

# 19<sup>TH</sup> ANNUAL REPORT

## 2013-14



**ODISHA HYDRO POWER CORPORATION LIMITED**

(A Government of Odisha Undertaking)





Balimela Power House.

Hirakud Power House,  
132 KV Switchyard.



Chiplima Power House  
Generator Floor.

# **19<sup>TH</sup> ANNUAL REPORT**

## **2013-14**



## **ODISHA HYDRO POWER CORPORATION LIMITED**

(A Gold Rated State PSU)

JANPATH, BHOINAGAR, BHUBANESWAR - 751 022

Tel.: 0674-2542922, Fax : 0674-2542102, CIN : U40101OR1995SGC003963

Website : [www.ohpcltd.com](http://www.ohpcltd.com), E-mail : [ohpc.co@gmail.com](mailto:ohpc.co@gmail.com) / [md@ohpcltd.com](mailto:md@ohpcltd.com)

## VISION

To be a leading power utility in the energy sector through diversified energy portfolio with due care & concern to the environment.

## MISSION

- To develop water resources in the State and elsewhere in the Country while augmenting Hydro Power generating capacity by setting up new hydro power projects.
- To adopt state of the art technology for up gradation of the existing hydro power stations to achieve the highest level of efficiency.
- To establish and operate thermal power plants through joint ventures and also explore the opportunities to develop renewable energy resources viz- small hydro, wind, solar.
- To develop and operate coal mines allocated jointly in favour of OHPC and other public section undertakings by the Ministry of Coal, Govt of India.
- To improve productivity through effective planning and implementation of ERP system with development of robust and concurrent IT infrastructure.
- To professionalize the work force in line with the modern management / technical know how.

# 19<sup>th</sup> ANNUAL REPORT 2013-14

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## BOARD OF DIRECTORS

**Sh S C Mahapatra, IAS**  
Chairman-Cum-Managing Director

**Sh Parag Gupta, IAS**  
Director

**Sh Rajesh Sharma**  
Director (HRD)

**Sh S K Sahu**  
Director (Finance)

**Sh S C Bhadra**  
Director

**Sh S K Jena**  
Director

**Sh Hemant Sharma, IAS**  
Director

**Sh D K Jena**  
Director

**Prof. Devadutta Das**  
Director

**Sh R C Tripathy**  
Director

**Sh A K Mishra**  
CGM (EI) & Director (Operation) I/C

Company Secretary  
**Sh P K Mohanty**

### BANKERS

State Bank of India  
Indian Overseas Bank  
Union Bank of India  
Punjab National Bank  
Axis Bank  
IDBI Bank

### COST AUDITORS

**Ray Nayak & Associates**  
Cost Accountants

### STATUTORY AUDITORS

**GRC & Associates**  
Chartered Accountants

### BRANCH AUDITORS

**M/s. H Naik & Co.**  
Chartered Accountants

**M/s. K Panigrahi & Associates**  
Chartered Accountants

**M/s. Agrawal Jain and Bardia & Co.**  
Chartered Accountants

**Tripathy & Co.**  
Chartered Accountants

**M/s. G Ram & Co.**  
Chartered Accountants

**Bhawani Sankar Mohapatra & Co.**  
Chartered Accountants

## DIRECTORS' REPORT

To  
The Members,  
Odisha Hydro Power Corporation Ltd.,  
Bhubaneswar.

Your Directors have pleasure in presenting the 19<sup>th</sup> Annual Report of your company on the performance of the company for the year ended 31st March, 2014 with the Audited Accounts and the report of Auditors' thereon.

### 1. FINANCIAL HIGHLIGHTS

SI No.	PARTICULARS	₹ in Crores	
		2013-14	2012-13
a)	Revenue from Operations	451.73	353.12
b)	Other Income	196.01	92.46
c)	<b>Total Revenue ( a + b )</b>	<b>647.74</b>	<b>445.58</b>
d)	Operational & other expenses (including prior year adjustments & exceptional items)	218.00	249.95
e)	Profit before Depreciation & Amortization, Finance cost & Tax (c-d)	429.74	195.63
f)	Depreciation & amortization	126.11	124.10
g)	Profit after Depreciation & amortization & before finance cost & Tax (e-f)	303.63	71.53
h)	Finance Cost	292.50	12.61
i)	Profit after Depreciation & amortization & finance cost but before tax (g-h)	11.13	58.92
j)	Tax	2.33	11.79
k)	<b>Profit after tax ( i - j )</b>	<b>8.80</b>	<b>47.13</b>
l)	Surplus of profit & loss brought forward including reversal of dividend and dividend tax for the F.Y. 2011-12 and differential dividend tax for 2012-13.	562.51	531.92
m)	<b>Balance available for appropriations</b>	571.31	579.05
n)	<b>Less- Appropriations :</b>		
o)	Proposed Dividend	2.64	14.14
p)	Tax on Proposed Dividend	0.53	2.29
q)	<b>Balance carried forward {m - (o + p )}</b> <b>(forming part of Note 3- Reserve &amp; Surplus)</b>	<b>568.14</b>	<b>562.62</b>



## 2. REVIEW OF OPERATION

Gross Revenue (including income from other sources) during the year under review is ₹.647.74 crores as against ₹.445.58 crores in the previous year 2012-13. The Company earned profit before tax of ₹.11.13 crores for the financial year 2013-14. The profit after tax for the year 2013-14 is ₹.8.8. crores. During the year, the power stations of your Company generated 6967.978 MU of electricity as against generation of 4389.095 MU in the last year.

## 3. MACHKUND JOINT PROJECT

Machkund is a joint Project of the Govt of Odisha and the Govt of Andhra Pradesh. The management of Odisha share in the Project was transferred to OHPC on 01.04.1997. The 30% share in the O&M costs and the cost of power drawn beyond the 30% share are collected from GRIDCO and paid by OHPC separately. Therefore the annual accounts of OHPC do not reflect the financial results of this joint Project.

## 4. DIVIDEND

Considering the progress made by your company, Directors in pursuant to the Finance Department Office Memorandum dtd 12.12.2011 have recommended a dividend @30% of the post-tax profit to the State Govt. The total dividend payout will be ₹.2,63,86,653/- for the FY 2013-14.

## 5. TARIFF STRUCTURE

The tariff of OHPC power stations is fixed by OERC based on CERC (Terms and conditions of Tariff) Regulations, 2009 along with the corrective measures of the State Govt.

Broadly, the parameters of the tariff structure of OHPC are as under :

- (i) The effect of up-valuation of old hydro power stations (₹.766.20 crores) on the tariff has been kept in abeyance.
- (ii) Interest on debt servicing of the State Govt loan for UIHEP has been acknowledged by OERC and kept in abeyance to avoid tariff shock to consumers.
- (iii) Return on Equity (RoE) is not allowed in respect of the assets of old power stations transferred to OHPC on 01.04.1996.
- (iv) Depreciation is calculated at pre-1992 norms of GoI. However, it covers principal repayments due for payment during the year.

OHPC provides the cheapest power and meets the peak load requirement of the State Grid. There has been very nominal increase in the tariff of Hydro Power Stations of OHPC fixed by OERC during last 14 (fourteen) years. Such a regulated tariff regime has put severe restrictions on OHPC to improve on its financial position, which can show considerable improvement once its tariff is relaxed / liberised from the above said restrictions.



## 6. PROJECTS ON ITS OWN AND THROUGH SUBSIDIARIES AND JOINT VENTURES:

Your company has taken initiatives to develop Thermal, Hydro, Renewable Power Projects on its own and through joint ventures and Subsidiary. DPR is under preparation for construction of Pumped Storage Scheme at Upper Indravati, Mukhiguda. In order to develop Coal block allotted to your company through government dispensation route by Ministry of Coal, Govt. of India on sharing basis, a JV company has been incorporated. The information on Subsidiary and JV companies along with details of partners of joint ventures along with present status is given below:

Name of the Company	JV Partner(s) / Subsidiary	Details with present status
<b>OTPC</b> (Odisha Thermal Power Corporation Ltd)	Odisha Mining Corporation Ltd (OMC).	OTPC has been incorporated with Joint Venture of OHPC & OMC with 50:50 shareholdings for setting up a coal based supercritical thermal power plant of 3x 800 MW capacities at Kamakhyanagar in the District Dhenkanal. The Land acquisition process & environmental clearances etc is under progress.
<b>BWCCL</b> (Baitarni West Coal Company Ltd)	Kerala State Electricity Board (KSEB), Gujarat Power Corporation Ltd (GPCL)	The Ministry of Coal, GoI vide letter dtd 25.07.2007 allotted the Baitarni West Coal Block (602MT) through Govt dispensation route to three State PSUs namely, KSEB, GPCL & OHPC each having one third share. A JV Company namely Baitarni West Coal Company Ltd has been incorporated by the three allocates in April, 2008. The Ministry of Coal had de-allocated the coal block on 10.12.2012 in favour of the three allottees. The Hon'ble High Court of Orissa has passed an order not to allocate the coal block to any third party without leave of the Hon'ble Court.
<b>GEDCOL</b> (Green Energy Development Corporation of Odisha Ltd)	Wholly Owned Subsidiary of OHPC	In pursuance to the notification no.2296 dtd 15.03.2013 issued by Deptt. of Energy, Govt. of Odisha, GEDCOL has been incorporated on 18.04.2013 to promote investment in renewable energy projects and various green energy sources and to develop and execute special renewable projects on commercial and/or demonstration basis.  GEDCOL has been declared as Nodal Agency for development of on-grid solar energy projects in the State of Odisha by DoE, GoO on 22.08.2013.

		<p><b>A. 5 MW Solar Rooftop Project in Cuttack and Bhubaneswar.</b></p> <p>Govt. of Odisha has appointed GEDCOL as the concessioning authority to conduct the bidding process and implement a pilot and replicable grid connected rooftop solar project to be developed on a net metering model with a minimum proposed installed capacity of 5MWp on Govt. buildings specified by Govt. Of Odisha in the twin cities of Cuttack and Bhubaneswar through the PPP route on BOO basis.</p> <p><b>B. 20 MW Solar Project allotted by SECI.</b></p> <p>GEDCOL has participated in the RFP invited by Solar Energy Corporation of India (SECI) for 20 MW Solar project to be set up at Manmunda in the Dist Boudh in the State of Odisha. SECI has issued LoI for above project on 26.02.2014. Tender was floated on 26.04.2014 for selection of EPC contractor. Tender was finalized and LoI issued to BHEL on 08.08.2014. Demarcation and handing over of the leased land by IDCO is under progress. Detail work order will be issued after taking over the physical possession of land from IDCO to GEDCOL.</p> <p><b>C. 1 MW Solar Project at Mukhiguda.</b></p> <p>Tender was floated for EPC Contract on 28.02.2014 for development of 1MW SPP utilizing surplus land at Mukhiguda under UIHEP, Mukhiguda. Evaluation of Financial Bid of Tender is under progress.</p> <p><b>D. 1 MW Solar Project Chhatrapur.</b></p> <p>GEDCOL has also decided to develop a 1MW SPP at Chhatrapur. Application for allotment of 5acres of land is submitted to Tahasildar, Chhatrapur on 28.07.2014.</p> <p><b>E. Small Hydro Electric Project.</b></p> <p>A proposal has been moved to develop a 15MW SHEP at Mandira dam, Rourkela on JV with SAIL. GEDCOL has also placed work order to WAPCOS for preparation of PFR for 18 nos.</p>
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		of SHEP approximate capacity 190MW. WAPCOS has submitted PFR for 9nos. of SHEP of approximate capacity 115MW. Work order has been placed for preparation of DPR and Tender document for 3MW Kanpur and 2.4MW Jambhira SHEP.
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## 7. RENOVATION & MODERNISATION

The Unit #3 (24MW) of Chipilima Power House, Unit #5 & #6 of (2 x 37.5MW) of Hirakud Power House and Unit 1 to 6 (6 x 60MW) of Balimela Power House are more than 50 years, 55 years and 40 years old respectively and outlived their useful life. There is an urgent need for renovation and modernization of these units for extension life period of generating Units. The tendering process for R & M work of these units has been initiated.

## 8. HRD INITIATIVES:

### (a) Man Power

Your highly motivated and competent human resource that has contributed its best to bring the company to make it as one of the gold rated PSU of the State.

The attrition rate of the OHPC executives (including Executive Trainees) during the year was very minimal. Communication meetings with unions and associations were conducted at Units and corporate level during the year.

### (b) Training & Development

The Management provides continuous emphasis on manpower training and development activities. Refresher training to executives and non-executives of the power plants is being imparted at the OHPC training centre, an Institute recognized by the CEA. Employees are also sponsored for training conducted by reputed outside agencies. Seminars and workshops are being organized in-house for all categories of employees to keep them updated in the related areas.

### (c) Industrial Relations

Industrial relations remained cordial and harmonious.

## 9. SAFETY MANAGEMENT

OHPC recognizes and accepts its responsibility for establishing and maintaining a safe working environment for all its employees and associates. Concrete steps are being taken for proper implementation of safety management in all the Units and at Corporate Office.

## 10. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Your Company has always discharged its social responsibility as a part of its Corporate Governance philosophy.

In line with the provisions of the Companies Act, 2013 and rules framed there under, the CSR Committee of the Board has been constituted comprising the following members:

- |    |                       |          |
|----|-----------------------|----------|
| 1. | Sh Hemant Sharma, IAS | Chairman |
| 2. | Sh S K Sahu           | Member   |
| 3. | Sh Rajesh Sharma      | Member   |
| 4. | Sh S C Bhadra         | Member.  |

The Committee prepared the draft CSR Policy of the company to be approved by the Board for implementation.

## **11. NOMINATION AND REMUNERATION COMMITTEE**

OHPC, being a State Public Sector Undertaking, the appointment, tenure and remuneration of Directors are decided by the Governor of Odisha. However, as per the provisions of the Companies Act, 2013 and rules framed there under, the Nomination and Remuneration committee of the Board has been constituted with the following members in the said committee.

- |     |                           |          |
|-----|---------------------------|----------|
| 1.  | Sh D K Jena , Director    | Chairman |
| 2.. | Sh S K Jena, Director     | Member   |
| 3.  | Sh R C Tripathy, Director | Member   |

## **12. CAPITAL STRUCTURE**

The authorized share capital of the Company is ₹.1000 crores comprising one crore equity shares of ₹.1000/- each. During the year, the capital structure of your company remained unchanged with the present paid up equity share capital of ₹.320.80 crores.

## **13. RIGHT TO INFORMATION**

Your company has implemented Rights 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), an Appellate Authority and APIO at all units and Corporate Office of OHPC.

## **14. INFORMATION TECHNOLOGY AND COMMUNICATION**

Your company has implemented Videoconferencing (VC) facility; which is widely used for deliberations among all the units. In order to improve upon efficiency and bringing transparency, OHPC tender website [www.ohptender.com](http://www.ohptender.com) is being regularly used for publishing all open tenders on the internet. Online intranet portal has been developed for the use of the employees of the company pertaining to Rules, policies, regulations,



circulars , office orders , inventory reports etc. The retired employees can download the employee benefit forms from the official website of the company. E- Procurement works with value of more than ₹.10 Lakhs will be started shortly.

OHPC has also taken initiative to implement an Enterprise Resource Planning (ERP) package covering maximum possible processes across the organization.

Efforts are being made to integrate RTI, Assembly questions Management, legal system etc. through IT portal of your company.

## **15. VIGILANCE**

In order to ensure transparency, objectivity and quality of decision making in its operation, the company has a Vigilance Department headed by Chief Vigilance Officer. All the Executives submit their property return regularly.

Your company observes Vigilance Awareness Week every year in its Corporate Office and all Units.

## **16. PR INITIATIVES**

Achievements of your company were duly highlighted through print and electronic media to project OHPC as a leading State PSU of the State. OHPC participated in exhibitions , seminars organized by different agencies at different level. OHPC also participated in sports activities under the aegis of Power Sports of the State from time to time.

## **17. PERFORMANCE RATING UNDER MOU**

In order to make the Public Sector Units competitive, sustainable and meet the future challenging environment successfully, as per the Corporate Governance Manual issued by PE Dept., Govt. of Odisha, your company is signing Memorandum of Understanding (MoU) with Deptt. of Energy, Govt. of Odisha every year from 2011-12 onwards . Based on the performance made by your company during the year 2012-13 as per the MoU signed with DoE , Govt. of Odisha , PE Deptt, GoO has rated your company as "very good".

## **18. FIXED DEPOSITS**

The Company has not accepted any fixed deposit during the financial year ending 31<sup>st</sup> March, 2014.

## **19. GOLD RATED PSU**

Based on categorization parameters fixed by Govt. of Odisha in Public Enterprises Department , OHPC have been categorized as Gold rated PSU and powers are being delegated in select areas to the Board of Directors based on the assigned category.

## 20. ISO CERTIFICATION

OHPC Corporate office, Hirakud HEP and Upper Indravati HEP were certified with ISO 9001:2008 standards in the year 2011-12 for implementing quality management system. Following this, an integrated management system comprising of quality, environment and occupation health-cum-safety was launched successfully across the entire organization in the current year 2012-13 leading to award of ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007 to the Corporation.

## 21. RESERVATION FOR SC/ST/SEBC

Your company follows the provisions of ORV Act, 1975 and Rules framed there under relating to reservation of post for SC/ST/SEBC in service as per the directives issued from time to time for recruitment and promotion of employees. During the Departmental Promotion Committee meeting of the Non - Executives and Executives up to the rank of E-3, representatives of SC/ST Deptt. remained present during the DPC meeting.

## 22. CHANGE IN THE BOARD OF DIRECTORS

The following changes have taken place in the Board of Directors since the last report.

### Appointments :

Shri S C Mahapatra, IAS has been appointed as CMD, OHPC w.e.f. 01.09.2014.

Shri Parag Gupta, IAS has been appointed as Director, OHPC w.e.f. 26.04.2014.

### Cessation :

Shri P K Jena, IAS ceased to be CMD of the Company w.e.f, 01.09.2014. Sh Sahadev Khatua ceased to be MD w.e.f. 24.03.2014. Sh C J Venugopal, IAS ceased to be Director w.e.f. 26.04.2014.

The Board of Directors places on record its deep appreciation of the valuable services rendered/advice and guidance provided by Shri P K Jena, IAS, Sh Sahadev Khatua ,and Sh C J Venugopal, IAS during there tenure as CMD, MD and Director respectively of the company.

## 23. DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 217 (2AA) of the Companies Act, 1956, Your Directors confirm that:

- (i) in the preparation of the annual accounts for the Financial Year ended 31st March, 2014 , the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments & estimates that are reasonable and prudent so as to give a true and fair view of the State of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

(iv) The Directors had prepared the Annual Accounts on a going concern basis.

#### **24. AUDIT COMMITTEE**

As on 31<sup>st</sup> March, 2014, the composition of Audit Committee consists of Sh S C Bhadra, Independent Director as Chairman along with one independent Director Sh S K Jena & Sh D K Jena as Govt. nominee and Director (Operation) as the other Members. 7 (seven) meetings of the Audit Committee were held during the year 2013-14 for review of the accounts, report of the auditors, cost audit report and internal audit observations.

#### **25. AUDITORS**

M/s. GRC & Associates, Chartered Accountants, Bhubaneswar was appointed as the Statutory Auditors of the Company and 6 (six) Chartered Accountant firms were appointed as Branch Auditors for the hydro power stations by the C&AG for the year 2013-14.

#### **26. AUDITORS' REPORTS**

The Report of the Statutory Auditors and comments of the C&AG on the accounts of the Company for the year 2013-14 and the replies of the Management to the report / comments of the Auditors are enclosed to this report.

#### **27. COST AUDIT**

Pursuant to the Central Government directions to audit "Cost Accounting records" as maintained by the company, M/s Roy Nayak & Associates, Cost Accountants, Bhubaneswar have been appointed as the Cost Auditors of the Company for the year 2013-14 to conduct the audit of cost accounting records of all the Units with the approval of Ministry of Corporate Affairs.

