

During the year under review, the Total Income was Rs. 4.31 Lakhs with no revenue from operation. The Company posted a net loss after tax of Rs. 305.68 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

The inter-corporate loan availed from OPGC and OHPC has been settled during the FY.2017-18.

GENERAL

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

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares, sweat equity shares and ESOS to employees of the Company.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT

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

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

OCPL is in the process of developing the risk management practices to address various developmental and operational risks. The Company has standard operating processes for various developmental activities at present in order to mitigate and prevent risk arising out of various activities and operations. OCPL is currently carrying out coal mine developmental works and plans for its operation shortly for which permits and clearances from different State and Central Govt. agencies are in place. However, the Policy of Government may impact OCPL's development as well as operational strategy in case of any change in law as may be promulgated by Govt.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

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

EXTRACT OF ANNUAL RETURN

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

DIRECTORS

Mr. Rajendra Shrivastav (DIN 01213134), Director, OPGC and Mr. H. P. Nayak (DIN 06386473), Director (F), OPGC were appointed as Director on 15th November, 2017 as OPGC nominee. However, Mr. H P Nayak relinquished from the position of Director, OCPL with effect from 14th June,2018.

STATUTORY AUDITORS

M/s Anil Mihir and Associates have been appointed as the Statutory Auditors of the Company by Comptroller and Auditor General (C&AG) of India for the year under report. The report of the Statutory Auditors to the shareholders on the accounts for the year 2017-2018 and comments of C&AG of India u/s 143 (6) (b) of the Companies Act,2013 are enclosed as a part of the report.

INTERNAL AUDIT

The Board of Directors of the Company has appointed, after recommendations of the Audit Committee, M/s SAPSJ and Associates, Cost Accountants as internal auditors for conducting Internal Audit. The Internal Auditors monitor and evaluate the efficiency and adequacy of internal control system in the company, its compliances with operating systems, accounting procedures and policies at Corporate and Site Office of the company and reports the same at end of financial year to the Audit Committee and Board.

MANAGEMENT COMMENTS ON STATUTORY AUDITORS' REPORT

The comments of the statutory auditors and management's reply on each of the observations are placed at Annexure–III which form a part of the Directors' Report.

MANAGEMENT COMMENTS ON C&AG OF INDIA REVIEW

Review of the Accounts for the year ended 31st March, 2018 by the Comptroller and Auditor General (C&AG) of India is furnished at Annexure–IV which also forms a part of this report. Your Directors are pleased to inform that the C&AG of India has given NIL comments on the Annual Accounts of the Company.

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 FINANCIAL CONTROL

The Company has a well-placed, proper and adequate Internal Financial Control system aimed at achieving efficiency in operations, optimum utilization of resources and compliance with applicable laws and regulations. It ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. M/s Jalan & Associates, Charted Accountants have been appointed for assessment and evaluation of the Internal Financial Control systems of the Company and have found the same in order.

ENVIRONMENT, HEALTH & SAFETY (EHS)

Environmental 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.

Environment, Health & Safety plan for CHP construction work has been approved and in place. Safety Management Plan for Manoharpur Coal Mine Project has been prepared and submitted with Directorate General of Mines Safety, Ministry of Labour & Employment, Govt. of India. Meanwhile, OCPL has completed 1.7million safe man hours cumulatively in all its construction sites.

CORPORATE SOCIAL RESPONSIBILITY

OCPL's vision of sustainable growth drives equally both business decisions as well as Corporate Social Responsibility (CSR) initiatives. OCPL works in the core sectors of Education, Community Health, Sustainable Livelihood Management, Rural Infrastructure Development, Skill Development and support to Rural sports.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had held eight Board meetings during the financial year under review.

AUDIT COMMITTEE

As a measure of good Corporate Governance your company has volunteered to adopt governance norms of the corporate administration and in order to provide assistance to the Board of Directors in fulfilling its oversight responsibilities, an Audit Committee has been constituted by the Board in its 19th Meeting held on 2nd July, 2016 to review the adequacy and effectiveness of internal audit and to monitor the implementation of internal audit recommendations including those relating to strengthening of company's control system against unscrupulous, unethical and fraudulent transactions.

H.R.D. & MANPOWER PLANNING

Your Company believes in retaining and nurturing a highly motivated work force to drive the company along its vision & mission with the values and work culture that foster operational excellence through team work. The company has prepared a statutory and non-statutory requirement of manpower taking into consideration of lead time for training and external hiring.

The Management provides continuous emphasis on development of this skill of its manpower through training. Need based training has been imparted to the employees to narrow down the performance gaps. Employees are being regularly sponsored for undertaking training, attend seminars and workshops conducted by reputed Govt. and private Institutes to keep them updated about the recent developments in their respective sectors.

RIGHT TO INFORMATION

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

During 2017-18, 1 application was received under the RTI Act, 2005 which was replied within the time allowed under the Act.

INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

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

INDUSTRIAL RELATIONS

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

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

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

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

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

ACKNOWLEDGEMENT

The Board of Directors gratefully acknowledge and place on record their appreciation for the support, guidance and co-operation extended to the Company by 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, IPICOL, IDCO, MCL, Union Bank of India, Punjab National Bank, ICICI Bank, State Bank of India, AXIS Bank, Yes Bank, REC, PFC, Auditors, Advocates, Solicitors, business associates 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 activities of the Company.

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

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

For and on behalf of the Board of Directors

Sd/-
CHAIRMAN

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	• LED illuminaires have been provided in office buildings and for outdoor illumination. Air condition system provided in office buildings are all of BEE 5 star rating. OCPL is also committed to use energy efficient luminaires and appliances in all future projects. • All distribution transformers installed at site are BEE star rated. • Sizing & selection of electrical machines and drive units are being carried out in an optimized way to reduce energy consumption. • Office buildings & guest houses have been designed in a way to use maximum day -light and to reduce energy consumption. • Automatic power factor correction panels have been incorporated in design for all future projects. . Pool vehicle system and common bus services have been implemented in the site office for optimum use of vehicles and reduction of fuel consumption.
	(II)	The steps taken by the company for utilising alternative sources of energy	• 9 KWP off grid roof top solar system has been commissioned in the guest house at site. . A 2.5 Kwp off grid roof top solar system and 2 Kwp off grid solar system have been commissioned respectively in the guest house and in the Magazine house. • OCPL is further planning to construct a 500 KWP grid connected solar power plant for the common facility loads of R&R colony- 1 &2 . . 8 nos of 15 W comprehensive solar street light systems have been instllaed in R&R colony-1. Work order for installation of additional 17 nos of 15 Kw systems in R&R colony-1 and 8 nos of 30 W systems in Magazine house has already been released.
	(III)	The capital investment on energy conservation equipments	Rs. 23 Lakhs (Approx)
B	Technology absorption		
	(I)	The efforts made towards technology absorption	Nil
	(II)	the benefits derived like product improvement, cost reduction, product development or import substitution	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)	Rs. 513961/-

Annexure - II

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2018

[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, ODISHA-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 01.04.2017)				No. of Shares held at the end of the year (As on 31.03.2018)				% 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.		200000000	200000000	100.00		300000000	300000000	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)		200000000	200000000	100		300000000	300000000	100.00	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c)Central Govt									
d) State Govt (s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B) (1) :-									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholdings									
holding nominal share capital upto									
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 ©									
Grand Total (A+B+C)		2000000002	200000000	100.00		300000000	300000000	100.00	

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2017)			Shareholding at the end of the year (As on 31.03.2018)			
			% of total shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Odisha Power Generation Corporation Ltd.	102000000	51.00		153000000	51.00		Nil
2	Odisha Hydro Power Corporation Ltd.	98000000	49.00		147000000	49.00		Nil
	Total	**200000000**	**100.00**		**300000000**	**100.00**		

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

Sl. No.	Shareholder's Name		
		No. of Shares	% of total shares of the company
1	Odisha Power Generation Corporation Ltd.	51000000	Nil
2	Odisha Hydro Power Corporation Ltd.	49000000	Nil
	Total	**100000000**	**Nil**

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

Sl. No.	Shareholder's Name	Shareholding at the begining of the year (As on 01.04.2017)		Cumulative Shareholding during the year (01.04.2017 - 31.03.2018)	
	For Each of the Top 10 Shareholders	No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
a	At the begining of the year as on 01.04.2017	NA			
b	Changes during the year	NA			
c	At the end of the year as on 31.03.2018	NA			

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the begining of the year (As on 01.04.2017)		Cumulative Shareholding during the year (01.04.2017 - 31.03.2018)	
	For Each of the Directors and KMP	No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
a	At the begining of the year as on 01.04.2017	NA			
b	Changes during the year	NA			
c	At the end of the year as on 31.03.2018	NA			

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	–	6009.46		
ii) Interest due but not paid	–	252.27		
iii) Interest accrued but not due	--			
Total (i+ii+iii)	–	6261.73		6261.73
Change in Indebtedness during the financial year				
● Addition	40126.81	2000		42126.81
● Reduction		-8261.73		-8261.73
Net Change	40126.81	-6261.73		33865.08
Indebtedness at the end of the financial year				
i) Principal Amount	38125.13	–		38125.13
ii) Interest due but not paid	2001.68	–		2001.68
iii) Interest accrued but not due	--			
Total (i+ii+iii)	40126.81	--		40126.81

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

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

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

Sl No	Particulars of Remuneration	Key Managerial Personnel				
1	Gross Salary					
	(a) Salary as per provisions contained in					
	section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2)					
	Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section					
	17(3) Income-tax Act, 1961	-	-	-	-	-
	2Stock Option	-	-	-	-	-
	3Sweat Equity	-	-	-	-	-
	4Commision					
	- 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 to Statutory Auditor's Observations

<table>
<tr><th>Sl.No</th><th>Observation</th><th>Management Reply</th></tr>
<tr><td>1</td><td>
The company has allotted following equity shares against conversion of inter corporate loans.
<table>
<tr><th>Date of issue</th><th>No of shares issued</th><th>Total value of shares (Rs)</th><th>Issued to</th><th>Remarks</th></tr>
<tr><td>26th Sept 2017</td><td>49,00,000, of RS 10 each</td><td>49,00,00,000/-</td><td>OHPC Ltd</td><td>Shares allotted against conversion of Inter corporate loan.</td></tr>
</table>
The above allotment of shares against inter corporate loans are against the provisions of sec 62(3) of the Companies Act 2013.
Provisions of sec 62 (3) states that “Nothing in this section shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting”.
Whereas in the case of OCPL no such prior special resolution were passed in a general meeting for raising such loan against which equity shares were issued.
</td><td>
Section 62 (1) (a) of the Companies Act, 2013 empowers “Board of Directors” to issue equity shares to existing shareholders in proportion with their present shareholding in the company.
Further, Section 62 (1) (c) of the Companies Act, 2013 contain provisions for issue of shares to any persons (Other than existing shareholders of the company in proportion with their present shareholding) only through “Special Resolution” passed by members of the Company.
Whereas, Section 62 (3) of the Companies Act, 2013 enumerates that equity shares can be issued by exercising options as attached with debentures or by conversation of loan into shares in the company but the terms of issue of such debentures or loan containing such an option requires prior approval of Shareholders by way of special resolution.
The basic principle laid down in Section 62 (1) of the Companies Act, 2013 is that the existing Shareholders are only entitled for any issue of further shares by the Company. Here Board is having authority to issue shares to them. Whereas, if the company wants to issue shares to any person other than to the existing shareholdersit should pass a special resolution.
In the present Case: The OCPL Board issued equity shares on right basis to existing shareholders in proportion with their present shareholding under Section 62 (1) (a) of the Companies Act, 2013. The formalities required underaforesaid Section were duly complied with viz. issue of Offer Letter. Therefore, upon acceptance of the Offer Letter by the Shareholders with request to convert the inter-corporate loan into equity. The equity shares were allotted to them (existing shareholders).
Therefore, In the present allotment of OCPL, Section 62(3) is not attracted. (Based on opinion)
</td></tr>
</table>

