

21ST ANNUAL REPORT 2015-16



ODISHA HYDRO POWER CORPORATION LIMITED

(A Government of Odisha Undertaking)



RHEP Dam, Rengali



View from valve House Upper Indravati Power House.

21ST ANNUAL REPORT 2015-16



ODISHA HYDRO POWER CORPORATION LIMITED

(A Gold Rated State PSU)

JANPATH, BHOINAGAR, BHUBANESWAR - 751022,

Tel: 0674-2542922, Fax:2542102, Gram : HYDROPOWER

Web site : www.ohpcltd.com, E-mail : ohpc.co@gmail.com / md@ohpcltd.com

CIN : U40101OR1995SGC003963



21st ANNUAL REPORT 2015-16

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BOARD OF DIRECTORS

Sh Rajesh Verma, IAS

Chairman-Cum-Managing Director

Sh Hemant Sharma, IAS

Director

Sh D K Jena, IAS

Director

Sh Pravakar Mohanty

Director (Finance)

Sh S C Bhadra

Director

Sh S K Jena

Director

Sh Vijay Arora, IAS

Director

Sh Srikanta Nayak, OAS(SAG)

Director (HRD)

Sh R C Tripathy

Director

Mrs. Saveeta Mohanty

Director

Sh A K Mishra

CGM (EI) & Director (Operation)

Company Secretary

Sh P K Mohanty

SGM (Finance) & Chief Finance Officer

Sh P P Sahu

BANKERS

State Bank of India
Union Bank of India
Axis Bank

STATUTORY AUDITORS

M/s LALDASH & Co.,
Chartered Accountants

BRANCH AUDITORS

M/s. SSP Associates
Chartered Accountants

M/s. GUDLA & Associates
Chartered Accountants

M/s. Agrawal Jain & Badia
Chartered Accountants

M/s. G Ram & Co.
Chartered Accountants

M/s. Lal Dash & Co.,
Chartered Accountants

M/s. Bhawani Sankar Mohapatra & Co.
Chartered Accountants

COST AUDITORS

M/s. Niran & Co.
Cost Accountants

SECRETARIAL AUDITOR

M/s. Saroj Panda & Co.
Company Secretaries

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 knowhow.

OBJECTIVES

- To acquire, establish, construct and operate hydro electric generating stations, thermal and nuclear electric generating stations and any other electric generating stations based on any non-conventional sources of energy.
- To manufacture, trading and co-ordination.
- To investigate and prepare project reports.
- To own, acquire, operate and carry on the business of coal mining etc.

No.OHPC.Sectl.19/09-12/ 8029

Dated the, 3rd September, 2016

To
The Dept of Energy
Govt of Odisha,
Representing Governor of Odisha.

Sh Rajesh Verma, IAS,
Principal Secretary to Govt. of Odisha,
Deptt of Energy & CMD, OHPC Ltd,
Bhubaneswar,
Member, OHPC Ltd.

Sh Vijay Arora, IAS,
Principal Secretary to Govt. of Odisha,
Deptt. of Public Enterprises,
Bhubaneswar.
Member, OHPC Ltd.

Sh D K Jena, IAS
Addl. Secretary to Govt. of Odisha,
Finance Department, Bhubaneswar.
Director & Member, OHPC Ltd,

Director(HRD), OHPC
& Member, OHPC Ltd,
Bhubaneswar.

Director (Finance) & Member, OHPC Ltd,
Bhubaneswar.

Sh A K Mishra ,
CGM (El) & Director (O), I/C
Member, OHPC Ltd.

Sub : Notice of 21st Annual General Meeting.

Sir,

The 21st Annual General Meeting (AGM) of OHPC will be held **on Wednesday, the 28th September, 2016 at 4:00 PM** at the Regd. Office of the Company at Vanivihar Chhak, Janpath, Bhoinagar, Bhubaneswar - 751022 to transact the following business:

1. ORDINARY BUSINESS:

Item No. 1

To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2016 including the Balance Sheet and Statement of Profit and Loss for the financial year ended on that date together with Reports of the Board of Directors and Auditors thereon and comments of the Comptroller and Auditor General of India, terms of Section 143(6) of the Companies Act,2013.

Item No. 2

To declare Dividend for the financial year 2015-16.

Item No. 3

To fix the remuneration of the Statutory Auditors for the financial year 2016-17.

SPECIAL BUSINESS:

Item No. 4

Ratification of Remuneration of Cost Auditors of the Company for the Year 2016-17.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:-**

"RESOLVED THAT pursuant to the provisions of section 148(3) of the Companies Act,2013 read with Rule 14 (a) of the Companies (Audit and Auditors) Rules,2014 ("the Act") and recommendation of the Audit Committee and approval by the Board of Directors at their meeting dated 29th March, 2016, the consent of the Company be and is hereby accorded for ratification of remuneration payable to M/s Niran & Co , Cost Accountants as the Cost Auditors of the Company for the financial year 2016-17 for Rs.100,000/- (Rupees One Lakh only) as fees and service tax as applicable and TA/DA extra as per actual subject to maximum of Rs.70,000/- (Rupees Seventy Thousand Only) as per OHPC TA Rules with admissibility of Grade E6 for partners and Grade E3 for staff for conducting the audit of the cost accounting records for the Corporate Office as well as six Hydro Power Stations.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution"

Regd. Office:

Vanivihar Chhak, Janpath, Bhoinagar
Bhubaneswar - 751022,
Date: 03.09.2016.

By order of the Board of Directors,

Company Secretary

Memo No. **8030** Dated the, 3rd September,2016

Copy to:

1. Sh Rajesh Verma, IAS, Principal Secretary to Govt., DoE and CMD, OHPC for kind information with a request to kindly make it convenient to preside over the meeting.
2. M/s Lal Das & Co. Plot No.1882, 2nd Floor, Nilakantha Nagar, Unit-8, Nayapalli, Bhubaneswar-751012, Fax: 0674 - 2562638, e-mail : dashbijaya62@hotmail.com / Secretarial Auditor, M/s. Saroj Panda Co., Company Secretaries, 2nd Floor, Biswal Commercial Complex, Cuttack Road, Bhubaneswar-751006, Ph No.: 0674-2314500, E-mail : saroj66@yahoo.co.in for kind information with a request to make it convenient to attend the meeting.
3. Sh S C Bhadra, Director & Chairman, Audit Committee, OHPC for kind information with a request to kindly make it convenient to attend the meeting.
4. Sh Hemant Sharma, IAS, Director, Sh S K Jena, Director, Sh R C Tripathy, Director and Mrs. Saveeta

Mohanty, Director for kind information with a request to kindly make it convenient to attend the meeting.

5. Sh D K Jena, Chairman, Nomination and Remuneration Committee for kind information with a request to kindly make it convenient to attend the meeting.

Company Secretary

Encl : Proxy form.

Notes :

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto .
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF, SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The Instrument of Proxy in order to be effective, should be duly stamped, completed, signed and must be sent to the Company so as to receive at its registered office not later than 48 hours before the commencement of the meeting. Blank Proxy Form is enclosed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No.1

The Financial Statements for the year 2015-16 was authenticated by the Board on 22.08.2016. The Statutory auditors submitted their report to the AG (Audit-II), Odisha on 29.08.2016. The AG (O) has started their audit on 30.08.2016. After receipt of the C & AG comments, statutory requirements shall be complied with for the adoption of the Financial Statement and report of the Auditors and report of the Board of Directors in the AGM.

Item No.2

The Board of Directors, in its meeting held on 22.08.2016, has recommended the proposed dividend@ 30% post-tax profit amounting to Rs.26,18,91,970/-.

Item No.3

Pursuant to section 139 (5) of the Companies Act, 2013, the Statutory Auditors of the Govt. company are to be appointed or re-appointed by Comptroller and Auditor General of India (C&AG) and in terms of 142 (1) of the Companies Act, 2013, the remuneration of the Statutory Auditors has to be fixed by the Company in Annual General Meeting or in such manner as the company in General Meeting may determine. M/s.G N S Associates, Chartered Accountants, Bhubaneswar have been appointed as Statutory Auditors of OHPC for



the Financial Year 2016-17 by C&AG, New Delhi vide their letter No. /CA.V/COY/ODISHA, OHPOWR(1)/23 dtd. 11.07.2016. The members may consider and authorize the Board to fix an appropriate remuneration of Statutory Auditors for the financial year 2016-17 as may be deemed fit by the Board.

Item No.4

The Board of Directors of OHPC, in their meeting held on 31.05.2016, on recommendation of the Audit Committee, approved the appointment of M/s Niran & Co ., Cost Accountants as the Cost Auditors of the Company for the financial year 2016-17 for Rs.100,000/- (Rupees One Lakh only) as fees + service tax as applicable and TA/DA extra as per actual subject to maximum of Rs.70,000/- (Rupees Seventy Thousand Only) as per OHPC TA Rules with admissibility of Grade E6 for partners and Grade E3 for staff for conducting the audit of the cost accounting records for the Corporate Office as well as six Hydro Power Stations. Section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014 ("the Act"), requires the Board to appoint an individual, who is a cost accountant in practice or a firm of cost accountants in practice, as cost auditor on the recommendations of the Audit committee, which shall also recommend remuneration for such cost auditor and such remuneration shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders. The resolution contained in Item no. 4 of the accompanying Notice, accordingly, seek members' approval for ratification of remuneration of Cost Auditors of the Company for the financial year 2016-17.

None of the Directors and the Key Managerial Personnel of the Company and their relatives are in anyway concerned or interested in any way, financial or otherwise, in the proposed resolution.

The Board recommends this Ordinary resolution for your approval.

Regd. Office:

Vanivihar Chhak, Janpath, Bhoinagar
Bhubaneswar - 751022,
Date: 03.09.2016.

By order of the Board of Directors,

Company Secretary

No.OHPC.Sectl.19/09-12 (Vol-II)/ 9588

Dated the, 26th October, 2016.

To
Sh Umakanta Tripathy,
Joint Secretary , Department of Energy,
Govt of Odisha,
Representative of the Governor of Odisha.

Sh Rajesh Verma, IAS,
Principal Secretary to Govt. of Odisha,
Deptt of Energy & CMD, OHPC Ltd,
Bhubaneswar,
Member, OHPC Ltd.

Sh Vijay Arora, IAS,
Principal Secretary to Govt. of Odisha,
Deptt. of Public Enterprises,
Bhubaneswar.
Member, OHPC Ltd.

Sh D K Jena, IAS
Joint Secretary to Govt. of Odisha,
Finance Department, Bhubaneswar.
Director & Member, OHPC Ltd,

Sh S C Bhadra
Director
Member, OHPC Ltd.
Sh A K Mishra ,
CGM (El) & Director (O), I/C
Member, OHPC Ltd.

Sh B K Behera,
Ex-Director (Finance) I/C &
Member, OHPC Ltd,
Bhubaneswar.

Sub : Notice for holding the Adjourned 21st Annual General Meeting (AGM) on 28th October, 2016 at 3:30 P.M.

Sir,

The adjourned 21st AGM of OHPC will be held on Friday, the 28th October, 2016 at 3:30 p.m. at a shorter notice at the Regd. Office of the Company at Vanivihar Chhak, Janpath, Bhoinagar, Bhubaneswar - 751 022 to transact the following Ordinary Businesses:

1. ORDINARY BUSINESS:

Item No. 1

To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2016 including the Balance Sheet and Statement of Profit and Loss for the financial year ended on that date together with Reports of the Board of Directors and Auditors thereon and comments of the Comptroller and Auditor General of India, terms of Section 143(6) of the Companies Act, 2013.

Item No. 2

To declare Dividend for the financial year 2015-16.

Regd. Office:

Vanivihar Chhak, Janpath, Bhoinagar
Bhubaneswar - 751022,
Date: 26.10.2016

Yours faithfully,

Company Secretary



Memo No. 9589

Dated the, 26th October, 2016. 31st October, 2012

Copy to:

1. Sh Rajesh Verma, IAS, Chairman-cum-Managing Director, OHPC for kind information with a request to kindly make it convenient to preside over the meeting.
2. M/s Lal Das & Co. Plot No.1882, 2nd Floor, Nilakantha Nagar, Unit-8, Nayapalli, Bhubaneswar-751012, Fax: 0674 - 2562638, e-mail : dashbijaya62@hotmail.com / Secretarial Auditor, M/s. Saroj Panda Co., Company Secretaries, 2nd Floor, Biswal Commercial Complex, Cuttack Road, Bhubaneswar-751006, Ph No.: 0674-2314500, E-mail : saroj66@yahoo.co.in for kind information with a request to make it convenient to attend the meeting.
3. Sh S C Bhadra, Director & Chairman, Audit Committee, OHPC for kind information with a request to kindly make it convenient to attend the meeting.
4. Sh Hemant Sharma, IAS, Director, Sh P Mohanty, Director(Finance), Sh S K Jena, Director, Sh R C Tripathy, Director and Mrs. Saveeta Mohanty, Director for kind information with a request to kindly make it convenient to attend the meeting.
5. Sh D K Jena, IAS, Chairman, Nomination and Remuneration Committee for kind information with a request to kindly make it convenient to attend the meeting.

Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No.1

The 21st AGM of OHPC for the F.Y. 2015-16 was held on 28.09.2016. Since the comments of C&AG was not received, the Members decided to adjourn this business.

In the meantime, the comments of C&AG on the financial statements was received by OHPC on 24.10.2016. Accordingly, the Audited Financial Statement for the said Financial Year is placed in the Adjourned AGM for adoption.

Item No.2

The Financial Statements of the company was not available for adoption. Therefore, it was decided to adjourn this ordinary business.

Since the Financial Statement of the Companies Act is now available for the adoption, the members may declare the dividend as per the recommendations of the Board.

The Board of Directors, in its meeting held on 22.08.2016, has recommended the proposed dividend@ 30% post-tax profit amounting to Rs.26,18,91,970/-.

Company Secretary



Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014] CIN:

CIN : U40101OR1995SGC003963

Name of the Company : Odisha Hydro Power Corporation Limited
 Registered Office : Vanivihar Chhak, Janpath, Bhoinagar , Bhubaneswar-751022.
 Name of the Member (s) :
 Registered Address :
 E-mail Id :
 Folio No/Client Id :
 DP ID :

I /We, being the Member (s) of shares of the above named Company, hereby appoint.

1. Name
 Address :
 E-mail Id:
 Signature....., or failing him

2. Name
 Address :
 E-mail Id:
 Signature....., or failing him

3. Name
 Address :
 E-mail Id:
 Signature.....

as my/ our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the adjourned **21st Annual General Meeting** of the Company, to be held on the **28th day of October, 2016 At 3:30P.M** at Registered Office Vanivihar Chhak, Janpath, Bhoinagar, Bhubaneswar-751022 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.
2.
3.

Affix Revenue Stamp

Signed this day of 2016

Signature of Shareholder



ODISHA HYDRO POWER CORPORATION LTD

DIRECTORS' REPORT 2016

Dear Members,

On behalf of the Board of Directors, I take pleasure in presenting the 21st Annual Report on the performance of your company along with audited Financial Statement, Report of the Auditors and Comments of the Comptroller and Auditor General of India for the financial year ended 31st March, 2016.

1. FINANCIAL HIGHLIGHTS

The Financial results for the year ended 31st March, 2016 are summarized below.

(Rs.in Crore)

Sl No.	PARTICULARS	STANDALONE		CONSOLIDATED	
		2015-16	2014-15	2015-16	2014-15
a)	Revenue from Operations	419.98	493.24	470.47	493.24
b)	Other Income	196.35	131.60	197.11	133.65
c)	Total Revenue (a + b)	616.33	624.84	617.59	626.89
d)	Operational & other expenses (including prior year adjustments & exceptional items)	262.77	224.96	264.43	226.75
e)	Profit before Depreciation & Amortization, Finance cost & Tax (c-d)	353.56	399.88	353.16	400.14
f)	Depreciation & amortization	131.34	294.73	131.70	294.83
g)	Profit after Depreciation & amortization & before finance cost & Tax (e-f)	222.22	105.15	221.46	105.31
h)	Finance Cost	84.25	58.47	84.35	58.47
i)	Profit after Depreciation & amortization & finance cost but before tax (g-h)	137.97	46.68	137.11	46.84
j)	Tax	50.67	31.08	67.67	31.14
k)	Profit after tax (i - j)	87.30	15.60	69.44	15.70
l)	Surplus of Statement of Profit & loss.	578.12	568.14	574.50	564.42
m)	Balance available for appropriations	665.42	583.74	643.94	580.12
n)	LESS- APPROPRIATIONS:				
o)	Proposed Dividend	26.19	4.68	26.19	4.68
p)	Tax on Proposed Dividend	5.33	0.94	5.33	0.94
q)	Deferred Tax Liabilities not charged in previous years.	154.92		154.92	
r)	Balance carried forward {m - (o + p +q)} (forming part of Note 3- Reserves & Surplus)	478.98	578.12	457.50	574.50

2. REVENUE AND PROFIT

Gross Revenue (including income from other sources) during the year under review is Rs.616.33 crores as against Rs. 624.84 Cr. in the previous year 2014-15. The Company earned profit before tax of Rs.137.97 crores for the Financial Year 2015-16 as against Rs.46.68 crores in the previous year 2014-15. The profit after tax for the year 2015-16 is Rs. 87.30 crores as against Rs.15.60 crores in the previous year 2014-15.

Consolidated accounts with the subsidiary, joint venture & associates companies showed an decrease in profit of consolidated group by Rs.17.86 crores as compared to standalone results of OHPC limited on account of profit of intra-group transactions.

3. GENERATION

- i) Gross Energy Generation from various operational plants of the Units of the Company during F.Y. 2015-16 over the previous year is as under:- [Million Units (MU)]

Name of Power House	Generation Previous Year 2014-15(MU)	Generation Current Year 2015-16 (MU)	Excess / shortfall over previous year (MU)
HHEP, Burla	581.985	427.506	-154.479
CHEP, Chipilima	278.409	211.630	-66.779
RHEP, Rengali	735.358	583.391	-151.967
BHEP, Balimela	1269.190	578.003	-691.187
UKHEP, Upper Kolab	718.232	712.804	-5.428
UIHEP, Mukhiguda	2655.279	1509.987	-1145.292
Total (MU)	6238.454	4104.323	-2134.131

- ii) The Annual Plant Availability factor (APAF) achieved for different Hydro Power stations during this year and previous year are as under :-

(In percent)

Unit	Achievement 2014-15	Achievement 2015-16	Excess over previous year
HHEP, Burla	65.207%	79.249%	14.042%
CHEP, Chipilima	61.466%	75.033%	13.567%
RHEP, Rengali	85.000%	85.78%	0.780%
BHEP, Balimela	75.384%	74.579%	(-)0.805%
UKHEP, Upper Kolab	92.555%	92.48%	(-)0.075%
UIHEP, Mukhiguda	94.280%	95.99%	1.710%
Wt. PAF of OHPC Power Station	83.491%	85.955%	2.464%

- iii) The total Generation and weighted average PAF achieved by OHPC vis-à-vis MoU targets of OHPC for Financial Year 2015-16 is as under :-

Parameter	Achieved for 2015-16	MoU target (Excellent) for 2015-16	Excess over MoU target
Generation (MU)	4104	5411	(-)1307
PAF %	85.955%	80%	5.955%

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 Rs.26.19 crores for the FY 2015-16 and dividend tax will be Rs5.33 crores.