#### **28. PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956**

NIL

#### **29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information in accordance with the provisions of Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars) Rules, 1998 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo (Annexure-I) is attached to this report.

### 30. CORPORATE GOVERNANCE

OHPC ensures compliance of the Corporate Governance Manual issued by the State Govt, Department of Public Enterprises and maintains transparency in all its business transactions.

### 31. ACKNOWLEDGEMENTS

The Board of Directors acknowledges with deep appreciation the co-operation and guidance received from the Govt of India in particular the Ministry of Power, CEA, Govt of Odisha in particular Deptt. of Energy, Finance, PE and SC & ST Deptt, GRIDCO, OPTCL, SLDC, ERPC, POSOCO, PGCIL, PFC, CERC, REC, IREDA, SECI, OERC, Bankers and other associated organizations.

The Board expresses their sincere thanks to all the business associates, professional consultants, counsels for their continued patronage and assistance.

The Board acknowledges with thanks the constructive suggestions received from C&AG, the Statutory Auditors, the cost auditors for their valued co-operation.

The relationship with the employees remained cordial during the year. The Directors wish to express their appreciation for the sincere and dedicated services rendered by the employees at all levels and look forward to continuance of mutual support and co-operation in future as well.

FOR AND ON BEHALF OF THE BOARD

Bhubaneswar  
Date : 27.09.2014

**S C MAHAPATRA, IAS**  
CHAIRMAN-CUM-MANAGING DIRECTOR  
DIN:-00229586



## ANNEXURE-I TO DIRECTORS' REPORT

### PARTICULARS UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988 FOR THE YEAR ENDED 31ST MARCH, 2014

#### A. CONSERVATION OF ENERGY

**(a) Energy Conservation measures taken and on hand**

With a view to assess and optimize the performance of generating stations, energy audit of HHEP, Burla and BHEP, Balimela has been conducted by M/s Eaga. The firm has submitted the final Energy Audit Report for the above Power House; which are scrutinized by OHPC.

**(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.**

Based on the Energy Audit Report, necessary investment will be made during the R & M work of the power house with installation of energy efficient equipments.

**(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.**

Energy efficient device equipments shall be installed in phased manner and during R & M work replacing the low performance one's based the Energy Audit Report.

#### B. TECHNOLOGY ABSORPTION

NIL

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO DURING 2013-14

		(Rs. in lakhs)	
		2013-14	2012-13
(a)	Earnings in Foreign Currency	Nil	Nil
(b)	Foreign Exchange Outgo :		
	(i) Value of imports calculated on CIF basis for capital good and spare parts.	Nil	Nil
	(ii) Expenditure in foreign currency for foreign visits.	Nil	Nil
	(iii) Expenditure incurred in foreign Currency for payments of consultants	9.59	19.32

**Comments of the Comptroller and Auditor General of India under  
Section 619(4) of the Companies Act, 1956 on the accounts of  
Odisha Hydro Power Corporation Limited for the year ended 31<sup>st</sup> March 2014.**

The preparation of financial statement of Odisha Hydro Power Corporation Limited for the year ended 31 March 2014 in accordance with financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their audit Report dated 08 August, 2014.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under Section 619(3) (b) of the Companies Act, 1956 of the financial statements of Odisha Hydro Power Corporation Limited for the Year ended 31 March, 2014. 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 selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under Section 619(4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report:

Sl No.	Comments of C&AG of India	Replies of the Management
<p>(A)</p> <p>1.</p>	<p><b>Comments on profitability : Statement of Profit and Loss Other Income (Note 23) Rs.196.00 crore</b></p> <p>The above is understated by Rs.100.37 crore (Rs.22.76 crore for 2011-12, Rs.28.09 crore for 2012-13 and Rs.49.52 crore for 2013-14) due to non accounting of the interest on the outstanding energy bills receivable up to 31st March 2014. This has resulted in corresponding understatement of Current Assets (Trade Receivables) and profit for the year by Rs.100.37 crore each.</p>	<p>In Indian Power Sector the Delayed Payment Surcharge (DPS) and interest in lieu of the same is accounted for on cash basis as the power Sector is under regulatory regime.</p> <p>Further, OHPC has started action for execution of loan agreement towards securitization of GRIDCO dues of Rs.619.00 Crs. outstanding upto 31.03.2013 as per the decision taken in the 122nd BoDs meeting held on 8th Aug'2014 without any DPS / interest. Similarly BoD also agreed to waive interest/DPS for the outstanding energy bill dues accrued during 2013-14. Therefore provision of interest on the outstanding energy bills up to 31.03.2014 is not required.</p>

2.	<p><b>Expenses</b>  <b>Finance Cost (Note 29):-</b>  <b>Foreign Exchange Fluctuation Loss -</b>  <b>Rs. 3.57 crore</b></p> <p>The above is understatement by Rs.1.41 crore due to accounting of the foreign exchange rate of Dollar as on 31st March 2014 at Rs.57.72 instead of Rs.59.94 in respect of outstanding foreign currency loan availed from Power Finance Corporation Limited for extension project of Unit 7 &amp; 8 of Balimela Hydro electric project, Balimela. This has also resulted in understatement of Unsecured Term Loan from Others (Power Finance Corporation) and overstatement of Profit for the year by Rs.1.41 crore each.</p>	<p>Foreign Exchange rate at Rs.57.72 have been considered as on 31.03.2014 to calculate the FCL outstanding as on the same date from SBI, IDCO Tower over phone. The liability on account of term loan in foreign currency has been accounted for on provisional basis. However the actual impact on the same has already been taken care while making repayment of loan installment on <b>11.07.2014</b>.</p>
3.	<p><b>Prior period adjustment (Note-28)- Rs.15.36 crore</b></p> <p>The above is under stated by Rs.4.37 crore due to non accounting of downward revision of energy bills of Hirakud Hydro Electric Project, Burla and Balimela Hydro Electric Project, Balimela for the period 2011-12 and 2012-13 as per State Load and Dispatch Center certification of PAFM (Plant Availability Factor Multiplier). This has also resulted in over statement of current assets (Trade Receivables) and profit for the year to the same extent.</p>	<p>The final statement of energy reconciliation as per SLDC certification of PAFM relating to HHEP, Burla and BHEP, Balimela for the F.Y 2011-12 has been prepared and sent to GRIDCO for acceptance Soon after the receipt of acceptance from GRIDCO, the differential amount of Energy bill for the said Financial Year if any shall be accounted for in the year of receipt. Likewise the final statement of energy bill for 2012-13 is prepared on the basis of certified PAFM by SLDC and shall be submitted to GRIDCO in a consolidated manner very shortly. After acceptance of the same by GRIDCO, the differential amount if any shall be accounted for in the year of acceptance.</p>
4.	<p><b>(B) Comments on financial position</b>  <b>Balance Sheet</b>  <b>Equity &amp; Liabilities</b>  <b>Current Liabilities</b>  <b>Other current Liability (Note-09)</b>  <b>Rs. 101.91 crore</b></p> <p>The above is understated by Rs. 3.61 crore due</p>	<p>As per notification No.1571 dated 01.10.2010</p>

	<p>to non provision of license fee payable to Department of Water Resources (DoWR), Government of Odisha (for the period October 2010 to March 2014) on the basis of quantum of water used instead of water used on design energy as approved by Orissa Electricity Regulatory Commission. This has also resulted in understatement of Current Assets (Trade Receivable) to the same extent from GRIDCO</p>	<p>issued by Revenue and Disaster Management Department, there is no requirement of signing of any agreement between OHPC and DoWR.</p> <p>The said notification does not provide any direction to pay water cess on the basis of design energy. While fixation of ARR of OHPC, Hon'ble OERC approves the water cess based on design energy which is a budget only. However, OHPC has been paying and getting reimbursement from GRIDCO based on energy generated in KWH. This payment is as per Clause No.2 (ii) of schedule -II of the above mentioned notification. The said schedule provides payment of water cess @ 1 (one) paise per KWH for water used for Hydro Power Generation. Thus, accounting of water cess on the basis of design energy has no merit.</p> <p>Thus there is no understatement of receivable from GRIDCO towards water cess payable to DoWR.</p>
<p>(C)</p> <p>5.</p>	<p><b>Comments on Disclosure</b></p> <p>The Company has neither accounted for nor disclosed the compensation amounting to Rs. 83.16 crore towards generation loss receivable from the industrial units for the period 2004-05 to 2013-14 in the State for utilization of water from reservoirs as per High Court direction (March-2012).</p>	<p>Although the direction of Hon'ble Odisha High Court provides OHPC to raise the bill towards compensation for loss of energy on account of Industrial water consumption from the reservoirs, OHPC is yet to be authorized by Govt. of Odisha. After issue of Executive Notification by the DoWR, the supplementary agreement to the main agreement between DoWR and the Industries shall be executed by the OHPC and the industry concerned separately.</p> <p>Further the OHPC in principle decided to account for the transaction on cash basis as the income and the same shall be passed on to the state consumers through the subsequent ARR of OHPC.</p> <p>Thus there would be no impact on the profitability of OHPC.</p>
<p>(D)</p> <p>6.</p>	<p><b>Other Comments :</b></p> <p><b>Contingent Liability (Note -41)</b></p> <p>The above does not include Rs.57.85 crore being</p>	<p>The Assessing Officer has raised a demand of</p>



the amount of Income Tax demand ( 25 March 2014) by Income Tax authorities against which the Company has gone for appeal.

Rs.57.85 Crs which includes Rs.16.67 Crs towards interest u/s 234(B) and 234(C) of the Income Tax Act 1961 by disallowing expenditures like Dam Maintenance Cost (Rs.62.49 Crs), Prior year adjustment (Rs.1.70 Crs.), Peripheral Development (Rs.0.95 Crs) and understatement of profit (Rs.5.85 Crs.) against which OHPC has made a petition before the Assessing Officer U/s 154 of Income Tax Act 1961 on 15.04.2014 for rectification of order due to mistake found in the assessment order. During 2013-14, OHPC has paid/adjusted the dam maintenance cost of all hydro power stations including UIHEP. Further, it may be mentioned here that OHPC has also appealed before the commissioner of Income Tax (Appeal-I) on 15.04.2014 against the order of Assessing Officer. Hence the demand of Rs.57.85 Crs. shall not stand as ITAT, Cuttack have already allowed the Dam Maintenance Cost against the order of Assessing Officer & CIT (A) in the previous year. Therefore disallowance of dam maintenance cost of Rs.62.49 Crs plus Rs.5.89 Crs. by the A.O. as above has no merit and hence this fictitious demand is not shown as contingent liability in the notes on Accounts. In view of this, disclosure as contingent liability is not required.

7. The above is also understated by Rs.398.41 crore due to non accounting of interest on convertible Govt. of Odisha Bond of Rs.383.10 crore @ 13% p.a. for 2001-02 to 2005-06 and 2011-12 to 2013-14 as contingent liability pending approval of the Finance Department for exemption of interest for these period.

Since the matter was discussed & finalized in the meeting taken by Chief Secretary on dtd.18.03.2014, the interest shall be charged from the financial year 2015-16 @ 7% per annum. The proposal for notification has already been moved by Energy Department to Finance Department for Gazette notification. So after notification, the exact liability for 2015-16 towards interest shall be provided in the year 2015-16. As per the proceedings of the meeting on dtd.18.03.2014, there is no provision of interest upto 2014-15 for the debentures.

So disclosure under contingent liability is not required.

8.

**Significant Accounting Policies :**

Reference is invited to Note 6.5 of the above head wherein the Company has changed its Accounting Policy and accounted for Rs.111.07 crore, as revenue under the head Other Income towards 50 per cent of the operation and maintenance cost of UIHEP. But the financial impact due to change in accounting policy has not been disclosed in the accounts as required under Accounting Standard 1.

The dam maintenance cost was not recognized upto 2012-13 as revenue, pending acceptance by DoWR. But in the financial year 2013-14, DoWR have accepted in principle the audited figure raised by OHPC upto 2012-13, the effect of which was accounted for during 2013-14, as dam share from DoWR under the income head vide Note-23. Further, OHPC has accounted for UIHEP Dam share for 2013-14 in same principle as accepted by DoWR upto 2012-13. So there is no deviation to the provision of A.S.-1.

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

For and On behalf of  
the Board of Directors

Sd/-  
( **S. S. Dadhe** )  
Principal Accountant General

**S C MAHAPATRA, IAS**  
Chairman-cum-Managing Director  
DIN:-00229586

Place : Bhubaneswar  
Date : 22.09.2014

**G R C & ASSOCIATES**  
CHARTERED ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

To  
The Members,  
Odisha Hydro Power Corporation Limited,  
Bhubaneswar.

**Report on the Financial Statements**

We have audited the accompanying financial statements of Odisha Hydro Power Corporation Limited, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information in which the financial statements of the units audited by the unit Auditors are incorporated.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit & relying on the Auditors' Report of Unit Auditors. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

Further to our comments in Annexure-1 referred to below and subject to our separate comments in Annexure - II, in our opinion and to the best of our information and according to the explanations given to us, the foresaid financial statements 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:

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b. In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure -1, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that :
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report is in agreement with the books of account.
  - d. in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow statement comply with the Accounting Standards referred to in section 211(3C) of the Act.
  - e. On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For G R C & Associates**  
Chartered Accountants

**CA. A. Mohapatra**  
Partner  
M. No. 055285

Bhubaneswar  
The 8<sup>th</sup> day of August, 2014



## ANNEXURE-I TO INDEPENDENT AUDITOR'S REPORT

Referred to paragraph 1 of our report of even date

- I. In respect of its fixed assets :
- a) The unit has maintained proper records showing full particulars including quantitative details and situation of fixed Assets as per unit auditor's report. However the fixed asset register has not been maintained properly and not up-to-date at corporate office to show the quantitative details and situation of fixed asset.
  - b) As explained to us, and the information collected from the branch auditors report the fixed assets have been physically verified by the management during the year & frequency of physical verification is reasonable having regards to the size of the Company and in our opinion and according to the information and explanations provided to us, no material discrepancies were noticed on such verification.
  - c) Fixed assets dispensed off during the year were not substantial, and therefore, do not affect the going concern assumption.
- II. In respect of its inventories :
- a) No inventories at corporate level. As per unit auditors' report, the management at unit level at regular intervals during the year has physically verified inventories.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) The company has maintained proper records of inventories. As explained to us, the material discrepancies noticed by the stock auditor are dealt within the accounts.
- III. In respect of loans, secured or unsecured, the company has neither granted or taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956.
- Hence the provision of clauses (b), (c), (d), (e), (f), (g) of the order are not applicable.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of power and services.
- V. In respect of transactions covered under Section 301 of the companies Act, 1956.
- a. In our opinion and according to the information and explanations given to us, there are no transactions

made in pursuance of contracts or arrangements that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956.

- b. In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956.
- VI. In our opinion, as per information and explanation given to us, the Company has not accepted any deposits from the public during the year within the meaning of sections 58A,58AA or any other relevant provisions of the companies act,1956 and the rules framed there under.
- VII. In our opinion, as per information and explanations given to us and after review of Internal Audit Report, the internal Audit system of the company need to be strengthened to commensurate with its size and nature of its business. The area covered by the internal Auditor need to be expanded to overcome the errors in accounting system.
- VIII. As per information and explanation given to us and according to the unit Auditors Report, maintenance of cost records has been prescribed by the Central Government under section 209 (1)(d) of the Companies Act, 1956 and such accounts and records have been made and maintained but in case of Upper Kolab, Balimela and Upper Indravati are under preparation.
- IX. (a) As per information and explanation given to us and based on the Unit Auditors Report, the Corporation has been regular in depositing undisputed Statutory dues including Employee's Provident Fund, Investor Education and Protection Fund, Wealth Tax, Service Tax, Income Tax, Custom Duties, Cesses, Sales tax and other statutory dues applicable to it during the year with appropriate authorities.
- (b) As per information and explanation given to us and based on the Unit Auditors Report, there are no undisputed amounts payables in respect of Income Tax, Sales Tax, wealth Tax, Service Tax, Custom Duty and Cess outstanding at the end of the Financial Year, except in cases of UIHEP Mukhiguda.

<b>Name of Unit</b>	<b>Nature of Dues</b>	<b>Disputed Amount</b>	<b>Forum where disputed is Pending</b>
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UIHEP,Mukhiguda	Sales Tax	Rs.20, 90,646.00	High Court, Odisha
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UIHEP,Mukhiguda	EPF	Rs.9,84,220.00	High Court, Odisha
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- X. The Company does not have accumulated losses as at 31.3.2014.and has not incurred any cash loss during the financial year covered by our audit or in the immediately preceding financial year.
- XI. As per information and explanation given to us and based on the Unit Auditors' Report, the company has not defaulted in repayment of dues to financial institutions and banks.
- XII. As explained to us and as per the Unit Auditors' Reports the Company has not granted any loans and advance on the basis of security by way of Pledge of shares,debentures and other securities.

- XIII. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore clause 4(xii) of the Companies (Auditor's Report) (Amendment) Order, 2004 is not applicable to the Company.
- XIV. As explained to us and as per the Unit Auditors' Report the company is not dealing or trading in shares; securities. Debentures & other investment'
- XV. As explained to us the company has given guarantee for Rs.25 Crores in favour of Baitarani West Coal Company Ltd. by pledging fixed deposit with Punjab & Sind Bank, Ashok Nagar , Bhubaneswar and Rs.6 crore in favour of GEDCOL(100%Subsidiary Company) by pledging fixed deposit with Axis Bank, Basua Ghai ,Bhubaneswar . The terms & conditions thereof are not prejudicial to the interest of the company.
- XVI. As explained to us the company has not raised term loans during the year, therefore, clause 4 (xvi) of the companies (Auditors' Report) (Amendment) Order, 2004 is not applicable to the company.
- XVII. According to the information and explanations given to us the funds raised on sub-term basis have not been used for long-term investments and vice versa.
- XVIII. During the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- XIX. As the company has not issued any debentures during the year, clause 4(xix) of the companies (Auditors report) (Amendment) Order, 2004 is not applicable to the company.
- XX. As the company has not raised any money by way of public issue during the year, clause 4(xx) of the Companies (Auditors' Report) (Amendment) Order, 2004 is not applicable to the company.
- XXI. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year , that causes the financial statements to be materially misstated.

**For G R C & ASSOCIATES**  
Chartered Accountants

**CA. A. MAHAPATRA**  
M. No. 055285

Bhubaneswar  
Date : 08.08.2014

**G R C & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

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 Email: grc.bbsr@gmail.com

**REFERRED TO IN PARAGRAPH 4 AND FORMING PART OF AUDITOR'S  
 REPORT OF EVEN DATE**

	Observations of the Statutory Auditors	Replies of the Management																								
1.	<p><b>NON CURRENT LIABILITIES</b></p> <p>a. The company has not ascertained deferred Tax Liability/ deferred Tax Assets during the year and no provision has been made for deferred Tax Liability / deferred Tax Assets in accordance with AS - 22 ( Accounting for Taxation) issued by The Institute of Chartered Accountants of India.</p> <p>b) Other Long Term Liabilities includes of Rs.9.34 crore as detailed below is unmoved since long &amp; also subject to reconciliations &amp; confirmations and the impact of which arising out of such reconciliation has not been ascertained.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name of the Unit</th> <th style="text-align: left;">Head of Account</th> <th style="text-align: right;">Amount (₹ in Crores)</th> </tr> </thead> <tbody> <tr> <td>BHEP</td> <td>Creditor for Raw materials</td> <td style="text-align: right;">0.12</td> </tr> <tr> <td></td> <td>Other Payable</td> <td style="text-align: right;">3.54</td> </tr> <tr> <td>HHEP</td> <td>Retention Money</td> <td style="text-align: right;">0.31</td> </tr> <tr> <td>UIHEP</td> <td>Retention Money</td> <td style="text-align: right;">3.12</td> </tr> <tr> <td></td> <td>Creditor for Raw materials</td> <td style="text-align: right;">0.26</td> </tr> <tr> <td>CHEP</td> <td>Sundry Creditor Raw Materials</td> <td style="text-align: right;">1.99</td> </tr> <tr> <td><b>Total</b></td> <td></td> <td style="text-align: right;"><b>9.34</b></td> </tr> </tbody> </table>	Name of the Unit	Head of Account	Amount (₹ in Crores)	BHEP	Creditor for Raw materials	0.12		Other Payable	3.54	HHEP	Retention Money	0.31	UIHEP	Retention Money	3.12		Creditor for Raw materials	0.26	CHEP	Sundry Creditor Raw Materials	1.99	<b>Total</b>		<b>9.34</b>	<p>Noted.</p> <p>Detailed analysis &amp; reconciliation of the liabilities outstanding since long are under process through in-house / professional agencies and shall be accounted for after such liabilities are identified. However, it will be completed by 31.03.2015.</p>
Name of the Unit	Head of Account	Amount (₹ in Crores)																								
BHEP	Creditor for Raw materials	0.12																								
	Other Payable	3.54																								
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<b>Total</b>		<b>9.34</b>																								
2.	<p><b>CURRENT LIABILITIES</b></p> <p>a. Short Term Provision is understated &amp; Accumulated Profit is overstated to the extent of non provision of</p>	<p>As a matter of accounting principle followed by OHPC, the pension and leave</p>																								

liabilities on account of pension fund & leave encashment fund (figures not ascertained) relating to deputed employees.