2	Land is capitalized on the basis of possession from IDCO however few existing occupants are yet to vacate their possession.	Out of 244 displaced families 221 families (i.e more than 90%) have taken the possession of house in the R&R colony as on 27th August, 2018 and balance 23 families shall be shifted in few days. However, it is to mention that the land acquisition activity is being undertaken by IDCO and the possession of the land has been given in a bulk by IDCO to OCPL. Considering the materiality and based on possession taken over by OCPL from IDCO, the land has been capitalized in the books of account. Further, the activity of physical shifting of displaced families are merely covered under rehabilitation and resettlement process. Hence, the capitalized land is well within the possession of OCPL as the same has been handed over by IDCO to OCPL.
3	Input credit of service tax paid by the comp any up to 30th June, 2017 has not been carried forward for setting off against future GST liability. The service tax/VAT incurred on capital goods prior to 1st July, 2017 should have been quantified and carried forward for future set off by filing TRANS 1 within due date.	1. It is a known fact that OCPL has incurred a very few expenditure during the year and up to 2016-17. The major part of the expenditure i.e Rs.258.43 cr. was incurred by OPGC on development of coal blocks which has been transferred to OCPL on the basis of Govt. approval during the year 2016-17. Besides it, OCPL has spent mostly on works contracts and the service tax paid on the input services used in the works contract were outside the scope of CENVAT Credit. 2. Considering the materiality, the VAT/service tax paid for other expenditures were not claimed as ITC under previous tax regime as the commercial operation was not expected to start very shortly, as estimated during pre-tax regime. 3. Further, it is pertinent to mention that though ITC was not availed in pre-tax regime the same has been capitalized to the project cost/CWIP. Hence, there is no loss for the company. The company shall still take the benefit of input tax paid by claiming depreciation on the capitalized asset.

Comments of the Comptroller and Auditor General of India under Section 143(6) (b) of The Companies Act, 2013 on the Financial Statemetns of Odisha Coal and Power Limited for the year ended 31 March 2018.

The preparation of financial statements of Odisha Coal and Power Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsiblility of the management of the company. the statutotory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expresssing opinion on the financila 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: 29 August 2018.

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 2018. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selecting examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplementary ot statutory auditors' report

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

Sd/-
YASHODHARA RAY CHAUDHURI
PRINCIPAL ACCOUNTANT GENERAL

Place: Bhubaneswar
Date: 19.09.2019

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- NIL and from OHPC NIL as on 31st March, 2018.

(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

Independent Auditor's Report

To the Members of Odisha Coal and Power Limited

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of Odisha Coal and Power Limited ('the Company'), which comprise the balance sheet as at 31stMarch 2018, the statement of profit and loss (including other comprehensive income),the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as “Ind AS financial statements”).

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under.

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 standalone Ind AS 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 Ind AS 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 there under.

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 standalone Ind AS financial statements are free from material misstatement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the stand alone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 stand alone Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements Subject to our observations given below 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 including the Ind AS, of the financial position of the Company as at 31st March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Observation

1. The company has allotted following equity shares against conversion of inter corporate loans

Date of issue	No of shares issued	Total value of shares(Rs)	Issued to	Remarks
26.07.2017	4900000 of Rs 10 each.	49,00,00,000/-	OHPC Ltd	Shares allotted against conversion of Inter corporate loan.

The above allotment of shares against inter corporate loans are not in accordance to the provisions of sec 62(3) of the Companies Act 2013.

Provisions of sec 62 (3) states that "Nothing in this section shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company: Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting".

Whereas in the case of OCPL no such prior special resolution were passed in a general meeting for lending such loan against which equity shares were issued.

2. Land is capitalised on the basis of possession from IDCO however few existing occupants are yet to vacate their possession.

3. Input credit of service tax paid by the company up to 30th June, 2017 has not been carried forward for setting off against future GST liability. The service tax/VAT incurred on capital goods prior to 1stJuly, 2017 should have been quantified and carried forward for future set off by filing TRANS 1 within due date.

Report on Other Legal and Regulatory Requirements

1. As required by 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, we give in the Annexure-A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by the Directions issued by the Comptroller and Auditor General of India in terms of subsection (5) of section 143 of the act, we give in Annexure–C a statement on the matters specified in the aforesaid Directions.

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, the statement of cash flows and The statements of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;

(e) As per notification No. GSR 463 (E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, Section 164 (2) of the Companies Act, 2013 is not applicable to the company.

(f) With respect to the adequacy of the 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 the 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. As explained to us, right to use the Forest Land has been diverted to OCPL by the MoEF after cancelling the "right to use" RoR of existing alottees. 34 no of such existing alottees where RoR has been cancelled have filled cases before Hon'ble High court of Odisha. The final outcome and/or quantification of compensation if any have not been known as on date.

ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to theInvestor Education and Protection Fund by the Company.

For Anil Mihir & Associates
Chartered Accounts
FRN-303038E

Sd/-
(CA. Mihir Kumar Sahu)
Partner
M. No. 053968

Place: Bhubaneswar
Date: 29/08/2018

Annexure–A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31st March 2018, we report that:

(i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company had conducted physical verification of Fixed Assets during the financial year 2016-17 by external agency M/s SAPSJ & Associates, Cost Accountants. The company has a policy to conduct physical verification of assets once in a block of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets in use.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, wherever registered.

(ii) The Company has not started commercial operation. Accordingly, it does not hold any physical inventories. Thus, this paragraph of the Order is not applicable to the Company.

(iii) The Company has not granted any loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company

(b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.

(c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) The Company has not accepted any deposits from the public.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income -tax, sales tax, value added tax, duty of customs, Goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

(viii) The Company has not defaulted in repayment of dues to financial institutions, Banks or debenture holders.

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

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

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

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

For Anil Mihir & Associates
Chartered Accounts
FRN-303038E

Sd/-
(CA. Mihir Kumar Sahu)
Partner
M. No. 053968

Place: Bhubaneswar
Date: 29/08/2018

Annexure-B to the Auditors' Report

Report on the 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 (“the Company”) as of 31st March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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 collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the 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 deteriorate.

Opinion

In our opinion, 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company and reviewed by M/s. Jalan and Associates, Chartered Accountants considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Anil Mihir & Associates
Chartered Accounts
FRN-303038E

Sd/-
(CA. Mihir Kumar Sahu)
Partner
M. No. 053968

Place: Bhubaneswar
Date: 29/08/2018

Annexure-C to the Auditors' Report

Directions under section 143 (5) of the Companies Act, 2013
Referred to our report of even date.

Particulars	Remarks
Whether the company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	According to the information and explanations given to us, the company is in the process of acquiring land. The company holds clear title deeds for the land already registered. 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 – C1 series.
Whether here are any cases of waiver/write off of debts/loans/interest etc. if yes, the reasons there for and amount involved.	To the best of our knowledge and according to the explanations and information given to us, there are no cases of waiver/write off of debts/ loans/interest etc. during the period under audit.
Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from the Govt. or other authorities.	To the best of our knowledge and according to the information and explanations given to us, there are no inventories lying with the third parties.

Sector Specific Additional Directions

Adequacy of steps to prevent encroachment of idle land owned by Company may be examined. In case of land of the Company is encroached, under litigation, not put to use or declared surplus, details may be provided.	The Company is under acquisition of land for mining purpose. No such cases come to our notice.
Where land acquisition is involved in setting up new projects, report whether settlement of dues done expeditiously and in a transparent manner in all cases, The cases of deviation may be detailed,	The settlement of land is done through IDCO. No deviations found during the process of audit.
Whether the Company has an effective system for recovery of revenue as per contractual terms and revenue is properly accounted for the books of accounts in compliance with the applicable Accounting Standard.	The company is under preoperative stage. Hence no revenue generated.
How much cost has been incurred on abandoned projects and out of this how much cost has been written off?	Not Applicable
In case of thermal power projects, compliance of the various pollution Control Acts and the impact thereof including utilisation and disposal of ash and the policy of the company in this regard, may be checked and complemented.	Not Applicable as this is not a thermal power generating Company.

Has the company entered into revenue sharing agreements with private parties for extraction of coal pitheads and it adequately projects the financial interest of the company.	The company has not entered into any revenue sharing agreement during the period of audit.
Does company have a project system for reconciliation of quantity / quality coal ordered and received and whether grade of coal moisture and demurrage etc. Are properly recorded in the books of accounts?	The operation of the company has not yet been started. Hence this clause is not applicable.
How much share of free power was due to the state government and whether the same was calculated as per the agreed terms and depicted in the accounts as per accepted accounting norms?	Not Applicable as this is not a power generating Company
In the case of hydroelectric projects the water discharge is as per policy/ guidelines issued a by the state government to maintain biodiversity. For not maintaining it penalty paid/ payable may be reported.	Not Applicable as this is not a power generating Company

For Anil Mihir & Associates
Chartered Accounts
FRN-303038E

Sd/-
(CA. Mihir Kumar Sahu)
Partner
M. No. 053968

Place: Bhubaneswar
Date: 29/08/2018

Annexure-C1 (Status of Land Acquisation)