5. MACHKUND JOINT PROJECT

Machkund is a joint Project of the Govt of Odisha (Now under administrative control of OHPC) and Govt of Andhra Pradesh (Now under administrative control of APGENCO). The Odisha share of (30%) 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 in excess of 30% share are collected by OHPC from GRIDCO and paid to APGENCO separately. Therefore the Annual Accounts of OHPC do not reflect the financial results of this joint Project except receivable from GRIDCO and payable to APGENCO A/c.

6. PROJECT UNDER DPR STAGE

PFR prepared for three nos of Pumped Storage Plant i.e. Upper Indravati PSP, Upper Kolab PSP, Balimela PSP near the existing high head power stations of OHPC.

Salient Features	Upper Indravati	Upper Kolab	Balimela
Installed Capacity (MW)	600	320	400
Annual Energy Generation (5.5Hours) (MU)	918.97	506.60	653.80
Cost of project including IDC (Rs. in Cr.)	1600.50	946.14	1403.61
1st Year Tariff (Conversion cost) (Rs./kWh)	2.97	3.22	3.71
Levellized Tariff (Conversion cost) (Rs./kWh)	2.50	2.70	3.13
Lower reservoir (Live storage) (MCM)	5.00	4.00	5.00

Out of three PSPs, DPR is under preparation for Upper Indravati PSP (600MW) only.

7. COMMERCIAL PERFORMANCE

The tariff of OHPC power stations is fixed by OERC based on CERC (Terms and conditions of Tariff) Regulations, 2014 along with the corrective measures of the State Govt.

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

- (i) The Energy Department vide Notification No.5843 dtd.03.07.2015 has issued order for repayment of loan along with interest @7% for the entire amount of Rs.766.20 crs from 2015-16. However, the effect of loan repayment of Rs.766.20 crs. of old power stations in the tariff of OHPC has been kept aside by the Hon'ble commission in the tariff order for FY 2016-17.
- (ii) Interest on debt servicing of the State Govt loan for UIHEP has been acknowledged by OERC but repayment of interest will be made offer completion of the payment for this principal to avoid increase in tariff in the interest of the consumers of the State.
- (iii) Return on Equity (RoE) is not allowed in respect of the transferred assets of old power stations transferred to OHPC as on 01.04.1996. However, RoE is allowed on new assets added after 01.04.1996.
- (iv) Depreciation calculated at pre-1992 norms of GoI or actual amount required for repayment of loan whichever is higher is allowed by the Honbl'e Commission.

OHPC provides the cheapest power and meets the substantial 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 16 (sixteen) years.

8. CAPITAL STRUCTURE AND NET WORTH

Your Company's paid-up capital and net worth as on 31.03.2016 was Rs.638.65 Crores and 1217.62 Crores respectively.

9. 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. 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
OTPC (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 Kamakhyanager in the District of Dhenkanal. The Land acquisition and other statutory clearance works are under progress.
BWCCL (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.

Name of the Company	JV Partner(s) / Subsidiary	Details with present status
		<p>A JV Company namely Baitarni West Coal Company Ltd has been incorporated by the three allocates in April, 2008. After de-allocation of the Baitarni West Coal Block, the company is contemplating to apply for new Coal blocks under Government dispensation route. Regarding encashment of BG, the Hon'ble High Court of Orissa had passed an interim order in favour of BWCCCL.</p>
<p>GEDCOL (Green Energy Development Corporation of Odisha Ltd)</p>	<p>Wholly Owned Subsidiary of OHPC</p>	<p>State Nodal Agency for On Grid Solar 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> <p>20 MW Solar Project, Manamunda: GEDCOL was allotted 20 MW Solar Power Plant at Manmunda in Boudh district under Jawaharlal Nehru National Solar Mission (JNNSM), Phase-II, Batch-I. The project has been commissioned successfully during March' 2016 (15 MW) and June 2016 (5 MW).</p> <p>Rooftop Solar Project: MNRE has sanctioned 4 MW Solar Rooftop project on the non-residential Govt. buildings in twin city of Cuttack-Bhubaneswar through PPP mode. 199 nos. of buildings have been identified (126 in Bhubaneswar and 73 in Cuttack) for taking up Roof Top installations. In response to the Request for Proposal (RFP), M/s Azure Power India Pvt. Ltd. had quoted a project cost of Rs.8 Crores per MW and levelled tariff of Rs.5.69/kWh for 25 years. LOA has been placed on 09.06.2016 with M/s AZURE Power Ltd. The Project Implementation Agreement (PIA) was signed during July 2016. The project is scheduled to be completed by Sep. 2017.</p>

Name of the Company	JV Partner(s) / Subsidiary	Details with present status
		<p>Solar Park:</p> <p>GEDCOL is in the process of developing Solar Park(s) of 1000 MW capacity in a clustered manner constituting 100-200 MW capacity per Park/Project under the Ultra Mega Solar Power Park (UMSPP) Scheme of Govt. of India.</p> <p>DPR has been prepared for 1000 MW Solar Park Project by GEDCOL (through M/s PWC) and submitted to Ministry of New & Renewable Energy (MNRE) for approval.</p> <p>GEDCOL has requested Govt. of Odisha to provide Rs. 250 Cr. from Odisha Environment Management Fund Trust for alienation of Land in favour of GEDCOL through IDCO.</p> <p>World Bank has proposed to extend loan support (up to 50% of the Park development cost) for shared Solar infrastructure with an attractive interest rate under the 100 million USD funding support to MNRE.</p> <p>World Bank also suggested for engaging Consultants for Environment & Social Impact Analysis (ESIA) of the Project. World Bank is under the process of engaging consultants to assist GEDCOL to conduct the ESIA of the Project.</p> <p>In the 32nd ECI meeting under Chairmanship of the Chief Secretary held on 27.04.2016, it is approved that, IFC will be engaged as Transaction Advisor for the Solar Park project to be developed in a PPP mode.</p> <p>State Govt. is taking up with DEA, MoF, GoI for necessary concurrence in this regard. The matter is placed in the 64th Screening Committee of DEA on 30.08.2016 for decision.</p> <p>Technical evaluation and detail report for the balance 350 MW sites will be prepared by IFC.</p> <p>During the review of Chief Secretary on 23.07.2016, IDCO has been advised to identify</p>

Name of the Company	JV Partner(s) / Subsidiary	Details with present status
		<p>large patches of non-agricultural Govt. land preferably in the Districts of Kalahandi, Nuapada, Boudh, Bolangir, Sundargarh, Sambalpur, Deogarh, Bargarh & Sonapur, which will be studied further for selecting alternate sites for the Solar Park.</p>
		<p>Solar Projects in OPTCL Sub-station Premises: GEDCOL is under process to develop Solar Plants on the un-utilized lands available inside OPTCL Grid Sub-stations at Duburi, Baripada, Bolangir, Koraput & Rairangpur including OHPC Power House at Mukhiguda. DPR has been prepared by Gujarat Energy Research & Management Institute (GERMI) for 16.4 MW capacity at these sites. Preparation of Tender for selection of EPC contractor is under process.</p> <p>20 MW Solar Project by GEDCOL towards RPO of GRIDCO: As per requisition of GRIDCO, tender has been floated by GEDCOL for selection of Solar Power Developer for construction of 20 MW grid connected Solar Power Plant. The tender evaluation is being carried out at present and expected to be finalized shortly.</p> <p>Small Hydro Projects by GEDCOL: Detailed Project Report (DPR) has been prepared for 3 MW (2 X 1.5MW), Jambhira SHEP in Mayurbhanj District and 4.2 MW (2 X 2.1 MW), Kanupur SHEP in Keonjhar District and submitted to Engineer in Chief (Electricity) for execution of "Implementation Agreement." Pre-Feasibility Report (PFR) for 13 (thirteen) nos. SHEPs with approximate capacity of 168 MW have been prepared by GEDCOL. Out of these 13 SHEPs, GEDCOL has requested State Technical Committee (STC)</p>

Name of the Company	JV Partner(s) / Subsidiary	Details with present status						
		<p>for allotment of 4 nos. SHEPs namely, Kharag - I, II, IIA and III (Kandhamal District) of capacity 96 MW in favour of GEDCOL for development.</p> <p>The proposal to take up Salki - 1, 2 & 3 (Kandhamal District) projects for a capacity of about 36 MW will be submitted to STC for allotment.</p> <p>PFR for another SHEP namely, Garjan Khol (Angul District) of approx. 10 MW capacity is under preparation by M/s WAPCOS.</p> <p>GEDCOL and Steel Authority of India Limited, Rourkela have agreed to develop 15 MW, Mandira SHEP in Sundargarh District in Joint Venture mode. Preliminary survey has been completed by M/s MECON and site for installation of Power House has been finalized. DPR for the same is under preparation by M/s MECON.</p>						
<p>OCPL (Odisha Coal and Power Limited)</p>	<p>Odisha Power Generation Corporation Limited (OPGC).</p>	<p>The State Govt. of Odisha in the Department of Energy vide Letter dtd. 04.02.2015 approved the proposal of OPGC for formation of a Joint Venture Company between Odisha Power Generation Corporation (OPGC) and Odisha Hydro Power Corporation Ltd. (OHPC) with shareholding in the following ratio :</p> <table data-bbox="987 1457 1362 1542"> <tr> <td>OPGC</td> <td>:</td> <td>51%</td> </tr> <tr> <td>OHPC</td> <td>:</td> <td>49%</td> </tr> </table> <p>The Shareholders' Agreement have been executed between OPGC, OHPC & OCPL on 21.04.2016. The project implementation work is under progress.</p>	OPGC	:	51%	OHPC	:	49%
OPGC	:	51%						
OHPC	:	49%						

10. RENOVATION & MODERNISATION

The Unit #3 (24MW) of Chipilima Power House , Unit # 5 & #6 of (2x 37.5MW) of Hirakud Power House and Unit 1 to 6 (6x60MW) of Balimela Power House are more than 50 years,55 years and 40 years old respectively and outlived their useful life. Considering the urgent need for renovation and modernization for extension of life period with enhancement of efficiency and reliability of these

generating Units, International Competitive Bidding were invited for implementation of the R & M work. The tendering process for the Unit #3 of Chipilima Power House and Unit # 5 & #6 of Hirakud Power House has been completed and the LOA has been issued and contract agreement has been executed with the lowest Bidder M/s Voith Hydro India Ltd. Similarly LOA has been issued in favour of the lowest Bidder M/s BHEL for Unit 1 to 6 (6X60 MW) Balimela Power House. M/s WAPCOS has been appointed as the Project implementation Consultant for all the 3 R&MU projects.

11. HRD INITIATIVES

(a) Man Power

OHPC possess a highly motivated and competent human resource that has contributed its best to bring laurels and making the Company a gold rated PSU of the State.

The attrition rate of the OHPC executives (including Executive Trainees) during the year was very minimal. Meetings with Unions and Associations were conducted at Units and Corporate level regularly to sort out the grievances of the employees during the year.

(b) Training & Development

The Management provides continuous emphasis on development of this skill of its manpower through training. 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 being regularly sponsored for undertaking training conducted by reputed Govt. of India Institutes. Further in - house seminars and workshops are being organized for different categories of employees to keep them updated about the recent developments in the power sector.

(c) Industrial Relations

Industrial relations remain cordial and harmonious during the year.

12. SAFETY MANAGEMENT

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

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.

During 2015-16, 116 nos of applications were received under the RTI Act, out of which 109 applications (including pending applications received during previous year) were replied to, till 31.03.2016.

14. INFORMATION TECHNOLOGY AND COMMUNICATION

Your Company has implemented Video Conferencing (VC) facility; which is widely used for conferencing among all the Units. In order to improve upon efficiency and bringing transparency, OHPC has made it mandatory for publishing tenders on its website www.ohpcltd.com. 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- Tendering for works worth value more than Rs.5 Lakhs has been implemented.

OHPC has also taken initiative to implement an Enterprise Resource Planning (ERP) package covering maximum possible processes across the different domains of the organization. LOA of ERP has been issued in favour of the lowest Bidder M/s PWC, for providing consultancy services for implementation. 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 as per the norms prescribed by the Govt. of Odisha.

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

16. PR INITIATIVES

Achievements of your company are 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 State and National level. OHPC also participated in various sports activities like Power Sports, Power Cricket organized by OPTCL between different Power Utilities of the State.

17. SEXUAL HARASSMENT PREVENTION

OHPC has implemented the Sexual Harassment of Women at Workplace(Prevention,Prohibition and redressal) Act, 2013 in its entirety.

Summary of Sexual harassment issues raised, attended and dispensed during the year 2015-16:-

No of complaints received in 2015-16	-Nil-
No. of complaints disposed off	-Nil-
No. of cases pending for more than 90 days	-Nil-
No. of workshops or awareness programme against sexual harassment carried out	Two
Nature of action taken by the employer or District Officer	-Nil-

18. 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 2014-15 as per the MoU signed with DoE, Govt. of Odisha, PE Deptt, GoO has rated your company as "Excellent".

19. GOLD RATED PSU

Based on categorization parameters fixed by Public Enterprises Department of Govt. of Odisha, OHPC have been categorized as Gold rated PSU and powers are being delegated in selected 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 quality, environment and occupation health-cum-safety was launched successfully across the entire organization in the year 2014-15 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 by Govt. of Odisha from time to time for recruitment and promotion of employees. During the Departmental Promotion Committee meeting of Non - Executives and Executives up to the rank of E-3, representative of SC/ST Deptt. is being invited as a member.

22. FIXED DEPOSITS

During the year the Company has not accepted any fixed deposit within the meaning of Section 73 of Companies Act, 2013 and the rules made there under.

23. STATUTORY AND OTHER INFORMATIONS

The information required to be furnished as per the Companies Act, 1956/2013 of your Company, on the following matters is placed at respective annexures and form integral part of the Directors Report:-

- i) Information on Conservation of Energy, Technology Absorption and Foreign Exchange earnings and out go - Annexure-I.
- ii) Annual Report on CSR Activities - Annexure-II.
- iii) MGT-9 - Extract of Annual Return- Annexure-III.
- iv) Secretarial Audit Report-Annexure-IV.
- v) Management's Replies to the observations of Secretarial Auditor- Annexure-V.

24. RELATED PARTY TRANSACTIONS

All transactions entered with related parties for the year were in the ordinary course of business and on an arms' length basis. Further, there are no material related party transactions during the year with the Promoters, Directors or Key Managerial Personnel. The Company's related party transactions are made with its holding Company. All related party transactions are placed before the Audit Committee as also to the Board for approval.

25. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no such material weakness in the design or operation were observed. Further, the Management also strengthening the internal controls to the extent of Industry best standard.

26. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard (AS)-21 on Consolidated Financial Statements read with AS-23 on Accounting for investments in Associates and AS-27 on Financial Reporting of interest in Joint Ventures/Associates, the Audited Consolidated Financial Statements are provided in the Annual Report. Directors Report/Financial Statements in respect of wholly owned Subsidiary Company Green Energy Development Corporation of Odisha Limited (GEDCOL) are also included in this Annual Report.

27. BOARD OF DIRECTORS

As on 31st March 2016, the Board of your Company comprised of following Directors:-

SI No.	Name	Date of Appointment	Date of Cessation	Designation
1.	Sh Rajesh Verma, IAS (DIN :-01725746)	07.12.2015	-	CMD
2.	Sh S C Mahapatra ,IAS (DIN:- 00229586)	01. 09.2014	07.12.2015	CMD
3.	Sh Vijay Arora, IAS (DIN:-02658286)	10.07.2015	-	Director
4.	Sh Parag Gupta, IAS (DIN :- 02130316)	26.04.2014	10.07.2015	Director
5.	Sh Hemant Sharma, IAS (DIN:- 01296263)	02.08.2013	-	Director
6.	Sh D K Jena (DIN: 02902196)	09.08.2010	-	Director
7.	Sh. Rajesh Sharma, (DIN :- 03542705)	23.05.2011	-	Director (HRD)
8.	Sh S K Sahu (DIN:- 05297051)	31.05.2012	06.01.2016	Director (Finance)
9.	Sh S C Bhadra, (DIN:- 01896713)	09.07.2010	-	Director
10.	Sh R C Tripathy (DIN: 05322840)	07.09.2012	-	Director
11.	Sh S K Jena (DIN:-05169683)	07.09.2012	-	Director
12.	Mrs. Saveeta Mohanty, (DIN:-01854837)	14.07.2015	-	Woman Director
13.	Prof. D D Das (DIN:- 03157123)	09.07.2010	14.07.2015	Director

The Board of Directors places on record its deep appreciation of the valuable services rendered and guidance provided by Sh S C Mahapatra, IAS, Sh Parag Gupta, IAS, Sh S K Sahu & Prof. D. D. Das during their tenure as CMD and Directors of the Company respectively.

28. BOARD MEETINGS

The Board Meetings are held normally at Bhubaneswar. During the financial year 2015-16, total six nos. of Board Meetings were held.

29. DIRECTORS' RESPONSIBILITY STATEMENT

In compliance to Section 134 (3) (C) of the Companies Act, 2013, the Directors state that: -

- in the preparation of the annual accounts for the year ended March 31st 2016, the applicable Accounting Standards read with requirements set out under Schedule-III to the Act, have been followed along with proper explanation relating to material departures; if any; had been followed

- by the Company along with proper explanation relating to material departures in the Notes to Accounts and Accounting Policies;
- b) the Directors have selected such accounting policies and applied them consistently except as disclosed in the Notes on reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as at March 31, 2016 and of the profit of the Company for that period;
 - c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detection fraud and other irregularities.
 - d) the Directors have prepared the annual accounts on a going concern basis.
 - e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
 - f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. AUDIT COMMITTEE

As on 31st March, 2016, 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. 6(Six) meetings of the Audit Committee were held during the year 2015-16 for review of the accounts, report of the auditors, cost audit report and internal audit observations.

31. AUDITORS

M/s. Lal Dash & Co., Chartered Accountants, Bhubaneswar was appointed as the Statutory Auditors of the Company and 6 (six) Chartered Accountant firms were also appointed as Branch Auditors for the Hydro Power Stations by the C&AG for the year 2015-16. C&AG was requested to appoint only one Statutory Auditor from the Financial Year 2016-17. M/s. GNS & Associates have been appointed as only Statutory Auditor of OHPC for F.Y.2016-17 vide C&AG letter dtd.11.07.2016.

32. AUDITORS' REPORTS

The Report of the Statutory Auditors and Comments of the C&AG on the accounts of the Company for the Financial Year 2015-16 and the replies of the Management to the report/ comments of the Auditors on both stand alone and consolidated Financial Statements are enclosed to this report. No instance of fraud has been reported by the Auditors under Section 143(12) of the Companies Act, 2013.

33. COST AUDIT

In accordance with the Companies (Cost Records and Audit) Rules, 2014, notified by Ministry of Corporate Affairs on 30th June,2014 , the Cost Accounting Records are being maintained by all power stations of the Company. M/s Niran & Co , Cost Accountants, Bhubaneswar was appointed to conduct audit of Cost Accounting records of power stations for the financial year 2015-16 under Section 148 of the Companies Act,2013.

34. SECRETARIAL AUDITOR

The Board has appointed M/s Saroj Panda & Co, Practicing Company Secretaries, to conduct Secretarial Audit of the Company for the financial year 2015-16. The Secretarial Audit Report is placed at Annexure-IV. Reply of Management to the observations of Secretarial Auditor is placed at Annexure-V.