- b) Other Current Liabilities includes of Rs. 10.50 Crore as detailed below is unmoved since long & also subject to reconciliations & confirmations and the impact of which arising out of such reconciliation has not been ascertained.

Name of the Unit	Head of Account	Amount (₹ in Crores)
UIHEP	Liability to others	8.63
	Provision for others	1.87
<b>Total</b>		<b>10.50</b>

salary contribution in respect of deputationist are accounted for consistently on cash basis i.e. in the year of payment based on the demands raised by A.G. Odisha. The same has been disclosed in accounting policy vide Para 8.4 of note -1 as well as in Note No.36.

UIHEP, Khatiguda has already appointed a firm of Chartered Accountants vide Order No.386 dtd.04.05.2013 for analysis & reconciliation of pre current liabilities outstanding since long. The same shall be accounted for after reconciliation. However, this is excepted to be completed by 31.03.2015.

### 3. FIXED ASSETS

- a. The Company has not ascertained the provision required to be made on account of impairment of fixed assets as per Accounting Standard - 28 issued by ICAI even if the company is having the clear case of impaired assets i.e CWIP of Potteru Project amounting to Rs.39.61 crore, Sindol Project amounting to Rs.0.30 crore & Building WIP including office & staff quarter amounting to Rs.0.34 crore.
- b) Capital Work in progress relating to Potteru Electrical Division of UKHEP is overstated & Profit & Loss Account is overstated to the tune of Rs. 16.55 Crore due to over capitalization of expenditure during construction as the project is closed since long & it has been decided to sale out the project.

The observed projects i.e. Potteru, Sindol Project, Office building and staff quarter are running project and not commissioned yet. OHPC have appointed professional firms for physical verification of Fixed Assets and certification regarding impairment of assets. OHPC have received the physical verification report as well as certificate that there is no impairment of Assets.

The project is yet to start commercial operation. As such, all the expenditure incurred during the pre-generation period is booked to C.W.I.P. The matter was referred to Department of Energy Gov. of Odisha for cabinet approval to dispose of the project. After receipt of approval, necessary accounting entries shall be passed.



**4. SUNDRY DEBTORS**

- a. Sundry Debtors on account of receivable from CSDPL is overstated & Profit & loss account is overstated to the tune of Rs.2.34 crore due to non provision against bad & doubtful debts as the same has not been accepted by the CSDPL.
- b) Sundry Debtors on account of receivable from GRIDCO is overstated & Profit & loss account is overstated to the tune of Rs.11.94 crore due to non provision against bad & doubtful debts as the same has not been accepted by the GRIDCO even if final reconciliation has been completed till the financial year 2011-12.
- c) Sundry Debtors includes Rs.236.42 crore receivable from GRIDCO for the year 2012-13 & 2013-14 & income towards sale of power for these year are subject to reconciliation.

The outstanding energy dues against CSPDCL comprises the differential amount between the audited cost of generation of HHEP for the years 2008-09 to 2013-14 and the unit cost of generation for the year 2007-08 based on which bills are being cleared by CSPDCL. OHPC has been taking up with CSPDCL for payment of the outstanding dues. All debtors are unsecured but considered good. Moreover the debtor being a State Govt organization there is no possibility of bad debt. It will be completed by 31.03.2015.

Debtor reconciliation between GRIDCO & OHPC up to 2010-11 has been completed except Rs.11.94 crs. which is under analysis and reconciliation. Further, reconciliation of debtors for the year 2011-12 has already been submitted to GRIDCO for acceptance and for the F.Y. 2012-13 and 2013-14, it is in the final stage of completion, the effect of which will be accounted for in the next accounting year.

Steps have been taken for reconciliation of current year receivable and sale of energy. However, GRIDCO has not raised any specific dispute against the OHPC monthly energy bill raised for the FY 2012-13 & 2013-14.

**5. INVENTORIES**

- a) Inventory is overstated & profit & loss account is overstated to the tune of Rs.20.88 Crore on account of

The process of declaration of scrap and valuation there of is under process.

	<p>non provision for non moving &amp; unusable stores &amp; spares lying since long.</p> <p>b) Inventory is understated to the tune of Rs. 0.29 crore due to non accounting of reconciliation impact of stock under UIHEP.</p>	<p>However, the stores &amp; spares under inventory as referred by Audit are critical items for the safe guard of the plant &amp; machinery.</p> <p>Steps are being taken to reconcile the differential stock value of Rs.0.29 Crs. the effect of which shall be given during the financial year 2014-15.</p>
<p>6.</p>	<p><b>LONG TERM LOANS AND ADVANCES</b></p> <p>Long term advances is overstated &amp; profit &amp; loss account is overstated to the tune of Rs.9.82 crore on account non provisions of doubtful advances unmoved since long.</p>	<p>Reconciliation of details of the loans and advances outstanding since long is under process and shall be appropriately accounted for after due reconciliation.</p>
<p>7.</p>	<p><b>INTERNAL CONTROL SYSTEM</b></p> <p>In our opinion and according to the information and explanations given to us, internal control procedure needs to be strengthen with the size of the company and nature of its business with regard to expenditures, inventories, Investment and other current assets.</p>	<p>As per the provisions of the new company Act 2013, the matter will be placed before the Board for strengthening finance team : like (i) Implementation of management Audit Cell,</p> <p>(ii) Recruitment of Finance Executives and Non-Executives.</p> <p>(iii) Implementation of ERP.</p>

**UNIT WISE AUDITOR'S COMMENT**

	<p><b>(A) BHEP, Balimela</b></p> <p>1. Other advance to Staff for Rs 1,25,605/- is pending for reconciliation Since 2005-06 which need immediate attention.</p>	<p>Reconciliation is under process and shall be completed shortly.</p>
	<p><b>(B) RHEP, Rengali</b></p> <p>1. Amount receivable under Trade receivables short term loans and advance and amount payable under current liabilities as on 31.03.2014 have not been confirmed by the parties</p>	<p>Action is being taken for getting confirmation from the concerned parties.</p>

2. Note 16 of "Sundry Debtor for others" shows Rs.13,08,678/- relating to uncollected energy charges from defunct offices and others for the period year 1993 to 1999, for which no provision has been made against such uncollected figure as required under AS-9 "Revenue Recognition" as a result the statement of profit and loss and sundry debtor has been overstated by Rs.13,08,678/-

**(C) UKHEP, Bariniput**

1. Advance to supplier of materials & advance to Contractors of FA office of Rs.18,29,290/- yet not adjust for a long period.

The matter is under reconciliation with DoWR and shall be settled shortly after reconciliation.

The matter is being repeatedly dealt with Water Resources Department for early settlement.

**For G R C & ASSOCIATES**  
Chartered Accountants

For and On behalf of  
the Board of Directors

**CA. A. MAHAPATRA**  
M. No. 055285

**S C Mahapatra, IAS**  
Chairman-cum-Managing Director  
DIN:-00229586

Bhubaneswar  
Date : 08.08.2014

**ODISHA HYDRO POWER CORPORATION LIMITED, BHUBANESWAR**  
**BALANCE SHEET AS AT 31ST MARCH 2014.**

Particulars	Note No.	In Rupees	
		As at 31.03.2014	As at 31.03.2013
<b>I. EQUITY AND LIABILITIES</b>			
(1) <b>Shareholders' funds</b>			
(a) Share capital	2	3,208,007,000	3,208,007,000
(b) Reserves and surplus	3	6,871,358,494	6,816,157,746
(c) Money received against share warrants		-	-
<b>Sub-total [ (a)+(b)+(c) ]</b>		<b>10,079,365,494</b>	<b>10,024,164,746</b>
(2) <b>Share application money pending allotment</b>			
(3) <b>Non-current liabilities</b>			
(a) Long-term borrowings	4	17,766,167,688	17,924,686,413
(b) Deferred tax liabilities (Net) provisions			
(c) Other Long term liabilities	5	3,017,867,208	225,924,627
(d) Long-term provisions	6	3,908,615	87,500,427
<b>Sub-total [ (a)+(b)+(c)+(d) ]</b>		<b>20,787,943,511</b>	<b>18,238,111,467</b>
(4) <b>Current liabilities</b>			
(a) Short-term borrowings	7	-	-
(b) Trade payables	8	8,093,816	20,377,255
(c) Other current liabilities	9	1,019,157,990	2,406,366,261
(d) Short-term provisions	10	499,775,053	739,934,224
<b>Sub-total [ (a)+(b)+(c)+(d) ]</b>		<b>1,527,026,859</b>	<b>3,166,677,740</b>
<b>GRANDTOTAL</b>		<b>32,394,335,864</b>	<b>31,428,953,953</b>
<b>II. ASSETS</b>			
(1) <b>Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	13,759,039,478	14,714,512,399
(ii) Intangible assets	12	-	-
(iii) Capital work-in-progress	13	448,731,669	584,300,393
(iv) Intangible assets under development			
<b>Sub-total [ (i)+(ii)+(iii)+(iv) ]</b>		<b>14,207,771,147</b>	<b>15,298,812,792</b>
(b) Non-current investments	14	1,212,047,000	219,447,000
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	15	83,609,023	86,730,727
(e) Other non-current assets	16	6,331,873,523	4,411,522,030
<b>Sub-total [ (a)+(b)+(c)+(d)+(e) ]</b>		<b>7,627,529,546</b>	<b>4,717,699,757</b>
(2) <b>Current assets</b>			
(a) Current investments			
(b) Inventories	17	478,081,631	425,960,595
(c) Trade receivables	18	449,729,662	1,921,250,556
(d) Cash and cash equivalents	19	8,623,374,207	8,447,784,748
(e) Short-term loans and advances	20	452,565,378	388,120,631
(f) Other current assets	21	555,284,293	229,324,874
<b>Sub-total [ (a)+(b)+(c)+(d)+(e)+(f) ]</b>		<b>10,559,035,171</b>	<b>11,412,441,404</b>
<b>GRANDTOTAL</b>		<b>32,394,335,864</b>	<b>31,428,953,953</b>

Accompanying notes forming part of the financial statements

In terms of our report attached

**For G R C & Associates**

Chartered Accountants

**A Mohapatra**

Partner

M.No. 055285

Place : Bhubaneswar

Date : 08.08.2014

**P K Pradhan**

DGM (F & A)

**P K Mohanty**

Company Secretary

**S K Sahu**

Director (Finance)  
(DIN-05297051)

**P K Jena**

Chairman-cum-  
Managing Director  
(DIN-02466580)

**ODISHA HYDRO POWER CORPORATION LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2014**

Particulars	Note No.	In Rupees	
		Year ended 31.03.2014	Year ended 31.03.2013
<b>I</b> Revenue from operations	<b>22</b>	4,517,341,290	3,531,198,162
<b>II</b> Other income	<b>23</b>	1,960,074,582	924,628,421
<b>III</b> Total Revenue (I + II)		<b>6,477,415,872</b>	<b>4,455,826,583</b>
<b>IV</b> Expenses :			
Repair & Maintenance expenses	<b>24</b>	483,866,915	441,015,067
Operational expenses	<b>25</b>	102,949,520	88,761,040
Employee benefits expenses	<b>26</b>	1,535,593,931	1,794,470,164
Administrative & General expenses	<b>27</b>	210,163,401	172,127,299
Finance costs	<b>29</b>	2,925,036,816	126,094,104
Depreciation and amortization expense	<b>11</b>	1,261,078,962	1,241,000,682
Selling & Distribution expenses	<b>30</b>	316,364	0
<b>Total expenses</b>		<b>6,519,005,910</b>	<b>3,863,468,356</b>
<b>V</b> Profit before prior year adjustments (III-IV)		-41,590,037	592,358,227
<b>VI</b> Prior year adjustments	<b>28</b>	-153,566,229	17,794
<b>VII</b> Profit before exceptional and extraordinary items and tax (V-VI)		111,976,191	592,340,433
<b>VIII</b> Exceptional items	<b>31</b>	695,742	3,107,990
<b>IX</b> Profit before extraordinary items and tax (VII - VIII)		111,280,449	589,232,443
<b>X</b> Extraordinary Items			
<b>XI</b> Profit before tax (IX-X)		<b>111,280,449</b>	<b>589,232,443</b>
<b>XII</b> Tax expense:			
(1) Current tax		150,490,001	0
(2) Less			
Mat Credit set off		127,165,063	0
(3) Net Current Tax Liability		23,324,938	117,892,154
(4) Deferred tax			
<b>XIII</b> Profit (Loss) for the period from continuing operations (XI - XII)		87,955,511	471,340,289
Profit (Loss) for the period (XIII)		<b>87,955,511</b>	<b>71,340,289</b>
<b>XIV</b> Earnings per equity share :			
(1) Basic		27	147
(2) Diluted			

Accompanying notes forming part of the financial statements

In terms of our report attached

For **G R C & Associates**

Chartered Accountants

**A Mohapatra**

Partner

M.No.055285

Place : Bhubaneswar

Date : 08.08.2014

**P K Pradhan**

DGM (F & A)

**P K Mohanty**

Company Secretary

**S K Sahu**

Director (Finance)  
(DIN-05297051)

**P K Jena**

Chairman-cum-  
Managing Director  
(DIN-02466580)



**ODISHA HYDRO POWER CORPORATION LIMITED, BHUBANESWAR**  
**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31.03.2014**

PARTICULARS	(In Rupees)	
	Year ended 31.03.2014	Year ended 31.03.2013
<b>1. Cash flows from operating activities :</b>		
Net profit before taxation and extraordinary items and tax	111,280,449	589,232,443
Adjustment for :		
Depreciation & amortisation	1,261,078,962	1,241,000,682
(Profit) / Loss on Sale of Assets	4,506	(622,818)
Write off of Assets	-	-
Provision for Income tax	(23,324,938)	(117,892,154)
Interest income	(814,094,907)	(850,312,020)
Finance Cost	2,925,036,816	126,094,104
Operating profit before working capital changes	<b>3,459,980,888</b>	<b>987,500,237</b>
<b>Adjustment for (Increase)/Decrease in operating assets</b>		
Increase in inventories	(52,121,036)	147,492,202
Increase in Other Current Assets	(9,537,921)	2,291,654
Increase in Other Non-Current Assets	(1,920,351,493)	(1,045,934,335)
Increase in Short -term loan & advance	(64,444,747)	9,675,894
Decrease in trade receivables	1,471,520,894	(862,824,979)
Decrease in Long-term loans & advances	3,121,704	(8,855,831)
<b>Total</b>	<b>(571,812,599)</b>	<b>(1,758,155,395)</b>
<b>Adjustment for Increase/(Decrease) in operating Liabilities</b>		
Decrease in Trade Payable	(12,283,439)	7,620,817
Decrease in Short -term borrowings	-	(150,000,000)
Decrease in Other Current Liabilities	(1,384,532,653)	295,408,204
Increase in Other Long term Liabilities	2,791,942,581	(19,037,754)
Decrease in Short-term Provision	(240,159,171)	(113,129,554)
Decrease in Long-term Provision	(83,591,812)	190,294,969
<b>Total</b>	<b>1,071,375,506</b>	<b>211,156,682</b>
Cash generated from operations	3,959,543,795	(559,498,477)
Net Cash flow before extraordinary item	3,959,543,795	(559,498,477)
Extraordinary Items	-	-
Net cash flow operating activities	3,959,543,795	(559,498,477)
<b>2. Cash flows from investing activities :</b>		
Capital Expenditure on fixed assets including capital advances	(170,041,823)	(325,726,203)
Interest received	497,673,409	945,319,311
Long term investment in JVs	(992,600,000)	(50,000,000)
Net cash flow investing activities	(664,968,415)	569,593,108
<b>3. Cash flow from financing activities :</b>		
Stock Reserve Account (UIHEP, Mukhiguda)	-	(8,535,019)
Repayment of long term borrowings (PFC)	(158,518,725)	(144,880,705)
Paid & Proposed Dividend	(26,386,653)	87,521,937
4. Tax on Dividend	(6,368,110)	14,193,392
5. Finance Cost	(2,927,712,434)	(127,009,130)
Net cash used in financing activities	(3,118,985,922)	(170,174,506)
<b>6. Net increase in cash and cash equivalents (1+2+3)</b>	<b>175,589,458</b>	<b>(160,079,875)</b>
<b>Cash and cash equivalent at beginning of the Year</b>	<b>8,447,784,747</b>	<b>8,607,864,622</b>
<b>Cash and cash equivalent at end of the Year *</b>	<b>8,623,374,205</b>	<b>8,447,784,747</b>
<b>*Comprises</b>		
(a) Cash on Hand	193,103	253,530
(b) Balances with Banks		
(i) In current accounts	98,489,627	109,361,515
(ii) In Deposits	24,659,806	8,158,608
(iii) In Earmarked accounts	8,500,000,000	8,330,000,000
(c) Postal order & Stamp	31,671	11,095

**Accompanying notes forming part of the financial statements**

In terms of our report attached

For **G R C & Associates**

Chartered Accountants

**A Mohapatra**

Partner

M.No.055285

**P K Pradhan**

DGM (F & A)

**P K Mohanty**

Company Secretary

**S K Sahu**

Director (Finance)  
(DIN-05297051)

**P K Jena**

Chairman-cum-  
Managing Director  
(DIN-02466580)

Place : Bhubaneswar / Date : 08.08.2014

## ODISHA HYDRO POWER CORPORATION LTD

### Note - 1

Accounting policies and Notes on Accounts forming part of the accounts :

#### **A. SIGNIFICANT ACCOUNTING POLICIES :**

##### **1. BASIS OF ACCOUNTING :**

- 1.1 The financial statements have been prepared under the historical cost convention method in accordance with the generally accepted accounting principles, the provisions of Companies Act, 1956 and the mandatory accounting standards.
- 1.2 The Company follows Mercantile System of Accounting and recognizes significant items of income and expenditure on accrual basis except those with significant uncertainties.
- 1.3 The liabilities, which could not be ascertained at the time of transfer of Assets & Liabilities by Government of Orissa on 01.04.1996 are accounted for as and when settled.

##### **2. FIXED ASSETS AND CAPITAL WORK-IN-PROGRESS :**

- 2.1 Fixed assets are stated at historical cost less depreciation. Cost of acquisition is inclusive of freight, duties and taxes wherever applicable. Fixed assets, which were transferred by Government of Orissa on 01.04.1996 under transfer scheme, are stated at transfer price.
- 2.2 Financing cost directly identifiable to a particular asset is added to the cost of such asset. Financing cost other than the above and direct revenue expenditure incurred during construction period on new projects is treated as expenditure during construction and is allocated to relevant fixed assets at the time of capitalization.
- 2.3 The grants-in-aid received against capital expenditure of projects are adjusted at the time of capitalization of assets on completion of respective projects.