Status of Manoharpur Coal Mine Private Land as on 31-03-2018

Sl. No.	PURPOSE	VILLAGE	LA CASE NO.	TOTAL AREA Acres	Lease Deed Executed Between Collector & IDCO	Date of Registration in favour of IDCO	Possession Handed Over to IDCO	Date of Possession handed over to IDCO	Allottment in favour of OCPL	Date of Allottment
A	COAL MINE	Manoharpur	01/10	497.17	497.17		497.17	27th Dec 2013	497.17	
			02/10	29.78	29.78		29.78	27th Dec 2013	29.78	
		Ghumudasan	03/10	93.59	93.59		93.59	29th April 2016	93.59	
			04/10	3.16	3.16	25th Oct 2017	3.16	20th July 2016	3.16	29th Dec 2016
		Dulinga	05/10	105.72	105.72		105.72	29th April 2016	105.72	
			06/10	32.34	32.34		32.34	29th April 2016	32.34	
		Kathphali	07/10	14.46	14.46		14.46	27th Dec 2013	14.46	
		Paramananpur	08/10	0.47	0.47		0.47	27th Dec 2013	0.47	
		SUB-TOTAL		**776.69**	**776.69**		**776.69**		**776.69**	
B	Addl.Land for Coal Mine	Ghumudasan	70/12	125.54	125.54	17th May 2017	125.54	20th July 2016	125.54	11th Sep 2017
		Dulinga	71/12	55.96	55.96		55.96	20th July 2016	55.96	
		Kathphali	72/12	12.85	12.85	25th Oct 2017	12.85	29th April 2016	12.85	29th Dec 2016
		Manoharpur	73/12	11.06	11.06		11.06	29th April 2016	11.06	
		SUB-TOTAL		**205.41**	**205.41**		**205.41**		**205.41**	
C	Mine Left Out	Manoharpur	ST Land	0.88	-	-	-	-	-	
		Ghumudasan		1.22	-	-	-	-	-	
		Dulinga		0.09	-	-	-	-	-	
		Dulinga	Direct Purchase	3.50	-	-	-	-	3.50	Direct Purchase
		Manoharpur		0.42	-	-	-	-	-	
		Ghumudasan		0.32	-	-	-	-	0.32	
		Sub-Total		**6.43**	**-**	**-**	**-**	**-**	**3.82**	
D	Transfer of Pvt. Land from OPGC to OCPL	Ghumudasan	From OPGC to OCPL	45.51					45.51	11th Sep 2017
		Sarbahal		5.47					5.47	
		SUB-TOTAL		**50.98**					**50.98**	
		GRAND TOTAL		**1,039.51**	**982.10**	**NA**	**982.10**	**NA**	**1,036.90**	

Note: The registration lease deed in favour of OCPL for the aforesaid leased land (excluding 'C') is under process.

Forest Land status as on 31-03-2018

Sl. No	Name Of Village	Diverted Forest Land	Possesssion obtained	Possession Date	Possession Date
1	Manoharpur	390.71	211.79	30/7/2016	30/7/2016
2			174.84	7/1/2017	7/1/2017
3	Dulanga	15.01	15.01	30/7/2016	30/7/2016
4	Kathaphali	31.89	26.97	30/7/2016	30/7/2016
5			4.92	7/1/2017	7/1/2017
6	Ghumudasan/ Sanghumuda	24.5	24.5	30/7/2016	30/7/2016
7	Durubaga	14.63	14.63	30/7/2016	30/7/2016
8	Paramanandapur	13.61	13.61	30/7/2016	30/7/2016
9	Reserve forest	5.00	5	31/5/2016	31/5/2016
	TOTAL (Acre)	**495.35**	**491.27**		

Status of Govt. Land as on 31-03-2018

MANOHRPUR COAL MINE GOVERNMENT LAND - SUNDARGARH							
PROJECT	VILLAGE	APPLIED (Ac.)	SANCTIONED (Ac.)	LEASE WITH IIDCO	POSSESSION TO IIDCO	ALLOTTMENT TO OCPL (PP)	ALLOTTMENT TO OCPL (LEASE)
Coal mine	MineManoharpur	385.80	385.65	346.66	346.66	38.99	346.66
	Dulinga	173.77	172.94	162.46	162.46	10.48	162.46
	Ghumudasan	52.53	52.53	50.83	50.83	1.70	50.83
	Paramanandpur	3.05	3.05	2.89	2.89	0.16	2.89
	Kathapali	105.79	105.71	105.71	105.71	Nil	105.71
	Durubaga	5.01	5.01	2.30	2.30	2.71	2.30
	SUB TOTAL	**725.95**	**724.89**	**670.85**	**670.85**	**54.04**	**670.85**
R & R colony	Sukhabandha	77.07	77.07	77.07	77.07	Nil	37.77
	Hemgir	102.90	102.90	102.90	102.90	Nil	86.90
	SUB TOTAL	**179.97**	**179.97**	**179.97**	**179.97**	**Nil**	**124.67**
Addl. Coal mine	Manoharpur	7.02	7.02	7.02	7.02	Nil	7.02
	Dulinga	26.15	26.15	26.04	26.04	0.11	26.04
	Ghumudasan	28.72	28.72	26.03	26.03	0.06	26.03
	SUB TOTAL	**61.89**	**61.89**	**59.09**	**59.09**	**0.17**	**59.09**
Sub Station	Sarbahal	15.08	15.08	15.08	15.08	-	15.08
Magazine	Laikera	2.13	2.13	2.13	NA	NA	2.13
ITC	Kamalaga	4.00	4.00	4.00	NA	NA	-
Office	Hemgir	2.00	2.00	2.00	NA	NA	-
Approach Road to R&R Colony	Sukhabandha	2.08	-	-	-	-	-
Inter Connectivity Road	Sukhabandha	0.76	-	-	-	-	-
	Hemgir	2.61	-	-	-	-	-
Cremation Ground for R&R Colony	Sukhabandh	1.57	1.57	1.57	NA	NA	1.57
Left Out Govt Land Coal Mines	Ghumudasan	2.36	-	-	-	-	-
Mine Colony	Sarbahal	9.20	-	-	-	-	-
Mine Colony_MO	Laikera	9.55	-	-	-	-	-
MGR Land transfer from OPGC to OCPL	Ghumudasan	13.52	13.52	13.52	13.52	-	12.04
	Sarbahal	8.27	8.27	8.27	8.27	-	6.50
	SUB TOTAL	**73.13**	**24.78**	**24.78**	**15.08**	**-**	**37.32**
	GRAND TOTAL	**1,040.94**	**991.53**	**934.69**	**924.99**	**54.21**	**891.93**

Note: The registration of lease deed in favour of OCPL for the aforesaid leasedland is under process.

Balance Sheet as at March 31, 2018

(Rupees in Lakhs)

	Particulars	Note No.	As at March 31, 2018	As at March 31, 201
	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	5	1,051.96	993.59
	(b) Capital work-in-progress	5	29,243.55	26,550.60
	(c) Other Intangible assets	5 (i)	4,777.42	10.28
	(d) Financial Assets			
	(i) Loans	6	13.38	13.23
	(e) Other non-current assets	7	33,263.79	24,285.09
	Total Non - Current Assets		**68,350.10**	**51,852.80**
2	Current assets			
	(a) Financial Assets			
	(i) Cash and cash equivalents	8	514.40	917.39
	(ii) Bank balances other than (i) above	8	-	0.10
	(iii) Others	9	2.23	3.06
	(b) Current Tax Assets (Net)	10	15.59	-
	(c) Other current assets	11	4,356.78	297.19
	Total Current Assets		**4,889.00**	**1,217.74**
	TOTAL ASSETS		**73,239.10**	**53,070.54**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	12	30,000.00	20,000.00
	(b) Other Equity	13	(615.74)	(310.05)
	Total equity		**29,384.26**	**19,689.95**
	LIABILITIES			
1	Non-current liabilities			
	(a) Financial Liabilities			
	I) Borrowings	14	40,126.81	-
	(b) Deferred tax liabilities (Net)	15	309.83	3.12
	Total non-current liabilities		**40,436.64**	**3.12**
2	Current liabilities			
	(a) Financial Liabilities			
	(I) Borrowings	16	-	6,009.46
	(ii) Other financial liabilities	17	3,322.90	27,235.52
	(b) Other current liabilities	18	95.30	121.25
	(c) Current Tax Liabilities (Net)	10	-	11.24
	Total Current Liabilities		**3,418.20**	**33,377.47**
	TOTAL EQUITY AND LIABILITIES		**73,239.10**	**53,070.54**
Notes forming part of the financial statements		**1-28**		

In terms of our report attached.

For and on behalf of the Board

For Anil Mihir & Associates
Chartered Accountants

Sd/-
Indranil Dutta
Director

Sd/-
Pravakar Mohanty
Director

Mihir Ku. Sahu Partner
M.N: 053968
(F.R.N: 303038E)

Place : Bhubaneswar
Date : 29/8/2018

Sd/-
Manish Tiwari
Company Secretary

Sd/-
A.K. Pattjoshi
Head Finance

Sd/-
K.C. Brahma
CEO (I/C)

Statement of Profit and Loss for the period ended March 31, 2018

(Rupees in Lakhs)

	Particulars	Note	Period ended March 31, 2018	Period ended March 31, 2017
I	Revenue from Operations	19	-	-
II	Other Income	20	4.31	18.79
III	**Total Income (I + II)**		**4.31**	**18.79**
IV	**Expenses**			
	(a) Employee Benefit expense	21	761.87	2,519.78
	(b) Finance costs	22	-	-
	(c) Depreciation and amortization expense	5	209.82	134.62
	(d) Other expenses	23	925.19	1,822.03
	Less : Expenditure transferred to capital work in progre		(1,876.71)	(4,262.12)
	Total expenses (IV)		**20.17**	**214.31**
V	Loss before tax (III - IV)		(15.86)	(195.51)
VI	Tax Expense:	10		
	(a) Current tax		-	16.89
	(b) Deferred tax	15	306.72	3.12
	(c) Taxes of earlier years		(16.89)	-
	Total tax expense		**289.82**	**20.01**
VII	**Loss for the Period (V -VI)**		**(305.68)**	**(215.52)**
VIII	**Other Comprehensive Income / (Losses)**			
	(A) (i) Items that will not be reclassified to profit and loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit and loss		-	-
	(B (i) Items that will be reclassified to profit and loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit and loss		-	-
	Total Comprehensive Income / (Losses) for the period		**-**	**-**
IX	**Total Comprehensive Income / (Losses) for the period (VII+VIII) (Comprising Loss and Other Comprehensive Income for the period)**		**305.68**	**(215.52)**
X	Earnings per equity share:- Basic and diluted (Rs)	26	(0.12)	(0.29)
XI	**Notes forming part of the financial statement**	**1-28**		

In terms of our report attached.