35. KEY MANAGERIAL PERSONNEL

During the year, in compliance with Section 203 of the Companies Act, 2013, following were designated as Key Managerial Personnel:

1. Shri Rajesh Verma, IAS, Chairman-cum-Managing Director.
2. Shri Rajesh Sharma, Director (HRD).
3. Sh S K Sahu, Director (Finance) up to 06.01.2016.
4. Sh P K Mohanty, Company Secretary.
5. Sh P P Sahu, SGM (Finance)-CFO.

36. 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.

37. DECLARATION OF INDEPENDENCE

Your Company has received declaration from all the independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedule and Rules issued there under.

38. GENERAL

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

1. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
2. There have been no Material Changes and Commitments subsequent to the date of Balance Sheet.

39. ACKNOWLEDGEMENTS

The Board of Directors acknowledges with deep appreciation of 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 and Secretarial Auditor 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 receive such support and co-operation in future as well.

FOR AND ON BEHALF OF THE BOARD

PRAVAKAR MOHANTY
DIRECTOR (FINANCE)
DIN:-01756900

HEMANT SHARMA, IAS
DIRECTOR
DIN:-01296263

Place : Bhubaneswar
Date : 28.10.2016

Annexure to Director's Report AOC-1

(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 Statement containing salient features of the financial statement of Subsidiaries / Associates Companies / Joint Ventures Part "A" : Subsidiaries)

In Rupees

Sl. No.	1			
Name of the Subsidiary	Green Energy Development Corporation of Odisha Limited			
Share Capital	50,32,00,000.00			
Reserves & Surplus	3,63,31,120.00			
Total Assets	1,96,20,03,652.00			
Total Liabilities	1,96,20,03,652.00			
Investments	-			
Turnover	49,25,682.00			
Profit Before Taxation	55,13,396.00			
Provision for Taxation	(16,99,98,309.00)			
Profit After Taxation	(16,44,84,913.00)			
Proposed Dividend	-			
% of Shareholding	100			
Part "B" : Associates and Joint Ventures		(In Rupees)		
Name of Associates / Joint Ventures	Odisha Thermal Power Corporation Limited	Baitarni West Coal Company Limited	Odisha Coal & Power Limited	
1. Latest Audited Balance Sheet Date	31-Mar-16	31-Mar-16	31-Mar-16	
2. Shares of Associate / Joint Ventures held by the Company on the year end				
No.	11,42,047.00	1,00,000.00	24,500.00	
Amount of Investment in Associates / Joint Venture	1,14,20,47,000.00	10,00,00,000.00	2,45,000.00	
Extend of Holding %	50%	33%	49%	
3. Description of how there is significant influence	Significant influence Over Share Capital	Significant influence Over Share Capital	Significant influence Over Share Capital	
4. Reason why the Associate / Joint Venture is not Consolidated	Consolidated	Consolidated	Consolidated	
5. Networth Attributable to Shareholding as per latest Audited Balance Sheet	2,21,01,67,748.00	29,87,68,964.00	(79,93,593.00)	
6. Profit / (Loss) for the year	(7,57,951.00)	(1,09,152.00)	(79,93,593.00)	
i. Considered in Consolidation	(3,78,975.50)	(36,384.00)	(39,16,861.00)	
ii. Not Considered in Consolidation	(3,78,975.50)	(72,768.00)	(40,76,732.00)	

Note : Odisha Thermal Power Corporation Limited, Baitarni West Coal Company Limited & Odisha Coal & Power Limited have not started commercial operation.

Significant Accounting Policy & Accompanying notes forming part of the financial statements

In terms of our report of even date attached

For LAL DASH & CO,

Chartered Accountants

B K Dash

Partner

M.No.052980

P K Mohanty

Company Secretary

P P Sahu

SGM(F) & CFO

B K Behera

Director (Finance) I/C

Rajesh Verma, IAS,

Chairman-cum-Managing Director

(DIN: 01725746)

Place : Bhubaneswar

Date : 26.08.2016

ANNEXURE-I

Annexure to Director's Report

**DISCLOSURE REQUIRED UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT 2013
READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 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 2015-16

(Rs. in lakhs)

		2015-16	2014-15
(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.	775.20	714.00
	(ii) Expenditure in foreign currency for foreign visits.	Nil	
	(iii) Expenditure incurred in foreign currency for payments of consultants.	-	Nil

Annexure to Director's Report**CORPORATE SOCIAL RESPONSIBILITY AT OHPC****1. Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs :****Introduction :**

The company has formulated a CSR policy in line with the provisions of Section 135 of the Companies Act, 2013 read with Schedule VII of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

Highlights of the Policy :

The CSR activities shall be undertaken by OHPC, as per its stated CSR Policy, as projects or programmes or Activities (either new or ongoing) excluding activities undertaken in pursuance of its normal course of business.

The CSR Policy inter alia include but not limited to a list of CSR projects or programmes which OHPC plans to undertake falling within the purview of the Schedule- VII of the Act, specifying modalities of execution of such project or programmes and implementation schedule for the same; and monitoring process of such projects or programmes.

CSR Activities do not include the activities undertaken in pursuance of normal course of business of OHPC. The Board of Director (BoD) of OHPC shall ensure that the surplus arising out of the CSR projects or programmes or activities shall not form part of the business profit of OHPC.

OHPC shall give preference to the local area and areas around where it operates, for spending the amount earmarked for CSR activities.

Programmes Covered under CSR :

The major focus area of CSR activities should be at locations in and around six power stations under the control of OHPC across the state of Odisha. However due consideration may be given to the peripheral developmental activities which OHPC has been carrying out for past several years provided such activities/programmes/schemes are covered under the Schedule-VII.

The CSR Policy of OHPC will prioritize its activities for the displaced families from the reservoir area & rehabilitated in those villages in & around BHEP, Balimela, UIHEP, Mukhiguda & UKHEP, Bariniput.

After identification of all such villages, the priority will be for imparting skill development training to the interested persons of the said villages & to implement deep bore well Scheme of Govt of Odisha. OHPC will make an endeavor to support various social sector spending by Govt of Odisha especially those covered under the items enlisted under Schedule-VII of the Companies Act, 2013 and Rules framed there-under read with subsequent amendments &/or clarifications, if any, which broadly include but not limited to the followings:-

- Supporting fees (tuition & hostel) of some needy SC/ST/SEBC candidates pursuing technical education through DTET, Odisha.

- Supporting efforts of Govt of Odisha for promoting Clean India Movement through OPEPA & Deptt of Education.
- Providing ambulance services to Health Administration of Govt of Odisha.
- Contribution towards old age home, orphanage and such organizations working in the field of uplifting differently abled persons.

2. The Composition of the CSR Committee :

At present, the composition of Committee of Directors on CSR is as under :

- | | | | |
|----|-------------------------|----------------------|----------|
| 1. | Shri Hemant Sharma, IAS | Director | Chairman |
| 2. | Shri S C Bhadra | Independent Director | Member |
| 3. | Shri Rajesh Sharma | Director (HRD) | Member |
| 4. | Shri B K Behera | Director (Finance) | Member |

3. Average net profit before tax of the Company for last three financial years :

The details of net profit before tax for last 3 financial years for the purpose of computation of CSR Budget as per Section 198 of Companies Act, 2013 are as under:

Sl. No	Financial Year	Net Profit before Tax (In Rs.)	Average Net Profit before tax (In Rs.)
1	2012-13	58,92,32,443	38,91,09,000
2	2013-14	11,12,80,449	
3	2014-15	46,68,14,108	

4. Prescribed CSR Expenditure in FY 2015-16 (two percent of the amount as in item 3 above) : Rs.77,82,000/- (2% of average net profit for past 3 years).
5. Details of CSR spent during the Financial Year :
- (a) Total amount to be spent for the Financial Year: Rs.77,82,000/-
- (b) Amount unspent, if any : Rs.47,44,041/-
- (c) Manner in which the amount spent during the Financial Year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs-wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or Program (2) Over-heads :	Cumulative-expenditure up to the reporting period	Amount spent Direct or through implementing agency
1.	Contribution of Balance amount for purchase of 2 nos. of 60 seated Motor Launches at Balimela Reservoir	-	Balimela, Dist-Malkangiri	Rs.84,320/-		Rs.84,320/-	Rs. 84,320/-

2.	Lighting of Chiplima & Kardola Village		Chiplima & Kardola, Dist-Sambalpur	Rs. 3,68,550/-	Rs.4,52,870		Rs. 3,68,550/-
3.	Peripheral development in Kalahandi		Dist-Kalahandi			Rs.30,37,959	Rs.25,85,089/-
4.	Catchment Area Treatment Plan	OFSDP	UIHEP & UKHEP	Rs.53 Lakhs			
5.	Additional requirement of Funds for procurement of 1 no. of Power Boat for Alguni Dyke Ghat in Nabarangpur		UIHEP	Rs.27 Lakhs			
			TOTAL	Rs.84,52,870			Rs.30,37,959

6. The Company could not achieve the required percentage of expenditure in CSR activities due to the following reason:

In the previous year i.e. 2014-15, the amount released to OFSDP towards Catchment Area Treatment Plan in UIHEP & UKHEP was recorded as expenditure towards CSR activity. However, during the FY 2015-16, the expenditure of Rs.53.00 Lakhs incurred towards CATP has been approved by Honbl'e OERC in the ARR of OHPC. As such, although the amount was spent, it could not be booked under CSR.

Similarly, though the amount of Rs.27.00 Lakhs was paid to the District administration for the Additional requirement of Funds for procurement of 1 no. of Power Boat for Alguni Dyke Ghat in Nabarangpur, the amount could not be booked as expenditure under CSR due to non-receipt of Utilization Certificate from the authority.

7. Responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company: Implementation and monitoring of CSR Policy, is in compliance with CSR objectives under the Companies Act, 2013.

FOR AND ON BEHALF OF THE BOARD

PRAVAKAR MOHANTY
DIRECTOR (FINANCE)
DIN:-01756900

HEMANT SHARMA, IAS
Director & Chairman
Committee of Directors on CSR
DIN: 01296263

Place : Bhubaneswar
Date : 28.10.2016

ANNEXURE -III

Annexure to Director's Report

FORM No.MGT-9

EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31st March, 2016

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

I. REGISTRATION AND OTHER DETAILS

i)	CIN	U40101OR1995SGC003963
ii)	Registration Date	21st April,1995
iii)	Name of the Company	Odisha Hydro Power Corporation Ltd.
iv)	Category / Sub-Category of the Company	Public Company / Government Company
v)	Address of the Registered Office and contact details	Vani Vihar Chhak, Janpath, Bhoi Nagar, Bhubaneswar -751022
vi)	Whether listed Company Yes/No	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be Stated:-

Sl No.	Name and Description of main products /services	NIC Code of the Product /service *	% to total turnover of the Company**
1.	Energy (Hydro Power) Electric Power Generation by Hydro Electric Power Plants.	35101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES.

Sr. No.	Name of the Company	Address	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held by the Company/ Subsidiary/ Associate Company	Applicable
1.	Odisha Thermal Power Corporation Ltd. (OTPC)	3rd Floor, Setu Bhawan, Nayapalli, Plot No.3-D of Orissa Bridge Corporation Ltd., Bhubaneswar-751012	U40102OR2007SGC009145	Joint Venture	50%	2 (6)



2.	Baitarani West Coal Company Ltd. (BWCCCL)	3rd Floor, Setu Bhawan, Nayapalli, Plot No.3-D of Orissa Bridge Corporation Ltd. Bhubaneswar-751012	U40102OR2008SGC009955	Joint Venture	33.33%	2(6)
3.	Green Energy Development Corporation of Odisha Ltd. (GEDCOL)	OHPC Corporate Office, Vani Vihar Chhak, Janpath, Bhoi Nagar, Bhubaneswar -751022.	U40102OR2013SGC016747	A wholly owned subsidiary	100%	2(87)
4.	Odisha Coal and Power Ltd., (OCPL)	Zone-A, Ground Floor, Fortune Towers, Bhubaneswar-751023.	U10100OR2015SGC018623	Joint Venture	49%	2(6)

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

i) Category-wise Share Holding

Category of Members	No. of Shares held at the beginning of the year (As on 01.04.2015)				No. of Shares held at the end of the year (As on 31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
g) Individual (Nominee)	0	6	6	0.0001	0	6	6	0.0001	0.00
h) Central Govt									
i) State Govt(s)	0	3398001	3398001	99.99	0	6386501	6386501	99.99	
j) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
k) Banks /FI	0	0	0	0	0	0	0	0	0.00
l) Others	0	0	0	0	0	0	0	0	0.00
Sub-Totals (A) (1):	0	3398007	3398007	100.00	0	6386507	6386507	100.00	0.00
(2) Foreign									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0	0.00
e) Others	0	0	0	0.00	0	0	0	0	0.00
Sub-total (A) (2) :-	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of promoter (A) = (A)(1)+(A)(2)	0	3398007	3398007	100.00	0	6386507	6386507	100.00	0.00
B. Public Shareholding	0	0	0	0	0	0	0	0	0.00
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FII's	0	0	0	0.00	0	0	0	0.00	0.00

h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (1):-	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
a) Bodies Corporate.	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
a) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
b) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total public shareholding (B) = (B) (1)+(B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
C. Shares held by custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	0	3398007	3398007	100.00	0	6386507	6386507	100.00	0.00

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2015)			Share holding at the end of the year (As on 31.03.2016)			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1.	Governor of Odisha along with 6 nominees.	3398007	100.00	0	6386507	100.00	0	Nil
	Total	3398007	100.00	0	6386507	100.00	0	Nil

iii) Change in Promoters' Shareholding (please specify, if there is no change) -No change.

Sl No.		Shareholding at the beginning of the year (As on 01.04.2015)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	3398007	100.00	3398007	100.00
	Shares allotted on 29.07.2015	2988500	-	2988500	100.00
	At the end of the year (As on 31.03.2016)	6386507	100.00	6386507	100.00

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

Sl No.	For each of the top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	0	0	0	0
	Date wise increase/ decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/ bonus/sweat equity etc) :	0	0	0	0
	At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding		Date	Increase/ Decrease Shareholding	Reason	Cumulative / Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the Beginning (01.04.2015)/ end of the year (31.03.2016)	% of total Shares of the Company				Share	% of total shares of the Company
A.	DIRECTORS							
1.	Sh S C Mahapata , CMD	1	.000031	01.04.2015			1	.000031
		0	0	19.01.2016	-1	Transfer	0	0
		0	0	31.03.2016			0	0
2.	Sh Rajesh Verma, IAS, CMD	0	0	01.04.2015	0		0	0
				19.01.2016	1	Transfer	1	.000029
		1	.000029	31.03.2016			1	.000029
3.	Sh Parag Gupta , IAS Govt. Nominee Director	1	.000031	01.04.2015			0	.000031
		0	0	20.08.2015	-1	Transfer	0	0
		0	0	31.03.2016			0	0
4.	Sh Vijay Arora, IAS Govt. Nominee Director	0	0	01.04.2015	0		0	0
				20.08.2015	1	Transfer	1	.000029
		1	.000029	31.03.2016			1	.000029
5.	Sh D K Jena, Govt. Nominee	1	.000031	01.04.2015			1	.000031
		1	.000029	31.03.2016			1	.000029
6.	Sh S K Sahu, Ex-Director (F)	1	.000031	01.04.2015			1	.000031
		1	.000029	31.03.2016			1	.000029
7.	Sh Rajesh Sharma, Ex-Director (HRD)	1	0	01.04.2015	0		0	0
		1	.000029	31.03.2016			1	.000029

8.	Sh R C Tripathy, Ind. Director	Nil	Nil		Nil	Nil	Nil	
9.	Sh S K Jena, Ind. Director	Nil	Nil		Nil	Nil	Nil	
10.	Sh S C Bhadra, Ind. Director	Nil	Nil		Nil	Nil	Nil	
11.	Sh Hemant Sharma, IAS, Director	Nil	Nil		Nil	Nil	Nil	
12.	Mrs. Saveeta Mohanty	Nil	Nil		Nil	Nil	Nil	
B.	KEY MANAGERIAL PERSONNEL							
1.	Sh P. K Mohanty, Company Secretary	Nil	Nil		Nil	Nil	Nil	
2.	Sh P P Sahu, CFO	Nil	Nil		Nil	Nil	Nil	

V) INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans (in Rs.)	Deposit	Total Indebtedness (in Rs.)
Indebtedness at the beginning of the Financial Year				
(i) Principal amount		13,17,14,52,097		13,17,14,52,097
(ii) Interest due but not paid		3,29,24,99,700		3,29,24,99,700
(iii) Interest accrued but not due		60,99,488		60,99,488
Total (i+ii+iii)		16,47,00,51,285		16,47,00,51,285
Change in Indebtedness during the Financial Year				
Addition		79,63,68,300		79,63,68,300
Reduction		49,54,98,661		49,54,98,661
Net Change		30,08,69,639		30,08,69,639
Indebtedness at the end of the Financial Year				
Principal amount		12,67,94,82,027		12,67,94,82,027
Interest due but not paid		4,08,88,68,000		4,08,88,68,000
Interest accrued but not due		25,70,897		25,70,897
Total (i+ii+iii)		16,77,09,20,924		16,77,09,20,924

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

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

Sl.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount (in Rs.)
		Rajesh Sharma, Director (HRD)	S. K Sahu, Director (F)	-	-	
1.	Gross salary	14,16,583	17,79,070	-	-	31,95,653/-

	(a) Salary as per provision contained in section 17(1) of the Income Tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income Tax Act,1961	46,910	Nil			46,910
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	NIL	NIL	-	-	
2.	Stock Option	NIL	NIL	-	-	
3.	Sweat Equity	NIL	NIL	-	-	
4.	Commission - As % of profit - Other s, specify.....	NIL	NIL	-	-	
5.	Others, please specify					
	Total (A)	14,63,493	17,79,070			32,42,563
	Ceiling as per the Act	Not applicable being a Govt. Company (Ministry of Corporate Affairs notification dated 05.06.2015)				

Note: Sh Rajesh Verma, IAS, Principal Secretary, Department of Energy Govt. of Odisha is Chairman-cum-Managing Director w.e.f. 07.12.2015 and Sh S C Mahapatra, IAS, Ex Principal Secretary, Department of Energy, Govt of Odisha was CMD of OHPC up to 07.12.2015.

B. Remuneration to other Directors

Sl No.	Particulars of Remuneration	Sh S C Bhadra	Sh S K Jena	Sh R C Tripathy	Mrs. S. Mohanty			
1.	Independent Directors							
	Fee for attending Board Committee Meetings	1,92,000/-	2,40,000/-	1,44,000/-	40,000/-			
	Commission	Nil	Nil	Nil	Nil			
	Others, please specify & conveyance	18,750/-	23,250/-	12,750/-	1500/-			
2.	Total (1)	2,10,750/-	2,63,250/-	1,56,750/-	41,500/-			
3.	Other Non- Executive Directors	-	-	-	-	Sh Vijay Arora, IAS	Sh Hemant Sharma, IAS	Sh D K Jena
4.	Fee for attending Board Committee Meetings	-	-	-	-	Nil	Nil	Nil
	Commission	-	-	-	-	Nil	Nil	Nil
	Others, please specify	-	-	-	-	Nil	Nil	Nil
5.	Total (2)		Nil	Nil	Nil			
6.	Total (B) = (1+2)	2,10,750	2,63,250	1,56,750	41,500	0	0	0
7.	Total Managerial Remuneration							
8.	Overall Ceiling as per the Ac	NA						

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

Sl No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	Total
		Amount (in Rs.)	Amount (in Rs.)
1.	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	12,63,933	12,63,933
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	Nil	-
2.	Stock Option	Nil	-
3.	Sweat Equity	Nil	-
4.	Commission	Nil	-
	- As % of profit		
	-others, specify....		
5.	Others, please specify	-	
	Total	12,63,933	12,63,933

*The post of CFO is Sh P.P Sahu, SGM(Finance) appointed as CFO w.e.f. 29.03.2016.

D. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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



SAROJ PANDA & CO
COMPANY SECRETARIES

ANNEXURE -IV
Saroj K.Panda, M Com, LLB, FCS
2nd Floor, Biswal Commercial Complex
Cuttack Road, Bhubaneswar-751006
Ph No.: 0674-2314500, E-mail : saroj66@yahoo.co.in

Form No. MR-3.

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ODISHA HYDRO POWER CORPORATION LIMITED
(CIN NO. U40101OR1995SGC003963)
VANI VIHAR CHHAK, JANPATH, BHOI NAGAR
BHUBANESWAR-751022

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ODISHA HYDRO POWER CORPORATION LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2016 ("Audit Report") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (Not Applicable to the Company during the Audit Period).
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; (Not Applicable to the Company during the Audit Period).
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable to the Company during the Audit Period).
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- (Not Applicable to the Company during the Audit Period).

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable to the Company during the Audit Period).
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (Not Applicable to the Company during the Audit Period).
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the Company during the Audit Period)
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company during the Audit Period).
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period).
- (f) The Securities and Exchange Board of India (Registrars to and Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable to the Company during the Audit Period).
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period).
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period).
- (vi) Other laws as may be applicable specifically to the company:
 - 1. Indian Electricity Act, 2003
 - 2. Environmental (Protection) Act, 1986
 - 3. Income Tax Act, 1961
 - 4. Wealth Tax Act, 1948
 - 5. Service Tax Act, 1994
 - 6. The Orissa Entry Tax Act, 1999
 - 7. The Central Sales Tax Act, 1956
 - 8. The Orissa Value Added Tax Act, 2004
 - 9. The Indian Stamp Act, 1889
 - 10. Right to Information Act, 2005
 - 11. The Industrial and Labour Laws consisting of
 - a) Contract Labour (Regulation and Abolition) Act, 1970
 - b) The Minimum Wages Act, 1948
 - c) Payment of Wages Act, 1936
 - d) Maternity Benefit Act, 1961
 - e) Sexual Harassment of Women at work places (Prevention, Prohibition and Redressal)

Act,2013

- f) The Orissa Shop and Establishment Act, 1956
- g) Employees Provident Fund and Misc. Prov. Act, 1952
- h) Payment of Gratuity Act, 1972
- i) The Employees State Insurance Corporation Act, 1948
- j) The payment of Bonus Act, 1965
- k) The Industrial Dispute Act, 1947

We have also examined compliance with the applicable clauses of the following:

- (i) The Company has complied the Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s); (Not Applicable to the Company during the Audit Period)

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The Company has not filed AOC- 4 CFS for filing of consolidated financial statement during the period under review.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

- (i) The Company has issued 29,88,500 Equity shares of Rs 1000/- each, during the year under the provisions of Section 62 of the Companies Act 2013 on 29.07.2015.
- (ii) The Company has invested Rs 43,00,000/- in the shares of Green Energy Development Corp. of Odisha Ltd. (Subsidiary Company) by way of subscribing of 4,300 Equity shares of Rs 1000/- each for cash at par .

Place : Bhubaneswar
Date : 26/08/2016

Name of Company Secretary in practice/Firm : **CS SAROJ KUMAR PANDA
SAROJ PANDA & CO**
FCS No. F 5071
C P No.: 3699



Payment of Dividend Cheque by the Hon'ble Minister, Energy on behalf of OHPC to the Hon'ble Chief Minister, Odisha for the Financial Year 2015-16.



Celebration of 21st Foundation Day of OHPC on 21st April, 2016.

Annexure to Director’s Report

REPLIES OF THE MANAGEMENT ON THE OBSERVATIONS OF SECRETARIAL AUDITOR

Sl No.	Observations of the Secretarial Auditor	Replies of the management
1.	The Company has not filed AOC-4 CFS for filing of consolidated Financial Statement during the period under review.	The Annual General Meeting (AGM) of the Company for the F.Y. 2014-15 was held on 29.09.2015 in which the Financial Statements including the consolidated Financial Statement of the Company was adopted. The Company e-filed AOC-4 for both Standalone and Consolidated Financial Statement on 30.09.2015 vide SRN Q58667569. On the said date of e-filing, there was no separate AOC-4 CFS was available in the official website of MCA for filing consolidated Financial Statements separately. MCA has approved the same on 16.10.2015 AOC-4 for CFS was available for filing after October, 2015 onwards.



Signing of MoU for financial year 2016-17 between OHPC and Department of Energy.

ANNEXURE -VI

Annexure to Director's Report

Comments of the Comptroller and Auditor General of India under section 143(6)(b) of the Companies Act, 2013 on the Financial statements of Odisha Hydro Power Corporation Limited for the year ended 31st March, 2016.

The preparation of financial statements of Odisha Hydro Power Corporation Limited for the year ended 31st March, 2016 in accordance with financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated: 26 August, 2016.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of Odisha Hydro Power Corporation Limited for the year ended 31 March 2016. This supplementary audit has been carried out independently without access to the working paper of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matter under section 143(6)(b) of the Act, which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statement and the related Audit Report.

SI No.	Comments of C&AG of India	Replies of the management
(A)	<p>Comments of profitability: Statement of Profit and Loss Expenses Employee benefits expenses (note26): Rs. 163.24 crore</p>	
1.	<p>The above is understated by Rs. 13.16 crore due to short accounting of pension expenses accrued as per Actuarial Valuation Report. This has also resulted in overstatement of 'profit for the year', 'reserve & surplus' by Rs. 13.16 crore each with corresponding understatement of non-Current liabilities to the same extent.</p>	<p>The liability towards pension is accounted for being the difference between the closing & opening pension liability as valued by the actuary each year which has been followed by OHPC consistently from inception. Accordingly the current liability towards pension amounting to Rs.32.55 Crs. has been charged to P & L A/c. However steps are being taken to reconcile the figures and take appropriate accounting action in the subsequent year.</p>
(B)	<p>Comments on Financial Position Balance Sheet</p>	

2.	<p>Assets Non-Current Tangible Asset (Note-11): Rs. 972.93 crore The above is overstated by Rs. 6.21 crore due to accounting of revenue expenditure incurred for replacement of governor and turbine control and relay panels and protection Equipments etc for capital maintenance of unit 1 of Hirakud Hydro Electrical Project (HHEP) as capital expenditure. This has also resulted in understatement of expenditure (Repair and Maintenance) and overstatement of profit by Rs. 6.21 crore each.</p>	Noted.
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For and On behalf of
the Comptroller and Auditor General of India

For and On behalf of the Board of Directors

Sd/-
(DEVIKA NAYAR)
PRINCIPAL ACCOUNTANT
GENERAL

PRAVAKAR MOHANTY
DIRECTOR (FINANCE)
DIN: 01756900

HEMANT SHARMA, IAS
DIRECTOR
DIN: 01296263

Place : Bhubaneswar
Date : 28.10.2016

Annexure to Director's Report

Comments of the Comptroller and Auditor General of India under section 143(6)(b) of the Companies Act, 2013 on the Consolidated Financial Statement of Odisha Hydro Power Corporation Limited for the year ended 31st March, 2016.

The preparation of Consolidated Financial Statements of Odisha Hydro Power Corporation Limited for the year ended 31st March 2016 in accordance with financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with 129(4) of the Companies Act, is responsible for expressing opinion on the financial statements under Section 143 read with 129(4) of the Act, based on independent audit in accordance with the Standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated: 26 August 2016.

I, on behalf of the Comptroller and Audit General of India have conducted a supplementary audit under Section 143(6)(a) read with 129(4) of the Act of the Consolidated Financial Statements of Odisha Hydro Power Corporation Limited for the year ended 31 March 2016. We conducted a supplementary audit of the financial statement of Green Energy Development Corporation of Odisha Limited, Odisha Thermal Power Corporation Limited, Baitarani West Coal Company Limited and Odisha Coal and Power Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working paper of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matter under section 143(6)(b) read with 129(4) of the Act, which have come to my attention and which in my view are necessary for enabling a better understanding of the Consolidated Financial Statements and the related Audit Report.

Sl No.	Comments of C&AG of India	Replies of the management
(A)	<p>Comments on Financial Position Balance Sheet (CFS) Fixed Assets Other Non-Current assets (Note-16): Rs. 35.20 cr.</p>	
1.	<p>The above is overstated by Rs. 6.84 crore due to capitalization of expenses relating to Baitarani West Coal Block incurred up to 2012-13 for purchase of Geological Report, consultations charges, washability test report and preparation of mining plan etc. Since the Baitarani West Coal Block had already been de-allocated in December 2012 and subsequent payment in that regard have been charged to statement of profit and loss, the above expenses should also have been charged to statement of profit and loss. This has resulted in understatement of expenditure and loss by Rs. 6.84 crore for the year by the same amount.</p>	<p>The company has capitalised the expenses relating to Baitarani West Coal Block for purchase of Geological Report, Consultant Charges, Washability Test Report and preparation of mining plan etc. and booked under net pre-operative expenses upto the financial year 2012-13 under the head non-current assets in the Balance Sheet. The coal block was de-allocated by Ministry of Coal in December, 2012 against which the company has moved Hon'ble High Court of Orissa and obtained interim order dtd.19.03.2013 with a direction that "The Bank Guarantee furnished by the Company may not be encashed and the coal block allocated may not be allocated to any third party without leave of this</p>

		<p>court".</p> <p>The Ministry of Coal, Govt. of India vide its order No.F. No.110/1/2014/NA(Part) dtd.22nd September, 2015 asked to submit some informations / documents to carry out the valuation / computation of compensation payable to prior allottee / preparation of mine dossier under provisions of Section 8 & 16 of Coal Mines (Special Provisions) Act, 2015. In response to above orders of the Ministry of Coal, the company has submitted the informations / documents for computation of claims to be released which is awaiting for disposal at their end. Thus, taking the realizable nature of the expenditure, the above amount Rs.6.84 Crores being 33.33% of Rs. 20.72 Crores is shown as net pre-operative expenses under Non-Current Assets in the Balance Sheet which shall be squared-up on realization of funds rather than booking the same under expenditure / loss.</p>
<p>(B)</p> <p>2.</p>	<p>Comments on Disclosure: Significant Accounting Policies followed by Group Para-10 (Depreciation).</p> <p>The company in its significant accounting policy stated that the depreciation was charged as per Part B of schedule II of companies Act 2013. However, the company has provided depreciation at the rate prescribed by Electricity Act. Thus, the disclosure was deficient to the extent of its clarity.</p>	<p>Part-B of Schedule-II of Companies Act, 2013 states that the useful life or residual value of any specific assets, as notified for accounting purposes by a Regulatory Authority constituted under an Act or Parliament or by the Central Government shall be applied in calculating the depreciation to be provided for such asset irrespective of the requirements of this Schedule. Accordingly, OHPC charged depreciation in accounts from the Financial year 2014-15 onwards and disclosed in its accounting policy.</p>

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

For and On behalf of the Board of Directors

Sd/-
(DEVIKA NAYAR)
PRINCIPAL ACCOUNTANT
GENERAL

PRAVAKAR MOHANTY
DIRECTOR (FINANCE)
DIN: 01756900

HEMANT SHARMA, IAS
DIRECTOR
DIN: 01296263

Place : Bhubaneswar
Date : 28.10.2016

Annexure to Director's Report

Replies of the Management on the Observations of the Statutory Auditors

Sl No.	Observation of the Statutory Auditors	Replies of the management
(A)	Basis for Qualified Opinion	
1.	The Company has not ascertained the provision required to be made on account of impairment of fixed assets as per Accounting Standard 28 even though the Company is having clear case of impaired assets i.e. CWIP of Potteru Project amounting to Rs. 22.95 crore (Previous Year Rs.23.03 crore), Sindol Project amounting to Rs. 0.29 crore & Building WIP including office & staff quarter amounting to Rs. 0.23 crore.	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.
2.	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 2014-15.	The reconciliation of Rs.11.94 crores between GRIDCO & OHPC is under process, the effect of which shall be given in the subsequent years.
3.	Sundry Debtors on account of receivable from the CSPDCL is overstated & Profit & Loss Account is overstated to the tune of Rs. 1.77 crore due to non-provision against bad & doubtful debts as the same has not been accepted by the CSPDCL.	CSPDCL has no where mentioned regarding non-acceptance of outstanding dues of Rs. 1.77 crores. The outstanding dues of Rs. 1.77 crores mainly relates to the audited Cost of Generation claimed by OHPC and the respective years of OERC rate (paid by CSPDCL). This is purely on provisional basis. In a meeting dtd. 28.10.2014 at CSPDCL office, it is provisionally agreed by both OHPC & CSPDCL that OHPC shall file application before Hon'ble OERC for fixation of tariff for sale of energy to CSPDCL from the FY 2006-07 to 2014-15 which is under process. The final revised bill shall be raised only after fixation of final tariff by OERC and any difference found thereafter shall be reversed in the year of raising final invoice in favour of

		CSPDCL. So provision of Bad & doubt full debt at present is not required.
4.	Short Term Provision is understated & Accumulated Profit is overstated to the extent of non-provision of liabilities on account of pension fund & leave encashment fund (figures not ascertained) relating to deputed employees.	As a matter of accounting principle followed by OHPC, the pension and leave salary contribution in respect of deputed employees are accounted for consistently on cash basis i.e. in the year of payment based on the demands raised by A.G. Odisha.
5.	The Company has disclosed in its accounting policy that inventory is valued at cost. As per Accounting Standard 2, inventory needs to be valued at Cost or Net realisable Value whichever is lower. The store/inventory auditors have also reported redundant/obsolete store items lying with the unit. However, the same was not quantified.	The inventories of stores, spares and consumables are utilized in power house for maintenance of the machine. These inventories are not meant for sale. Therefore, the market value / net realizable value is not required. Accordingly, the same is booked as per the cost price. The policy under note -1 Para-7 is disclosed correctly which has been shown consistently since inception of OHPC.
6.	The amounts shown under trade receivables, trade payables, Loans & Advances and Current Liabilities as on 31st March, 2016 have not been confirmed by the parties.	OHPC already issued the various letter to make 3rd party confirmation on trade receivable, payable loan & advances and current liability as on 31.03.2016. However, OHPC not received major confirmation from 3rd party.
7.	The terminal benefit of employees deputed to Machhkund has been wrongly taken as expenses of the Company which resulted in understatement of profit, receivable from GRIDCO and overstatement of payable to APGENCO. The amount could not be provided by the Management.	Noted.
8.	The provision for Taxation and Deferred Tax Liability has been made by considering Unutilised Leave Salary to be paid during the month of September, 2016 which results in understatement of provision for Taxation and overstatement of Deferred Tax Liability to the extent of Rs 0.18 crore.	As per the Income Tax Act, the expenses relating to unutilised leave salary is allowed if it is paid before due date of filling the return. OHPC has considered the actual payment made to employees towards unutilised leave salary till 30.09.2016 while calculating the income tax provisions and deferred tax liability. So there is no understatement of provision for taxation and overstatement of deferred tax liability to the extent of Rs.0.18 Crs.

9. The expenditure incurred under Corporate Social Responsibility has not been disallowed for the Computation of Income Tax which results in understatement of provision for Income Tax and overstatement of profit to the extent of Rs. 0.10 crores.

OHPC incurred the expenditure under CSR activities as per the requirement of Companies Act 2013 and shown as allowed expenditure while filling the Income Tax return which has been followed consistently by OHPC.

10. As per Para 17 of Accounting Standard 13, the long term investments are usually carried at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline. Indicators of the value of an investment are obtained by reference to its market value, the investee's assets, results and expected cash flows from the investment and the type and extent of the investor's stake in the investee are also taken into account. The Company has invested in the following joint ventures and associate company which have substantial accumulated losses as on 31.03.2016. The company has neither assessed nor provided for the diminution in the value of investments as on 31.03.2016.

As per Accounting Standard 13, the only permanent decline of investment made in joint ventures, associates and subsidiary will be recognised into the profit & loss accounts of parent company by considering above investment as long term purpose. In case of OHPC, the joint ventures, associates and subsidiary company is on implementing stage and the losses incurred by group company is temporary in nature. So, it may not be required to recognise the losses incurred by joint venture, subsidiary and associates in OHPC Account.

Name of the Company	Type of Venture	Share in Venture	Accumulated Loss as on 31.03.2016 (Amount in crores)	Share of Loss borne by OHPC (Amount in crores)
BWCCL	Joint Venture	33 %	0.12	0.04
OTPCL	Joint Venture	50 %	7.39	3.70
OCPL	Associate	49%	0.80	0.44
Total			8.31	4.18

(B) EMPHASIS OF MATTER

a. The disclosure requirement as per Accounting Standard 15 for Employees Benefit has not been disclosed by the Company in the Notes to the accounts.

Noted.

b. The Company has not made age wise analysis of Other Long Term Liabilities for amounting to Rs. 21.56 crore as on 31st March, 2016.

Detailed analysis & reconciliation of the liabilities outstanding since long are under process through in-house / professional agencies

The Other Long Term Liabilities includes Rs. 13.32 crore as detailed below continuing since long & also subject to reconciliations & confirmations from respective parties.

Name of the Unit	Head of Account	Amount (Rs. in Crores)
BHEP	Creditor for Raw materials	0.12
	Liabilities for Others	5.18
HHEP	Employees Liabilities	0.50
UIHEP	Retention Money	3.38
	SD from Contractor & Suppliers	2.54
CHEP	Sundry Creditor for Raw Materials	1.48
	Sundry Creditor for Works	0.12
UKHEP	Liabilities for Others	0.49
Total		13.32

and shall be accounted for after such liabilities are identified.

c. Other Current Liabilities includes of Rs. 7.43 crore as detailed below, continuing since long & also subject to reconciliations & confirmations

Name of the Unit	Head of Account	Amount (Rs. in Crores)
UIHEP	Liability to others	6.45
	Provision for others	0.98
Total		7.43

UIHEP, Khatiguda has already appointed a firm of Chartered Accountant vide Order No. 386 dtd. 04.05.2013 for analysis & reconciliation of current liabilities outstanding since long. The same shall be accounted for after reconciliation.