##### **3. INVESTMENTS :**

Investments are stated at cost and are on "held to maturity basis".

##### **4. INVENTORIES :**

Inventories of stores, spares and consumables are valued on the basis of transfer price in respect of inventories transferred from Government and at cost in case of inventories procured thereafter.

##### **5. FOREIGN EXCHANGE TRANSACTIONS :**

- 5.1 Transactions involving foreign currency are settled and accounted for at the exchange rates prevailing on the date of the transactions.
- 5.2 Monetary items denominated in foreign currency are translated at the exchange rate prevailing on the last day of the accounting year.
- 5.3 The Foreign Exchange fluctuation loss / gain in respect of the foreign currency loan relating to Projects after capitalization is debited / credited to Profit & Loss account.

##### **6. RECOGNITION OF REVENUE :**

- 6.1 Revenue is recognized on the basis of the bills raised on GRIDCO in accordance with Orissa Electricity Regulatory Commission's tariff Order. In case of energy sales to CSPDCL, bills are raised on the unit cost of

generation of HHEP.

- 6.2 Interest on delayed payment of energy bills by GRIDCO is accounted for on the basis of actual realization.
- 6.3 The value of waste and scrap is accounted for on actual realization basis.
- 6.4 Receipts of insurance claims and interest on house building loan to employees are accounted for on cash basis.
- 6.5 The ownership of the dam and appurtenant works of Upper Indravati Hydro Electric Project remains with OHPC. Share of the Department of Water Resources, towards 50% Operation and Maintenance cost of the dam has been recognized as revenue.
- 6.6 As consistently followed, since inception of the corporation, cash discounts received from PFC on timely repayment of loan is considered as deduction from finance cost and accounted for on cash basis.
- 6.7 Interest on short-term deposits & loans is accounted for on accrual basis.
- 6.8 Electricity Duty & Water Cess reimbursed from GRIDCO is accounted for on accrual basis.
- 6.9 Electricity charges billed on W. R Department are recognized on cash basis consistently.

#### **7. DEPRECIATION :**

- 7.1 Up to financial Year 2002-03, the Corporation was providing depreciation at the rates prescribed by the Electricity (Supply) Act, 1948. However, consequent upon the enactment of the Electricity Act, 2003 and repeal of the Electricity (Supply) Act, 1948, depreciation is provided on straight line method as per the rates prescribed under schedule XIV of the Companies Act, 1956.
- 7.2 The Companies Act, 1956 does not provide any specific rate of depreciation for Dam & associated civil structures. In respect of civil structures, only two rates of depreciation have been prescribed i.e 1.63% for the non factory buildings and 3.34% for the factory buildings. Considering the nature, propensity of wear and tear, the depreciation rate specified for the factory buildings is considered appropriate for the dam. Accordingly, depreciation @ 3.34% has been taken for the block of assets of the dam of UIHEP.
- 7.3 Depreciation is provided on prorata basis in the year in which the assets become available for use.
- 7.4 Assets costing Rs. 5000/- or less individually are depreciated fully in the year in which they are put to use.

#### **8. RETIREMENT BENEFITS :**

- 8.1 Liability towards Pension and Leave Encashment as at the end of the year is provided on the basis of actuarial valuation in accordance with AS-15 issued by the Institute of Chartered Accountants of India.
- 8.2 For meeting the service gratuity liability, the Corporation has taken a group gratuity insurance policy with LIC of India. Gratuity provision is made on the basis of actuarial valuation made by LIC of India.
- 8.3. The pension and service gratuity liabilities of ex-Hirakud Dam Project employees are accounted for on cash basis.
- 8.4. The pension & leave salary contribution in respect of deputanists are accounted for consistently in the year of payment on the basis of demand notice raised by A.G & other PSUs.

#### **9. ALLOCATION OF CORPORATE OFFICE INCOME :**

Corporate Office income over expenditure is allocated among the generating units on the basis of sales turn over ratio.

## 10. BORROWING COST :

Borrowing costs that are attributable to the acquisition, construction / renovation, modernization and uprating of fixed assets upto the date of commercial operation are capitalized as part of cost of such assets. Other borrowing costs are recognized as an expense in the period during which they are incurred.

## 11. MISCELLANEOUS :

- 11.1 Liabilities for Goods in transit / capital works executed but not certified are not provided for, pending inspection & acceptance by the Corporation.
- 11.2 Prior Period Expenses / income of items of Rs 20000/- and below are charged to respective heads of account.
- 11.3 Expenditures upto DPR for new projects are charged to P & LA/c (Survey and investigation ) and thereafter where the new projects seems to be viable are capitalized.
- 11.4 Provision of Dam Maintenance cost for the current year is made based on reconciled figure of immediate preceding year due to non-receipt of bill and receipt of abnormal bill from DoWR.

### Note - 2

SHARE CAPITAL	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
<b>Authorised Capital :</b>		
1,00,00,000 Equity Shares of Rs.1000/- each	10,000,000,000	10,000,000,000
<b>Issued, Subscribed and paid-up :</b>		
32,08,007 Equity Shares of Rs.1000/- each fully paid-up.	3,208,007,000	3,208,007,000
<b>Total Share Capital</b>	<b>3,208,007,000</b>	<b>3,208,007,000</b>

- a) During current year as well as previous year, neither any new shares have been issued nor have any shares been bought back.
- b) Govt. of Odisha holds 3208007 numbers of equity shares of the company.
- c) Board has decided in their 121st Board of Directors to show Rs.19.00 Crs. as share capital in stead of Capital Reserve as grant by GoO. The same shall be accounted for in the F.Y. 2014-15 after issue of share certificate to Govt. of Odisha.

### Note - 3

RESERVES & SURPLUS	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
<b>Capital Reserve</b>		
Opening Balance (a)	190,000,000	190,000,000
Addition during the year	-	-
Deduction during the year	-	-
Closing balance (A)	<b>190,000,000</b>	<b>190,000,000</b>
<b>Dam Sharing Reserve</b>		
Opening Balance (b)	1,000,000,000	1,000,000,000
Addition during the year	-	-
Deduction during the year	-	-
Closing balance (B)	<b>1,000,000,000</b>	<b>1,000,000,000</b>
<b>Stock Reserve Account (UIHEP, Mukhiguda)</b>		
Opening Balance	-	-

Addition during the year	-	-
Deduction during the year	-	-
Closing balance (C)	-	-
Surplus		
Opening Balance	5,626,157,746	5,053,102,128
Less: Differential dividend tax	(1,092,331)	266,056,370
Balance	5,625,065,415	5,319,158,498
Balance of Statement of Profit & Loss	87,955,511	471,340,289
Less:		
a) Dividend Paid	-	-
b) Proposed dividend	(26,386,653)	(141,402,087)
c) Tax on dividend	(5,275,779)	(22,938,954)
<b>Closing balance (D)</b>	<b>5,681,358,494</b>	<b>5,626,157,746</b>
<b>Total of Reserves &amp; Surplus [(A)+(B)+(C)+(D)]</b>	<b>6,871,358,494</b>	<b>6,816,157,746</b>

- a) The Govt. of India, MoF, Deptt. of Expenditure had released a grant of Rs.19 Crores for RM & U of unit 3 & 4 Burla under APDP scheme to GoO. The GoO has released the said amount to OHPC as investment in share capital. As the said amount was to be passed on to OHPC in the same form as sanctioned by GOI, the State Govt. has been moved to treat Rs.19 Crore as grant instead of share capital. Pending receipt of confirmation of the State Govt., the amount has been shown in the Balance Sheet as capital reserve. However, Board has decided in their 121st Board of Directors to show Rs.19.00 Crs. as share capital in stead of Capital Reserve due to non-acceptance as grant by GoO. The same shall be accounted for in the F.Y. 2014-15 after issue of share certificate to Govt. of Odisha.
- b) 50% of the estimated project cost towards Dam and Appurtenant works i.e. Rs.232.14 Cr. was allocated to power and the balance 50% i.e. Rs.232.14 Cr. to Dept.of Water Resources. Out of this, DOWR had contributed Rs.132.14 Cr. as on the date of transfer of UIHEP to OHPC (01.04.1996) which was treated as an interest free loan to OHPC. The balance amount of Rs.100 Cr. was to be paid by DOWR to OHPC. Out of this Rs.100 Crs., an amount of Rs. 25.00 crores was received from DOWR in 1998-99 and balance amount of Rs.75.00 Crores has been adjusted as per letter No. 3520/24.03.03 of Chief Engineer, W.R. Deptt., Odisha during 2007-08 against the provisions made towards Dam Maintenance charges payable to DOWR GoO.

#### Note - 4

LONG-TERMBORROWINGS	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
<b>A. Bonds [unsecured]</b>		
i. Interest Free Convertible Bond-1 (Govt. of Odisha)		
This bond is Convertible into equity at the option of State Govt.	3,831,000,000	3,831,000,000
ii. Interest Free Convertible Bond-2 (Govt. of Odisha)		
This bond is Convertible to Debentures after Govt. approval.	3,831,000,000	3,831,000,000
<b>Sub-total (A)</b>	<b>7,662,000,000</b>	<b>7,662,000,000</b>



**B. Term Loans from others [unsecured]**

Power Finance Corporation Loan	332,127,688	490,646,413
a) This loan is guaranteed by Govt. of Odisha.		
b) (i) The loan availed by HHEP, Burla for R M & U of Unit (3&4) is repaid quarterly on 15th of January, April, July & October.		
(ii) The foreign currency loan availed by BHEP, Balimela for extension project (Unit 7 & 8) is repaid half-yearly on 15 <sup>th</sup> of June December.		
c) There is no default in repayment of above loan during the year. A sum of Rs.425222/- is received from PFC as cash discount for prompt payment is shown as deduction from finance cost		

<b>Sub-total (B)</b>	<b>332,127,688</b>	<b>490,646,413</b>
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**C. Other Loans [Unsecured]**

i. Govt. of Odisha Loan-2(A)-UIHEP	8,214,690,000	8,214,690,000
(a) This loan is comprised of principal loan of Rs 497.86 Cr plus interest @ 13% p.a for 5 years with effect from 01.04.1996. No interest was charged with effect from 01.04.2001 as per DOE notification 29.01.2003. However interest is chargeable @ 7% w.e.f. 2006-07 as per the OERC order dtd.22.03.2014.		
(b) This loan is partly convertible into equity & loan after Govt approval.		
ii. Govt. of Odisha Loan-2(B)-UIHEP	1,321,400,000	1,321,400,000
This is interest free perpetual loan		
iii. Govt. of Odisha Loan-3-POTTERU No interest is payable on this loan since 01.04.2001.as per the decision of Govt vide DoE Notification dt.29.01.2003 & DoE letter No. 2404 dtd.21.03.2011	235,950,000	235,950,000

<b>Sub-total (C)</b>	<b>9,772,040,000</b>	<b>9,772,040,000</b>
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<b>Total of Long-term Borrowings (A+B+C)</b>	<b>17,766,167,688</b>	<b>17,924,686,413</b>
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**Note - 5**

OTHER LONG-TERM LIABILITIES	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
<b>Trade payables</b>		
i. Sundry Creditors for supply of materials	23,672,815	26,855,686
ii. Sundry Creditors for works	4,557,248	3,990,123
iii. Sundry Creditors for others	50,999	14,301
<b>Sub-total</b>	<b>28,281,062</b>	<b>30,860,110</b>

**Others**

i. Security deposit from contractors / suppliers	21,533,952	10,645,502
ii. EMD from contractors / suppliers	6,053,863	3,901,953
iii. Security deposit from employees	628,966	613,674
iv. Other security deposits	2,156,261	2,145,426
v. Retention money / withheld a/c	66,747,692	56,034,855
vi. Liability to employees	5,137,369	7,942,065
vii. Liability to others	99,312,043	113,781,043
viii. Interest Payable on UIHEP Govt. Loan	2,788,016,000	-

<b>Sub-total</b>	<b>2,989,586,146</b>	<b>195,064,518</b>
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<b>Total of Other Long-term Liabilities</b>	<b>3,017,867,208</b>	<b>225,924,627</b>
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Trade payables are subject to confirmation . Pending such confirmation the balance as per books have been taken into account.

**Note - 6**

LONG-TERM PROVISIONS	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
i. Provision for employee benefits		
<b>A. Other provisions</b>		
i) Provision for Dam maintenance (a)	-	82,500,795
ii) Provision for Others	3,908,615	4,999,632
<b>Total of Long-term Provisions</b>	<b>3,908,615</b>	<b>87,500,427</b>

**Note - 7**

SHORT-TERM BORROWINGS	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
<b>Short - term borrowings from banks</b>	-	-
<b>Sub-total</b>	-	-

**Note - 8**

TRADE PAYABLES	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2012
i) Sundry Creditors for supply of materials	3,394,644	9,153,519
ii) Sundry Creditors for works	3,466,625	11,083,030
iii) Sundry Creditors for others	1,232,547	140,706
<b>Total of Trade payables</b>	<b>8,093,816</b>	<b>20,377,255</b>

Sundry Creditor balances are subject to confirmation. Pending such confirmation, the balance as per books have been taken into account.

**Note - 9**

OTHER CURRENT LIABILITIES	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
i) Current maturities of loan from Power Finance Corporation	164,855,360	164,855,360
ii) Interest accrued but not due on PFC loan	8,472,345	11,147,963
iii) Employees liabilities	255,882,794	783,221,980
iv) OHPC PF Trust	357,239	5,309,549
v) Liability to others	283,419,507	1,221,429,734
vi) Security deposit from contractors / suppliers.	36,202,238	36,345,889
vii) EMD from contractors / suppliers	8,099,500	10,793,824
viii) Security deposit from employees	2,369	9,484
ix) Other security deposit	24,000	11,000
x) Retention money / withheld a/c	17,052,469	16,475,238
xi) Advance against sale of scrap	9,134,605	26,571,165
xii) Payable to APGENCO on Machhakunda a/c	235,635,535	130,118,280
xiii) Payable to Machhakund	20,029	76,796
<b>Total of Other Current Liabilities</b>	<b>1,019,157,990</b>	<b>2,406,366,261</b>

- a) The management of 30 % share of Government of Odisha in Machhkund Joint Hydro Electric Project was transferred to OHPC vide Department of Energy, Govt. of Odisha Notification No.6052, dt.29.03.97 with effect from 01.04.1997. The erstwhile OSEB now GRIDCO and APSEB now APGENCO are the beneficiaries of this project. APGENCO has not raised a provisional bill towards O & M cost. Accordingly, OHPC has taken the last year O & M cost during the current year details of which are given below.

30% share of O & M cost	89902794
Cost of Power beyond 30% share	5781688
<b>TOTAL</b>	<b><u>95684482</u></b>

OHPC received an amount of Rs 10,30,86,587/- in 2013-14 from GRIDCO including arrear dues of APGENCO for 2012-13 towards cost of power & O&M charges. OHPC has remitted to APGENCO. An amount of Rs 23,56,35,535/- has been shown against payable to APGENCO on Machhakund A/c. As the Odisha share of assets and liabilities have not been quantified and transferred to OHPC, the receipts and payments on account of Machhakund project are not shown in the profit and loss account of OHPC.

- b) An amount of Rs.10.22 Crs. payable to DoWR towards final dam maintenance cost after reconciliation upto 2012-13 is included under the head liability to others.

## Note - 10

SHORT-TERM PROVISIONS	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
<b>A. Provision for employee benefits</b>		
i) Provision for arrear salary	4,263,242	1,667,153
ii) Provision for bonus	3,017,818	274,217
iii) Liability for leave encashment of employees	393,732,065	397,601,614
<b>Sub-Total (A)</b>	<b>401,013,125</b>	<b>399,542,984</b>
<b>B. Other provisions</b>		
i) Provision for Dam Maintenance	-	
ii) Provision for Income-tax (MAT)	23324938	117,892,154
ii) Provision for Income-tax		
iii) Provision for proposed dividend	26,386,653	141,402,087
iv) Provision for dividend Tax	5,275,779	22,938,954
v) Provision for Others	43,774,558	58,158,045
<b>Sub-total (B)</b>	<b>98,761,928</b>	<b>340,391,240</b>
<b>Total of Short-term Provisions (A+B)</b>	<b>499,775,053</b>	<b>739,934,224</b>

**Note - 11  
FIXED ASSET & DEPRECIATION AS ON 31.03.2014**
**Figure in Rs.**

Sl. No	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		Balance as on 1.04.2013	Addition	Deletion during the year	Total as on 31.03.2014	Balance as on 1.04.2013	Addition	Deletion during the year	Total as on 31.03.2014	W.D.V as on 31.03.2014	W.D.V as on 1.04.13
		1	2	3	4	5	6	7	8	9	10
1	LAND (a)	1,094,959,787	-	-	1,094,959,787	1,742,234	1,704,867	-	3,447,101	1,091,512,686	1,093,217,553
2	Power House Civil Works	4,019,337,621	-	-	4,019,337,621	2,297,323,707	134,181,114	-	2,431,504,821	1,587,832,800	1,722,013,914
3	Power House Electric Mechanical Work	22,955,284,515	260,298,751	-	23,215,583,266	12,724,314,185	1,026,814,450	-	13,751,128,635	9,464,454,631	10,230,970,330
4	Civil Building/ Township	2,930,846,274	29,684,692	-	2,960,530,966	1,379,968,942	86,975,952	(320)	1,466,944,574	1,493,586,392	1,550,877,332
5	Vehicles	59,401,506	-	-	59,401,506	50,234,224	1,807,014	(64,942)	51,976,296	7,425,210	9,167,282
6	Furniture & Fixture	15,112,834	1,079,535	-	16,192,369	7,337,251	785,542	(265,557)	7,857,236	8,335,133	7,775,583
7	Office Equipment	52,112,901	3,877,481	(251,601)	55,738,781	27,918,575	3,377,155	(1,717,324)	29,578,406	26,160,375	24,194,326
8	Misc.Assets	44,487,267	451,436	-	44,938,703	22,928,911	1,613,341	-	24,542,252	20,396,451	21,558,356
9	Electrical Installation	83,077,236	4,891,531	-	87,968,767	72,041,074	1,359,917	(113,846)	73,287,145	14,681,622	11,036,162
10	Water Supply Installation	60,953,616	3,357,477	-	64,311,093	18,151,782	2,158,416	-	20,310,198	44,000,895	42,801,834
11	Training Centre Equipment	6,613,248	-	-	6,613,248	5,713,521	301,194	(54,750)	5,959,965	653,283	899,727
	<b>GRAND TOTAL</b>	<b>31,322,186,805</b>	<b>303,640,903</b>	<b>(251,601)</b>	<b>31,625,576,107</b>	<b>16,607,674,406</b>	<b>1,261,078,962</b>	<b>(2,216,739)</b>	<b>17,866,536,629</b>	<b>13,759,039,478</b>	<b>14,714,512,399</b>
	Previous year Figure	30,950,835,761	376,050,610	4,699,566	31,322,186,805	15,371,042,255	1,241,000,682	4,368,530	16,607,674,407	14,714,512,399	15,579,793,506

- a. (i) Land consists of those transferred from the erstwhile OSEB / State Govt. to the Corporation with effect from 1st April 1996 and procurement of Industrial land from IDCO for construction of training centre.
- In case of UIHEP, land consists of transfer value of land and reservoir from State Govt. as on 01.04.1996 and subsequent additions at cost after 01.04.1996 to the date of Balance Sheet. In case of Balimela HEP, leasehold lands are still in the name of OSEB. The title deeds of all the lands are yet to be registered in favour of the Company. The company is in the process of identifying leasehold and freehold land separately .
- (ii) An amount of Rs.17,04,867/- has been amortised during the year for leasehold land.
- b. (i) The fixed assets registers are maintained on the basis of transfer price of the assets from State Govt. and at cost in respect of the assets procured after the date of transfer.
- (ii) The value of fixed assets does not include the value of building and equipment gifted by DFID for the OHPC Training Centre.
- (iii) The value of fixed assets includes cost of machinery & vehicles declared surplus / obsolete for which necessary verification and fixing of upset price is in process.Necessary accounting treatment will be made in the subsequent period after final disposal of the same.
- (iv) Assets amounting to Rs75,20,322/- burnt in fire during 2012-13 of HHEP, BURLA shall be removed from Gross Block in the year of final settlement with Insurance Companies and no depreciation has been charged during the year under audit.