For and on behalf of the Board

For Anil Mihir & Associates
Chartered Accountants

Sd/-
Indranil Dutta
Director

Sd/-
Pravakar Mohanty
Director

Mihir Ku. Sahu Partner
M.N: 053968
(F.R.N: 303038E)

Sd/-
Manish Tiwari
Company Secretary

Sd/-
A.K. Pattjoshi
Head Finance

Sd/-
K.C. Brahma
CEO (I/C)

Place : Bhubaneswar
Date : 29/8/2018

Statement of Cash Flow for the year ended March 31, 2018

(Rupees in Lakhs)

	Particulars	Period ended March 31, 2018	Period ended March 31, 2017
(A)	**Cash flows from operating activities:**		
	Loss before taxes	(15.86)	(195.51)
	Adjustments for:		
	Depreciation and amortisation of non-current assets	-	-
	Operating profit before working capital changes	**(15.86)**	**(195.51)**
	Movements in working capital:		
	(Increase)/ decrease in loans and othe financial assets	0.93	(3.06)
	(Increase)/decrease in other assets	(36,706.68)	(235.13)
	Increase/ (decrease) in other payables	(25.95)	28.17
	Increase/ (decrease) in other liabilities	(424.75)	1,336.02
	Cash generated from operations	**(37,172.31)**	**930.49**
	Taxes Paid	(9.94)	(5.17)
	Net cash flow from operating activities	**(37,182.25)**	**925.32**
(B)	**Cash flows from investing activities:**		
	Payments for purchase of fixed assets	(6,654.52)	(17,989.58)
	Payments to acquire financial assets	(0.15)	(0.20)
	Payments against leasehold land*	23,668.39	(19,654.32)
	Net cash used in Investing Activities	**17,013.72**	**(37,644.10)**
(C)	**Cash flows from financing activities:**		
	Issue of shares	5,100.00	-
	Issue of shares by way of conversion of inter-company loan	4,900.00	19,995.00
	Other finance by related parties	(24,351.81)	23,456.33
	Repayment of loan to related parties	(6,009.46)	(6,558.74)
	Term loan from Banks	38,125.13	-
	Term loan from Banks (Non Cash Changes)	2,001.68	-
	Net cash flow from financing activities	**19,765.54**	**36,892.59**
	Net Increase/(decrease) in cash or cash equivalents	**(402.99)**	**173.81**
	Cash and cash equivalents at the beginning of the year	**917.39**	**743.58**
	Cash and cash equivalents at the end of the year	**514.40**	**917.39**
Notes forming part of the financial statement		**Note No. 1-28**	

(I) * Change in payment against leasehold land includes non-cash changes to the tune of Rs.25,838.35 lakh as capitalization.

(ii) Repayment of loan includes conversion of inter-company loan of Rs.4,900 lakhs (March 31, 2017: Rs 19,995 lakhs) into equity share capital.

(iii) The company has undrawn borrowing of Rs.63,473.19 lakh from Banks as at the reporting date to settle the capital committmets and future operating activity.

(iv) Figures in brackets represents cash outflows/incomes as the case may be.

(v) Previous year figures have been regrouped/rearranged wherever necessary to confirm the current year classifications.
In terms of our report attached. For and on behalf of the Board.

In terms of our report attached.

For and on behalf of the Board

For Anil Mihir & Associates
Chartered Accountants

Mihir Ku. Sahu Partner
M.N: 053968
(F.R.N: 303038E)

Place : Bhubaneswar
Date : 29/8/2018

Sd/-
Indranil Dutta
Director

Sd/-
Pravakar Mohanty
Director

Sd/-
Manish Tiwari
Company Secretary

Sd/-
A.K. Pattjoshi
Head Finance

Sd/-
K.C. Brahma
CEO (I/C)

Statement of Cash Flow for the year ended March 31, 2018

A. Equity Share Capital

Balance as at April 1, 2016	Changes in equity share capital during the year	Balance as at March 31, 2017
5.00	19,995.00	20,000.00

Balance as at April 1, 2017	Changes in equity share capital during the year	Balance as at March 31, 2018
20,000.00	10,000.00	30,000.00

B. Other Equity

(Rupees in Lakhs)

	Reserves and Surplus	
	General Reserve	**Retained earnings**
Balance as at April 1, 2016	-	(94.53)
Loss for the year		(215.52)
Other Comphrehensive Income/ (Losses)		-
Total Comprehensive Income/ (Losses)		(215.52)
Transfer of profits of the year to General Reserve	-	-
Balance as at March 31, 2017	-	(310.05)
Loss for the year		(305.68)
Other Comphrehensive Income/ (Losses)		-
Total Comprehensive Income/ (Losses)		(305.68)
Transfer of profits of the year to General Reserve	-	-
Balance as at March 31, 2018	-	(615.74)
Notes forming part of the financial statement	Note No. 1-28	

In terms of our report attached.

For and on behalf of the Board

For Anil Mihir & Associates
Chartered Accountants

Sd/-
Indranil Dutta
Director

Sd/-
Pravakar Mohanty
Director

Mihir Ku. Sahu Partner
M.N: 053968
(F.R.N: 303038E)

Sd/-
Manish Tiwari
Company Secretary

Sd/-
A.K. Pattjoshi
Head Finance

Sd/-
K.C. Brahma
CEO (I/C)

Place : Bhubaneswar
Date : 29/8/2018

Notes to the Financial Statements for the year 2017-18

1. General Information	The Odisha Coal and Power Limited ("OCPL" / "the Company") incorporated on January 20, 2015 with its registered office at Bhubaneswar, Odisha, India. Subsequently Odisha Power Generation Corporation Ltd(OPGC) and Odisha Hydro Power Company Ltd (OHPC) holds 51% and 49% of share capital of the Company respectively pursuant to the Government of Odisha Notification No. 1088 dated 4th February, 2015 and No. 1160 dated 6th February, 2015. The Company files application for allotment of Manoharpur and Dip-side Manoharpur Coal Block under the provisions of The Coal Mines (Special Provisions) Second Ordinance, 2014 and is declared as the successful allottee of the said coal blocks on 24th March, 2015. Manoharpur coal block is an explored coal block with a total reserve of 181MT and Dip-side Manoharpur coal block is a regionally explored block with a total reserve of 350 MT. On 30th March 2015 to be precise, it signed the Allotment Agreement with the Nominated Authority, Ministry of Coal (MoC), Government of India. Allotment Order of Manoharpur& Dip-side Manoharpur coal blocks is issued on 31st Aug 2015 to OCPL by the Nominated Authority for supply of coal exclusively for OPGC expansion Power Project (Unit 3, 4, 5, & 6), 4 units of 660 MW each at Ib-Thermal Power Station, Banaharpali, Jharsuguda, Odisha.OCPL is operating primarily in mining and supply of coal.
2. Statement of Compliance	In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1 April, 2016. These financial statements for the year ended March 31, 2018 are the financial statements prepared in accordance with Ind AS prescribed under section 133 of the Companied Act 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time. Prior to adoption of Ind AS, the Company had been preparing its financial statements in accordance with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and other generally accepted accounting principles in India ('together referred to as "Indian GAAP") for the period up to and including the year ended 31 March 2016.
3. Significant Accounting Policies	The significant accounting policies applied by the Company in preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.
3.01. Basis of preparation	The financial statements of the Company have been prepared in accordance with Ind AS and relevant provisions of the Companies Act, 2013 (to the extent notified and applicable). The Company has adopted all the applicable Ind AS and the Company has transited from Indian GAAP which is its previous GAAP with necessary disclosures. The financial statements have been prepared under the historical cost convention with

	the exception of certain assets and liabilities that are required to be measured at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule-III of the Companies Act 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of Current or noncurrent classification of assets and liabilities.
3.02. Adoption of New and Revised Standards	Standards issued but not yet effective: The Ministry of Corporate Affairs(MCA) on 28th March, 2018 issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifiedIND AS 115, 'Revenue from Contracts with Customers' which is based on IFRS 15, 'Revenue from Contracts with customers' and corresponding amendments to various other Ind AS's due to applicability of Ind AS 115.Ind AS 115 replaces the existing revenue recognition standards IND AS 11, 'Construction Contract' and Ind AS 18, 'Revenue Recognition.' The amendments & applicability of the standards are effective for the accounting period beginning on or after April 1, 2018. The objective of IND AS 115, 'Revenue from Contracts with Customers' is to establish the principles that an entity shall apply to report useful information to the users of financial statements about the nature, amount, timing and uncertainty of revenues and cash flows arising from a contract with customer. The company has successfully implemented all the applicable amendments in the Ind AS from April 1, 2017.
3.03. Use of estimates and critical accounting judgments.	These financial statements have been prepared based on estimates and assumptions in conformity with the recognition and measurement principles of Ind AS. In preparation of financial statements, the company makes judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgements are based on previous experience and other factors considered reasonable and prudent in the circumstances. They are formulated when the carrying amount of assets and liabilities is not easily determined from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and any future periods affected. Significant judgements and estimates relating to the carrying amount of assets and liabilities, while evaluating/assessing useful lives of property, plant and equipment, impairment of property, plant and equipment, impairment of investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

	Key sources of estimation uncertainty at the reporting date, which may cause a material adjustment to the carrying amounts of assets and liabilities for future years are provided in Note-4.
3.04. Cash and cash equivalent.	Cash and cash equivalents in the balance sheet comprises cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, and unrestricted for withdrawal and usage
3.05.Cash Flow Statement	Cash flow is reported using the indirect method, where by profit / (loss) before extra-ordinary items and tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.
3.06.Property, Plant and Equipment	**Tangible Assets:** Property, plant and equipment held for use in the production or/ and supply of goods or services, or for administrative purposes, are measured at cost, less any subsequent accumulated depreciation and impairment loss, if any. Such cost comprises purchase price (net of recoverable taxes, trade discount and rebate etc.), borrowing cost, and any cost directly attributable to bringing the assets to its location and working condition for intended use. Expenditure incurred on development of freehold land and leasehold land are capitalized as part of the cost of the land. Deposits, payments / liabilities made provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land. In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, borrowing costs if any attributable to such construction. Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors. Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts. **Intangible Assets:** 1) Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses. Intangible assets having finite useful lives are amortized over their estimated useful lives, whereas intangibles assets having indefinite useful lives is not amortized. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2) In case 'Forest Land' is diverted otherwise than leasehold basis (i.e no lease deed is envisaged to be executed), entire consideration paid/payable is to be capitalized as "Right to Use-Land" under "Intangible Assets". The same shall be amortized over the period of legal right to use or life of the coal mine, whichever is less. Amortization shall commence when the forest land is available for use.

In case, the lease agreement is signed subsequent to the classification of land as 'Right to use', Land shall be reclassified as "Leasehold Land" and corresponding balances on the date of execution of lease agreement shall be transferred from Right to Use-Land to Leasehold Land and shall be dealt as per IND AS 17. The unamortized balance of leasehold land shall be amortized over the Mining lease period or the life of mines, whichever is lower.

Subsequent expenditure:

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Capital work-in-progress

Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment (if any) under Capital Work-in progress. The cost includes purchase cost of materials / equipment's duties and nonrefundable taxes, any directly attributable costs and Interest on borrowings used to finance the construction of assets.

Capital expenditure on assets not owned by the company and related tothe business of the Company is reflected as a distinct item in capital work-in-progress till the period of completion and thereafter under Property, plant and equipment.

Expenses incurred relating to project, net of income earned during project development stage prior to its intended use are considered as pre-operative expenses and disclosed under Capital-work-in-Progress.