For LAL DASH & CO.,
CHARTERED ACCOUNTANTS

For and On behalf of the Board of Directors

Sd/-
(B K DASH)
PARTNER
M.No.052980

PRAVAKAR MOHANTY
DIRECTOR (FINANCE)
DIN: 01756900

HEMANT SHARMA, IAS
DIRECTOR
DIN: 01296263

Place : Bhubaneswar
Date : 28.10.2016

Annexure to Director's Report

Replies of the Management on the Observations of the Statutory Auditors (CFS)

Sl No.	Observation of the Statutory Auditors	Replies of the management
(A)	Basis for Qualified Opinion	
1.a	On the account of Holding Company audited by us, 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 2014-15.	The reconciliation of Rs. 11.94 crores between GRIDCO & OHPC is under process, the effect of which shall be given in the subsequent years.
b.	The Company has not ascertained the provision required to be made on account of impairment of fixed assets as per Accounting Standard 28 even though the Company is having clear case of impaired assets i.e. CWIP of Potteru Project amounting to Rs. 22.95 crore (Previous Year Rs. 23.03 crore), Sindol Project amounting to Rs. 0.29 crore & Building WIP including office & staff quarter amounting to Rs. 0.23 crore.	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.
c.	Sundry Debtors on account of receivable from the CSPDCL is overstated & Profit & Loss Account is overstated to the tune of Rs. 1.77 crore due to non-provision against bad & doubtful debts as the same has not been accepted by the CSPDCL.	CSPDCL has no where mentioned regarding non-acceptance of outstanding dues of Rs. 1.77 crores. The outstanding dues of Rs. 1.77 crores mainly relates to the audited Cost of Generation claimed by OHPC and the respective years of OERC rate (paid by CSPDCL). This is purely on provisional basis. In a meeting dtd. 28.10.2014 at CSPDCL Office, it is provisionally agreed by both OHPC & CSPDCL that OHPC shall file application before Hon'ble OERC for fixation of tariff for sale of energy to CSPDCL from the FY 2006-07 to 2014-15 which is under process. The final revised bill shall be raised only after fixation of final tariff by OERC and any difference found thereafter

		shall be reversed in the year of raising final invoice in favour of CSPDCL. So provision of Bad & doubt full debt at present is not required.
d.	Short Term Provision is understated & Accumulated Profit is overstated to the extent of non-provision of liabilities on account of pension fund & leave encashment fund (figures not ascertained) relating to deputed employees.	As a matter of accounting principle followed by OHPC, the pension and leave salary contribution in respect of deputed employees are accounted for consistently on cash basis i.e. in the year of payment based on the demands raised by A.G. Odisha.
e.	The Company has disclosed in its accounting policy that inventory is valued at cost. As per Accounting Standard 2, inventory needs to be valued at Cost or Net realisable Value whichever is lower. The store/inventory auditors have also reported redundant/obsolete store items lying with the unit. However, the same was not quantified.	The inventories of stores, spares and consumables are utilized in power house for maintenance of the machine. These inventories are not meant for sale. Therefore, the market value / net realizable value is not required. Accordingly, the same is booked as per the cost price. The policy under note -1 Para-7 is disclosed correctly which has been shown consistently since inception of OHPC.
f.	The amounts shown under trade receivables, trade payables, Loans & Advances and Current Liabilities as on 31st March, 2016 have not been confirmed by the parties.	OHPC already issued the various letter to make 3rd party confirmation on trade receivable, payable loan & advances and current liability as on 31.03.2016. However, OHPC not received major confirmation from 3rd party.
g.	The terminal benefit of employees deputed to Machhkund has been wrongly taken as expenses of the Company which resulted in understatement of profit, receivable from GRIDCO and overstatement of payable to APGENCO. The amount could not be provided by the Management.	Noted.
h.	The provision for Taxation and Deferred Tax Liability has been made by considering Unutilised Leave Salary to be paid during the month of September, 2016 which results in understatement of provision for Taxation and overstatement of Deferred Tax Liability to the extent of Rs 0.18 crore.	As per the Income Tax Act, the expenses relating to unutilised leave salary is allowed if it is paid before due date of filling the return. OHPC has considered the actual payment made to employees towards unutilised leave salary till 30.09.2016 while calculating the income tax provisions and deferred tax liability. So there is no understatement of provision for taxation and overstatement of deferred tax liability to the extent of Rs.0.18 Crs.

i. The expenditure incurred under Corporate Social Responsibility has not been disallowed for the Computation of Income Tax which results in understatement of provision for Income Tax and overstatement of profit to the extent of Rs. 0.10 crores.

OHPC incurred the expenditure under CSR activities as per the requirement of Companies Act 2013 and shown as allowed expenditure while filling the Income Tax return which has been followed consistently by OHPC.

j. As per Para 17 of Accounting Standard 13, the long term investments are usually carried at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline. Indicators of the value of an investment are obtained by reference to its market value, the investee's assets, results and expected cash flows from the investment and the type and extent of the investor's stake in the investee are also taken into account. The Company has invested in the following joint ventures and associate company which have substantial accumulated losses as on 31.03.2016. The company has neither assessed nor provided for the diminution in the value of investments as on 31.03.2016.

As per Accounting Standard 13, the only permanent decline of investment made in joint ventures, associates and subsidiary will be recognised into the profit & loss accounts of parent company by considering above investment as long term purpose. In case of OHPC, the joint ventures, associates and subsidiary company is on implementing stage and the losses incurred by group company is temporary in nature. So, it may not be required to recognise the losses incurred by joint venture, subsidiary and associates in OHPC Account.

Name of the Company	Type of Venture	Share in Venture	Accumulated Loss as on 31.03.2016 (Amount in crores)	Share of Loss borne by OHPC (Amount in crores)
BWCCCL	Joint Venture	33 %	0.12	0.04
OTPCL	Joint Venture	50 %	7.39	3.70
OCPL	Associate	49%	0.80	0.44
Total			8.31	4.18

2. On the account of Subsidiary, Jointly Controlled Entities audited by Other Auditors:

- a. In case of Green Energy Development Corporation of Odisha Limited, a subsidiary company
- i. The Company's Capital Work in Progress is carried in the Balance Sheet at Rs. 37.45 crores which includes Rs.1.24 crores for

As per the definition of the Accounting Standard 26; which deals with Intangible Asset, "an intangible asset is an identifiable non-monetary asset, without physical substance, held for use in the production or supply of goods or services, for rental to others, or for administrative purposes. Expenditure on an intangible asset after its purchase or its completion should be recognized as an expense when it is incurred unless:

Small Hydro Projects (SHEP) which is paid towards the consultancy fees such as preparation of PFR, DPR etc. If we go by the provisions of the Accounting Standard 26, 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 Consultancy Fees shown as capital work in progress in the Statement of Profit and Loss instead of capitalising them which constitutes a departure from the Accounting Standards referred to in sub section(1) of section 133 of the Companies Act,2013 read with Rule 7 of the Companies (accounts) Rules,2014. The Company's records indicate that the management had stated the Administrative and Overhead Expenditures in the statement of profit and loss, then an amount of Rs. 1.24 crores would have been increased by Rs. 1.24 crores and the net profit and shareholders fund would have been reduced by Rs. 1.24 crores.

- ii. The company's current liabilities state a figure of Rs. 37.40 crores which includes a figure of Rs. 17.77 crores under the sub-head "withheld amount". But as the same is deducted from the bill of the contractor and is not paid so the same should be recognised as revenue and not as liability. Accordingly, the total income would have been increased by Rs. 17.77 crores and net profit and shareholders' funds would have been increased by Rs. 17.77 crores.
- iii. The company has made provision for gratuity and leave salary on cash basis instead of making provisions for the above on the basis actuary valuation as required by Accounting Standard 15.

- (a) it is probable that the expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance; and Intangible Assets
- (b) The expenditure can be measured and attributed to the asset reliably."

The expenditures under question are mainly incurred towards consultancy charges incurred for preparation of PFRs of small SHEP. The said PFR are saleable documents. Hence, the company has shown the expenditures under Capital Work in Progress for Rs. 1,24,15,296/- in line with AS-26.

- ii. Since the contract with BHEL and WAPCOS is yet to be closed, therefore it is rightly shown under the Current Liability under the sub-head "Withheld Amount".

Noted.

- iv. The company has booked expenditure incurred in foreign currency in cash basis, payment being made to consultants instead of accounting of foreign exchange fluctuation as required in Accounting Standard 11.
- b. In case of Joint Venture company's not audited by us:
- i. The company has made provision for gratuity and leave salary on cash basis instead of making provisions for the above on the basis actuary valuation as required by Accounting Standard 15.
- ii. Transfer TA charged in Profit & Loss Account for the year 2015-16 of Rs. 0.01 crore relates to financial year 2013-14 for shifting expenses of Mr. S.P. Rath (Ex-CEO). The same expenses has not been booked as prior period expenses in the financial statement of the company for the financial year 2015-16 as per Accounting Standard 5.

Noted.

Noted.

Noted.

1.

Emphasis of matter

We draw attention in case of Holding Company audited by us:

- a. The disclosure requirement as per Accounting Standard 15 for Employees Benefit has not been disclosed by the Company in the Notes to the accounts.
- b. The Company has not made age wise analysis of Other Long Term Liabilities for amounting to Rs. 21.56 crore as on 31st March, 2016. The Other Long Term Liabilities includes Rs. 13.32 crore as detailed below continuing since long & also subject to reconciliations & confirmations for respective parties.

Noted.

Detailed analysis & 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. The total process is expected to be completed by 31st March, 2017.

Name of the Unit	Head of Account	Amount (Rs. in Crores)
BHEP	Creditor for Raw materials	0.12
	Liabilities for Others	5.18

HHEP	Employees Liabilities	0.50
UIHEP	Retention Money	3.38
	SD from Contractor & Suppliers	2.54
CHEP	Sundry Creditor for Raw Materials	1.48
	Sundry Creditor for Works	0.12
Total		13.32

c. Other Current Liabilities includes of Rs.7.43 crore as detailed below, continuing since long & also subject to reconciliations & confirmations.

Name of the Unit	Head of Account	Amount (Rs. in Crores)
UIHEP	Liability to others	6.45
	Provision for others	0.98
Total		7.43

UIHEP, Khatiguda has already appointed a firm of Chartered Accountant vide Order No. 386 dtd. 04.05.2013 for analysis & reconciliation of current liabilities outstanding since long. The same shall be accounted for after reconciliation. However, this is expected to be completed by 31.03.2017.

We draw attention in case of Joint Venture and Subsidiaries Company's not audited by us:

i. Attention is invited to Note No-19 regarding collateral securities of Rs. 75 crores given by the three promoter companies, Rs. 25 crore each for issuance of Bank Guarantee which is subjudice for which the company is contingently liable.

Noted.

For LAL DASH & CO.,
CHARTERED ACCOUNTANTS

For and On behalf of the Board of Directors

Sd/-
(B K DASH)
PARTNER
M.No.052980

PRAVAKAR MOHANTY
DIRECTOR (FINANCE)
DIN: 01756900

HEMANT SHARMA, IAS
DIRECTOR
DIN: 01296263

Place : Bhubaneswar
Date : 28.10.2016

LALDASH & CO.,
CHARTERED ACCOUNTANTS

Plot No.1882, 2nd Floor,
Nilakantha Nagar, Unit -8,
Nayapalli, Bhubaneswar-751012
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INDEPENDENT AUDITORS REPORT

To
The Members,
Odisha Hydro Power Corporation Limited,
Bhubaneswar

Report On the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Odisha Hydro Power Corporation Limited, which comprise the Balance Sheet as at March 31st, 2016, the Statement of Profit and Loss Account and the 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are to be included in the audit report under the provisions of the Act and Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, specified under Section 143(10) of the Companies Act, 2013 to the extent applicable. 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 depends on the Auditors judgement, including the assessment of risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall position of the financial statements.

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

BASIS OF QUALIFIED OPINION

1. The Company has not ascertained the provision required to be made on account of impairment of fixed assets as per Accounting Standard 28 even though the Company is having clear case of impaired assets i.e. CWIP of Potteru Project amounting to Rs. 22.95 crore (Previous Year Rs. 23.03 crore), Sindol Project amounting to Rs. 0.29 crore & Building WIP including office & staff quarter amounting to Rs. 0.23 crore.
2. 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 2014-15.
3. Sundry Debtors on account of receivable from the CSPDCL is overstated & Profit & Loss Account is overstated to the tune of Rs. 1.77 crore due to non-provision against bad & doubtful debts as the same has not been accepted by the CSPDCL.
4. Short Term Provision is understated & Accumulated Profit is overstated to the extent of non-provision of liabilities on account of Pension Fund & Leave Encashment Fund (figures not ascertained) relating to deputed employees.
5. The Company has disclosed in its accounting policy that inventory is valued at cost. As per Accounting Standard 2, inventory needs to be valued at Cost or Net realisable Value whichever is lower. The store/inventory auditors have also reported redundant/obsolete store items lying with the unit. However the same was not quantified.
6. The amounts shown under trade receivables, trade payables, Loans & Advances and Current Liabilities as on 31st March, 2016 have not been confirmed by the parties.
7. The terminal benefit of employees deputed to Machhkund has been wrongly taken as expenses of the Company which resulted in understatement of profit, receivable from GRIDCO and overstatement of payable to APGENCO. The amount could not be provided by the Management.
8. The provision for Taxation and Deferred Tax Liability has been made by considering Unutilised leave salary to be paid during the month of September, 2016 which results in understatement of provision for Taxation and overstatement of Deferred Tax Liability to the extent of Rs 0.18 crore.

9. The expenditure incurred under Corporate Social Responsibility has not been disallowed for the Computation of Income Tax which results in understatement of provision for Income Tax and overstatement of profit to the extent of Rs. 0.10 crores.
10. As per Para 17 of Accounting Standard 13, the long term investments are usually carried at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline. Indicators of the value of an investment are obtained by reference to its market value, the investee's assets, results and expected cash flows from the investment and the type and extent of the investor's stake in the investee are also taken into account. The Company has invested in the following joint ventures and associate company which have substantial accumulated losses as on 31.03.2016. The company has neither assessed nor provided for the diminution in the value of investments as on 31.03.2016.

Name of the Company	Type of Venture	Share in Venture	Accumulated Loss as on 31.03.2016 (Amount Rs. in crores)	Share of Loss borne by OHPC (Amount Rs. in crores)
BWCCCL	Joint Venture	33 %	0.12	0.04
OTPCL	Joint Venture	50 %	7.39	3.70
OCPL	Associate	49%	0.80	0.44
Total			8.31	4.18

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 standalone 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, of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

EMPHASIS OF MATTER

- a. The disclosure requirement as per Accounting Standard 15 for Employees Benefit has not been disclosed by the Company in the Notes to the accounts.
- b. The Company has not made age wise analysis of Other Long Term Liabilities for amounting to Rs. 21.56 crore as on 31st March, 2016. The Other Long Term Liabilities includes Rs. 13.32 crore as detailed below continuing since long & also subject to reconciliations & confirmations from respective parties.

Name of the Unit	Head of Account	Amount (Rs in Crores)
BHEP	Creditor for Raw Materials	0.12
	Liabilities for Others	5.18
HHEP	Employees Liabilities	0.50
UIHEP	Retention Money	3.38
	SD from Contractor & Suppliers	2.54
CHEP	Sundry Creditor for Raw Materials	1.48
	Sundry Creditor for Works	0.12
Total		13.32

- c) Other Current Liabilities includes of Rs. 7.43 crore as detailed below, continuing since long & also subject to reconciliations & confirmations

Name of the Unit	Head of Account	Amount (Rs in Crores)
UIHEP	Liability to others	6.45
	Provision for others	0.98
Total		7.43

Our opinion is not qualified/modified in respect to these matters above.

Other Matters

We did not audit the financial statements/ financial information of 5 (Five) Unit offices included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of Rs. 1078.75 crores as at 31st March 2016 and the total revenue of Rs. 379.67 crores for the year ended on that date, as considered in the standalone financial statements. The Units have been audited by the Branch Auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such Branch Auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-1, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the Units not visited by us.

- (c) The reports on the accounts of the Units of the Company audited under Section 143(8) of the Act by Branch Auditors have been sent to us and have been properly dealt with by us in preparing this report.
 - (d) 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.
 - (e) Except for the effects of the matter described in the Basis for Qualified Opinion and Matter of Emphasis paragraph, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (f) On the basis of the clarification furnished before us, since the Company is a Government Company, the qualifications of Directors under Section 164 (2) of the Act is not applicable.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 39
 - ii. The Company has no long-term contracts including derivative contracts for which provision are required to be made under the applicable law or accounting standards, for material foreseeable losses.
 - iii. There was no amount which was required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31st, 2016.
3. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure -2".
4. As required by C & AG of India through sub directions dated 02.02.2016 Issued under Section 143(5) of the Companies Act for the year 2015-16, we give a report in attached Annexure-3 ".

**For and on behalf of
Laldash & Co
Chartered Accountants
(Firm Registration No. -311147E)**

**CA B. K. Dash
Partner
M. No- 052980**

**Place : Bhubaneswar
Date : 26/08/2016**

**ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT
Referred to in paragraph 1 of our report of even date**

1.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in phased manner in each year. Pursuant to the program, fixed asset has been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are yet to be registered in the name of the company. Action has been initiated for getting Record of Right of Land owned by OHPC. OHPC has purchased 4.780 acres of land at Chandrasekharpur, Bhubaneswar from General Administration Department in the year 2011 with a cost of Rs. 14.34 crores for construction of OHPC staff quarters but the said land has been unauthorisedly encroached by illegal encroachers.
2. The inventory has been physically verified by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
3. According to the information and explanations given to us, the Company has granted unsecured loan to Green Energy Development Corporation of Odisha Limited and Odisha Coal & Power Limited for Rs. 15 crores & Rs.30 crores respectively, during the year, covered in register maintained under Section 189 of the Companies Act, 2013.
 - a. In our opinion and according to the information and explanation given to us, terms & conditions on which loan has been granted is not pre-judicial to the interest of the company.
 - b. According to the information & explanation given to us, there is no agreement entered with the company for granting of loan, hence we are unable to comment upon.
 - c. The interest amounting to Rs. 1.03 crores from Green Energy Development Corporation of Odisha Limited as on 31st March,2016 is overdue for more than Ninety days, and the aforesaid amount has not been recovered till the date of audit. Since there is no agreement between the Company and Odisha Coal & Power Limited, we are the unable to comment upon the overdue amount.
4. The Company has granted unsecured loan to Green Energy Development Corporation of Odisha Limited and Odisha Coal & Power Limited for Rs. 15 crores & Rs. 30 crores respectively during the year and also has given guarantee for Rs. 25 crore in favour of Baitarani West Coal Company Limited by pledging fixed deposit with Punjab & Sind Bank, Ashok Nagar, Bhubaneswar and Rs. 6 crore in favour of Green Energy Development Corporation of Odisha Limited (100% subsidiary company) by pledging fixed deposit with Axis Bank, Basua Ghai, Bhubaneswar.

According to the information and explanations given to us, and as per the records verified by us, the provisions of Section 185 & 186 of the Act has been complied by the Company.

5. In our opinion and according to the information and explanations given to us, during the year, the company has not accepted public deposits.
6. We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 read with Companies (Cost Records & Audit) Rules, 2014 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not made detailed examination of the records with a view to determine whether they are accurate and complete.
7. Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, value added tax, service tax, duty of custom, duty of excise, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as on 31st March 2016 for a period of more than six months from the date they became payable except the royalty payable to Government of Odisha amounting to Rs.0.20 crore for the period 2009-10 to 2013-14.

The disputed statutory dues aggregating to Rs. 329.02 Crores that have not been deposited on account of matters pending before appropriate authorities, details of which are annexed in Appendix A with this report.

8. In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of following dues to financial institutions, banks, and Government or debenture holders.

Funding Agency	Nature of Dues	Unit	Amount in Rs. crores
Government of Odisha	Loan Outstanding	UIHEP	27.67
	Interest on Loan	UIHEP	355.25
	Interest on Loan	RHEP	12.49
	Interest on Loan	BHEP	16.14
	Interest on Loan	HHEP	6.24
	Interest on Loan	UKHEP	14.85
	Interest on Loan	CHEP	3.92
TOTAL			436.56

9. According to the information and explanations given to us, the Company has not raised any term loans. During the year the Company has not raised any amount through initial public offer or further public offer.



10. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no material case of frauds by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. As informed, the provisions of Section 197 relating to managerial remuneration are not applicable to the Company, being a Government Company, in terms of MCA Notification no. G.S.R. 463 (E) dated 5th June 2015.
12. The Company is not a Nidhi Company and hence the requirement of Clause 3 (xii) of the order is not applicable.
13. In our opinion and according to the information and explanations given to us, all transactions during the year with the related parties were approved by the Audit Committee and are in compliance with sections 177 of the Companies Act, 2013 where applicable and since the said transactions were in the ordinary course of business of the company and were at arm's length basis, the provisions of section 188 are not applicable, and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards
14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with him.
16. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For and on behalf of
Laldash & Co
Chartered Accountants
(Firm Registration No. -311147E)**

**CA B. K. Dash
Partner
M. No- 052980**

Place : Bhubaneswar
Date : 26.08.2016

Annexure 2 to the Independent Auditors' Report Referred to in paragraph 3 of our report of even date

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

We have audited the internal financial controls over financial reporting of the Odisha Hydro Power Corporation Limited ('the Company') as of 31st March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, subject to few areas which require improvement, as discussed and agreed with the Management, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For and on behalf of
Laldash & Co
Chartered Accountants
(Firm Registration No. -311147E)**

**CA B K Dash
Partner
M. No- 052980**

**Place : Bhubaneswar
Date : 26.08.2016**

Annexure 3 to the Independent Auditors' Report

Report on the Directions issued by CAG under Section 143(5) of the Companies Act, 2013, for the Financial Year 2015-16

As referred to in Para 4 of the Independent Auditors Report on the Standalone Financial Statements of Odisha Hydro Power Corporation Limited.

As per the revised direction under Section 143(5) of the Companies Act, 2013, as directed to us vide letter No- ES-I(T)/Dir/143(5)/2015-16/683 dated 02.02.2016, we report that:

Sl No.	Particulars	Our Comments
1.	Whether the company has clear title / lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold and for which title/lease deeds are not available?	In case of Corporate office, 4.78 acres of land at Chandrasekharpur, Bhubaneswar has been allotted at cost of Rs.14.34 crore by GA Department of Govt. of Odisha to OHPC. GA Department is yet to handover the land to OHPC encroachment free. In case of Units of OHPC Ltd, the Company has no clear title for freehold/leasehold immovable properties.
2.	Whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons there for and amount involved.	Not applicable.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grants (s) from the Government or other authorities.	Not applicable.

As per sector specific direction under Section 143(5) of the Companies Act, 2013, we report that:

Power Sector

Sl No.	Particulars	Our Comments
1.	Adequacy of steps to prevent encroachment of idle land owned by Company may be examined. In case land of the Company is encroached, under litigation, not put to use or declared surplus, details may be provided.	In our opinion & to the best of our information, the assets including land under the Units has been transferred by the Government of Odisha under the transfer scheme to OHPC on 1st April 1996 vide the Gazette Notification No SRO No-254/96 where the areas of land transferred to OHPC has not been quantified 7 registered in favour of company. In absence of the quantification & title deed in favour of the company it is not possible for us to form an opinion for adequacy of steps to prevent encroachment of idle land of the

		<p>company under encroachment, litigation, not put to use or declared surplus.</p> <p>In case of Corporate office, 4.78 acres of land at Chandrasekharapur, Bhubaneswar has been allotted at cost of Rs.14.34 crore by GA Department of Govt. of Odisha to OHPC. GA Department is yet to handover the land to OHPC encroachment free.</p>
2.	Where land acquisition is involved in setting up new projects, report whether settlement of dues done expeditiously and a transparent manner in all cases. The cases of deviation may please be detailed.	As explained to us, the company is not involved in land acquisitions for setting up new projects.
3.	Whether the Company has an effective system for recovery of revenue as per contractual terms and the revenue is properly accounted for in the books of accounts in compliance with the applicable Accounting Standards?	Yes, the Company has an effective system for recovery of revenue as per contractual terms and the revenue is properly accounted for in the books of accounts in compliance with the applicable Accounting Standards.
4.	How much cost has been incurred on abandoned projects and out of this how much cost has been written off?	<p>To the best of our information & explanation given to us no projects have been abandoned during course of our audit.</p> <p>However, as per the information and explanation given to us</p> <p>a. The Potteru Project is a non-functioning and the same has not been abandoned in the year of Audit. The revenue expenses of Potteru Unit has been charged to revenue of Upper Kolab amounting to Rs. 48.93 Lakhs.</p> <p>b. A sum of Rs.8,00,000/- was paid to the Executive Engineer, Earth Dam Division, Chittrakonda for preliminary expenses on land acquisition and forest clearance work in connection with modification of Surlikonda Barrage, Balimela Extension Project has been written off during the year.</p>

Generation

Sl No.	Particulars	Our Comments
1.	In the cases of Thermal Power Projects, compliance of the various Pollution Control Acts and the impact thereof including utilization and disposal of ash and the policy of the company	Not Applicable as the Company is generating power through Hydro Power Project.

	in this regards, may be checked and commented upon.	
2.	Has the company entered into revenue sharing agreements with private parties for extraction of coal at pitheads and it adequately protects the financial interest of the company?	Not Applicable.
3.	Does the company have a project system for reconciliation of quantity/quality coal ordered and received and whether grade of coal moisture and demurrage etc. are properly recorded in the books of accounts?	Not Applicable.
4.	How much share of free power was due to the state government and whether the same calculated as per the agreed terms and depicted in the accounts as per accepted accounting norms?	As explained to us, the Company is not supplying any free power from its existing Power Stations to the State Government, so there is no free power due to Government of Odisha.
5.	In the case of hydroelectric projects the water discharge is as per policy/guidelines issued by the state Government to maintain biodiversity. For not maintaining it penalty paid/payable may be reported.	<p>As explained to us, the policy/guidelines for water discharge from the reservoirs of OHPC power stations for different months in a year for generation of power is decided in the Co-ordination Committees Meeting held between Department of Energy, Department of Water Resources, OHPC, OPTCL, GRIDCO and SLDC keeping in view the availability of water in the reservoirs and irrigation department. However, the actual generation from power stations is regulated and monitored by SLDC as per the grid requirement.</p> <p>Further, it is explained to us that the penalty has not been imposed/paid by the company during the year under audit for not maintaining the policy/guidelines for water discharge issued by the State Government to maintain biodiversity.</p>

**For and on behalf of
Laldash & Co
Chartered Accountants
(Firm Registration No. -311147E)**

**CA B. K. Dash
Partner
M. No- 052980**

Place : Bhubaneswar
Date : 26.08.2016

Appendix A

Details of Disputed Statutory Dues:

Particulars		As at 31.03.16 Amount in Rs. crores	As at 31.03.15 Amount in Rs. crores
(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	0.32	0.32
(iii)	Claims of the contractor M/s Trafalgar House Construction (T) Satyam Sankaranarayan Joint Venture of UIHEP, Khatiguda	65.57	65.57
(iv)	Workman compensation pending before the Hon'ble High Court of Odisha. (CHEP)	0.06	0.06
(v)	Claim of Dam Division, Rengali Dam site under water Resources Department towards water rent in respect of residential & non-residential building of OHPC (RHEP)	0.16	0.15
(vi)	Entry Tax, appeal before the commission of commercial Taxes, Cuttack (BHEP).	0.01	0.01
(vii)	Wrong assessment of water cess by Department of Water Resources and interest charged thereon.	0.01	0.01
(viii)	50% of the Fixed deposit of Rs.25 Crs. pledged for the BG of BWCCCL in favour MOC, GoI.	12.50	12.50
(ix)	(i) Pending cases on account of Income Tax demand raised by AO with different appellate authority for the Assessment Year 2007-08 & 2011-12 amounting to Rs.2.18 Crs., Rs.31.26 respectively.	33.44	60.03
	(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
(x)	Unaccepted Dam Maintenance Cost due to abnormally.	9.27	0.00
TOTAL		130.66	147.97

Comments of the Comptroller and Auditor General of India under section 143(6)(b) of the Companies Act, 2013 on the Financial statements of Odisha Hydro Power Corporation Limited for the year ended 31st March, 2016.

The preparation of financial statements of Odisha Hydro Power Corporation Limited for the year ended 31st March, 2016 in accordance with financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated: 26 August, 2016.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of Odisha Hydro Power Corporation Limited for the year ended 31 March 2016. This supplementary audit has been carried out independently without access to the working paper of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matter under section 143(6)(b) of the Act, which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statement and the related Audit Report.

(A) Comments of profitability: Statement of Profit and Loss Expenses,

Employee benefits expenses (note26) : Rs. 163.24 crore

- (1) The above is understated by Rs. 13.16 crore due to short accounting of pension expenses accrued as per Actuarial Valuation Report. This has also resulted in overstatement of 'profit for the year', 'reserve & surplus' by Rs. 13.16 crore each with corresponding understatement of non-Current liabilities to the same extent.

(B) Comments on Financial Position, Balance Sheet, Assets, Non-Current, Tangible Asset (Note-11): Rs. 972.93 crore

- (2) The above is overstated by Rs. 6.21 crore due to accounting of revenue expenditure incurred for replacement of governor and turbine control and relay panels and protection Equipments etc for capital maintenance of unit 1 of Hirakud Hydro Electrical Project (HHEP) as capital expenditure. This has also resulted in understatement of expenditure (Repair and Maintenance) and overstatement of profit by Rs. 6.21 crore each.

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

Sd/-

(DEVIKA NAYAR)

PRINCIPAL ACCOUNTANT
GENERAL

Place : Bhubaneswar
Date : 24.10.2016



Celebration of 70th Independence Day 2016 at Corporate Office.

ODISHA HYDRO POWER CORPORATION LIMITED

(A Government of Odisha Undertaking)



AUDITED STANDALONE FINANCIAL STATEMENTS 2015-16

JANPATH, BHOI NAGAR, BHUBANESWAR



ODISHA HYDRO POWER CORPORATION LIMITED

BALANCE SHEET AS AT 31ST MARCH 2016.

(In Rupees)

Particulars	Note No.	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	6,386,507,000	3,398,007,000
(b) Reserves and surplus	3	5,789,752,265	6,781,165,549
(c) Money received against share warrants			
Sub-total [(a)+(b)+(c)]		12,176,259,265	10,179,172,549
(2) Share application money pending allotment			
(3) Non-current liabilities			
(a) Long-term borrowings	4	12,538,790,000	13,006,596,737
(b) Deferred tax liabilities (Net) provisions		1,329,414,882	
(c) Other Long term liabilities	5	215,619,652	216,617,365
(d) Long-term provisions	6	526,986,095	436,764,792
Sub-total [(a)+(b)+(c)+(d)]		14,610,810,629	13,659,978,894
(4) Current liabilities			
(a) Short-term borrowings	7	-	-
(b) Trade payables	8	7,575,513	20,057,368
(c) Other current liabilities	9	5,422,928,278	7,571,688,798
(d) Short-term provisions	10	1,139,280,483	421,487,985
Sub-total [(a)+(b)+(c)+(d)]		6,569,784,274	8,013,234,151
GRAND TOTAL		33,356,854,168	31,852,385,594
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	9,729,288,465	10,851,699,268
(ii) Intangible assets	12	-	-
(iii) Capital work-in-progress	13	385,598,706	504,023,120
(iv) Intangible assets under development			
Sub-total [(i)+(ii)+(iii)+(iv)]		10,114,887,171	11,355,722,388
(b) Non-current investments	14	1,745,492,000	1,741,192,000
(c) Deferred tax assets (net)			
(d) Long-term loans and advances	15	6,262,774,642	6,261,523,838
(e) Other non-current assets	16	280,866,677	30,910,805
Sub-total [(b)+(c)+(d)+(e)]		8,289,133,319	8,033,626,643
(2) Current assets			
(a) Current investments			
(b) Inventories	17	540,283,959	547,929,160
(c) Trade receivables	18	783,344,345	1,364,537,916
(d) Cash and cash equivalents	19	11,263,639,720	9,124,696,001
(e) Short-term loans and advances	20	1,833,655,513	776,693,386
(f) Other current assets	21	531,910,141	649,180,100
Sub-total [(a)+(b)+(c)+(d)+(e)+(f)]		14,952,833,677	12,463,036,563
GRAND TOTAL		33,356,854,168	31,852,385,594

Significant Accounting Policy & Accompanying notes forming part of the financial statements

In terms of our report of even date attached.

For **LAL DASH & CO,**

Chartered Accountants

(B K Dash)

Partner

M. No. 052980

Place : Bhubaneswar

Date : 26.08.2016

P K Mohanty

Company Secretary

P P Sahu

SGM (F) & CFO

B K Behera

Director (Finance) I/C

Rajesh Verma, IAS

Chairman-cum-

Managing Director

(DIN: 01725746)

ODISHA HYDRO POWER CORPORATION LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2016
(In Rupees)

	Particulars	Note No.	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
I	Revenue from operations	22	4,199,848,371	4,932,412,904
II	Other income	23	1,963,546,179	1,315,955,836
III	Total Revenue (I + II)		6,163,394,550	6,248,368,740
IV	Expenses :			
	Repair & Maintenance expenses	24	847,102,787	620,835,355
	Operational expenses	25	98,594,281	98,488,380
	Employee benefits expenses	26	1,632,449,451	1,599,034,210
	Administrative & General expenses	27	169,182,444	187,233,423
	Finance costs	29	842,465,972	584,715,363
	Depreciation and amortization expense	11	1,313,440,324	2,947,300,768
	Selling & Distribution expenses	30	8,573,575	43,137,450
	Total expenses		4,911,808,835	6,080,744,949
V	Profit before prior year adjustments (III-IV)		1,251,585,715	167,623,791
VI	Prior year adjustments	28	(128,314,288)	(299,190,317)
VII	Profit before exceptional and extraordinary items and tax (V-VI)		1,379,900,003	466,814,108
VIII	Exceptional items	31	193,924	-
IX	Profit before extraordinary items and tax (VII - VIII)		1,379,706,079	466,814,108
X	Extraordinary Items			
XI	Profit before tax (IX-X)		1,379,706,079	466,814,108
XII	Tax expense:			
	(1) Current tax		726,497,466	889,323,106
	(2) Less Mat Credit set off		-	578,453,172
	(3) Net Current Tax Liability		726,497,466	310,869,934
	(4) Deferred tax		(219,764,622)	
XIII	Profit (Loss) for the period from continuing operations (XI - XII)		872,973,234	155,944,174
	Profit (Loss) for the period (XIII)		872,973,234	155,944,174
XIV	Earnings per equity share :			
	(1) Basic		137	46
	(2) Diluted		-	-

Significant Accounting Policy & Accompanying notes forming part of the financial statements
In terms of our report of even date attached.

For **LAL DASH & CO,**
Chartered Accountants

(B K Dash)
Partner

M. No. 052980

Place : Bhubaneswar

Date : 26.08.2016

P K Mohanty
Company Secretary

P P Sahu
SGM (F) & CFO

B K Behera
Director (Finance) I/C

Rajesh Verma, IAS
Chairman-cum-
Managing Director
(DIN: 01725746)



ODISHA HYDRO POWER CORPORATION LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31.03.2016

(In Rupees)

PARTICULARS	Figures as at the end of current reporting period ended 31st March-2016		Figures as at the end of previous reporting period ended 31st March-2015	
1. Cash flows from operating activities :				
Net profit before taxation and extraordinary items and tax	1,37,97,06,079		46,68,14,108	
Adjustment for :				
Depreciation & amortisation	1,31,34,40,324		2,94,73,00,768	
Profit / Loss on Sale of Assets	56,24,511		49,139	
Write off of Assets	-		-	
Provision for FBT	-		-	
Provision for Income tax	(72,64,97,466)		(31,08,69,934)	
Interest income	(1,78,39,21,984)		(1,11,02,15,589)	
Finance Cost	84,24,65,972		58,47,15,363	
Operating profit before working capital changes	1,03,08,17,436		2,57,77,93,855	
Adjustment for (Increase)/Decrease in operating assets				
Increase in inventories	76,45,201		(6,98,47,529)	
Increase in Other Current Assets	2,34,78,642		1,66,53,739	
Increase in Other Non-Current Assets	(24,99,55,872)		11,09,62,718	
Increase in Short -term loan & advance	(1,05,69,62,127)		(32,41,28,008)	
Decrease in trade receivables	58,11,93,571		(91,48,08,254)	
Decrease in Long-term loans & advances	(20,50,804)		1,18,39,935	
Total	(69,66,51,389)		(1,16,93,27,399)	
Adjustment for Increase/(Decrease) in operating Liabilities				
Decrease in Trade Payable	(1,24,81,855)		1,19,63,552	
Decrease in Short -term borrowings	-		-	
Decrease in Other Current Liabilities	2,14,52,31,929		2,21,54,014	
Increase in Other Long term Liabilities	(9,97,713)		49,12,49,857	
Increase in Short-term Provision	71,77,92,498		30,92,72,230	
Increase in Long-term Provision	9,02,21,303		4,52,96,880	
Total	1,35,06,97,697		87,99,36,533	
Cash generated from operations	(1,01,65,31,649)		2,28,84,02,989	
Net Cash flow before extraordinary item	(1,01,65,31,649)		2,28,84,02,989	
Extraordinary Items	-		-	
Net cash flow from operating activities		(1,01,65,31,649)		2,28,84,02,989
2. Cash flows from investing activities :				
Capital Expenditure on fixed assets including capital advances	(7,74,29,618)		(9,50,55,896)	
Interest received	1,87,77,13,301		1,25,14,15,995	
Long term investment in JVs	(43,00,000)		(52,91,45,000)	
Net cash flow from investing activities		1,79,59,83,681		62,72,15,098
3. Cash flow from financing activities :				
Repayment to long term borrowings to State Govt	(30,23,00,000)		(1,51,15,00,000)	
Govt. of Odisha Loan-3-POTTERU	-		(9,29,50,000)	
Repayment of long term borrowings (PFC)	(16,55,06,737)		(16,66,20,951)	
Increase in Share Capital	2,98,85,00,000			
Proposed Dividend	(26,18,91,970)		(4,67,83,252)	
Tax on Dividend	(5,33,15,043)		(93,53,867)	
Finance Cost	(84,59,94,563)		(58,70,88,220)	
Net cash used in financing activities		1,35,94,91,686		(2,41,42,96,290)
Net increase in cash and cash equivalents (1+2+3)		2,13,89,43,718		50,13,21,797
Cash and cash equivalent at beginning of the Year		9,12,46,96,002		8,62,33,74,205
Cash and cash equivalent at end of the Year *		11,26,36,39,720		9,12,46,96,002
*Comprises				
(a) Cash on Hand		1,29,712		1,68,981
(b) Balances with Banks		7,71,72,239		7,59,38,927
(i) In current accounts		11,18,63,31,847		9,04,85,70,000
(ii) In Earmarked accounts		5,922		18,094
(c) Postal order & Stamp				

Significant Accounting Policy & Accompanying notes forming part of the financial statements In terms of our report of even date attached.

For **LAL DASH & CO,**

Chartered Accountants

(B K Dash)

Partner

M. No. 052980

Place : Bhubaneswar

Date :

P K Mohanty
Company Secretary

P P Sahu
SGM (F) & CFO

B K Behera
Director (Finance) I/C

Rajesh Verma, IAS
Chairman-cum-
Managing Director
(DIN: 01725746)

ODISHA HYDRO POWER CORPORATION LTD

SIGNIFICANT ACCOUNTING POLICIES :

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- 1.1 These financial statements have been prepared under the historical cost convention method in accordance with the Generally Accepted Accounting Principles in India (INDIAN GAAP) including Accounting Standards notified under the relevant provisions of Companies Act, 2013.
- 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.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialized.