## Note - 12

INTANGIBLE ASSETS	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
<b>Total</b>	<b>0</b>	<b>0</b>

## Note - 13

CAPITAL WORK-IN-PROGRESS	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
i) Land (Development of 7 & 8th Unit of Extension Project)	303,111	303,111
ii) Building	91,434,278	58,678,277
iii) Road, Bridge, Culvert & Other Civil Works	15,559,500	12,322,456
iv) Water Supply Installation	109,804	2,074,804
v) Plant & Machinery (Construction)	115,619,005	115,619,005
vi) Plant & Machinery (Generation)	6,588,738	182,486,022
vii) Hydr. Works, Dams, Tunnels & Pen Stock	39,235,637	40,035,637
viii) Substation Equipments	6,245,021	6,245,021
ix) Transmission Lines	386,978	386,978
x) Vehicles	663,140	663,140
xi) Furniture & Fixture	137,685	137,685
xii) Office Equipments	443,751	443,751
xiii) Electrical Installations	200,689	200,689
xiv) Miscellaneous assets	14,326	14,326
xv) Expenditure During Construction	158,457,466	151,126,947
xvi) Amount transferred from EDC during year	7,100,515	7,330,519
xvii) Other Civil Works	-	-
xviii) Sindol Project	2,877,905	2,877,905
xix) Office Building	2,973,515	2,973,515
xx) Staff Quarters	380,605	380,605
<b>Total Work In Progress</b>	<b>448,731,669</b>	<b>584,300,393</b>

**Note - 14**

NON-CURRENT INVESTMENTS	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
i) Odisha Thermal Power Corporation Limited. (A joint venture Company between OMC & OHPC 50% each share holding) 1042047 shares (119447 shares for previous year ) of Rs. 1000/- each.	1,042,047,000	119,447,000
ii) Baitarni West Coal Company Limited (BWCCCL). (Joint venture Company among OHPC, GPCL & KSEB with 1/3 each share holding) 100000 shares of Rs.1000/- each.	100,000,000	100,000,000
iii) 70000 fully paid equity shares of Rs.1000/- each in Green Energy Development Corporation Ltd. (GEDCOL). A 100% subsidiary company of OHPC.	70,000,000	-
<b>Total of Non-Current Investments</b>	<b>1,212,047,000</b>	<b>219,447,000</b>

**Note - 15**

LONG-TERM LOANS AND ADVANCES	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
<b>(A) Capital Advance</b>		
Advance for Capital Expenditure & Capital advance paid for extension project of unit 7 & 8 Balimela & Potteru Small HEP	4,097,008	4,097,008
<b>(B) Security Deposit</b>		
Deposit with others	29,801,682	30,135,868
<b>Other Loans &amp; Advance</b>		
i) Advance to supplier	38,629,790	38,823,321
ii) Advance to contractor	(6,636,080)	(4,302,930)
iii) Advance to others	17,739,868	17,822,384
iv) Advance to staff	(23,245)	155,076
<b>Total of Long-Term Loans and Advances</b>	<b>83,609,023</b>	<b>86,730,727</b>

- (a) Advance to supplier, contractor & others are subject to confirmation. Pending such confirmation, the balance as per books have been taken into Accounts.
- (b) All long term loans & advances is unsecured but considered good

## Note - 16

OTHER NON-CURRENT ASSETS	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
<b>(A) Long-term Trade Receivable</b>		
Sundry Debtor for sale of Power	6,329,389,481	4,408,138,925
<b>(B) Others</b>		
i) Sundry Debtor for others	2,004,828	2,026,072
ii) Claims receivable	479,214	1,218,529
iii) Other Misc. assets	-	138,504
<b>Total of Other Non-Current Assets</b>	<b>6331873523</b>	<b>4411522030</b>

## Note - 17

CURRENT ASSETS - INVENTORIES	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
i) Stores & Spares	499,761,175	442,689,032
ii) Less Provision for fire, theft & shortage ( Note -33)	22,804,974	22,045,988
<b>Sub total</b>	<b>476,956,201</b>	<b>420,643,044</b>
i) Loose tools	931,187	1,026,364
ii) Inventory in transit	194,243	4,291,187
<b>Total of Inventories</b>	<b>478,081,631</b>	<b>425,960,595</b>

During the year, only indigenous spares has been consumed. The percentage of consumption of imported spares to total consumption is nil.

## Note - 18

CURRENT ASSETS- TRADE RECEIVABLES	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
i) Sundry Debtor for sale of Power (Outstanding for a period exceeding six months from the due date of payment.)	-	239,583,736
ii) Sundry Debtor for sale of Power (Outstanding for a period up to six months from the due date of payment.)	449,729,662	1,681,666,820
<b>Total of Trade Receivables</b>	<b>449,729,662</b>	<b>1,921,250,556</b>

- (i) All debtors stated at Note -16 & 18 amounting of Rs.677.91 Crs. as on dt.31.03.2014 are considered good.  
(ii) Unsecured considered doubtful -Nil

Company	Less than 6 months	More than 6 months
GRIDCO	Rs.44,30,33,557/-	Rs.6,30,96,60,905/-
CSPDCL	Rs.66,96,105/-	Rs.1,97,28,576/-
<b>Total</b>	<b>Rs.44,97,29,662/-</b>	<b>Rs.6,32,93,89,481/-</b>

**Note - 19**

CASH & CASH EQUIVALENTS	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
i) Cash in hand	193,103	253,530
ii) Staff imprest	-	-
iii) Postal orders & stamps	31,671	11,095
<b>Sub-total (A)</b>	<b>224,774</b>	<b>264,625</b>
i) Remittance in transit	10,111	1,004,248
<b>Sub-total (B)</b>	<b>10,111</b>	<b>1,004,248</b>
i) Balances with banks held as margin money or security	390,000,000	250,000,000
ii) Earmarked balance with banks	8,110,000,000	8,080,000,000
iii) Other bank balance	123,139,322	116,515,875
<b>Sub-total (C)</b>	<b>8,623,139,322</b>	<b>8,446,515,875</b>
<b>Total of Cash &amp; Bank Balance (A) + (B) + (C)</b>	<b>8,623,374,207</b>	<b>8,447,784,748</b>

- i) OHPC has pledged (a) Fixed deposit of Rs. 25 Cr. with Punjab & Sind Bank, Ashok Nagar Branch, Bhubaneswar towards its 1/3 rd share of margin for facilitating the JV company BWCCCL to provide BG of Rs.75,00,00,000/- in favour of Ministry of Coal, Govt. of India. (b) Fixed deposit of Rs.6.00 Crs. with Axis Branch, Basua Ghai Branch, Bhubaneswar towards performance Bank Guarantee on behalf of GEDCOL (c) Fixed deposit of Rs.8.00 Crs. with Andhra Bank, Madhusudan Nagar Branch, Bhubaneswar towards opening of L.C. in favour of M/s Voith & Fugi for UIHEP, Mukhiguda
- ii) Earmarked balance with banks for the following purpose.
- iii) Earmarked balance with banks includes Rs.471.60 Crs. which will mature after 365 days

	Figure in Rs.	
	31.03.2014	31.03.2013
Terminal Liabilities	230,000,000	740,000,000
Loan Repayments	1,400,000,000	200,000,000
JV & new project	4,500,000,000	6,000,000,000
RMU & new projects	1,980,000,000	1,140,000,000
	<b>8,110,000,000</b>	<b>8,080,000,000</b>

## Note - 20

CURRENT ASSETS- SHORT-TERM LOANS AND ADVANCES	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
Unsecured considered good :		
i) Prepaid Expenses	8,517,097	11,930,879
ii) Deposit with others	1,899,629	1,918,748
iii) Advance to supplier	20,119,627	26,766,070
iv) Advance to contractor	30,131,615	6,795,207
v) Advance to others	9,874,363	14,055,721
vi) Advance to staff	28,772,271	24,805,885
vii) Advance Income Tax (TDS) (Ref. note 43)	329,703,229	183,703,357
viii) Advance Income-tax (FBT)	212,610	212,610
ix) Advance Income-tax (MAT)	23,324,938	117,892,154
xi) OHPC Gratuity Fund	-	-
xii) OHPC Rehabilitation Assistance Trust Fund	10,000	10,000
xiii) Advance Sales Tax	-	30,000
<b>Total of Short-Term Loans and Advances</b>	<b>452,565,378</b>	<b>388,120,631</b>

## Note - 21

CURRENT ASSETS - OTHER CURRENT ASSETS	Figure in Rs.	
	As at 31.03.2014	As at 31.03.2013
i) Claims receivable	27,845,839	21,210,631
ii) Dam Share Receivable from W.R. Department	-	113
iii) Other Misc. assets	765	765
iv) Receivable from Gridco on Machhakund a/c	52,282,412	49,371,744
v) Other receivable from staff	1,784	9,626
vi) Interest accrued but not due on bank deposits	475,153,493	158,731,995
vii) Advance Income Tax	-	-
<b>Total of Other Current Assets</b>	<b>555,284,293</b>	<b>229,324,874</b>

**Note - 22**

REVENUE FROM OPERATIONS	Figure in Rs.	
	Year ended 31.03.2014	Year ended 31.03.2013
i) Sale of Electricity	4,511,229,611	3,530,084,047
ii) Other operating revenue	6,111,679	1,114,115
<b>Total of Revenue from operations</b>	<b>4,517,341,290</b>	<b>3,531,198,162</b>

Other operating revenue relates to direct sale of electricity by OHPC to its employees / contractors and comprised of the following :

Electricity charges recovery - Employees	: Rs. 18,23,006/-
Electricity charges recovery - Contractors	: Rs. 42,88,673/-

**Note - 23**

OTHER INCOME	Figure in Rs.	
	Year ended 31.03.2014	Year ended 31.03.2013
i) Interest on Employees advances	262,389	6,495
ii) Interest on Bank Deposits	813,832,518	850,261,562
iii) Interest on others	-	-
iv) Interest on Adv. To Suppliers / Contractors	-	43,963
v) Sale of tender papers	3,798,034	3,347,891
vi) House rent recovery	954,100	1,962,004
vii) Vehicle charges recovery	1,020,045	507,120
viii) Electricity charges recovery - Employees	637,045	1,612,287
ix) Electricity charges recovery - Contractors	7,897,076	10,134,611
x) Guest house charges recovery	372,290	324,512
xi) Sale of scrap	15,479,567	7,879,771
xii) Other miscellaneous receipt	1,497,129	4,088,943
xiii) Recovery from Penalties	1,890,097	2,243,590
xiv) Receipt from RTI	2,544	4,529
xv) Insurance Claim Receipts	367,200	46,792
xvi) Forfeiture of EMD/SD	55,319	338,843
xvii) Dam Share From DOWR	1,110,665,481	
xviii) Profit on sale of Assets	(4,506)	622,818
xviii) Profit on sale of Inventory	1,348,254	41,202,690
<b>Total of Other income</b>	<b>1,960,074,582</b>	<b>924,628,421</b>

- (a) Interest of income of Rs. 81,38,32,518/- on short term deposits with the Banks which includes Rs.7,92,79,810/- as TDS.



## Note - 24

REPAIR & MAINTENANCE EXPENSES		Figure in Rs.	
		Year ended 31.03.2014	Year ended 31.03.2013
i)	R&M to Plant and Machinery	121,173,512	109,786,400
ii)	R&M to Building	50,564,181	38,571,224
iii)	R&M to Civil Works	50,419,878	60,370,777
iv)	R&M to Hydraulic Works	13,945,856	4,780,243
v)	R&M to Line Cables Networks	2,704,442	5,889,140
vi)	R&M to Vehicles	1,249,099	1,188,481
vii)	R&M to Furniture & Fixture	72,692	14,810
viii)	R&M to Office Equipments	1,841,200	1,993,238
ix)	R&M to Electrical Installation	6,632,410	5,159,152
x)	R&M to Water Supply Installation	4,691,396	2,380,493
xi)	R&M to Misc. Assets	304,731	162,351
xii)	R&M to Substation Equipment	5,316,689	2,826,862
xiii)	R & M to Dam Maintance	225,427,767	208,348,533
<b>Total</b>		<b>484,343,853</b>	<b>441,471,704</b>
<b>Less Expenditure During Construction</b>		<b>476,938</b>	<b>456,637</b>
<b>Total of Repair &amp; Maintenance Expenses</b>		<b>483,866,915</b>	<b>441,015,067</b>

## Note - 25

OPERATION EXPENSES		Figure in Rs.	
		Year ended 31.03.2014	Year ended 31.03.2013
i)	Power and fuel	10,531,693	10,098,066
ii)	Insurance charges of Power House	13,136,310	12,751,866
iii)	Oil, Lubricant & Consumables	27,706,013	23,918,635
iv)	Transportation Charges	107,311	572,948
v)	Hire charges of vehicles/machineries	11,577,802	9,718,479
vi)	Refreshment(Operation)	501,859	301,036
vii)	Other Operation expenses	339,547	152,155
viii)	Water Cess	-	-
ix)	Watch & Ward of Power House	39,230,216	31,443,161
<b>Total</b>		<b>103,130,751</b>	<b>88,956,346</b>
<b>Less : Expenditure During Construction</b>		<b>181,231</b>	<b>195,306</b>
<b>Total Operation Expenses:</b>		<b>102,949,520</b>	<b>88,761,040</b>

**Note - 26**

EMPLOYEE BENEFIT EXPENSES		Figure in Rs.	
		Year ended 31.03.2014	Year ended 31.03.2013
i)	Salary & Allowances	413,050,655	395,786,428
ii)	Wages & Allowances	399,230,620	364,186,522
iii)	Over time	1,499,393	1,360,404
iv)	Bonus	375,376	163,052
v)	Payment to Apprentices & Trainees	4,532,285	7,717,490
vi)	Contribution to PF and other Funds	570,193,416	838,463,233
vii)	Employees welfare expenses	66,544,992	59,069,501
viii)	Other employee benefit expenses	82,780,943	131,013,573
<b>Total</b>		<b>1,538,207,680</b>	<b>1,797,760,202</b>
<b>Less Expenditure During Construction</b>		<b>2,613,749</b>	<b>3,290,038</b>
<b>Total of Employee Benefit Expenses</b>		<b>1,535,593,931</b>	<b>1,794,470,164</b>

Employee cost includes Salary and Allowances paid to the whole time Directors as given below :

	Current Year (in Rs.)	Previous Year (in Rs.)
Salaries & Allowances	5,616,272	5,996,130
Sitting Fees paid to non-Functional Directors	649,229	543,050

**Note - 27**

ADMINISTRATIVE & GENERAL EXPENSES		Figure in Rs.	
		Year ended 31.03.2014	Year ended 31.03.2013
i)	Rent	5,871,746	6,216,182
ii)	Rates and Taxes	717,790	992,277
iii)	License & Registration Expenses	42,000	62,835
iv)	Fees & Subscriptions	1,926,734	1,747,331
v)	Insurance Charges	733,881	442,048
vi)	Communication Expenses	7,506,558	3,643,437
vii)	Traveling & Conveyance Expenses	22,817,699	22,652,530
viii)	Printing & Stationery	3,935,969	4,035,198
ix)	Bank Charges	17,746	76,516
x)	Electricity & Water Charges	68,065,239	66,457,784
xi)	Legal Expenses	1,993,709	1,398,030
xii)	Professional & Consultancy Charges	3,525,525	3,104,527
xiii)	Audit Fees & Expenses (a)	2,707,433	2,718,691
xiv)	Advertisement & Publicity	5,485,370	5,001,680

xv) Training, Seminar & Conference	6,910,377	6,036,904
xvi) Office Upkeep & Maintenance	1,628,366	1,425,303
xvii) Watch & Ward charges	16,738,949	12,784,474
xviii) Repair & Maintenance others	70,252	247,089
xix) Recruitment Expenses	955,538	348,526
xx) Meeting Expenses	1,524,541	1,087,649
xxi) Transit House expenses	1,501,058	769,007
xxii) Electrical Accessories	62,825	111,681
xxiii) Donations	10,000,000	-
xxiv) Loss of Asset	-	-
xxv) Loss on Inventories	758,986	2,219,659
xxvi) Corporate Social Responsibilities Expenses	10,257,930	3,134,144
xxvii) Other Administrative & General Expenses	38,235,778	28,802,335
<b>Total</b>	<b>213,991,998</b>	<b>175,515,837</b>
<b>Less Expenditure During Construction</b>	<b>3,828,597</b>	<b>3,388,538</b>
<b>Total of Administrative &amp; General Expenses</b>	<b>210,163,401</b>	<b>172,127,299</b>

**(a) Remuneration to Auditors.**

	2013-14 (Rs.)	2012-13 (Rs.)
Statutory Audit Fees	384,000	300,000
Statutory Audit Expenses	224,204	146,838
Other Audit Fees	1,239,000	989,000
Other Audit Expenses	860,229	1,282,853
<b>Grand Total</b>	<b>2,707,433</b>	<b>2,718,691</b>

**Note - 28**

PRIOR PERIOD EXPENSES/(INCOME)	Figure in Rs.	
	Year ended 31.03.2014	Year ended 31.03.2013
i) Repair & Maintenance	2,594,890	(7,831,588)
ii) Operational Expenses	(62,725)	103,512
iii) Employee Cost	(7,661,015)	768,908
iv) Administration & General Expenses	(1,369,570)	2,796,941
v) Depreciation	(112,997)	(575,966)
vi) Income from Operation	(19,784,585)	4,699,661
vii) Other Income	(127,170,227)	56,326
<b>Prior Period Expenses ( Net)</b>	<b>(153,566,229)</b>	<b>17,794</b>

Rs. 1.19 Crs. is included under the head other income towards written back of old unreconciled balance of Rs. 1.17 Crs. of HHEP, Burla and Rs. 0.02 Crs. of UKHEP, Upperkolab.

**Note - 29**

FINANCE COST	Figure in Rs.	
	Year ended 31.03.2014	Year ended 31.03.2013
<b>A. Interest cost :</b>		
i) Interest on Bank Loan	37,936,950	8,895,294
ii) Interest on PFC Loan	53,000,367	62,064,654
iii) Interest on GOVT. Loan(UIHEP)	2,788,016,292	-
iv) Cash discount (PFC interest)	(425,222)	(587,584)
<b>Sub-total (A)</b>	<b>2,878,528,387</b>	<b>70,372,364</b>
<b>B. Other Borrowing costs :</b>		
i) Guarantee Commission	10,812,000	10,812,000
<b>Sub-total (B)</b>	<b>10,812,000</b>	<b>10,812,000</b>
<b>C. Gain or loss on foreign currency transaction / translation :</b>		
i) Foreign Exchange Fluctuation Loss	35,696,429	44,909,740
<b>Sub-total (C)</b>	<b>35,696,429</b>	<b>44,909,740</b>
<b>Total Finance Cost (A+B+C)</b>	<b>2,925,036,816</b>	<b>126,094,104</b>

- (a) The State Govt has provided Govt Guarantee for availing long term loan from PFC for different projects of OHPC. Guarantee Commission @ 0.5 % on the maximum amount guaranteed are provided in accounts. However, pursuant to the Govt. of Odisha, Finance Deptt. Resolution No.23663 dtd. 04.06.2003, Guarantee Commission has been paid to the State Govt. at the rate of 0.5% on the outstanding loan amount at the beginning of the year effective from 01.04.2004.