Depreciation &Amortization:
Depreciation is provided on a straight line basis over the useful lives of the assets as prescribed under Schedule II of the Companies Act 2013or as ascertained based on internal assessment and independent technical evaluation that the useful lives as best represent the period over which Company expects to use these assets.

Particulars	**Useful lives**
Building	Over the period of 30 years
Furniture & Fixtures and Electrical Equipment's	Over a period of 10 years
Office and Other Equipment's	Over a period of 5 years
Vehicles	Over a period of 8 years
Computers & Software's	Over a period of 3 years

Land is not depreciated. Premium paid on leasehold land including land development and rehabilitation expense are amortized over the lease period.

Capital expenditure on assets laid on land not owned by the company as mentioned above is amortized over a period of its useful life or lease period whichever is lower.
Depreciation on the following assets are provided over estimated useful life as ascertained based on internal assessment and independent technical evaluation that the useful lives as best represent the period over which Company expects to use these assets. Hence, the useful lives for these assets are different from the useful life as prescribed under Schedule II of the Companies Act 2013.

Tangible Assets:

Particulars	Depreciation / amortization
Tools and Tackles	Over a period of five years

Intangible Assets

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

The estimated useful lives and residual values are reviewed at each year end, with the effect of any changes in estimate, accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of that item is depreciated separately if its useful life differs from the others components of the asset.

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

Physical verification of fixed assets are undertaken by the Company in aphased manner over a period of three years and the discrepancies noticed, if any, are accounted for in the year in which such differences are found.

Disposal and de-recognition of assets

An item of property, plant and equipment and intangible asset is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

3.07. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is reviewed in order to determine the extent of the impairment loss if any.

Intangible assets with an indefinite useful life are tested for impairment annually and

	whenever there is an indication that the assets may be impaired. Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate, that reflects current market assessments of time value of money and the risks specific to the asset for which the estimation of future cash flows have not been adjusted. An impairment loss is recognized in the statement of profit and loss as and when the carrying amount of an asset exceeds its recoverable amount. When an impairment loss subsequently reverses, the carrying amount of asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined if there had no impairment loss been recognized for the asset (or a cash generating unit) in prior year. A reversal of an impairment loss is recognized in the statement of profit and loss immediately
3.08. Foreign currencies Transactions	The financial statements of the Company are presented in Indian rupees ("INR"), which is the functional currency of the Company and the presentation currency for the financial statements. Transactions in foreign currencies are initially recorded in reporting currency i.e. Indian Rupees, using the exchange rates prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange prevailing at the end of the reporting period. Non-monetary items are measured at historical cost. Exchange differences arising on monetary items are recognized in the statement of profit and loss in the period in which they arise.
3.09.Employee Benefits	Employee benefits, inter-alia includes short term employee benefits, provident fund, gratuity, compensated absences and other terminal benefits. In terms of arrangements with OPGC, the company has to make payment for liability towards gratuity, leave benefits (including compensated absences) and other terminal benefit etc. for the period of service rendered by the employees posted on secondment basis from OPGC to OCPL and as per the valuation done by actuary of OPGC.
3.10.Provisions and Contingent Liabilities and Contingent Assets	**Provisions:** Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When appropriate, provisions are measured on a discounted basis. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to that liability **Contingent Liabilities and Assets:**

	Contingent liabilities are possible obligations that arise from past events and whose existence of which will be confirmed only on occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required to settle the obligations, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the possibility of any outflowin settlement is remote. Contingent liabilities are disclosed on the basis of judgment of the management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate. Contingent assets are not recognized in the financial statement, but are disclosed where an inflow of economic benefits is probable.
3.11. Leases	The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for accordingly. Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. **The Company as lessee.** **Operating lease:** Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred. **Finance lease:** Finance leases are capitalized at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income over the period of the lease. **The Company as lessor** **Operating lease –** Rental income from operating leases is recognized in the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and

	arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight line basis over the lease term. **Finance lease –** When assets are leased out under a finance lease, the present value of the minimum lease payments is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is recognized as an unearned finance income. Lease income is recognized over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.
3.13.Financial Instruments	Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liabilities. **Financial assets at amortized cost** Financial assets are subsequently measured at amortized costs if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding **Financial assets at fair value through other comprehensive income (FVTOCI)** Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual term of the financial assets give rise on specified days to cash flows that are solely payment of principals and the interest on principal amount outstanding. **Financial assets at Fair value through Profit or loss (FVTPL)** Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive item on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit or loss. **Financial liabilities and equity instruments issued by the Company** **Financial Liabilities** Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method. Other financial liabilities are measured at amortized cost using the effective interest

method.

Equity instruments

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

Compound instruments

The component parts of compound instruments (convertible instruments) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently re-measured.

Financial guarantee contract liabilities

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

❖ the amount of the obligation under the contract, as determined in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets; and

❖ the amount initially recognized less, where appropriate, cumulative amortization recognized in accordance with the revenue recognition policies.

De-recognition of financial assets

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

Impairment of financial assets

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

	The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the statement of profit and loss. **De-recognition of financial liability** The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. **Offsetting financial instruments** Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.
3.14. Borrowing cost	Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for their intended use. The Company considers a period of twelve months or more as a substantial period of time. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.
3.15. Accounting for Government grants / Grants – in Aid	Government grants are recognized when there is reasonable assurance that we will comply with the conditions attaching to them and that the grants will be received. Government grants are recognized in the statement of profit and loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized in the balance sheet by setting up the grant as deferred income. Other government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognized in the statement of profit and loss in the period in which they become receivable. Grants related to income are presented under other income in the statement of profit and loss except for grants received in the form of rebate or exemption which are deducted in reporting the related expense. The benefit of a government loan at a below-market rate of interest is treated as a

	government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.
3.16.Tax Expenses	Tax expense for the year comprises current and deferred tax. **Current tax :** The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period **Deferred tax :** Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply in the period in which the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of the each reporting period.
3.17. Revenue recognition and Other income	Revenue is measured at the fair value of the consideration received or receivable. Revenues are reduced for estimated rebates and other similar allowances. **Sales of Coal** The Company derives revenue principally from sale of coal. The Company recognizes revenue when all the following criteria are satisfied: (i) significant risks and rewards of ownership has been transferred to the customer; (ii) there is no continuing management involvement with the goods usually associated with ownership, nor effective control over the goods sold has been retained; (iii) the amount of revenue can be measured reliably; (iv) It is probable that the economic benefits associated with the transaction will flow to the Company; (v) recovery of the consideration is probable; and **Other Incomes:** Interest recoverable on advances to suppliers as well as warranty claims/liquidated

	damages is recognised when there is no significant uncertainty about collectability exists or accepted by other party. **Income from dividend and interest** **Dividend** Dividend income from investments is to be recognized when the right to receive the dividend is established. **Interest** Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable. The effective interest rate applicable which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
3.18. Exceptional items	Exceptional items are items of income and expenses within profit or loss from ordinary activities but of such size, nature or incidence whose disclosure is felt necessary for better explanation of the performance of the Company.
3.19. Restatement of material error / omissions	Prior period income/expenses and prepaid expenses of items not exceeding Rs.0.50 lakh in each case are charged to natural head of accounts in the current year. Previous year figure has been regrouped/re-arranged wherever it is necessary.
4. Critical accounting judgments and key sources of estimation uncertainty	
	In the application of the Company's accounting policies, which are described in Note-2, the management of the Company is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised. **Critical judgments in applying accounting policies:** The following are the critical judgements, apart from those involving estimations (see point ii below), that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements **I. Financial assets at amortized cost:** The management has reviewed the Company's financial assets at amortized cost in the

light of its business model and have confirmed the Company's positive intention and ability to hold these financial assets to collect contractual cash flows. The carrying amount of these financial assets is Rs. 530.01 lakhs (March 31, 2017: Rs.933.78 lakhs). Details of these assets are set out in note 24.

ii. Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation of uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

a. **Impairment of investments**
The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

b. **Provisions**
Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

c. **Contingent liabilities**
Contingent liabilities arising from past events the existence of which would be confirmed only on occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Company or contingent liabilities where there is a present obligations but it is not probable that economic benefits would be required to settle the obligations are disclosed in the financial statements unless the possibility of any outflow in settlement is remote

d. **Fair value measurements and valuation processes:**
For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- ❖ Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- ❖ Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- ❖ Level 3 inputs are unobservable inputs for the asset or liability.

5. Property, Plant and Equipment and capital work-in Progress.

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Carrying amounts of :		
Freehold Land	74.90	9.74
Buildings	818.59	846.45
Furniture & Fixtures	68.15	73.71
Vehicle	3.63	4.31
Office and other Equipments	86.68	59.38
Total (A)	1,051.96	993.59
Capital work-in-progress	29,243.55	26,550.60
Total (B)	29,243.55	26,550.60

5 (i). Other Intangible assets

Particulars	As at March 31, 2018	As at March 31, 2017
Software	21.95	10.28
Mining lease right	1,735.57	-
Right to use Forest land	3,019.90	-
Total (C)	4,777.42	10.28

Grand Total (A+B+C)	35,072.92	27,554.47

Particulars	Freehold Land	Buildings	Furniture & Fixtures	Vehicle	Office and other Equipments	Other Intangible Assets	Total
Cost							
Balance as at April 1, 2017	9.74	846.45	73.71	4.31	59.38	10.28	**1,003.87**
Additions	65.16	-	1.97	-	45.73	4,922.46	**5,035.33**
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2018	**74.90**	**846.45**	**75.69**	**4.31**	**105.11**	**4,932.74**	**6,039.20**

Notes forming part of the financial statements

Particulars	Freehold Land	Buildings	Furniture & Fixtures	Vehicle	Office and other Equipments	Other Intangible Assets	Total
Accumulated depreciation and impairment							
Balance as at April 1, 2017	-	33.19	6.54	1.42	20.39	73.48	135.02
Elimination on disposals of assets	-	-	-	-	-	-	-
Depreciation & amortisation for the year	-	27.86	7.53	0.68	18.43	155.32	209.82
Balance as at March 31, 2018	**-**	**61.04**	**14.07**	**2.10**	**38.82**	**228.81**	**344.84**

Particulars	Freehold Land	Buildings	Furniture & Fixtures	Vehicle	Office and other Equipments	Other Intangible Assets	Total
Carrying amount							
Balance as at April 1, 2017	9.74	846.45	73.71	4.31	59.38	10.28	1,003.87
Additions	65.16	-	1.97	-	45.73	4,922.46	5,035.33
Disposals	-	-	-	-	-	-	-
Depreciation & amortisation for the year	-	27.86	7.53	0.68	18.43	155.32	209.82
Balance as at March 31, 2018	**74.90**	**818.59**	**68.16**	**3.63**	**86.68**	**4,777.42**	**5,829.38**

(I) Property, plant and equipment (including Capital work-in-progress) were tested for impairment during the year where indicators of impairment existed. Based on the assessment, the Company did not recognise any impairment charge during the year ended March 31, 2018.