3. LIABILITY

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.

4. FIXED ASSETS

4.1 TANGIBLE ASSETS

- (a) Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- (b) Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance
- (c) The grants-in-aid received against capital expenditure of projects are adjusted at the time of capitalization of assets on completion of respective projects.
- (d) Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.
- (e) Fixed assets, which were transferred by Government of Orissa on 01.04.1996 under Transfer Scheme, are stated at transfer price.

4.2 INTANGIBLE ASSETS

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization /depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on

foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

5. IMPAIRMENT

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

6. INVESTMENTS

Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Non-Current investments are stated at cost. Provision for diminution in the value of Non-Current investments is made only if such a decline is other than temporary.

7. INVENTORIES

Inventories of stores, spares and consumables are valued on the basis of transfer price in respect of inventories transferred from Government on 01.04.1996 and at cost in case of inventories procured thereafter.

8. FOREIGN EXCHANGE TRANSACTIONS

- 8.1 Transactions denominating foreign currency are settled and accounted for at the exchange rates prevailing on the date of the transactions.
- 8.2 Monetary items denominated in foreign currency are translated at the exchange rate prevailing on the last day of the accounting year.
- 8.3. 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.
- 8.4. Recovery of foreign exchange fluctuation loss raised to GRIDCO is accounted for on the basis of actual realization.

9. RECOGNITION OF REVENUE

- 9.1 Revenue is recognized on accrual basis as per energy sale bills raised on GRIDCO in accordance with Orissa Electricity Regulatory Commission's tariff order. In case of energy sales to CSPDCL, Revenue is recognized as per bills, raised on the basis of unit cost of generation of HHEP.
- 9.2 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.
- 9.3 All other Revenues are accounted for on accrual basis except the following which are accounted for on cash / realization basis due to uncertainty in collection.
 - (i) Interest on delayed payment on energy bills paid by GRIDCO.
 - (ii) Cash discount from PFC for final repayment of loan.
 - (iii) Electricity charges billed to Water Resources Department and other department.
 - (iv) Recovery of compensation for loss of energy due to drawl of water by nearby Industrial Units.

- (v) Sale of scrap.
- (vi) Interest on security deposit with SOUTHCO.
- (vii) Insurance claim and interest on house building advance.

10. DEPRECIATION

- 10.1 The depreciation is charged as per part B of schedule II of Companies Act 2013.
- 10.2 Depreciation is provided on prorata basis in the year in which the assets become available for use.
- 10.3 Assets costing Rs. 5000/- or less individually are depreciated fully in the year in which they are put to use.
- 10.4 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 was provided on straight line method as per the rates prescribed under schedule XIV of the Companies Act, 1956 up to the financial year 2013-14.

11. RETIREMENT BENEFITS

- 11.1 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.
- 11.2 Liability towards Gratuity is made on the basis of actuarial valuation by LIC of India. For meeting the service gratuity liability, the Corporation has taken two group gratuity insurance policy with LIC of India.
- 11.3 The pension and service gratuity liabilities of ex-Hirakud Dam Project employees are accounted for on cash basis.
- 11.4 The pension & leave salary contribution in respect of employees under deputation to the Corporation are accounted for consistently in the year of payment on the basis of demand notice raised by A.G & other PSUs.

12. ALLOCATION OF CORPORATE OFFICE INCOME

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

13. 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.

14. INCOME TAXES

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal

of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

15. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

15.1. Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

15.2 Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

15.3 Contingent assets are neither recognised nor disclosed in the financial statements.

16. MISCELLANEOUS

16.1 Liabilities for Goods in transit / capital works executed but not certified are not provided for, pending inspection & acceptance by the Corporation.

16.2 Dam maintenance cost for the current year has been made based on the bills submitted by DOWR on provisional basis.

16.3 Expenditures upto DPR for new projects are charged to P & L A/c (Survey and investigation) and thereafter where the new projects seems to be viable are capitalized.

16.4 Prior Period Expenses / income of items of Rs 1,00,000/- and below are charged to respective heads of account.

Note - 2

SHARE CAPITAL	Figures in Rs.	
	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
Authorised Capital :		
1,00,00,000 Equity Shares of Rs.1000/- each	10,000,000,000	10,000,000,000
Issued, Subscribed and paid-up :		
6386507 Equity Shares of Rs.1000/- each fully paid-up.	6,386,507,000	3,398,007,000
Total Share Capital	6,386,507,000	3,398,007,000

a) During current year 2988500 new shares have been issued and there is no buyback of shares.

b) Govt. of Odisha holds 6386507 numbers of equity shares of the company.

The Reconciliation of the number of shares outstanding as at 31st March, 2016 is set out below :

	No. of Shares	No. of Shares
Shares Outstanding at the beginning of the year	3398007	3208007
Shares issued during the year	2988500	190000
Shares bought back during the year	0	0
Shares outstanding at the end of the year	6386507	3398007

The Details of shareholder holding more than 5% shares as at 31st march 2016 is set out below :

% Held as at 31st March, 2016	No of Shares	No of Shares
Governor of Odisha represented by DoE 100%	6386507	3398007
	6386507	3398007

Note - 3

RESERVES & SURPLUS	Figures in Rs.	
	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
Capital Reserve		
A. Opening Balance	-	190,000,000
Addition during the year	-	-
Deduction during the year	-	(190,000,000)
Closing balance (A)	-	-
Dam Sharing Reserve		
B. Opening Balance	1,000,000,000	1,000,000,000
Addition during the year	-	-
Deduction during the year	-	-
Closing balance (B)	1,000,000,000	1,000,000,000
C. Surplus		
Opening Balance	5,781,165,548	5,681,358,494
Balance of Statement of Profit & Loss	872,973,234	155,944,174
Less:		
a) Dividend Paid	-	-
b) proposed dividend	(261,891,970)	(46,783,252)
c) Tax on dividend	(53,315,043)	(9,353,867)
d) Deffered Tax Liabilities not charged in previous years.	(1,549,179,504)	
e) Bonus Shares	-	-
Closing balance (C)	4,789,752,265	5,781,165,549
Total of Reserves & Surplus [(A)+(B)+(C)]	5,789,752,265	6,781,165,549

As per the Order No.3060 dtd.31.03.2015 & subsequent DoE Notification No.5843 dtd.03.07.2015 a sum of Rs.100.00 crores has been shown under the head capital reserve towards dam share.

Note - 4

LONG-TERM BORROWINGS	Figures in Rs.	
	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
A. Term Loans from PFC	-	165,506,737
a) This loan is guaranteed by Govt. of Odisha.		
(i) The Loan availed from PFC for RM & U of Unit-3 & 4 of HHEP, Burla has been full repaid during the year and there is no outstanding of PFC loan from HHEP, Burla.		
(ii) The foreign currency loan availed by BHEP, Balimela for extension project (unit 7 & 8) is repaid half-yearly on 15th of June & December.		
b) There is no default in repayment of above loan during the year. A sum of Rs.1,00,944/- is received from PFC as cash discount for prompt payment which is shown as deduction from finance cost .		
Sub-total (A)	-	165,506,737
B. Term Loans from Govt. of Odisha [Unsecured]		
i. UIHEP - TL (1)	3,412,390,000	3,714,690,000
As per Dept. of Energy, Govt. of Odisha order No.3060 dtd.31.03.2015 and subsequent DoE Notification No.5843 dtd.03.07.2015 the total loan of Rs.821.4690 Crs. is divided into two parts i.e. Rs.298.85 Crs. as equity included in Note-2 and balance of Rs.522.6190 Crs. as loan with 7% interest payable w.e.f. 01.04.2006. This loan is payable in 15 equal annual instalments w.e.f. 2010-11 with 4 years moratorium. OHPC, out of the said loan amount of Rs 522.619 Crs., repaid Rs.181.38 Crs. till 31.03.2016 & balance loan amount of Rs 341.239 Crs is shown as above.		
ii. UIHEP - TL(2)	1,321,400,000	1,321,400,000
This is interest free perpetual loan		
iii. POTTERU	143,000,000	143,000,000
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.		
iv. Loan for old project	7,662,000,000	7,662,000,000
As per Dept. of Energy. Govt. of Odisha order No. 3060 dtd.31.03.2015 and subsequent DoE Notification No.5843 dtd.03.07.2015, the total bond amount of Rs.766.20 Crs. issued as per original Notification No.SRO 250 dtd.01.04.1996, is now treated as loan @ 7% interest which is payable from the Financial Year 2015-16 & shown accordingly i.e. Rs.766.20 crores loan as above and Rs.53.63 Crore interest payable to State Govt. of Odisha is shown at note 5(ix).		
Sub-total (B)	12,538,790,000	12,841,090,000
Total of Long-term Borrowings (A+B)	12,538,790,000	13,006,596,737

Note - 5

OTHER LONG-TERM LIABILITIES	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
Trade payables		
i. Sundry Creditors for supply of materials	16,109,467	23,568,822
ii. Sundry Creditors for works	4,620,446	7,945,624
iii. Sundry Creditors for others	-	36,698
Sub-total	20,729,913	31,551,144
Others		
i. Security deposit from contractors / suppliers	14,416,448	16,606,570
ii. EMD from contractors / suppliers	7,519,120	7,353,612
iii. Security deposit from employees	659,242	643,432
iv. Other security deposits	2,239,050	2,068,923
v. Retention money / withheld a/c	87,308,252	71,753,623
vi. Liability to employees	5,221,565	5,136,776
vii. Liability to others	77,526,062	81,503,285
Sub-total	194,889,739	185,066,221
Total of Other Long-term Liabilities	215,619,652	216,617,365

Trade payables are subject to confirmation. Pending such confirmation, the balance as per books have been taken into account.

Note - 6

LONG-TERM PROVISIONS	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
i) Provision for employee benefits	526,937,495	431,345,571
ii) Provision for Others	48,600	5,419,221
Total of Long-term Provisions	526,986,095	436,764,792

Note - 7

SHORT-TERM BORROWINGS	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
Short - term borrowings from banks	-	-
Sub-total	-	-

Note - 8

TRADE PAYABLES	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
i) Sundry Creditors for supply of materials	3,712,580	5,005,821
ii) Sundry Creditors for works	3,285,076	11,742,493
iii) Sundry Creditors for others	577,857	3,309,054
Total of Trade payables	7,575,513	20,057,368

Trade payables are subject to confirmation. Pending such confirmation, the balance as per books have been taken into account.



Note - 9

OTHER CURRENT LIABILITIES	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
i) Current maturities of loan from Power Finance Corporation	140,692,027	164,855,358
ii) Interest accrued but not due on PFC loan	2,570,897	6,099,488
iii) Employees liabilities	387,665,365	123,004,696
iv) OHPC PF Trust	17,145,917	38,098,255
v) Liability to others	367,169,814	731,648,284
vi) Security deposit from contractors / suppliers	41,872,550	41,219,891
vii) EMD from contractors / suppliers	11,383,309	9,933,045
viii) Branch Adjustment Accounts	51,206,927	-
ix) Other security deposit	31,000	43,000
x) Retention money / withheld a/c	23,173,945	52,003,171
xi) Advance against sale of scrap	8,061,005	8,072,926
xii) Payable to APGENCO on Machhakunda a/c	283,067,493	115,690,955
xiii) Payable to Machhakund	20,029	20,029
xiv) State Govt. Loan converted to equity (Refer Note -2&4-B (i))	-	2,988,500,000
xv) Interest Payable on UIHEP Govt. Loan	3,552,528,000	3,292,499,700
xvi) Interest on State Govt Loan	536,340,000	-
Total of Other Current Liabilities	5,422,928,278	7,571,688,798

a) Advance received against sale of scrap amounting Rs 80,61,005/- as shown at (xi) above is not settled due to some dispute with parties.

b) 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 raised provisional bill towards O & M cost and cost of power for the current year. Accordingly, OHPC has taken the O & M cost and cost of power during the current year details of which are given below.

30% share of O&M cost	119734597
Cost of Power beyond 30% share	8574408
T O T A L	128309005

OHPC received an amount of Rs 8,23,01,632/- in 2015-16 from GRIDCO including arrear dues of APGENCO for 2014-15 towards cost of power & O&M charges. So the amount shown as payable to APGENCO comes to Rs.28,30,67,463/- as on 31.03.2016. 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.

Note - 10

SHORT-TERM PROVISIONS	Figures in Rs.	
	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
(A) Provision for employee benefits		
i) Provision for arrear salary	-	2,172,335
ii) Provision for bonus	916,000	374,742
iii) Liability for leave encashment of employees	45,492,090	13,129,038
Sub-Total (A)	46,408,090	15,676,115
(B) Other provisions		
i) Provision for Income-tax	726497466	310,657,324
ii) Provision for proposed dividend	261,891,970	46,783,252
iii) Provision for dividend Tax	53,315,043	9,353,867
iv) Provision for Others	51,167,914	39,017,427
Sub-total (B)	1,092,872,393	405,811,870
Total of Short-term Provisions (A+B)	1,139,280,483	421,487,985

Note - 11

TANGIBLE ASSETS	Figures in Rs.	
	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
Gross Block	31,848,350,936	31,664,762,554
Accumulated Depreciation	22,119,062,471	20,813,063,286
Net Block	9,729,288,465	10,851,699,268

Note - 12

INTANGIBLE ASSETS	Figures in Rs.	
	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
	0	0

Note - 11 FIXED ASSET & DEPRECIATION AS ON 31.03.2015

Figure in Rs.

Sl. No.	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK				
		Balance as on 1.04.2015	Addition	Deletion during the year	Total as on 31.03.2016	Balance as on 1.04.2015	Addition	Adjustment depreciation	Deletion during the year	Total as on 31.03.2016	W.D.V as on 31.03.2016	W.D.V as on 1.04.15
		1	2	3	4	5	6	7	8	9	10	
1	LAND (a)	1,09,49,59,787	-	-	1,09,49,59,787	51,51,968	17,04,867	-	-	68,56,835	1,08,81,02,952	1,08,98,07,819
2	Power House Civil Works	4,01,82,50,303	-	-	4,01,82,50,303	2,55,43,41,156	13,24,57,995	-	-	2,68,67,99,151	1,33,14,51,152	1,46,39,09,147
3	Power House Electric Mechanical Work	23,23,60,29,231	12,32,99,518	(1,32,39,044)	23,34,60,89,705	16,39,42,61,707	1,06,31,90,500	(1,66,697)	(72,52,576)	17,45,00,32,934	5,89,60,56,771	6,84,17,67,524
4	Civil Building/Township	2,97,14,81,024	6,69,27,190	-	3,03,84,08,214	1,63,50,24,816	10,31,59,217	-	-	1,73,81,84,033	1,30,02,24,181	1,33,64,56,208
5	Vehicles	6,27,94,981	33,48,245	(34,47,475)	6,26,95,751	5,01,30,998	17,29,076	-	(93,828)	5,17,66,246	1,09,29,505	1,26,63,983
6	Furniture & Fixture	1,71,75,888	2,84,545	(4,12,443)	1,70,47,990	79,76,928	7,38,592	-	(77,601)	86,37,919	84,10,071	91,98,960
7	Office Equipment	5,73,13,254	21,58,097	(21,918)	5,94,49,433	3,17,54,464	33,62,360	-	(10,816)	3,51,06,008	2,43,43,425	2,55,58,790
8	Misc.Assets	4,56,58,650	50,009	-	4,57,08,659	2,69,97,484	19,20,622	-	-	2,89,18,106	1,67,90,553	1,86,61,166
9	Electrical Installation	9,02,08,322	21,99,201	(19,535)	9,23,87,988	7,09,38,021	17,21,271	-	(6,318)	7,26,52,975	1,97,35,013	1,92,70,301
10	Water Supply Installation	6,38,07,076	23,72,217	-	6,61,79,293	3,03,30,528	34,90,284	-	-	3,38,20,812	3,23,58,481	3,34,76,548
11	Training Centre Equipment	70,84,038	90,374	(599)	71,73,813	61,55,215	1,32,835	(599)	-	62,87,452	8,86,361	9,28,823
	GRAND TOTAL	31,66,47,62,554	20,07,29,396	(1,71,41,014)	31,84,83,50,936	20,81,30,63,286	1,31,36,07,620	(1,67,296)	(74,41,139)	22,11,90,62,471	9,72,92,88,465	10,85,16,99,268
	Previous year Figure	31,62,55,76,107	4,86,39,297	(94,52,850)	31,66,47,62,554	17,86,65,36,629	1,30,87,38,741	1,63,85,62,027	(7,74,109)	20,81,30,63,286	10,85,16,99,268	13,75,90,39,478

- 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 - 13

CAPITAL WORK-IN-PROGRESS	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
i) Land (Development of 7 & 8th Unit of Extension Project)	303,111	303,111
ii) Building	76,427,924	118,238,452
iii) Road, Bridge, Culvert & Other Civil Works	13,535,297	13,465,998
iv) Water Supply Installation	109,804	109,804
v) Plant & Machinery (Construction)	115,380,509	115,619,005
vi) Plant & Machinery (Generation)	75,791,583	6,844,288
vii) Hydr. Works, Dams, Tunnels & Pen Stock	39,235,637	39,235,637
viii) Substation Equipments	6,245,021	32,097,715
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) Capital WIP - Kolab Unit	51,517,080	170,030,516
xvi) Sindol Project	2,877,905	2,877,905
xvii) Office Building	1,634,875	2,973,515
xviii) Staff Quarters	693,391	380,605
Total Work-In-Progress	385,598,706	504,023,120

Note - 14

NON-CURRENT INVESTMENTS	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
i) Odisha Thermal Power Corporation Limited (A joint venture Company between OMC & OHPC 50% each share holding) 1142047 shares of Rs. 1000/- each.	1,142,047,000	1,142,047,000
ii) Baitarni West Coal Company Limited (BWCCCL). (A 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) Odisha Coal & Power Limited (OCPL). (A Company between OHPC & OPGC with 51% share of OPGC & 49% share of OHPC) 24500 shares of Rs.10/- each	245,000	245,000
iv) 503200 fully paid equity shares of Rs.1000/- each in Green Energy Development Corporation of Odisha Ltd. (GEDCOL). (A 100% subsidiary company of OHPC.)	503,200,000	498,900,000
Total of Non-Current Investments	1,745,492,000	1,741,192,000

Note - 15

LONG-TERM LOANS AND ADVANCES	Figures in Rs.	
	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
(A) Capital Advance		
Advance for Capital Expenditure and Capital advance paid for extension project of unit 7 th & 8 th Balimela & Potteru small HEP	3,051,758	3,851,758
(B) Security Deposit		
Deposit with others	27,309,981	25,856,930
Other Loans & Advance		
i) Advance to supplier	16,645,956	10,064,244
ii) Advance to contractor	12,415,447	17,099,332
iii) Advance to others	12,697,636	14,707,310
iv) Advance to staff	653,864	(55,736)
v) Debt securitization of GRIDCO dues	6,190,000,000	6,190,000,000
Total of Long-Term Loans and Advances	6,262,774,642	6,261,523,838

Advance to supplier, contractor & others are subject to confirmation. Pending such confirmation, the balance as per books have been taken into Accounts.

All long term loans & advances is unsecured but considered good.

The GRIDCO dues of Rs.619 Crores as on 31.03.2013 shown at (v) above has been securitised at 8% interest which shall be repaid by GRIDCO within 10 years including 3 years moratorium period which will start from May 2017.