**Note - 30**

SELLING & DISTRIBUTION EXPENSES	Figure in Rs.	
	Year ended 31.03.2014	Year ended 31.03.2013
COMMISSION ON SALE OF SCRAP	316364	0
<b>Total of Selling &amp; Distribution Expenses</b>	<b>316364</b>	<b>0</b>

**Note - 31**

EXCEPTIONAL ITEMS	Figure in Rs.	
	Year ended 31.03.2014	Year ended 31.03.2013
Voluntary separation scheme payment	695,742	3,107,990
<b>Total Exceptional Items</b>	<b>695,742</b>	<b>3,107,990</b>

## Note - 32

EXPENDITURE DURING CONSTRUCTION		Figure in Rs.	
Sl. No.	PARTICULARS	As at 31.03.2014	As at 31.03.2013
1	<b>Repair &amp; Maintenance expenses</b>	<b>476,938</b>	<b>456,637</b>
2	<b>Operational Expenses</b>	<b>181,231</b>	<b>195,306</b>
3	<b>Employees &amp; Other related expenses :</b>		
	Salary & Allowances	2,130,217	1,865,681
	Contributions	68,661	59,275
	Employees welfare expenses	12,757	-
	Terminal Benefit	328,170	1,308,219
	Others	73,944	56,863
	<b>sub-total :</b>	<b>2,613,749</b>	<b>3,290,038</b>
4	<b>Administrative &amp; General expenses :</b>		
	Rent,rates and taxes	-	-
	LICENSE & REGN. EXPENSES	4,000	6,250
	Communication expenses	9,305	9,908
	Traveling & conveyance expenses	268,975	288,101
	Printing & stationery	4,536	4,245
	Bank charges	-	462
	Electricity & water charges	54,131	11,374
	Legal expenses	1,270	-
	Audit Fees & Expenses-	-	-
	Professional & consultancy charges	-	5,048
	Advertisement & Publicity	-	-
	Office upkeep & Maintenance	6,535	6,109
	Watch & ward charges	3,475,035	3,052,768
	Meeting expenses	-	-
	TRANSIT HOUSE EXPENSES	-	-
5	Other misc expenses	4,810	4,273
	<b>sub-total :</b>	<b>3,828,597</b>	<b>3,388,538</b>
	<b>Interest &amp; financial charges :</b>		
	Interest on PFC Loan	-	-
6	Guarantee Commission	-	-
	<b>sub-total :</b>	<b>-</b>	<b>-</b>
7	<b>TOTAL</b>	<b>7,100,515</b>	<b>7,330,519</b>
8	Receipts & recoveries on capital account	-	-
9	<b>Net Exp. During Construction</b>	<b>7,100,515</b>	<b>7,330,519</b>
10	Add : 1) Opening Balance of Exp. During Consn. 2) Adjustment during construction	158,457,466	151,126,947
11	<b>TOTAL</b>	<b>165,557,981</b>	<b>158,457,466</b>
	<b>Less Capitalized during the year</b>	<b>-</b>	<b>-</b>
	<b>GRAND TOTAL : (transferred to Note-13)</b>	<b>165,557,981</b>	<b>158,457,466</b>

**Note - 33**

The book value of stores & spares partly not available due to theft, fire and shortages in both civil stores Mukhiguda & Central Stores Khatiguda of Civil wing as per the stock verification report of M/s. SDR & Associates, Bhubaneswar for the year ending 31.03.2014 are as follows :-

Particulars.	Civil Stores Mukhiguda (Rs.)	Central Store Khatiguda (Rs.)	HHEP Burla	Total Amount (Rs.)
Theft	19,81,630.12	13,75,322.50	0.00	33,56,952.62
Fire Damage	0.00	1,55,12,500.10	0.00	1,55,12,500.10
Shortages.	22,68,210.14	6,53,078.98	1,97,006.00	31,18,295.12
<b>Total Loss of Stores up to 31.03.12</b>	<b>42,49,840.26</b>	<b>1,75,40,911.58</b>	<b>1,97,006.00</b>	<b>2,19,87,757.84</b>
Theft during 2013-14	6,53,624.00	0.00	0.00	6,53,624.00
Shortages during 2013-14	1,63,592.00	0.00	0.00	1,63,592.00
<b>Total loss of stores as on 31.03.2014</b>	<b>50,67,056.26</b>	<b>1,75,40,911.58</b>	<b>1,97,006.00</b>	<b>2,28,04,973.84</b>

- (a) The value of inventory of Hiraakud HEP as on 31st March, 2014 includes the cost of spares theft in the year, amounting to Rs.4,15,350/-. Out of the said amount Rs.2,18,344/- has been received from insurance company as full and final settlement of the claim and the balance amount of Rs.1,97,006/- has been provided in the accounts -2011-12.
- (b) The total loss of stores due to theft and shortages occurred during the year 2013-14 in the Electrical Store, Mukhiguda was Rs.8,17,216/-. Provision has been made in the books of accounts of UIHEP, khatiguda by debiting loss of inventory A/c & crediting provisions for fire, theft & shortages.

**Note - 34**

The following Revenues have not been recognized in books of account due to uncertainty in collection as per AS-9

- (a) The outstanding electricity charges payable by Rengali Dam Division to OHPC for the period from 01.04.96 to 31.03.2014 amounting to Rs.14,57,87,229/- for street light, water supply & gate operation etc. which includes Rs.1,37,90,825/- for the current year..
- (b) Bills amounting to Rs.2.05 Crs. from the year 2005-06 to 2013-14 raised by CHEP, Chiplima on M/s Rathi Steel and Power Ltd towards drawal of water from power channel has not been recognized as income since the party has not accepted the bill amount.
- (c) The outstanding Energy Charges of Rs 80,68,275/- of UIHEP, Mukhiguda are pending with different offices of DOWR , BSNL & banks for which letters for confirmation of balance as on 31.03.2014 were issued on 08.05.2014 but confirmations were not received viz.



	Amount in Rs		Amount in Rs
E.E, Right Canal Divn.	86,834/-		
E.E., Left Canal Divn.	7,20,422/-	SDO, BSNL, Nabarangpur	8,09,472/-
E.E.,Quality Control Divn.	38,32,064/-	SDO, BSNL,Dharamgarh	12,39,421/-
Chif Engineer, Irrigation	12,87,430/-	SBI, Jaipatna	92,632/-

**Total Receivable from DOWR:59,26,750/- Total Receivable from BSNL & Banks: 21,41,525/-**

A sum of Rs.5,78,795/- has been received from Executive Engineer, Left Canal Division, Kusumkhunti vide M.R. No.130/59 dtd.26.04.2014 against their outstanding amount of Rs.7,20,422/- which shall be taken into account as income during the financial year 2014-15.

**Note - 35**

Foreign currency transactions :

Particulars	2013-14 (Rs.)	2012-13 (Rs.)
Expenditure incurred in foreign currency on cash basis being payment made to consultants.	9,59,038	19,32,006
Value of Imports calculated on CIF basis being components, spare parts and construction materials through LC.	Nil	Nil
Traveling expenses	Nil	NIL

**Note - 36**

Liabilities towards Pension, Gratuity and Leave Encashment have been provided in the accounts based on the actuarial valuation and in accordance with AS-15.

Sl. No.	Particulars	For 2013-14 (Rs.)	As at 31.03.2014 (Rs.)
1	<b>Pension</b>	48,58,67,778	570,45,72,673
2	Leave Encashment	3,69,45,994	39,37,32,065
3.	Gratuity	2,88,08,689	65,64,734

As against the aforesaid liabilities towards Pension, an amount of Rs.549,88,53,235/- has been paid to the OHPC Pension Fund till 31.03.2014. Accordingly the balance amount of Rs.20,57,19,438/- has been included in Note-9 under the head employee liabilities.

As regards gratuity liability, the corporation has taken a group gratuity Insurance Policy with L.I.C of India w.e.f. 01.01.2005. During the year under audit, OHPC has paid Rs.2,40,59,203/- to the Gratuity trust fund out of which Rs. 1,91,500/ has been paid directly to employees through Gratuity Trust Fund.

Pension liability in respect of deputationist for their service in OHPC has not been ascertained. The payments that may be made by OHPC on receipt of claims for the deputationist shall be accounted for on cash basis in the year of payment.

**Note - 37**

The Company is exclusively engaged in the business of generation of hydro power in the state of Odisha, which is considered to constitute one single segment as per 'AS-17'.

**Note - 38**

The consolidated financial statement has been prepared taking the Audited Accounts of the Units with generally accepted accounting principles. Inadvertent omissions or errors, if any, will be rectified in the accounts of the succeeding years.

**Note - 39**

The assets are carried in the books at historical cost which are lower than the recoverable amount and consequently there is no impairment of assets under AS-28.

**Note - 40**

Details of MAT Credit entitlement and set off which are given as follows :

Assessment Year	Tax liability under MAT	MAT credit entitlement	Cumulative MAT credit	Mat Credit Set off	Mat Credit entitlement carry forward.
2007-08	68,183,772	68,183,772	68,183,772		
2008-09	155,087,962	155,087,962	223,271,734		
2009-10	22,711,002	22,711,002	245,982,736		
2010-11	55,247,104	55,247,104	301,229,840		
2011-12	93,526,249	93,526,249	394,756,089		
2012-13	192,969,992	192,969,992	587,726,081		
2013-14	117,892,154	117,892,154	705,618,235		
2014-15				127,165,063	578,453,172

## Note - 41

## Contingent liabilities :

		Rs. in crores	
		As at 31.03.2014	As at 31.03.2013
(a)	Estimated amount of contracts to be executed on capital account (net of advances and LCs opened).	8.72	4.20
(b)	Claims against the Company not acknowledged as debt :		
(i)	Stamp duty on bonds of Rs.766.20 crores issued to GoO on account of up- valuation of assets which has been kept in abeyance.	5.75	5.75
(ii)	EPF & Sales Tax liability of UIHEP, Khatiguda	0.31	0.31
(iii)	Claims of the contractor M/s Trafalgar House Constrction (T) Satyam Sankaranarayan Joint Venture	65.57	65.57
(iv)	Workman compensation pending before the Hon'ble High Court of Odisha. (CHEP)	0.06	0.06
(v)	ED liability to Govt of Odisha	0.1361	0.1361
(vi)	Claim of Dam Division, Rengali Dam site under water Resources Department towards water rent in respect of residential & non-residential building of OHPC (RHEP)	0.14	0.13
(vii)	Entry Tax, appeal before the commission of commercial Taxes, Cuttack (BHEP).	0.01	0.01
(viii)	Differential pension payable to employees transferred from the State Government & Ex-OSEB to OHPC.	21.28	21.28
(ix)	Differential Interest @ 7% for the period from 2006-07 to 2013-14 on State Government loan for UIHEP,Mukhiguda Rs.23.61crs (521.47-497.86).	13.22	0.00
(x)	Wrong assessment of water cess by Department of Water Resources and interest charged thereon.	0.01	0.01
(xi)	50% of the Fixed deposit of Rs.25 Crs. pledged for the BG of BWCCCL in favour MOC, GoI.	12.50	12.50
(xii)	Arrear wages payable to non-executive employees due to implementation of revision wage Board w.e.f. 01.04.2010	5.08	0
(xiii)	Current year differential Dam Maintenance cost due to non receipt of bill / receipt of abnormal bill	8.57	0
(xiv)	(i) Pending cases on account of Income Tax refund with different appellate authority for the Assessment Year 2006-07, 2007-08, 2009-10 & 2010-11 amounting to Rs.1.87 Crs., Rs.0.52 Crs., Rs.0.25 Crs. & Rs.1.48 Crs. respectively.	4.12	4.12
	(ii) Pending cases at High Court on account of refund of Income Tax for RM & U of Unit-I & II, HHEP, Burla	3.57	3.57
<b>TOTAL</b>		<b>149.0461</b>	<b>117.6461</b>

- (b) Against the claim of Rs.65.57 Crs. Of M/s TSS stated at (iii) above, OHPC has lodged a claim of Rs. 135.87 Crore on the said contractor. The arbitration is in process.
- (c) BHEP, Balimela unit has deposited Rs.40,000/- under protest during the year against the assessed entry Tax of Rs. 1,13,852/- for the year 2000-01 stated at (VIII) above. Against this demand, the unit has filed an appeal before the Commissioner of Commercial Taxes, Cuttack.
- (d) Pending confirmation & detailed guidelines from Govt of Odisha, Rs.21.28 Crores due to differential pension payable to the employees transferred from the State Govt and Ex-OSEB to OHPC is shown as contingent Liability stated at (IX) above. However the liability for the year 2013-14 has not been ascertained/ determined.
- (e) The Baitarni West Coal Block allotted to M/s Baitarni West Coal Company Limited, a joint venture company of OHPC was de-allocated vide the letter dated 10th December 2012 of Ministry of Coal, Government of India. OHPC on behalf of the partners filed a petition in the Hon'ble High Court of Odisha vide W.P.(C)No.4011/2013 with Miscellaneous case No.3942 of 2013. The Hon'ble High Court vide order dt.19.03.2013 held that "as an interim measure, it is directed that the bank guarantee furnished by the petitioner-Company may not be encashed and the Coal Block allocated to it may not be allocated to any 3rd party without leave of this Court ". Accordingly 50% of FD i.e. Rs.12.50 Crs has been shown as Contingent Liability as above under (xii).

**Note - 42**

- (a) The sale of energy compared to the design energy for sale during the year 2013-14 is as under :

Power stations	Actual sale of energy (in MU)	Design energy for sale (in MU)
UIHEP, Mukhiguda	2445.106	1942.38
RHEP, Rengali	885.474	519.75
BHEP, Balimela	1631.962	1171.17
UKHEP, Upper Kolab	852.311	823.68
HHEP, Burla	686.010	677.16
CHEP, Chiplima	306.167	485.10
<b>Total</b>	<b>6807.030</b>	<b>5619.24</b>

- (b) As per the OERC tariff order dt. 20.03.2013, the tariff for the year 2013-14 for energy sold to GRIDCO is as follows :

Name of Power Station	Energy charge Rate (Paisa per Unit)	Capacity charges (Rupees in Crs.)
RHEP	39.230	20.39
UKHEP	17.676	14.56
BHEP	35.562	41.65
HHEP	46.266	31.33
UIHEP	40.259	78.20
CHEP	26.097	12.66
<b>TOTAL</b>		<b>198.79</b>

- (c) The sale of energy includes 16.300323 MU to CSPDCL @Rs.1.04 per unit at the actual cost of generation of HHEP for the year 2012-13, as per the decision of the meeting of high level Committee held on 24.12.2004 under the Chairmanship of the Chief Secretary, GoO in pursuance of the order of the Hon'ble High Court of Madhya Pradesh.
- (d) The energy sold to GRIDCO has been reconciled both in quantity & value till 2011-12 wherever required, necessary rectification entries relating to sale of energy have been passed by the respective units.

#### Note - 43

The Tax Recovery Officer, Income Tax Department, Sambalpur had raised a demand of Rs.4.48 crs towards TDS in respect of supply and erection of plant & machinery of RM&U of Unit 1&2, Burla which was disputed by OHPC. Pending settlement of the dispute now in appeal before Hon'ble High Court of Odisha, Cuttack, the above amount has been deposited with Income Tax Authorities in the year 1996-97 to 2003-04. As per the order of the CIT (A), Sambalpur dtd. 08.11.2005 and 04.04.2006, the ITO, Sambalpur rectified the mistake for Rs.0.33 lakhs and issued refund order of Rs 0.58 lakhs. After adjustment of the said amount, the balance amount of Rs 3.57 Crs. has been shown under the head advance income tax (TDS).

#### Note - 44

Expenses in respect of employees who are in receipt of remuneration of not less than Rs.2400000/- per annum and employed throughout the year or Rs.200000/- per month and employed for part of the year is Nil.

#### Note - 45

The Corporation has not received any information from suppliers regarding their status under Micro, Small & Medium Enterprises Development Act 2006. Resultantly disclosure if any relating to amount unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

#### Note - 46

The details of installed capacity, generation and sale of power during the year are as under. The colony consumption of RHEP, BHEP, UIHEP are included in the auxiliary consumption.

Power Stations	Installed Capacity (MW)	Gross Generation (MU)	Sale of Power (MU)	Auxiliary consumption (MU)	Transformation loss & internal consumption
CHEP	72.00	312.275	306.167	0.551	5.557
HHEP	275.50	702.397	686.010	2.902	13.485
RHEP	250.00	909.801	885.474	13.229	11.098
UKHEP	320.00	871.843	852.311	4.620	14.912
BHEP	510.00	1654.615	1631.962	17.537	5.116
UIHEP	600.00	2517.047	2445.106	9.805	62.136
<b>Total</b>	<b>2027.50</b>	<b>6967.978</b>	<b>6807.030</b>	<b>48.644</b>	<b>112.304</b>
Previous year	2027.50	4389.095	4242.273	43.226	103.596

**Note - 47**

Power Station wise financial results before Tax.

Power Stations	(Rs. in Crores)					
	Revenue from operation	Other Income	Share of H O income over exp.	Total income	Total Exp.	Profit before tax
CHEP	20.93	0.13	2.63	23.69	21.13	2.56
HHEP	64.93	1.69	8.18	74.80	60.71	14.09
RHEP	58.32	0.16	7.29	65.77	39.08	26.69
UKHEP	29.59	0.16	3.73	33.48	35.10	-1.62
BHEP	93.64	0.31	11.81	105.76	71.45	34.31
UIHEP	184.33	112.16	23.23	319.72	384.63	-64.91
<b>Total 2013-14</b>	<b>451.74</b>	<b>114.61</b>	<b>56.87</b>	<b>623.22</b>	<b>612.10</b>	<b>11.12</b>
<b>Total 2012-13</b>	<b>353.12</b>	<b>7.17</b>	<b>61.54</b>	<b>421.83</b>	<b>362.91</b>	<b>58.92</b>

**Note - 48**

Mobilization advance of Rs.2.00 Crores was given to M/s OCC Ltd by Department of Water Resources (DOWR) in two spells vide cheque No.S-975409 dated 03.11.1995 and S.998897 dated 26.02.1996 of Rs. 1.00 crore each for construction of bye-pass tunnel & emergency gates of UIIP as per their letter No 29287 dated 15.11.1995 and 7670 dated 12.03.1996 (i.e. before formation of OHPC). The said amount was paid from the budget provision of UIIP charging to Misc Work advance. An amount of Rs.50 Lakhs was recovered from the bills of LCB 1/1997-98. Agreement (Depletion sluice Gate of Benakhamar Bye pass tunnel) and Rs.150 Lakhs was recovered from the bills of LCB 2/1997-98 Agreement (Depletion Sluice Gate of Indravati Dam). The recovered amount of Rs.2.00 Crores is now kept in outstanding liabilities account of UIHEP, Khatiguda. The said amount was not refunded to DOWR as per letter No 7298 dated 20.06.1998 of Director (Finance) as all payments made by any authority prior to formation of OHPC have been accounted for in the transfer price of Rs.630 Crores which was treated as a loan by the Government of Odisha to OHPC.

**Note - 49**

Deposit with others

- (i) An amount of Rs.104 Lakhs was deposited under protest with CTO, Koraput Circle-I, Jeypore and Rs. 54.03 Lakhs was deposited with CTO, Bhawanipatna by stores & Mechanical division, Khatiguda & Mukhiguda respectively during 1994-96.

	Rs. in Lakhs.		Rs. in Lakhs
23.03.94	40.00	1994-95	40.00
28.03.94	30.00	1994-98	0.03
31.03.95	22.00	28.06.96	14.00
15.03.96	12.00		
	<b>104.00</b>		<b>54.03</b>



The sales Tax tribunal has directed the concerned CTOs for re-assessment of Sales Tax & the matter is dealt by E.E., Stores & Mechanical Divn.

- (ii) Further, the deposit with other of Rs. 1.017 Crore at UIHEP, Mukhiguda represents Security deposit with SOUTHCO by way of adjustment against energy bills on GRIDCO vide JV 122/31.03.08.