(ii) Rs 2,796.05 lakh (March 31, 2017: Rs 5,156.97 lakhs) of borrowing costs net off of investment income earned from borrowings have been capitalised during the year on qualifying assets.

(iii) The right to use Forest land under intangible asset represents the amount deposited i.e Rs.3014.94 lakh with MOEF (and other directly attributable expenditure) towards forest diversion as approved under stage-II forest clearance to use the forest at coal bearing area. The total capitalized forest diversion consists of 495.35 acre out of which the company is in possession of 491.27 acre and the balance 4.08 acre is in subjudice at Hon'ble Highcourt of Odisha, the possession of which is yet to be obtained. As per clause no.(X) of stage-II forest clearance, the period of diversion of forest land co-terminus with the period of mining lease granted subject to maximum 30 years. Accordingly, the same has been amortized over the period of mining lease i.e currenly 30years w.e.f May 09, 2017 i.e date of execution of Mining Lease.

(iv) Depreciation and amortisation expenses of Rs 209.82 lakhs (March 31, 2017: Rs 135.02 lakhs) has been capitalised during the year in Capital-Work-In-Progress (CWIP).

(v) The rehabilitation and resettlement (R&R) expenses of Rs. 6,165.67 lakhs for construction of R&R colony, Shifting to R&R colony and other incidental expenses and an amount of Rs 1,983.48 lakhs incurred under the head Annuity for the displaced families at coal mine area village has been capitalised to land acquired under lease i.e prepayment leasehold land.

(vi) The loan taken from UBI and PNB is secured through equitable mortgage on all present, future immovable properties. For details refer Note-14 (ii)(a).

(vii) Details of Capital Work In Progress is disclosed hereunder:

(Rupees in Lakhs)

Particulars	As at March 31, 2017	Addition/ (Capitalised) during the year	As at March 31, 2018
R & R Colony at Sukhabandha	6,165.67	(6,165.67)	-
R & R Colony -phase-II	0.50	142.24	142.74
Construction of Transit Guest House & Mining Office	-	-	-
Construction of Admin Building	12.70	-	12.70
Annutiy	2,002.83	(2,002.83)	-
Road, Bridges & culverts	82.18	1,272.32	1,354.49
Construction of Coal Handling Plant & other Infra	-	186.02	186.02
Construction of Explosive Magazine House	-	74.70	74.70
Development of Coal Mines	8,307.73	4,513.42	12,821.15
Consultancy For coal Mines	1,733.13	426.71	2,159.84
Power, Supply, Lighting CM	100.51	574.19	674.70
Up front Fees	3,105.82	1,552.91	4,658.73
Statutory Clearance Fees & Expenses	29.11	2.24	31.35
Survey & Soil Investigation	51.87	-	51.87
Geological Report Fees	425.44	-	425.44
Pipe line	2,112.85	1,792.00	3,904.85
Drilling & Exploration	748.87	122.23	871.10
Other development expenses	0.13	43.15	43.28
Pre operative Expenses	9,978.98	4,672.77	14,651.75
Employee Benefit Expenses (Refer Note-21)	2,782.66	761.87	3,544.53
Finance Cost (Refer Note-22)	5,318.83	2,890.15	8,208.98
Interest income on short term investment	(61.43)	(94.10)	(155.53)
Depreciation and Amortisation Expenses	135.02	209.82	344.84
Administrative & Other expenses (Refer Note-23)	1,803.91	905.02	2,708.93
Total	**26,550.60**	**2,692.96**	**29,243.55**

Notes forming part of the financial statements

6. Loans- Non Current

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
a) Security Deposits		
- Secured, considered good	-	-
- Unsecured, considered good	13.38	13.23
- Doubtful	-	-
Less : Allowance for bad and doubtful advances	-	-
b) Loans to related parties		
- Secured, considered good	-	-
- Unsecured, considered good	-	-
- Doubtful	-	-
Less : Allowance for bad and doubtful advances		
c) Loans to employees		
- Secured, considered good	-	-
- Unsecured, considered good	-	-
- Doubtful	-	-
Less : Allowance for bad and doubtful advances		
Total	**13.38**	**13.23**

The unsecured security deposits are interest free deposits.

7. Other non-current assets

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Prepayments (Leasehold Land)	30,200.06	1.33
Capital Advances:		
a) Advance against land acquisations	607.29	24,275.68
Advance to contractors	1,956.58	6.27
Input Tax credit (GST)	456.37	-
Others	43.48	1.81
TOTAL	**33,263.79**	**24,285.09**

(I) ''Leasehold land includes development cost on land and rehabilitation & resettlement expenses. Amortisation expenses i.e lease rental expense of Rs.92.21 lakhs (March 31, 2017: Rs 0.15 lakhs) has been capitalised during the year in Capital-Work-In-Progress (CWIP).

(ii) 'The lease land of the company is generally acquired through Odisha Industrial development corporation (IDCO) as per the prescribed procedure in this regard.'Prepayment leasehold land includes the cost of 828.54 acre of Govt. Land and 982.10 acre of private land on which physical possession has been obtained from

IDCO during the current financial year. However, the lease deed (sub-lease) with IDCO is yet to be executed as on the reporting date. Since, the company has obtained the possession of the land in use, the same has been capitalized and amortized over the expected lease period of 30 years . The cost of leasehold hand is exclusive of registration cost or any other documentation charges which is liable to be incurred upon registration of lease agreement with IDCO. Pending the execution of leasing, the same shall be recognised as and when incurred by the company & shall be amortized over the remaining period of useful life.

(iv) 'Capital advances also includes an amount of Rs.51.53 lakh payable to OPGC towards land cost incurred by them as a prior allotee on development of coal mines. Based on certification of the statutory Auditor of OPGC and subsequent approval of Board in its 35th meeting held on 21st June, 2018, the matter was forwarded to Govt. of Odisha seeking its approval. The Govt. of Odisha vide letter no.7242 dated 24th August, 2018 has approved the sum.

(v) 'Input tax credit includes CGST of Rs.207.11 lakh, SGST of Rs.207.11 lakh and IGST of Rs.42.15 lakh availed as per the provisions of Goods and Services Act, 2017 during the course of business.

(vi) Other assets includes, prepaid amount towards statutory clearance fees & fees for various licences for the period relating to FY-2019-20 and onwards.

(vii) The company has taken land under operating leases, the lease deed of which is yet to be executed. The following is the summary of future minimum lease rentals under non-cancellable operating lease.

Operating Lease

Particulars	Minimum Lease rentals	
	As at March 31, 2018	As at March 31, 2017
Not later than 1 year	1,044.52	0.05
Later than 1 year not later than 5 years	5,222.58	0.25
Later than 5 years	24,976.20	1.03
Total Minimum lease rentals	**31,243.30**	**1.33**

The above indicates the amortization/lease rents in respect of Govt and Private land acquired under lease.

8. Cash and Cash Equivalents

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with banks		
(1) Unrestricted Balance with banks		
(I) In Current Account	14.41	2.39
(ii) In Deposit Account	499.99	915.00
Cash and cash equivalents as per balance sheet	514.40	917.39
(2) Earmarked Balances with banks		
(I) In Current Account	-	-
(ii) In Deposit Account	-	0.10
Total	**-**	**0.10**
Total Cash and Cash Equivalents	**514.40**	**917.49**

The cash and bank balances are denominated and held in Indian rupees.

Notes forming part of the financial statements

9. Others

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Advances to staff	-	0.49
Interest accrued on loans and depsoits	2.23	2.57
TOTAL	2.23	3.06

Interest accrued on loans and depsoits primarily relates to Short Term Deposits.

10. Current tax assets and liabilities

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Current tax assets		
Tax refund receivables	15.10	5.65
Advance Tax-TDS	0.49	
TOTAL	**15.59**	**5.65**
Current tax liabilities		
Provision for Income Tax	-	16.89
TOTAL	**-**	**16.89**

11. Other Current assets

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Prepayments (Leasehold Land)	1,044.57	0.05
Advances to employees	0.41	0.75
Advances to suppliers	3,274.63	265.39
Others*	37.17	31.00
TOTAL	**4,356.78**	**297.19**

'*Other assets represents, prepaid amount towards Insurance premium, statutory fees, guarantee commission and others for the period relating to financial year 2018-19. It also includes Rs.1.93 lakh towards security deposit made to various parties as at the reporting date.

12. Equity Share Capital

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Equity Share Capital	30,000.00	20,000.00
TOTAL	**30,000.00**	**20,000.00**
Authorised Share Capital		
750,000,000 nos. of equity shares of Rs.10/- each		
(Previous Year 350,000,000 nos. of equity shares of Rs.10/- each)	75,000.00	35,000.00
Issued and Subscribed capital comprises :		
300,000,000 nos. of equity shares of Rs.10/- each		
(Previous year 200,000,000 nos. of equity		
shares of Rs.10/- each)	30,000.00	20,000.00
Total	**30,000.00**	**20,000.00**

Notes

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

	As at March 31, 2018		**As at March 31, 2017**	
	No. of shares	**Rs. Lakhs**	**No. of shares**	**Rs. Lakhs**
Ordinary shares of Rs.10 each				
At beginning of the year	200,000,000.00	20,000.00	50,000.00	5.00
Shares allotted during the year	100,000,000.00	10,000.00	199,950,000.00	19,995.00
	300,000,000.00	30,000.00	200,000,000	20,000.00

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

	As at March 31, 2018		**As at March 31, 2017**	
	No. of Shares Held (Face value of Rs. 10 each)	**% of Total Shares**	**No. of shares Held (Face value of Rs. 10 each)**	**% of Total Shares**
Odisha Power Generation Corporation Limited	153,000,000	51.00%	102,000,000.00	51.00%
Odisha Hydro Power Corporation Limited	147,000,000	49.00%	98,000,000.00	49.00%

(ii) The authorised share capital of the company has been increased from Rs.35,000 lakhs to Rs. 75,000 lakhs consisting of 750,000,000 no. of equity shares of Rs.10/- each w.e.f July 14, 2017.

(iii) The Corporation has only one class of shares referred to as equity shares having a par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Corporation, the holders of equity shares will be entitled to receive any of the remaining assets of the corporation, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) The company has made right issue of equity shares for Rs.10,000 lakh during the year in the proportion of 51% and 49% to the existing shareholders i.e OPGC & OHPC respectively as per the decission of Board in its 27th meeting held on 2nd June, 2017.

Notes forming part of the financial statements

13. Other equity

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Retained earnings	-615.74	(310.05)
TOTAL	(615.74)	(310.05)

Interest accrued on loans and depsoits primarily relates to Short Term Deposits.