#### Note - 50

- (i) OHPC has lodged a insurance claim of Rs 36.05 crores with M/S United India Insurance Co Ltd on account of loss due to flood disaster on 28/29.7.91 at UIHEP, Mukhiguda. Against this claim OHPC has received an interim payment of Rs 5.00 crores in two spells i.e. Rs 3.50 crores in May 95 and Rs 1.50 crores in Feb 98 and shown as income in the respective years. The insurance company intimated OHPC on 21.9.2005 the final net settlement value of Rs 95.98 lacs which was not accepted by OHPC. OHPC invoked the arbitration clause, and referred the matter to arbitration. In the process of Arbitration, the Hon'ble Arbitrators in the interim order dtd 26.07.2009 directed the Insurance Company to pay Rs 95.58 lacs. The said amount received from the Insurance Company has been shown as income in the year 2009-10. Now the Arbitral award is delivered on dated 13.06.2013 and directed to M/s. United India Insurance Company Ltd. to pay Rs.74023445/- within two months of the order dated.

The arbitration award has been challenged by the petitioner M/s United India Insurance Co. Ltd. vide Arbitration petition No.325 of 2013 in the Court of the District Judge, Khurda. The last hearing was held on 24.07.2014. The matter is yet to be disposed off.

- (ii) An insurance claim for Rs. 21,07,404/- has been lodged against 2 sets of SF6 breaker which were burst on 29.03.12 i.e. unit-III (Rs 14,87,004/-) and unit-IV (Rs 6,20,000/-) of Rengali H E project with National Insurance Company, Angul vide letter No 4775 dt.16.05.12 of DGM (Ele), RHEP, Rengali.

#### Note - 51

It was decided in 105<sup>th</sup> Board of directors meeting held on 11th March 2011 to make valuation of the Assets of Potteru Small Hydro Electric project after government approval for disposal of the project on "as-is-where-is basis which is still pending for Cabinet approval.

#### Note - 52

- (a) Previous year figures / opening balances have been regrouped or rearranged / re-casted wherever necessary.  
(b) Figures have been rounded off to the nearest rupee.

Accompany notes forming part of the financial statements

In terms of our report attached

**For G R C & Associates,**

Chartered Accountants

**A Mohapatra**  
Partner  
M.No.055285

**P K Pradhan**  
DGM (F & A)

**P K Mohanty**  
Company Secretary

**S K Sahu**  
Director (Finance)  
(DIN-05297051)

**P K Jena**  
Chairman-cum-  
Managing Director  
(DIN-02466580)

Place : Bhubaneswar

Date : 08.08.2014

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT,  
1956 RELATING TO SUBSIDIARY COMPANY**

1.	Name and Address of the Company	GREEN ENERGY DEVELOPMENT CORPORATION OF ODISHA LTD
2.	Financial Year of the Subsidiary Company ended on	31st March, 2014.
3.	Share of the Subsidiary Company held by OHPC and its nominees on the above date	
	a) Number of Share and Face Value	(a) 70000 equity Shares of Rs.1000/- each fully paid
	b) Extent of Holding	(b) 100% (Out of 70000 shares issued, 70000 shares are held by OHPC Ltd. along with its Nominees)
4	Net aggregate amount of profits / (losses) of the Subsidiary Company so far as it concerns the members of OHPC Ltd and is not dealt within the accounts of OHPC Ltd.	
	(i) For Subsidiary Company Financial Year ended 31st March, 2014.	NIL
	(i) For previous Financial years of the Subsidiary company since it became Subsidiary	N/A
5.	Net aggregate amount of profit / (losses) of the Subsidiary Company so far as it concerns the members of OHPC Ltd and is dealt within the accounts of OHPC Ltd.	
	(i) For Subsidiary Company financial year ended 31st March 2014.	NIL
	(i) For previous Financial years of the Subsidiary Company since it became Subsidiary	N/A
6.	Change in the interest of OHPC Ltd in the Subsidiary company between the end of the financial year of the Subsidiary Company and that of OHPC Ltd.	NIL
7.	Material changes between the end of the financial year of the Subsidiary Company and end of the financial year of OHPC Ltd in respect of Subsidiary Company's fixed assets, investments, lending and borrowing for the purpose other than meeting their current liabilities.	NIL

**For and on behalf of the Board of Directors.**

**P K Pradhan**  
DGM (F & A)

**P K Mohanty**  
Company Secretary

**S K Sahu**  
Director (Finance)  
(DIN-05297051)

**P K Jena**  
Chairman-cum-Managing  
Director  
(DIN-02466580)



# **1<sup>ST</sup> ANNUAL REPORT 2013-14**



## **GREEN ENERGY DEVELOPMENT CORPORATION OF ODISHA LTD**

(A wholly owned subsidiary of Odisha Hydro Power Corporation Ltd., a Govt. of Odisha undertaking)

OHPC Corporate Office, OSPH & W C Building  
JANPATH, BHOINAGAR, BHUBANESWAR - 751022  
Tel : 0674-2542922, Fax : 2542102, CIN : U40102OR2013SGC016747  
Web site : [www.gedcol.com](http://www.gedcol.com), E-mail : [info@gedcol.com](mailto:info@gedcol.com)



# 1<sup>st</sup> ANNUAL REPORT 2013-14

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## **BOARD OF DIRECTORS**

<b>Sh S C Mahapatra, IAS</b>	Chairman
<b>Sh Hemant Sharma, IAS</b>	Managing Director
<b>Sh Sh S K Sahu</b>	Director
<b>Sh S K Jena</b>	Director
<b>Sh S C Bhadra</b>	Director
<b>Sh C R Pradhan</b>	Director
<b>Sh B B Acharya</b>	Director

Company Secretary  
**Sh P K Mohanty**

**STATUTORY AUDITORS**  
**BATRA SWAIN & ASSOCIATES**  
Chartered Accountants

**BANKERS**  
State Bank of India  
Union Bank of India  
Axis Bank



## DIRECTORS' REPORT

To  
The Members

Your Directors have pleasure in presenting the 1st Annual Report of the Company on the performance of the company for the period from 18.04.2013 to 31.03.2014 along with the Audited Statement of Accounts and Auditor's Report thereon.

### 1. FINANCIAL HIGHLIGHTS

#### (i) Summarized Financial Results :

The summarized financial results of the Company for the first financial year beginning from the date of incorporation i.e. 18<sup>th</sup> April, 2013 and ending of 31<sup>st</sup> March, 2014 are given below :  
(₹ in Lakhs)

Particulars	For the financial year ended on 31.03.2014 (Current year)
<b>INCOME</b>	
Revenue from Operation	-
Other Income	4.32
<b>Total Income</b>	<b>4.32</b>
<b>EXPENDITURE</b>	
Employee Benefit Expenses	8.72
Administrative & other expenses	59.65
<b>Total Expenditure</b>	<b>68.37</b>
Profit / (Loss)	(64.05)

Note: Since there is a commercial loss of ₹.64.05 lakhs during the period under review, the directors show their inability to declare any dividend.

### 2. BUSINESS INITIATIVES

In pursuance to the Govt. of Odisha in Energy Department notification No. 2296 dtd 15.03.2013, GEDCOL has been incorporated on 18th April'2013 as a wholly owned Subsidiary of Odisha Hydro Power Corporation Ltd (OHPC) with an objective to promote the investment in renewable energy projects and various green energy sources and to develop and execute Special Renewable project on commercial and / or demonstration basis and to plan , organize , implement , maintain and operate renewable energy projects to generate and sell electric power any where in India.

Govt. of Odisha in Energy Department vide notification no. 6959 dtd 22.08.2013 declared that Green Energy





Development Corporation of Odisha Ltd. (GEDCOL) will be the nodal agency for facilitating and developing On-Grid Solar Energy Generation in the State of Odisha.

Meanwhile your company has undertaken the following projects :-

#### **5 MW Solar Rooftop Project Solar on Govt. Buildings.**

Govt. of Odisha has appointed GEDCOL as the concessioning authority to conduct the bidding process and implement a pilot and replicable grid connected rooftop solar project to be developed on a net metering model with a minimum proposed installed capacity of 5MW power on Govt. buildings specified by Govt. Of Odisha in the twin cities of Cuttack and Bhubaneswar through the PPP route on BOO basis. The Project encompasses the setting up of photovoltaic Solar power plants on rooftops of the Govt. Buildings. International Finance Corporation (IFC) has been engaged as transaction advisor for development of the project on 02.09.2013. Request for qualification is in final stage of evaluation for selection of developers. Application has been submitted to OERC on 22.04.2014. RFP documents are expected to be uploaded by the end of September, 2014.

#### **20 MW Solar Project allotted by SECI.**

GEDCOL has participated in the RFP invited by Solar Energy Corporation of India (SECI) for 20 MW Solar project under domestic category to be set up at Manmunda in the Dist of Boudh in the State of Odisha. Solar Energy Corporation of India (SECI) and GEDCOL has already signed the PPA and VGF document for setting up the above project on 26.02.2014. Tender was floated by GEDCOL on 26.04.2014 for selection of EPC contractor and the same has been finalized and LoI issued to BHEL on 08.08.2014. Acquisition of Land from IDCO is under progress. Detailed work order will be issued once IDCO hand over the physical possession of the land in favour of GEDCOL.

#### **1 MW Solar Project at Mukhiguda.**

Tender was floated for EPC Contract on 28.02.2014 for development of 1MW SPP utilizing surplus land at Mukhiguda under UIHEP, Mukhiguda . Evaluation of Financial Bid of Tender is under progress.

#### **1 MW Solar Project Chhatrapur.**

GEDCOL has decided to develop a 1MW SPP at Chhatrapur. Application for allotment of 5acers of land is submitted to Tahasildar, Chhatrapur on 28.07.2014.

#### **Small Hydro Electric Project.**

A proposal has been moved to develop a 15MW SHEP at Mandira dam, Rourkela on JV with SAIL. GEDCOL has also placed work order to WAPCOS for preparation of PFR for 18 nos. of SHEP having approximate total capacity of 190MW. WAPCOS has submitted PFR for 9 nos. of SHEP of approximate capacity of 115MW. Work order has been placed in favour of WAPCOS for preparation of DPR and Tender document for 3MW Kanpur and 2.4MW Jambhira SHEP.

### **3. DISCLOSURE OF PARTICULARS U/S 217(1) OF THE COMPANIES ACT, 1956**

The Company has not started its commercial operations and as such information relating to the provisions of



Section 217 (1) (e) of the Companies Act, 1956 and rules there under in respect of Conservation of Energy & Technology Absorption is NIL.

#### 4. DISCLOSURE OF PARTICULARS OF EMPLOYEES' U/S 217 (2A) of the COMPANIES ACT, 1956

The Company does not have any employees who are in receipt of remuneration falling under the purview of the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended. Hence, the information may be treated as NIL.

#### 5. FIXED DEPOSITS

The Company has not accepted any fixed deposit during the financial year ending 31<sup>st</sup> March, 2014.

#### 6. AUDITORS

The Comptroller & Auditor General of India, New Delhi have appointed M/s Batra, Swain and Associates, Chartered Accountants, Bhubaneswar as the Statutory Auditors of the Company for the first financial year beginning from the date of incorporation i.e. 18<sup>th</sup> April, 2013 and ending on 31<sup>st</sup> March, 2014.

#### 7. AUDITOR'S REPORTS

The reports of the Statutory Auditors and comments of the Comptroller and Auditor General of India on the account of GEDCOL for the year ended 31<sup>st</sup> March, 2014 and the replies of the Management to the report /comments of the Auditors are enclosed to this report.

#### 8. DIRECTORS

Sl. No.	Name	Date of Appointment	Date of Cessation	Designation
1	Sh S C Mahapatra ,IAS (DIN:- 00229586)	03. 09.2014	-	Chairman
2	Sh Hemant Sharma, IAS (DIN:- 01296263)	27.03.2014	-	MD
3	Sh S K Sahu (DIN:- 05297051)	18.04.2013	-	Director
4	Sh C R Pradhan (DIN:- 00127539)	21.05.2013	-	Director
5	Sh B B Acharya (DIN:- 06567542)	21.05.2013	-	Director



6	Sh S C Bhadra (DIN:- 01896713)	21.05.2013	-	Director
7	Sh S K Jena (DIN:-05169683)	5.04.2014	-	Director
8	Sh P K Jena, IAS (DIN:- 02466580)	18.04.2013	03.09.2014	Ex- Chairman
9	Sh Sahadev Khatua (DIN :- 03503902)	18.04.2013	15.04.2014	Director
10	Sh Miraj Kumar Mishra (DIN:- 06567482)	21.05.2013	20.01.2014	Director

The composition of Board of Directors during the period is as follows

### 9. Director's Responsibility Statement

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that:-

- i) in the preparation of the annual accounts, the applicable Accounting Standards had been followed by the Company along with proper explanation relating to material departures in the Notes to Accounts and Accounting Policies;
- ii) the Directors had 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 2013-14 and of the profit or (loss) of the Company for that period;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detection fraud and other irregularities; and
- iv) the Directors had prepared the annual accounts on a going concern basis.

### 10. Acknowledgments

The Board of Directors wish to place on record its appreciation for the continued support, contribution and co-operation extended by the Government of Odisha (especially the Departments of Energy, DoWR, PPP Cell and Finance Deptt.) and SECI, OHPC Ltd and other State Power Utilities. The Board is also thankful to the Comptroller & Auditor General of India, the Statutory Auditors and the Bankers for their valued co-operation.

For and On behalf of the Board of Directors

Bhubaneswar  
Date : 24.09.2014

**S C MAHAPATRA, IAS**  
CHAIRMAN  
DIN:-00229586



**Comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 on the Accounts of Green Energy Development Corporation of Odisha Limited for the year ended 31<sup>st</sup> March, 2014.**

The preparation of financial statements of Green Energy Development Corporation of Odisha Limited for the year ended 31<sup>st</sup> March, 2014 in accordance with financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 09 July, 2014.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under Section 619 (3) (b) of the Companies Act, 1956 of the financial statements of Green Energy Development Corporation of Odisha Limited for the year ended 31<sup>st</sup> March, 2014. This supplementary, audit has been carried out independently without access to the working paper of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective 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 supplement to Statutory Auditors report under Section 619 (4) of the Companies Act, 1956.

SI No.	Comments of C&AG of India	Replies of the Management
<b>A.</b>	<b>Comments on Disclosure</b>	
	<b>Contingent Liabilities and Commitments to the extent not provided for :</b>	
a)	<b>Contingent Liabilities : NIL</b>	
1.	The above is understated by 6.00 crore due to non-accounting of contingent liability for performance Bank Guarantee issued in favour of Solar Energy Corporation of India Limited for installation of 20 MW Solar Photo Voltaic Project at Manamunda, Boudh.	GEDCOL is a wholly owned subsidiary of Odisha Hydro Power Corporation Ltd (OHPC) and in the instant case, OHPC had provided the BG for Rs.6 crore on behalf of GEDCOL. The Bank charges against issue of the said BG has been booked to the Accounts of GEDCOL for FY 2013-14.
<b>B.</b>	<b>Comments on Statutory Auditor's Report :</b>	
2.	A reference is invited to paragraph titled "Basis for Qualified Report" of the Auditor's Report wherein it is stated that "the total expenses would have been increased by ₹. 64,85,621 and net	Noted.



profit and shareholder funds would have reduced by ₹. 64,85,621". Similarly in paragraph titled "Qualified opinion" it is mentioned that the financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:- "in case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date." However the company has sustained loss for the said period. Hence in both cases, it should have been stated as loss instead of profit. The Auditors Report needs modification to that extent.

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

Sd/-  
( **S. S. Dadhe** )  
Principal Accountant General

Place : Bhubaneswar  
Date : 08.09.2014

For and On behalf of  
the Board of Directors

**S C MAHAPATRA, IAS**  
Chairman  
DIN - 00229586



**BATRA SWAIN & ASSOCIATES**  
CHARTERED ACCOUNTANTS

L3/80, Housing Board Colony,  
Acharya Vihar, Bhubaneswar-13  
Tel.: 0674-2541159,2740193,  
E- mail : info@batraswain.com  
anmahapatra@batraswain.com  
Web.: www.batraswain.com

**Observations of the Statutory Auditors**

The Company's Capital Work in Progress and Pre-operative Expenditure are carried in the Balance Sheet at Rs.47,60,080/- and Rs.17,25,541/- respectively. If we go by the provisions of the "Accounting Standard 26: Intangible Assets", both the Pre-operative Expenditure and Overhead Expenditures in the nature of Consultancy Fees should be charged as revenue expenses instead of capitalizing them as no further economic benefits are attributable from them. Therefore, the Management should have charged the Consultancy Fees shown as Capital Work in Progress and Pre-operative Expenditure in the Statement of Profit and Loss instead of capitalizing them which constitutes a departure from the Accounting Standards referred to in sub section (3C) of section 211 of the Act. The Company's records indicate that had the management stated the Administrative and Overhead Expenditures and Pre-operative Expenditure in the statement of profit and loss, then an amount of Rs.64,85,621/- would have been required to be charged as expenses. Accordingly, the total expenses would have been increased by Rs.64,85,621/-, and net profit shareholders' funds would have been reduced by Rs.64,85,621/-.

**Replies of the Management**

Capital work in progress includes consultancy charges paid for Rs.47,60,080/- for setting up specific small hydro projects. Similarly, the expenditure incurred towards consultancy fees paid towards Rooftop solar for Rs. 17,25,541/- are included under pre-operative expenses and the same shall be allocated to the appropriate capital head of Accounts on successful implementation of the Rooftop solar projects otherwise the same will be written off in case the project is not implemented. The same has been made in compliance to the AS-16.

**For BATRA SWAIN & ASSOCIATES**  
Chartered Accountants  
(Firm Registration No. 322050E)

For and On behalf of the Board of Directors

**A N MAHAPATRA**  
Partner  
Membership No.: 066784

**S C MAHAPATRA, IAS**  
Chairman  
DIN:-00229586

Place: Bhubaneswar  
Date: 09.07.2014





**BATRA SWAIN & ASSOCIATES**  
CHARTERED ACCOUNTANTS

L3/80, Housing Board Colony,  
Acharya Vihar, Bhubaneswar-13  
Tel.: 0674-2541159,2740193,  
E- mail : info@batraswain.com  
anmahapatra@batraswain.com  
Web.: www.batraswain.com

**Independent Auditors' Report**

**TO THE MEMBERS OF GREEN ENERGY DEVELOPMENT CORPORATION  
OF ODISHA LIMITED**

**REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of Green Energy Development Corporation of Odisha Limited (the Company), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also



includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

## **BASIS FOR QUALIFIED OPINION**

The Company's Capital Work in Progress and Pre-operative Expenditure are carried in the Balance Sheet at Rs. 47,60,080/- and Rs 17,25,541/- respectively. If we go by the provisions of the "Accounting Standard 26: Intangible Assets", both the Pre-operative Expenditure and Overhead Expenditures in the nature of Consultancy Fees should be charged as revenue expenses instead of capitalising them as no further economic benefits are attributable from them. Therefore, the Management should have charged the Consultancy Fees shown as Capital Work in Progress and Pre-operative Expenditure in the Statement of Profit and Loss instead of capitalising them which constitutes a departure from the Accounting Standards referred to in sub section(3C) of section 211 of the Act. The Company's records indicate that had the management stated the Administrative and Overhead Expenditures and Pre-operative Expenditure in the statement of profit and loss, then an amount of Rs. 64,85,621/- would have been required to be charged as expenses. Accordingly, the total expenses would have been increased by Rs. 64,85,621/-, and net profit and shareholders' funds would have been reduced by Rs. 64,85,621/-.

## **QUALIFIED OPINION**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid financial statements 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order) issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that :
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.



- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards notified under the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274 (1) (g) of the Act.

**For BATRA SWAIN & ASSOCIATES**

Chartered Accountants  
(Firm Registration No. 322050E)

**A N MAHAPATRA**

Partner  
Membership No.: 066784

Place: Bhubaneswar  
Date : 09.07.2014.



## ANNEXURE TO AUDITOR'S REPORT

### Referred to in Paragraph 3 of our report of even date

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that :-

- i) In respect of Fixed Assets :  
The Company does not have any fixed assets (refer to our comments in the paragraph "BASIS FOR QUALIFIED OPINION" in the main Audit report) and therefore, the reporting requirements regarding this are not applicable
- ii). In respect of its inventories :  
The Company does not have any Inventories and therefore, the reporting requirements regarding this are not applicable
- iii) The Company has neither granted nor taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956. Accordingly, the provisions of clause (iii) (a) to (iii) (g) of Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- iv) The Company has neither purchased any inventory or fixed assets and nor sold any goods during the period under audit, therefore the provisions of clause (iv) of Companies (Auditor's Report) Order, 2003 are not applicable to the Company
- v) In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956 :
  - (a) On the basis of the audit procedures performed by us and according to the information, explanations and representations given to us, the Company has the transactions that need to be entered into the registered maintained under section 301 of the Companies Act, 1956.
  - (b) Based on the information and explanations given to us, we are of the opinion that the transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposit during the period under audit from the public pursuant to sections 58A, 58AA or any other relevant provisions of the Companies Act 1956 and rules framed there under. Therefore, the provisions of clause (vi) of the Order are not applicable to the Company.
- vii) In our opinion, the company has internal audit system commensurate with the size of the company and nature of its business.
- viii) Maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 has not been prescribed by the Central Government. Therefore, the provisions of clause (viii) of the Order are not applicable to the Company
- ix) In respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2014 for a period of more than six months from the date of becoming payable.
  - (b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute.



- x) The accumulated loss of the Company at the end of the financial year does not exceed fifty percent of its net worth but the company has incurred cash losses in the current financial year and this is the first year of the company.
- xi) According to the information and explanations given to us and based on the documents and records produced to us, the company has not taken any loan from and no amount is payable to any Financial Institution or Banks. Further, the company has not obtained any borrowings by way of debentures.
- xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii) The company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments as such provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv) According to the information and explanations given to us and the representations made by the management, the Company has not given any guarantee for loans taken by others from any bank or financial institution.
- xvi) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company we report that the company has not taken any term loan and therefore, provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xvii) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that no funds raised on short term basis have been used for long term investment.
- xviii) During the year, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956, therefore, provisions of clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xix) On the basis of the records and documents examined by us, the Company has not issued any debentures during the year. Therefore, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xx) The company has not raised any money by public issue during the year, therefore, provisions of clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xxi) According to the information and explanations given to us and to the best of our knowledge and belief no fraud on or by the Company has been noticed or reported during the year.

**For BATRA SWAIN & ASSOCIATES**

Chartered Accountants  
(Firm Registration No. 322050E)

**A N MAHAPATRA**

Partner  
Membership No.: 066784

Place: Bhubaneswar  
Date : 9<sup>th</sup> July, 2014



**GREEN ENERGY DEVELOPMENT CORPORATION OF ODISHA LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2014**

(Amount in ₹.)

Particulars	Refer Note No.	Figures as at the end of current reporting period ended 31st March, 2014
<b>I EQUITY AND LIABILITIES</b>		
(1) <b>Shareholders' funds</b>		
(a) Share capital	2	70,000,000.00
(b) Reserves and surplus	3	(6,405,380.00)
(2) <b>Share application money pending allotment</b>		
(3) <b>Non-current liabilities</b>		
(4) <b>Current Liabilities</b>		
(a) Short-term borrowings		-
(b) Trade payables		-
(c) Other current Liabilities	4	4,517,599.00
(d) Short-term provisions	5	7,730.00
<b>TOTAL</b>		<b>68,119,949.00</b>
<b>II ASSETS</b>		
<b>Non-current assets</b>		
1. (a) <b>Fixed assets</b>		
(i) Capital Work-In- Progress	6	4,760,080.00
(ii) Pre-operative Expenditure	7	1,725,541.00
(b) Non-current investments		-
(c) Deferred tax assets(net)		-
(d) Long-term Loans and advances		-
2. <b>Current assets</b>		
(a) Current investments.		-
(b) Inventories		-
(c) Trade receivables		-
(d) Cash and bank balances	8	61,385,352.00
(e) Short-term loans and advances	9	18,133.00
(f) Other current assets	10	230,843.00
<b>TOTAL</b>		<b>68,119,949.00</b>
Significant Accounting Policies	1	
Notes on Accounts	2 to 25	

As per our Audit Report of even date  
**For & on behalf of Batra Swain & Associates**  
Chartered Accountants

**For & on behalf of the Board of Directors**  
**Green Energy Development Corporation of Odisha Limited.**

**A. N. Mahapatra**  
Partner  
M. No. 066784

**Santosh Kumar Sahu**  
Director

**Hemant Sharma**  
Managing Director

Place : Bhubaneswar  
Date : 09.07.2014



**GREEN ENERGY DEVELOPMENT CORPORATION OF ODISHA LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2014**

(Amount in ₹.)

Particulars	Refer Note No.	Figures as at the end of current reporting period ended 31st March, 2014
<b>I</b> Revenue from operations		-
<b>II</b> Other income	11	431,807.00
<b>III</b> <b>Total Revenue (I + II)</b>		<b>431,807.00</b>
<b>IV</b> <b>Expenses :</b>		
Employee benefit expenses	12	872,676.00
Depreciation and amortization expense		-
Administrative & other Expenses	13	5,964,511.00
<b>Total expense</b>		<b>6,837,187.00</b>
		-
<b>V</b> <b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>(6,405,380.00)</b>
<b>VI</b> Exceptional items		-
<b>VII</b> <b>Profit before extraordinary items and tax (V-VI)</b>		<b>(6,405,380.00)</b>
<b>VIII</b> Extraordinary Items		-
<b>IX</b> <b>Profit before tax (VII-VIII)</b>		<b>(6,405,380.00)</b>
<b>X</b> Tax expenses :		-
(1) Current tax		-
(2) Deferred tax		-
<b>XI</b> <b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>(6,405,380.00)</b>
<b>XII</b> Profit/ (Loss) from discontinuing operations		-
<b>XIII</b> Tax expenses of discontinuing operations		-
<b>XIV</b> <b>Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)</b>		-
<b>XV</b> <b>Profit(Loss) for the period (XI+XIV)</b>		<b>(6,405,380.00)</b>
<b>XVI</b> Earnings per equity share		
(1) Basic		-
(2) Diluted		-
Significant Accounting Policies	1	
Notes on Accounts	2 to 25	

As per our Audit Report of even date

**For & on behalf of Batra Swain & Associates**  
Chartered Accountants

**For & on behalf of the Board of Directors**  
**Green Energy Development Corporation of Odisha Limited.**

**A. N. Mahapatra**  
Partner  
M. No. 066784

**Santosh Kumar Sahu**  
Director

**Hemant Sharma**  
Managing Director

Place : Bhubaneswar

Date : 09.07.2014



## GREEN ENERGY DEVELOPMENT CORPORATION OF ODISHA LIMITED CASH FLOW STATEMENT FOR THE PERIOD ENDED AS AT 31ST MARCH, 2014

(Amount in ₹.)

Particulars	For the year ended As on 31st March, 2014
<b>(A) Cash Flow from/ (Used in) Operating Activities :</b>	
Net Profit / (Loss) Before Tax & Extraordinary Item	
<b>Adjustments for :</b>	<b>(6,405,380.00)</b>
Finance Costs	-
<b>Operating Profit before working capital changes</b>	<b>(6,405,380.00)</b>
Adjustment for:	
Increase/ (Decrease) in Loan & Advance	(18,133.00)
Increase/ (Decrease) in other other current assets	(230,843.00)
Increase/ (Decrease) in other current liabilities	4,517,599.00
Increase/ (Decrease) in Short Term Provisions	7,730.00
<b>Cash Generated from Operation</b>	<b>2,129,027.00</b>
Income Tax Paid	-
<b>Net Cash Flow from / (Used In) Operating Activities</b>	<b>(2,129,027.00)</b>
<b>(B) Net Cash Flow from / (Used In) Investing Activities</b>	
Increase / (Decrease) in capital work in progress	(4,760,080.00)
Increase / (Decrease) Pre-operative Expenditure	(1,725,541.00)
Net Cash Flow from / (Used In) Investing Activities	(6,485,621.00)
<b>(C) Cash Flow from / (Used in) Financing Activities</b>	
Finance Costs	-
Proceeds from Issue of Share Capital	70,000,000.00
<b>Net Cash Flow from / (Used in) Financing Activities</b>	<b>70,000,000.00</b>
<b>Net Increase / (Decrease) in Cash &amp; Bank Balance (A+B+C)</b>	<b>61,385,352.00</b>
<b>Cash and Bank Balances at beginning of period (Refer Note No.8)</b>	<b>-</b>
<b>Cash and Cash equivalent at end of period (refer to Note No.8)</b>	<b>61,385,352.00</b>
<b>Significant Accounting Policies and Notes on Accounts</b>	<b>1, 2 to 25</b>

As per our Audit Report of even date

**For & on behalf of Batra Swain & Associates**  
Chartered Accountants

**For & on behalf of the Board of Directors**  
**Green Energy Development Corporation of Odisha Limited.**

**A. N. Mahapatra**  
Partner  
M. No. 066784

**Santosh Kumar Sahu**  
Director

**Hemant Sharma**  
Managing Director

Place : Bhubaneswar  
Date : 09.07.2014



## SIGNIFICANT ACCOUNTING POLICIES FOR THE PERIOD ENDED 31ST MARCH, 2014

### COMPANY OVERVIEW

- 1 . The company is a wholly owned subsidiary of M/s Odisha Hydro Power Corp. Ltd (OHPC) . It was incorporated on dtd.18.04.2013 under the Companies Act,1956. The main aim & objective for creation and constitution of GEDCOL by Govt. of Odisha in department of Energy is to explore the huge renewable energy resources in the state which are otherwise untapped for long time.
- 2 . The Company has obtained the Certificate of Commencement of Business w.e.f 24.05.2013 from the Registrar of Companies, Odisha.

### Statement on Significant Accounting Policies :

#### a) Basis of preparation of financial statement

The financial statements of the Company have been prepared under historical cost convention on a going concern basis and in accordance with generally applicable accounting standards issued by the Institute of Chartered Accountants of India and the provision of Companies Act, 1956/2013 and the relevant provisions thereof all assets and liabilities have been classified as current or non-current as per company's normal operating cycle and as per the criteria set out in Revised Schedules.

The Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

#### b) Cash and Cash Equivalents :

Cash and Bank balance comprises cash in bank and in hand.

#### c) PROVISIONS. CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provision is recognized only when there is a present legal obligations, as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimation can be made from the amount of obligations. A disclosure for a contingent liability is being made when there is a possible obligation or a present obligation that may but probable will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the like hood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in the Financial Statements.

#### d) Earning per share :

Basic and diluted earnings per share are computed by dividing the net profit or loss after taxes attributable to equity share holders for the year. With weighted number of equity share out standing during the period.

#### e) Foreign Exchange Transaction:

Foreign Currency Transaction during the year are recorded at rates of Exchange prevailing on the date of Transaction. Foreign Currency assets and liabilities are translated into rupees at the rate of exchange providing on the date of the Balance sheet. All exchange differences are dealt with in the statement of profit and loss.

#### f) Cash Flow Statement :

Cash Flow Statement is prepared in accordance with the indirect method prescribed in Accounting standards (AS) 3 on " Cash Flow Statement".

#### g) Revenue Recognition :

Revenue has been accounted for on accrued basis.

#### h) Taxes on Income :

Current Tax is the amount of Tax payable for the year, determined under the provisions of Tax Laws. Deferred Tax is recognised, subject to the consideration of prudence on timing differences being the difference between taxable income and accounting income that originate in one period are capable of reversed in once or more subsequent periods.



**NOTES ON ACCOUNTS FOR THE FINANCIAL YEAR ENDED  
31ST MARCH, 2014**

(Amount in ₹.)

Particulars	For the year ended As at 31st March, 2014	
<b>2. SHARE CAPITAL</b>		
a) <b>Authorized</b>		
10,00,000 Equity Shares of rs.1000/- each		1,000,000,000.00
b) <b>Issued</b>		
70,000 Equity Shares of Rs.1000/- each fully paid		70,000,000.00
c) <b>Subscribed &amp; paid up</b>		
70,000 Equity shares of Rs 1000/- each fully paid-up		70,000,000.00
d) The Reconciliation of the number of shares outstanding as at 31st March, 2014 is set out below.		
	<b>No. of shares</b>	
Shares outstanding at the beginning of the year		0
shares issued during the year		70,000
Shares bought back during the year		0
Shares outstanding at the end of the year		70,000
e) The Company has only one class of shares referred to as equity shares having a par value of Rs.1000/- each holder of equity of shares .		
f) The Shares (in aggregate) of each class held as at 31st March, 2014 is set out below :		
Holding company & its Nominees		70,000
Ultimate Holding Company		0
Subsidiaries		0
Associates of the Holding Company		0
Associates of the Ultimate Hoding Company		0
		70,000
g) The Details of shareholder holding more than 5% shares as at 31st March, 2014 is set out below :		
	<b>% Held as at 31st March, 2014</b>	<b>No. of shares</b>
<b>M/s Odisha Hydro Power Corporation Limited and its Nominees</b>	100.00	70,000
	100.00	70,000
h) The details of Shares issued in the preceding five years from as at 31st March, 2014 is set out below:		
	<b>Year (Aggregate No. of Shares) 2013-14</b>	
Fully paid up pursuant to contract(s) without payment being received in cash.		Nil
Fully paid up by way of bonus shares		Nil
Shares bought back		Nil
		<b>Nil</b>
Company is incorporated on 18.04.2013 and it is the first financial year ended as at 31.03.2014, hence preceding year information is not given.		
<b>3 RESERVE AND SURPLUS</b>		
Surplus		
Opening Balance		-
(+) Net Profit / (Net Loss) For the currecnt year		(6,405,380.00)
Closing Balance		(6,405,380.00)
<b>4 OTHER CURRENT LIABILITIES</b>		
Other Payable		-
Payable for expenses and others to hoding Company , OHPC		1,055,980.00
Sundry liability		3,123,525.00
TDS Payable		338,094.00
	<b>Total</b>	<b>4,517,599.00</b>



<b>5</b>	<b>Short - Term Provisions</b>	
	Provision for others	7,730.00
		<b>7,730.00</b>
<b>6</b>	<b>Capital Work-In-Progress</b>	
	CWIP (WAPCOS Consultancy)	4,760,080.00
		<b>4,760,080.00</b>
<b>7</b>	<b>Pre-operative Expenditure</b>	
	Consultancy Fees paid to IFC	1,725,541.00
		<b>1,725,541.00</b>
<b>8</b>	<b>CASH AND BANK BALANCES</b>	
	Cash in hand	2,237.00
	Balance with Bank In current Account	1,383,115.00
	Earmarked Balance with Bank	60,000,000.00
		<b>61,385,352.00</b>
	The details of balance as on balance sheet dates with the banks are as under:	
	State Bank of India, IDCO Tower Branch, Bhubaneswar	1,383,115.00
	Earmarked Balance with Bank	60,000,000.00
<b>9</b>	<b>Short term Loans &amp; Advances</b>	
	TDS Receivable	18,133.00
		<b>18,133.00</b>
<b>10</b>	<b>Other Current Assets</b>	
	Interest accrued but not due	230,843.00
		<b>230,843.00</b>
<b>11</b>	<b>OTHER INCOME</b>	
	Other non- operating Income- Interest Received from MOD	331,807.00
	Processing Fee	100,000.00
		<b>431,807.00</b>
<b>12</b>	<b>Employee benefit expenses</b>	
	Salary	872,676.00
		<b>872,676.00</b>
<b>13</b>	<b>Administrative &amp; other Expenses</b>	
	Printing & Stationary	10,055.00
	Sitting Fees	61,911.00
	Postage & Stamp Exps	250.00
	Meeting Expenses	5,563.00
	Bank charges	51,649.00
	Professional Charges	420,466.00
	Contract service expenses	39,154.00
	Miscellaneous Expenses	9,293.00
	Software package	16,800.00
	Fees Towards Tender Documents	115,000.00
	Travelling & Conveyance	51,644.00
	Advertisement	44,116.00
	*Audit Fees	30,000.00
	Preliminary Expenses	5,108,610.00
		<b>5,964,511.00</b>
	*Audit Fees	
<b>i.</b>	As statutory Audit fees	15,000.00
<b>ii.</b>	For out of pocket expenses	15,000.00
		<b>30,000.00</b>



**14 Fixed Assets**

Capital Work-In-Progress

Capital work in progress includes Consultancy charges paid for setting up small hydro projects. Consultancy charges for specific small hydro projects is stated excluding of Service Tax and Cess there on.

**15 Treatment of Expenditure during Construction period.**

Expenditure incurred towards Consultancy Fees paid to IFC for Roof top Solar are including TDS are under Pre-operative expenses and the same shall be allocated to the appropriate capital head of Accounts on successful implementation of the project otherwise the same will be written off in case the project is not implemented

**16 TAX EXPENSES**

a) Current Tax

The Company is not anticipating any Tax liabilities for the period in view of incurring losses. Hence Provision for Current Tax is not been provided for the period.

b) Deferred Tax Assets for the year from losses incurred during the year is not recognised in view of reasonable certainty as well as virtual certainty are not supported by the convincing evidences.

**17 CONTINGENT LIABILITIES AND COMMITMENTS**

to the extent not provided for :

a. CONTINGENT LIABILITIES

Nil

b. COMMITMENTS

Nil

**18** Company has not received intimation from any "enterprise" regarding its status under Micro Small & Medium Enterprise Development Act, 2006 (MSMED, Act) and therefore no disclosure under the said Act is considered necessary.

**19 Foreign currency transactions**

a) Expenditure incurred in foreign currency on cash basis being payment made to consultants.

Rs.15,55,782.00

b) Value of Imports calculated on CIF basis being components, spare parts and construction materials through LC.

NIL

c) Traveling expenses.

NIL

**20** The Board of Directors of the company has decided in the first board meeting held on 21.05.2013 that the First accounting year of the company will be from 18.04.2013 to 31.03.2014.

**21** 50% of the salary of four nos. of executives of OHPC has been booked under Employee benefits of GEDCOL w.e. from 01.08.2013 since they are discharging the day to day work of GEDCOL in addition to their Job responsibility in OHPC.

**22** Expenses incurred during the period under various account heads has been claimed as expenses for the year, as considered that no further economic benefits are attributable to the asset in pursuant to AS-26 "Intangible assets" issued by the ICAI.

**23** In the option of the Board of Directors of the Company and to the best of their knowledge and belief, all the current assets have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated.

**24** Figures have been rounded off to the nearest rupees wherever considered necessary.

**25** Previous year figure are not given, since this is the first year of the company.

In terms of our report of even date attached

As per our Audit Report of even date

**For & on behalf of Batra Swain & Associates**

Chartered Accountants

**For & on behalf of the Board of Directors**

**Green Energy Development Corporation of Odisha Limited.**

**A. N. Mahapatra**

Partner

M. No. 066784

**Santosh Kumar Sahu**

Director

**Hemant Sharma**

Managing Director

Place : Bhubaneswar

Date : 09.07.2014



Generator Floor  
Upper Kolab Power House.



View from valve House  
Upper Indravati Power House.

Control Room  
Rengali Power House.





# Generating Power



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- Catering to more than 25% of Odisha's energy requirement.
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- Contributing Peaking support upto 1850 MW which is more than 50% of State demand during peak period.
- Keeping the Environment Clean, Green & Sustainable.
- Contributing in the field of Education, Health, Livelihood and Infrastructure Development in the remote and tribal dominated areas of Odisha.



### ODISHA HYDRO POWER CORPORATION LTD.

(A Gold Rated State PSU)

Regd. Office: Odisha State Police Housing & Welfare Corporation Building, Vanivihar Chowk, Janpath, Bhoinagar, Bhubaneswar - 751 022

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CIN: U40101OR1995SGC003963

Sobhagya

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