(I) Retained Earnings

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the period	(310.05)	(94.53)
Loss attributable to owners of the Company	(305.68)	(215.52)
Balance at the end of the period	(615.74)	(310.05)

14. Borrowings:

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Secured borrowings - at amortised cost		
Union Bank of India (UBI)	34,720.19	-
Punjab National Bank (PNB)	5,406.62	-
Total	**40,126.81**	**-**

(i) Term loan of Rs.50,000 lakhs and Rs.53,600 lakhs were sanctioned by Union Bank of India (UBI) and Punjab National Bank (PNB) respectively during the current financial year for development of Manoharpur Coal Mine at Sundargarh district.

(ii) **Security:**
The term loans including interest and other charges have been secured by way of pari-passu basis through equitable mortgage by way of hypothecation of all tangibles, movable plants/machinary/other assets, both present and future including Book Debts and immovable property situated at Manoharpur or other places along with Building in favour of UBI and PNB. However, the mortgage is yet to be created by the company.

(iii) **Repayment:**

a. The term loan from UBI has been facilitated for a period of 18 years (including 3 years of moratorium from the month of first disbursement) with 15 years of repayment period. The repayment shall be in 60 quarterly installment after the moratorium period. The first repayment shall due on 31-05-2020 and subsequent quarterly installment due on last day of August, November, and February months.

b. The term loan from PNB shall be repaid in 60 quarterly installments starting from 3 year after the first disbursement. Interest after the moratorium period is to be paid as and when charged to the account in respect of each of the above loan.

(iv) **Interest:**

a. Interest on term loan obtained from UBI is to be served @ 8.50% p.a which is 1 year MCLR effective from May, 2017. The interest is to be reset after one year from the first disbursal and shall be applied for the following months. The interest rate has been reset to 8.35% w.e.f May 18, 2018.

b. The interest is served on monthly rest and calculated on daily reduction balance basis by UBI.

c. Interest on term loan obtained from PNB is to be served @ 8.15% p.a which is 1 year MCLR rate for the first year of disbursement. The interest is to be reset after 1 year from the first disbursal.

d. The maturity profile of the borrowing (including interest) is as follows.

(Rupees in Lakhs)

Contractual Maturities	As at March 31, 2018	As at March 31, 2017
Not later than 1 year or payable on demand	-	-
Later than 1 year not later than 5 years	21,873.30	-
Later than 5 years	29,895.30	-
Total repayable	**51,768.60**	**-**

15. Deferred tax balances

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred Tax Assets	-	54.31
Less : Deferred Tax Liabilities	309.83	57.42
Net Defer Tax Asset/ (Liability)	**(309.83)**	**(3.12)**

(I) Significant component of deferred tax assets and liabilities for the year ended March 31, 2018 is as follows:

(Rupees in Lakhs)

	Opening balance as at April 1, 2017	Deferred tax expense/ (income) recognised in profit and loss	Deferred tax expense/ (income) recognised in other equity)	Deferred tax expense/ (income) recognised in other equity)	Closing balance as at March 31, 2018
Deferred tax assets					
Amortization cost of leasehold land	-	-	-	-	-
Total	-	-	-	-	-
Deferred tax liabilities					
Property, plant and equipment and Intangible assets	(3.12)	(306.72)	-		(309.83)
Total	(3.12)	(306.72)	-	-	(309.83)
Net Deferred tax assets/(liabilities)	**(3.12)**	**(306.72)**	**-**	**-**	**(309.83)**

Significant component of deferred tax assets and liabilities for the year ended March 31, 2017 is as follows:

	Opening balance as at April 1, 2017	Deferred tax expense/ (income) recognised in profit and loss	Deferred tax expense/ (income) recognised in other equity)	Deferred tax expense/ (income) recognised in other equity)	Closing balance as at March 31, 2018
Deferred tax assets		54.31			54.31
Total	-	54.31	-	-	54.31
Deferred tax liabilities					
Property, plant and equipment and Intangible assets	-	57.42	-	-	57.42
Total	-	57.42	-	-	57.42
Net Deferred tax assets/(liabilities)	-	(3.12)	-	-	(3.12)

Notes forming part of the financial statements

(ii) The Company has not recognised deferred tax assets arising from the carryforward of unused tax losses as the operation of the company is yet to be started and there is no strong evidence that future taxable profit is available to recover such assets.

(iii) The company has recognized deferred taxes at the tax rate of 27.82% (March 31, 2017: 29.87%) as per the Income Tax Act, 1961 and as applicable to the entity on estimated basis.

16. Short term borrowings

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured borrowings - at amortised cost		
From Related Parties		
- Odisha Power Generation Corporation Ltd (OPGC)	-	461.96
- Odisha Hydro Power Corporation (OHPC)	-	5,547.50
Total	**-**	**6,009.46**

(I) Inter company loan had been availed from Odisha Power Generation Corporation Ltd (OPGC) for Rs. NIL during the Current financial year (Previous year: Rs.450 lakhs as per the decision of the Board of Directors in their 21st meeting dated september 29, 2016) to meet the expenses on development of coal mines. Interest was paid on each loan disbrusal at the rate charged by Power Finance Corporation Ltd. (PFC) to State Sector borrowers (Category A+) applicable on the date of each disbursal. The interest has been accrued and compounded on quarterly basis and has been repaid entirely during the current financial year.

(ii) Similarly, inter company loan of Rs. 2,000 lakhs has been availed from Odisha Hydro Power Corporation (OHPC) during the current financial year (Previous year: Rs.10,000 lakhs as per decision of the Board of Directors in their 19th meeting and 26th meeting held on March 30, 2017) to meet expenses on development of coal mines. Interest was payable at 9.4% which is the rate that is equvalent to maximum FD rate of OHPC plus one percent. The inter company loan obtained from OHPC has been settled during the current financial year.

(iii) Out of the above loan (including interest), an amount of Rs. 4,900 lakhs pertaining to OHPC has been converted into equity share capital on subscription to the right issue of shares on 26th september, 2017 as per the decision of Board in its 27th meeting held on 2nd June, 2017. The balance amount including interest (compounded on quarterly basis) is payable as on the reporting date.

17. Other Financial Liabilities

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Capital Creditors	1,305.00	441.07
Payable to related party (OPGC)	296.77	24,648.58
Security & Retention money deposits	217.40	50.75
Other payables	1,503.72	2,095.11
Total	**3,322.90**	**27,235.52**

(I) Payble to related party includes Rs.39.73 lakh towards reimbursement of Gratuity, Rs.11.36 lakh towards 7th Pay revision salary, Rs.83.88 lakh towards Leave pay, one time pension, & terminal TA and Rs.71.69 lakh towards other employee benefit and administrative expense payable to OPGC for its employees deuted to OCPL. (Previous year : Rs.24,506.01 lakhs was towards expenditure incurred by OPGC for development of coal mines up to March 31, 2015 which is transfered to the Company later on, including PFC loan and interest thereon for Rs.10,373.53 lakh and Rs 142.57 lakhs towards reimbrushment of deputed employee benefit expenses including arrear salary as per 7th pay revision commission w.e.f January 01, 2016.)

(ii) Payble to related party also includes an amount of Rs.38.58 lakh payable to OPGC towards interest on PFC loan and Rs.51.53 lakh towards land cost borne by OPGC on coal mine as a prior allotee.

(iii) Other payble includes an amount of Rs.1196.27 lakh payable to LIC towards annuity premium for Physical displaced families of Manoharpur village on their shifting to R&R colony, and balance Rs. 307.44 lakh represents amount payable for providing various goods/services including employee benefit expenses payable as at the reporting date. It also includes amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006". This has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

Description	As at March 31, 2018	As at March 31, 2017
i. The principal amount remaining unpaid to supplier as at the end of the year	-	-
ii. The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
iv. The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-

18. Other Current Liabilities

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Other statutory dues payable	95.30	121.25
	95.30	121.25

Other statutory dues payables primarily inlcudes liabilities towards royality,income tax deducted at source, building cess, employer & employee contribution to CMPF and CMPS etc.

19. Revenue from Operations

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Revenue From Operation	-	-
	-	-

The commercial operation of the company has not yet started.

Notes forming part of the financial statements

20. Other Income

(Rupees in Lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017
a)	**Interest Income**		
	Bank Deposits at amortised Cost	94.10	56.56
b)	**Other Non-operating income:**		
	Sale of Scrap	-	-
	Sale of Tender Form	3.62	18.66
	Misc. Income	0.69	0.14
	Less : amount included in the cost of qualifying assets	(94.10)	(56.56)
	Total	**4.31**	**18.79**

21. Employee Benefit Expense

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Salaries and Wages	678.13	2,427.25
Contribution to provident and other funds	29.03	53.54
Contribution to Gratuity	39.73	17.68
Reimburesement Expenses to Employees	4.25	6.20
Staff Welfare expenses	10.72	15.11
Total	761.87	2,519.78
Less : Capitalised as preoperative expenses	(761.87)	(2,519.78)
Total	**-**	**-**

(I) 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 appointed by OPGC.

Employee benefit includes an amount of Rs.25.66 lakhs towards provident fund (March 31, 2017: Rs 53.54 lakhs) and Rs 39.73 lakhs towards gratuity (March 31, 2017: Rs17.68 lakhs) and Rs 13.35 lakhs towards leave (March 31, 2017: Rs 14.25 lakhs), paid / payable to OPGC as per the above arrangement with the Company. Accounting policies related to the same is provided in Note-3.09.

(ii) The employee benefit expense also includes Rs.42.87 lakh towards one time pension (March 31, 2017: Nil) and Rs.27.67 lakh towards terminal TA in leiu of retirement/superannuation (March 31, 2017: Nil) payable to OPGC for its employees posted on secondment basis.

(iii) Further, it includes an amount of Rs.74.00 Lakh (Previous year: Rs.81.00 lakh) towards provision for variable pay of the employees under specific performance management system of the company.

(iv) The Company has capitalised the entire employee benefit expenses of Rs 7,61.87 lakhs (March 31, 2017: Rs 2,519.78 lakhs) as preoperative expenses. Refer Note-5 for details of the same.

22. Finance Costs

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Interest Expense		
Interest on and loans from related parties	861.66	3,347.50
Interest on term loans obtained from Banks:		
i) Union Bank of India	1,940.06	-
ii) Punjab National Bank	61.62	-
(b) Other Financing Cost		
Gurantee Commission	26.81	35.57
Total Finance Cost	**2,890.15**	**3,383.07**
Less : amount included in the cost of qualifying assets	(2,890.15)	(3,383.07)
Total	**-**	**-**

Notes forming part of the financial statements

23. Other Expense

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Auditor Fees*	2.18	1.40
Director Sitting Fees	-	0.83
Filing Fees	0.70	173.69
Professional & consultancy Fees	4.57	-
Training, Seminar & Conference Expenses	3.59	21.13
Other adminstrative expenses	9.13	17.25
Total (A)	**20.17**	**214.31**
Tendering & Publicity Expenses	4.87	29.62
Bank Charges	0.01	0.06
Liasoning expenses	2.12	0.74
Communication Expenses	17.68	34.91
Community Socio cultural activity Expenses	0.32	24.75
Consultancy & Professional Fees	217.21	173.73
Courier Charges	0.18	0.47
Electricity Charges	9.45	15.01
Entertainment Expenses	-	3.10
Environment & Safety relate Expenses	1.06	3.39
Loss on foreign excahnge fluctuation	-	0.05
Vehicle Hire and Fuel Charges	76.28	332.94
Insuarnce Charges	3.26	0.92
Legal Fees	56.44	96.27
Project Meeting and Hospitality Expenses	7.28	50.98
Miscellaneous Expenses	9.29	37.63
News Papers & Periodicals	-	0.92
Project Office and other maintenance Expenses	25.79	46.08
Periphery Development Expenses	95.82	217.19
Printing & Stationary Expenses	12.91	57.44
Rate, Cess & Taxes	80.67	10.82
Lease rental expense	92.21	0.15
Recruitment Expenses	4.30	0.64
Project office Rent Expenses	32.42	134.36
Security Expenses	33.55	46.02
Service Charges	-	6.72
Transit House Expenses	43.90	60.31
Travelling Expenses	78.01	222.52
Total (B)	**905.02**	**1,607.73**
Total (A+B)	925.19	1,822.03
Less : Capitalised as preoperative expenses ('C)	905.02	1,607.73
Total (Net)	**20.17**	**214.31**

*Auditor fees includes payment to Auditors as Statutory Audit fees for Rs.1.20 lakhs (March 31, 2017: Rs.1.20 lakhs) and Rs.0.30 lakhs (March 31, 2017: 0.46 lakh) towards tax filling fees.

24. Financial Instruments

(I) Capital Management :- The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

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

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

(ii) Disclosure on Financial Instruments

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

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3.13 to the financial statements.

(a) Financial assets and liabilities

The following table presents the carrying amount and fair value of each category of financial assets & liabilities as at March 31, 2018.

(Rupees in Lakhs)

As at March 31, 2018	Amortised cost	Derivative instruments other than in hedging relationship	Equity instruments classified as fair value through other comprehensive income	Classified as fair value through statement of profit & loss	Total Carrying Value	Total Fair Value Financial assets
Financial assets						
Cash and bank balances	514.40	-	-	-	514.40	514.40
Loans	13.38	-	-	-	13.38	13.38
Other financial assets	2.23	-	-	-	2.23	2.23
Total financial assets	**530.01**		**-**	**-**	**530.01**	**530.01**
Financial liabilities						
Borrowings	40,126.81	-	-	-	40,126.81	40,126.81
Other financial liabilities	3,322.90	-	-	-	3,322.90	3,322.90
Total financial liabilities	**43,449.71**	**-**	**-**	**-**	**43,449.71**	**43,449.71**

As at March 31, 2017	Amortised cost	Derivative instruments other than in hedging relationship	Equity instruments classified as fair value through other comprehensive income	Classified as fair value through statement of profit & loss	Total Carrying Value	Total Fair Value Financial assets
Financial assets						
Cash and bank balances	917.49	-	-	-	917.49	917.49
Loans	13.23	-	-	-	13.23	13.23
Other financial assets	3.06	-	-	-	3.06	3.06
Total financial assets	**933.78**		-	-	**933.78**	**933.78**
Financial liabilities						
Borrowings	6,009.46	-	-	-	6,009.46	6,009.46
Other financial liabilities	27,235.52	-	-	-	27,235.52	27,235.52
Total financial liabilities	**33,244.98**	**-**	**-**	**-**	**33,244.98**	**33,244.98**

Notes forming part of the financial statements

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

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

(d) Financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

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

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

Valuation techniques with significant unobservable inputs (Level 3):

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

(iii) The Company has not transferred any of its financial assets during the year.

(iv) Financial Risk Management

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

The Company has a risk management policy which covers the risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

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

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

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

(d) The following table shows a maturity analysis of the anticipated cash flows including interest payable for the Company's non derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

(Rupees in Lakhs)

	As at March 31, 2018				
	Carrying amount	**Contractual cash flows**	**Less than 1 year**	**Between 1 - 5 years**	**More than 5 years**
Non- derivative financial liabilities					
Borrowings including interest thereon	40,126.81	40,126.81	-	21,873.30	29,895.30
Other financial liabilities	3,322.90	3,322.90	3,322.90	-	-
Total non- derivative financial liabilities	**43,449.71**	**43,449.71**	**3,322.90**	**21,873.30**	**29,895.30**

(Rupees in Lakhs)

	As at March 31, 2017				
	Carrying amount	**Contractual cash flows**	**Less than 1 year**	**Between 1 - 5 years**	**More than 5 years**
Non- derivative financial liabilities					
Borrowings including interest thereon	6,009.46	6,009.46	6,009.46	-	-
Other financial liabilities	27,235.52	27,235.52	27,235.52	-	-
Total non- derivative financial liabilities	**33,244.98**	**33,244.98**	**33,244.98**	**-**	**-**

Notes forming part of the financial statements

25. Related party transactions

OCPL is controlled by the Odisha Power Generation Corporation Ltd (OPGC). OPGC holds 51% ownership interest in the Company including and as on March 31, 2018 and balance 49% ownership interest is held by Odisha Hydro Power Corporation (OHPC)who has significant influence over the Company. The Company's related parties principally consist of its holding company OPGC, OHPC and Government of Odisha. The Company routinely enters into transactions with these related parties in the ordinary course of business at market rates and terms.

(Rupees in Lakhs)

Transactions	OPGC	OHPC	Key Management Personel	Relatives of Key Management Personel	Government of Odisha
Mining Lease stamp duty					
FY 2017-18					1,789.00
FY 2016-17					-
Finance provided					
FY 2017-18*	5,100.00	4,900.00	-	-	-
FY 2016-17*	10,659.41	15,345.05	-	-	-
Interest on loan given					
FY 2017-18**	589.61	272.05	-	-	-
FY 2016-17	2,891.77	456.41	-	-	-
Transfer of Assets (net of liabilities)					
FY 2017-18	51.53	-	-	-	-
FY 2016-17	2,240.43	-	-	-	-
Remuneration					
FY 2017-18			47.35	-	-
FY 2016-17			43.77	-	-
Director Sitting Fees					
FY 2017-18			-	-	-
FY 2016-17			0.83	-	-
Guarantee outstanding					
FY 2017-18	7,849.92	7,542.08			-
FY 2016-17	7,849.92	7,542.08			-
Outstanding paybles					
FY 2017-18	296.77	-	-	-	-
FY 2016-17**	24,648.58	-	-	-	-

* It includes equity and loan provided by OPGC and OHPC respectively. During the year an amount of Rs.4,69.38 lakh & 2,892.35 lakh has been paid to OPGC and OHPC respectively on account of inter-company loan availed.

** It includes interest on PFC loan availed by OPGC for development of coal blocks. During the year Rs.10,916.29 lakh has been repaid as prepayment to OPGC on account of PFC loan and interest thereon till September 25, 2017.

26. Earning per share (EPS)

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

(Rupees in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Profit or (Loss) after tax	**(305.68)**	**(215.52)**
Less: Amount to be paid for diluted portion (net of tax)	-	-
Profit or (Loss) attributable to ordinary shareholders	**-**	
for Basic & Diluted EPS	**(305.68)**	(215.52)
Weighted average no. of Ordinary Shares for Basic & Diluted EPS	2,512.33	753.55
Nominal value of Ordinary Shares (Rs.)	10.00	10.00
Basic & Diluted Earnings per Ordinary Share (Rs.)	**(0.12)**	**(0.29)**

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

(I) Commitments:

Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances) Rs 53,727.98 lakhs (March 31, 2017: Rs Rs 5,466.90 lakhs).

(ii) Contingencies

a) OPGC and OHPC had submitted gurantee to Axis Bank for issuance of performance bank gurantee on behalf of OCPL of Rs 15,392 lakhs in favour of the Nominating Authority, Ministry of Coal, Government of India.

b) The company has not provided the additional cost to be incurred (if any) due to implication of GST w.e.f 1st July, 2017 on various Works contracts/services, as the financial obligation could not be measured with sufficient reliability as at the reporting date.

28. Events after reporting period

(I) The Govt. of Odisha vide its letter no.7242 dated 24th August, 2018 has approved Rs.51.53 lakh towards the cost of land advance made by OPGC for development of coal blocks and the same is payable as at the reporting date. (Refer Note no.7(iv))

In terms of our report attached.

For and on behalf of the Board

For Anil Mihir & Associates
Chartered Accountants

Mihir Ku. Sahu Partner
M.N: 053968
(F.R.N: 303038E)

Place : Bhubaneswar
Date : 29/8/2018

Sd/-
Indranil Dutta
Director

Sd/-
Pravakar Mohanty
Director

Sd/-
Manish Tiwari
Company Secretary

Sd/-
A.K. Pattjoshi
Head Finance

Sd/-
K.C. Brahma
CEO (I/C)

Comments of the Comptroller and Auditor General of India under Section 143(6) (b) of The Companies Act, 2013 on the Financial Statemetns of Odisha Coal and Power Limited for the year ended 31 March 2018.

The preparation of financial statements of Odisha Coal and Power Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsiblility of the management of the company. the statutotory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expresssing opinion on the financila 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: 29 August 2018.

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 2018. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selecting examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplementary ot statutory auditors' report

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

Sd/-
YASHODHARA RAY CHAUDHURI
PRINCIPAL ACCOUNTANT GENERAL

Place: Bhubaneswar
Date: 19.09.2019

Senior Management

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

Mr. Gandharba Dehury
Head of Mines

Mr. Abodh Kumar Pattjoshi
Head of Finance

Mr. Santosh Kumar Satapathy
Chief of Infra

Mr. Uday Shankar Gonela
Chief of HR

Mr. Subhas Nayak
Chief of E&M

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

Mr. Bimal Jena
General Manager (Electrical)

Mr. Nihar Satapathy
Addl. General Manager (Mines)

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

Dr. Vishy Jagannath
Dy. General Manager (CSR & RR)

Mr. Praveen Shankar Prasad
Dy. General Manager (CHP Construction)

Mr. Manish Kumar Tiwari
Company Secretary

Our Bankers

Union Bank of India

Punjab National Bank

Axis Bank Ltd.

State Bank of India

ICICI Bank Ltd.

Yes Bank Ltd.

Statutory Auditors

M/s Anil Mihir & Associates
Chartered Accountants

Internal Auditors

M/s SAPSJ & Associates
Cost Accountants

Site Office Address

Odisha Coal & Power Ltd.
Hemgir, Dist. Sundargarh - 770013, Odisha, India

OCPL

Odisha Coal and Power Limited

CIN - U10100OR2015SGC018623
(A Government Company of the State of Odisha)
Zone-A, Ground Floor, Fortune Towers, Chandrasekharpur
Bhubaneswar - 751023, Odisha, India