Note - 16

OTHER NON-CURRENT ASSETS	Figures in Rs.	
	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
(A) Long-term Trade Receivable		
Sundry Debtor for sale of Power	280,170,527	17,665,841
(B) Others		
i) Sundry Debtor for others	696,150	696,150
ii) Claims receivable	-	12,548,814
Total of Other Non-Current Assets	280,866,677	30,910,805

Note - 17

CURRENT ASSETS - INVENTORIES	Figures in Rs.	
	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Stores & Spares	564,180,049	569,982,192
ii) Less Provision for fire, theft & shortage (Note -33)	24,795,081	22,984,219
Sub total	539,384,968	546,997,973
i) Loose tools	877,762	931,187
ii) Inventory in transit	21,229	-
Total of Inventories	540,283,959	547,929,160

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	Figures in Rs.		
	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015	
i) Sundry Debtor for sale of Power (Outstanding for a period exceeding six months from the due date of payment.)	-	390,756,113	
ii) Sundry Debtor for sale of Power (Outstanding for a period up to six months from the due date of payment.)	783,344,345	973,781,803	
Total of Trade Receivables	783,344,345	1,364,537,916	
(i) All debtors stated at Note -16 (A) & 18 amounting of Rs.106.35 Crs. as on dt.31.03.2016 are		considered good.	
(ii) Unsecured considered doubtful -Nil.			
Company	Less than 6 months	More than 6 months	TOTAL
GRIDCO	Rs.78,12,62,428/-	0	Rs.78,12,62,428/-
CSPDCL	Rs.20,81,917/-	0	Rs.20,81,917/-
Total	Rs.78,33,44,345/-	0	Rs.78,33,44,345/-

Note - 19

CASH & CASH EQUIVALENTS	Figures in Rs.	
	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Cash in hand	129,712	168,981
ii) Postal orders & stamps	5,922	18,094
Sub-total (A)	135,634	187,075
(B) i) Balances with banks held as margin money or security	310,000,000	310,000,000
ii) Earmarked balance with banks	10,876,331,847	8,738,570,000
iii) Other bank balance	77,172,239	75,938,927
Sub-total (B)	11,263,504,086	9,124,508,927
Total of Cash & Bank Balance (A) + (B)	11,263,639,720	9,124,696,001
i) OHPC has pledged (a) Fixed deposit of Rs.25 Cr. with Panjab & Sind Bank, Ashok Nagar Branch, Bhubaneswar towards its 1/3rd 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 Bank, Basua Ghai Branch, Bhubaneswar towards performance Bank Guarantee on behalf of GEDCOL.		
ii) Earmarked balance with banks for the following purpose.		
	31.03.2016	31.03.2015
Terminal Liabilities	350,000,000	60,000,000
Loan Repayments	452,300,000	780,000,000
JV & new project	5,297,231,847	5,498,570,000
RMU & new projects	4,776,800,000	2,400,000,000
Total	10,876,331,847	8,738,570,000

Note - 20

CURRENT ASSETS- SHORT-TERM LOANS AND ADVANCES	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
Unsecured considered good :		
i) Prepaid Expenses	6,833,450	10,306,540
ii) Deposit with others	1,899,628	1,899,629
iii) Advance to supplier	175,704,236	25,513,967
iv) Advance to contractor	31,041,035	37,803,238
v) Advance to others	9,892,761	10,963,076
vi) Advance to staff	27,862,751	30,728,106
vii) Advance Income Tax (TDS) (Ref. note 42 (f))	519,106,500	439,690,505
viii) Advance Income-tax	611,300,000	219,186,000
ix) OHPC Pension Fund	-	-
x) OHPC Rehabilitation Assistance Trust Fund	10,000	10,000
xi) Advance Sales Tax	5,152	592,326
xii) Short Term Loan to GEDCOL	150,000,000	-
xiii) Short Term Loan to OCPL	300,000,000	-
Total of Short-Term Loans and Advances	1,833,655,513	776,693,386

Note - 21

CURRENT ASSETS - OTHER CURRENT ASSETS	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
i) Claims receivable	67,490,028	34,983,385
ii) Dam Share Receivable from W.R. Department on accounts of Indravati.	109,667,235	251,749,952
iii) Other Misc. assets	682,884	449,165
iv) Receivable from Gridco on Machhakund a/c	113,427,737	27,564,831
v) Other receivable from staff	2,591	1,784
vi) Interest accrued but not due on bank deposits	186,103,258	333,953,087
vii) Interest receivable from Others	54,536,408	477,896
Total of Other Current Assets	531,910,141	649,180,100

Note - 22

REVENUE FROM OPERATIONS	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2016
i) Sale of Electricity	4,100,415,831	4,881,265,969
ii) Compensation for loss of Energy	-	45,299,051
iii) Other operating revenue	99,432,540	5,847,884
Total of Revenue from operations	4,199,848,371	4,932,412,904

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.16,94,399/-	Rs.17,90,751/-
Electricity charges recovery - Contractors:	Rs.9,77,38,141/-	Rs.40,57,333/-

Note - 23

OTHER INCOME	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
i) Interest on Employees advances	1,100	29,717
ii) Interest on Bank Deposits	923,061,719	959,641,604
iii) Interest on others	14,892,493	6,110,934
iv) Interest in lieu of DPS from GRIDCO	845,966,672	144,433,334
v) Sale of tender papers	3,700,000	2,944,761
vi) House rent recovery	1,482,940	1,756,566
vii) Vehicle charges recovery	466,008	416,653
viii) Electricity charges recovery - Employees	582,861	573,395
ix) Electricity charges recovery - Contractors	10,933,044	9,736,492
x) Guest house charges recovery	209,095	275,484
xi) Sale of scrap	2,470,468	1,470,853
xii) Other miscellaneous receipt	6,914,755	1,622,765
xiii) Recovery from Penalties	1,049,412	1,444,784
xiv) Receipt from RTI	3,371	1,791
xv) Insurance Claim Receipts	49,500	939,297
xvi) Forfeiture of EMD/SD	95,506	218,375
xvii) Dam Share From DOWR (UIHEP)	109,667,235	124,374,481
xviii) Profit on sale of Assets	-	-
xix) Recovery of foreign exchange fluctuation loss	42,000,000	59,900,000
xx) Profit on sale of Inventory	-	64,550
Total of Other income	1,963,546,179	1,315,955,836

(a) Interest income of Rs. 92,30,61,719/- on short term deposits with the Banks which includes Rs.8,89,59,793/- as TDS.

Note - 24

REPAIR & MAINTENANCE EXPENSES	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
i) R&M to Plant and Machinery	538,313,224	189,712,684
ii) R&M to Building	49,134,406	37,484,030
iii) R&M to Civil Works	41,337,580	43,069,019
iv) R&M to Hydraulic Works	11,238,013	7,582,472
v) R&M to Line Cables Networks	3,083,186	4,399,037
vi) R&M to Vehicles	848,125	1,417,070
vii) R&M to Furniture & Fixture	43,169	72,680
viii) R&M to Office Equipments	1,367,807	1,476,436
ix) R&M to Electrical Installation	4,905,989	3,624,632
x) R&M to Water Supply Installation	3,390,276	5,094,267
xi) R&M to Misc. Assets	294,760	141,911
xii) R&M to Substation Equipment	14,543,064	4,796,139
xiii) R & M to Dam Maintenance	178,603,188	321,964,978
Total of Repair & Maintenance Expenses	847,102,787	620,835,355

Note - 25

OPERATION EXPENSES	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
i) Power and fuel	9,600,778	10,108,127
ii) Insurance charges of Power House	12,609,500	14,467,119
iii) Oil, Lubricant & Consumables	21,199,135	22,670,217
iv) Transportation Charges	1,058,926	348,099
v) Hire charges of vehicles / machineries	12,975,507	12,612,747
vi) Refreshment (Operation)	159,871	512,866
vii) Other Operation expenses	14,012	2,650,211
ix) Watch & Ward of Power House	40,976,552	35,118,994
Total Operation Expenses:	98,594,281	98,488,380

Note - 26

EMPLOYEE BENEFIT EXPENSES	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
i) Salary & Allowances	487,380,119	518,168,119
ii) Wages & Allowances	442,061,758	455,190,462
iii) Over time	1,495,013	961,691
iv) Bonus	944,378	351,349
v) Payment to Apprentices & Trainees	8,531,022	3,831,416
vi) Contribution to PF and other Funds	343,625,995	427,703,712
vii) Employees welfare expenses	85,015,543	66,693,128
viii) Other employee benefit expenses	263,395,623	126,134,333
	1,632,449,451	1,599,034,210

Employee cost includes Salary and Allowances paid to the Key Managerial Personnel as given below:

	Current Year (in Rs.)	Previous Year (in Rs.)
Salaries & Allowances	4,459,586	6,117,659
Sitting Fees paid to Independent Directors	616,000	614,000

Note - 27

ADMINISTRATIVE & GENERAL EXPENSES	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
i) Rent	7,358,984	5,765,650
ii) Rates and Taxes	676,227	1,010,677
iii) License & Registration Expenses	-	77,428
iv) Fees & Subscriptions	1,418,607	342,235
v) Insurance Charges	867,064	2,100,697
vi) Communication Expenses	5,214,932	4,035,832
vii) Traveling & Conveyance Expenses	18,990,389	25,234,036

viii)	Printing & Stationery	4,401,307	4,081,684
ix)	Bank Charges	25,867	89,033
x)	Electricity & Water Charges	54,601,266	60,882,026
xi)	Legal Expenses	1,914,683	3,908,777
xii)	Professional & Consultancy Charges	4,652,670	2,846,727
xiii)	Audit Fees & Expenses (a)	2,892,807	2,730,276
xiv)	Advertisement & Publicity	3,843,268	3,740,229
xv)	Training, Seminar & Conference	5,867,979	5,935,065
xvi)	Office Upkeep & Maintenance	1,602,447	1,915,502
xvii)	Watch & Ward charges	19,469,153	20,838,690
xviii)	Repair & Maintenance others	31,171	18,857
xix)	Recruitment Expenses	92,729	347,484
xx)	Meeting Expenses	2,617,686	1,547,669
xxi)	Transit House expenses	579,523	740,687
xxii)	Electrical Accessories	960	2,550
xxiii)	Loss of Asset	5,624,511	49,139
xxiv)	Loss on Inventories	1,810,862	179,245
xxv)	Afforestation expenses	-	14103239
xxvi)	Corporate Social Responsibility	3,037,959	-
xxvii)	Other Administrative & General Expenses	21,589,394	24,709,990
Total of Administrative & General Expenses		169,182,444	187,233,424

(a) Remuneration and expenses to Auditors.

	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2014
Statutory Audit Fees	404,000	384,000
Statutory Audit Expenses	267,845	452,353
Other Audit Fees	1,531,905	1,221,000
Other Audit Expenses	689,057	672,923
Grand Total	2,892,807	2,730,276

Note - 28

PRIOR PERIOD EXPENSES / (INCOME)	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
i Repair & Maintenance	(67,255,807)	(120,000)
ii Operational Expenses	(762,257)	(118,247)
iii Employee Cost	(22,794,231)	295,969,098)
iv Administration & General Expenses	(14,118,097)	-
v Other Income	(23,383,896)	(100,000)
vi Interest income	-	(2,882,972)
Prior Period Expenses (Net)	(128,314,288)	(299,190,317)

Note - 29

FINANCE COST	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
i Interest on Bank Loan	239,726	1,781,777
ii Interest on PFC Loan	20,664,916	38,397,864
iii Interest on GOVT. Loan(UIHEP)	260,028,300	504,483,700
iv Interest on GOVT. Loan(Old Power House)	536,340,000	
v Cash discount (PFC interest)	(100,944)	(263,085)
Sub-total (A)	817,171,998	544,400,256
B. Other Borrowing costs :		
i) Guarantee Commission	10,812,000	10,812,000
Sub-total (B)	10,812,000	10,812,000
C. Gain or loss on foreign currency transaction / translation :		
i) Foreign Exchange Fluctuation Loss	14,481,974	29,503,107
Sub-total (C)	14,481,974	29,503,107
Total Finance Cost (A+B+C)	842,465,972	584,715,363

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	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
Rebate on sales realization	85,73,575	4,31,37,450
Total of Selling & Distribution Expenses	85,73,575	4,31,37,450

Note - 31

EXCEPTIONAL ITEMS	Figures in Rs.	
	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31st March-2016	31st March-2015
Voluntary separation scheme payment	193,924	-
Total Exceptional Items	193,924	-

Note - 32

The book value of stores & spares partly not available due to theft, fire and shortages in both civil stores & Electrical Store Mukhiguda and Central Stores Khatiguda of Civil wing as per the stock verification report of M/s. JBMT Associates, C.A., Bhubaneswar for the year ending 31.03.2016 are as follows :-

Particulars	Civil Stores Mukhiguda (Rs.)	Central Store Khatiguda (Rs.)	Electrical Store Mukhiguda (Rs.)	Total Amount (Rs.)
Theft	2,73,311.79	13,75,322.50	0	16,48,634.29
Fire Damage	0.00	1,55,12,500.10	0	1,55,12,500.10

Shortages.	18,86,899.76	5,81,279.23	0	24,68,178.99
Total Loss of Stores up to 31.03.12	21,60,211.55	1,74,69,101.83	0	1,96,29,313.38
Theft during 2012-13	17,08,318.33	0.00	0	17,08,318.33
Shortages during 2012-13	3,81,310.38	71,799.75	0	4,53,110.13
Shortages during 2014-15	0.00	2,85,599.42	7,10,862	9,96,461.42
Total loss of stores as on 31.03.2016	42,49,840.26	1,78,26,501.00	7,10,862	2,27,87,203.26

- (a) The value of inventory of Hirakud HEP as on 31st March, 2016 includes the cost of spares theft in the year 2008, 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 in the year 2010-11 and provision has been made for balance amount of Rs.1,97,006/- in the accounts 2011-12 which is yet to be written off.
- (b) The value of inventory of RHEP, Rengali includes Rs.18,10,862/- towards shortage due to theft amounting to Rs.2,89,458/- and unserviceable stores amounting to Rs.15,21,404/- which has been provided & charged to P & L account. The same shall be written off after approval of Competent Authority.

Note - 33

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

The outstanding Energy Charges of Rs 28,59,024/- of UIHEP, Mukhiguda are pending with different offices of DOWR, BSNL & banks for which letters for confirmation of balance as on 31.03.2016 were issued on 04.04.2016 by speed post but confirmations were not received viz.

	Amount in Rs		Amount in Rs
E.E, Right Canal Divn.	57,112/-		
E.E., Left Canal Divn.	4,43,464/-	SDO, BSNL, Nabarangpur	9,47,376/-
E.E., Quality Control Divn.	Nil	SDO, BSNL, Dharamgarh	12,11,191/-
Chif Engineer, Irrigation	Nil	SBI, Jaipatna	1,34,475/-
		Utkal Gramya Bank	65,406/-
Total Receivable from DOWR :	5,00,576/-	Total Receivable from BSNL & Banks:	23,58,448/-

Note - 34

Foreign currency transactions:

Particulars	2015-16 (Rs.)	2014-15 (Rs.)
Value of Imports calculated on CIF basis in respect of components and spare parts through LC.(¥ 113673600)	6,47,46,491	7,14,30,624
Value of Imports calculated on CIF basis in respect of capital goods (HHEP, Burla • 21112.60 & \$ 86506.60 and CHEP, Chiplima • 9659.40 & \$ 70353.60)	1,27,74,437	NIL
Traveling expenses	7,75,20,928	7,14,30,624

Note - 35

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 2015-16 (Rs.)	As at 31.03.2016 (Rs.)
1.	Pension	32,55,21,985	608,62,33,923
2.	Leave Encashment	14,46,68,241	57,24,29,585
3.	Gratuity	11,95,759	76,67,248

As against the aforesaid liabilities towards Pension, an amount of Rs.576,07,11,938/- has been paid to the OHPC Pension Fund till 31.03.2016. Accordingly the balance amount of Rs.32,55,21,985/- 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 and 01.04.2014. During the year under audit, OHPC has paid Rs.1,00,000/- to the Gratuity trust fund.

Pension liability in respect of deputationists for their service in OHPC has not been ascertained. The payments that may be made by OHPC on receipt of claims for the deputationists shall be accounted for on cash basis in the year of payment. Pension liability in respect of employees covered under OHPC uniforms pension scheme are provided in the year of retirement.

Note: 35-A

Related Party

Party (By Parent Company) :

- A. As per Accounting Standard-18- Related Party Disclosures issued by the Ministry of Corporate Affairs, the names of the related parties disclosed below.

Nature of Relationship	Name of the related party
Subsidiary Company	Green Energy Development Corporation Ltd.
Joint Venture	Odisha Thermal Power Corporation Ltd., Baitarni West Coal Company Ltd.,
Associates Company	Odisha Coal and Power Limited
Key Management Personnel / Directors	Name of the related party
	Sh Rajesh Verma, IAS (From 07.12.2015)
	Sh S.C. Mahapatra, IAS (upto 07.12.2015)
	Sh Hemant Sharma, IAS
	Sh Vijay Arora, IAS (From 10.07.2015)
	Sh Rajesh Sharma
	Sh S K Sahu (upto 06.01.2016)
	Sh B K Behera
	Sh A K Mishra
	Sh S C Bhadra
	Sh S K Jena
	Sh D K Jena
	Sh R C Tripathy
	Mrs. Saveeta Mohanty (From 14.07.2015)
	Sh P K Mohanty, Company Secretary

B. Details of transactions between the Company and the Related Parties during the Year.

Sl No.	Particulars	Sub, Asso, JV	KMP, Director	Total	Note No.
1	Other Loan and Advances	450000000		450000000	Note-20
2	Advance to Others	5510994		5510994	Note-20
3	Investment	4300000		4300000	Note-14
4	Managerial Remuneration		5983736		Note-26
5	Sitting Fees & Conveyance		668500	668500	Note-26

Note - 36

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 - 37

The consolidate financial statement has been prepared separately taking the Audited Accounts of OHPC, GEDCOL, OTPCL, BWCCL & OCPL with Generally Accepted Accounting Principles as per Companies Act 2013. Inadvertent omissions or errors if any will be rectified in the accounts of year of identification.

Note - 38

- a) The Company spent Rs.34.98 lakhs towards CSR for conservation of Natural Resources under Schedule -VII and Item (iv) of Companies Act 2013. The computation details are as follows :

Rs in Lakhs.

Sl. No.	Year	2012-13	2013-14	2014-15	2015-16
1.	Net profit before tax as per Section 198	5892.32	1112.32	4668.14	-
2.	Average profit for last 3 years	-	-	-	11672.78
3.	2% of average profit	-	-	-	233.46
4.	Expenditure made during the year	-	-	-	30.38

- b) Amount spent during the year on :

Sl. No.		In cash\ Cheque	Yet to be paid in cash	Total
i.	Construction/acquisition of any asset.			
ii.	On purposes other than (i) above	30.38		30.38

Note - 39

Commitment & Contingent liabilities:

(a) Commitment

(Rs. in crores)

		As at 31.03.16	As at 31.03.15
(a)	(i) Estimated amount of contracts to be executed on capital account (net of advances and LCs opened) UIHEP, Mukhiguda & HHEP, Burla	184.78	33.05
	(ii) Estimated amount to be required for CATP	13.58	0.00
(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	0.32	0.32
	(iii) Claims of the contractor M/s Trafalgar House Construction (T) Satyam Sankaranarayan Joint Venture of UIHEP, Khatiguda	65.57	65.57
	(iv) Workman compensation pending before the Hon'ble High Court of Odisha. (CHEP)	0.06	0.06
	(v) Claim of Dam Division, Rengali Dam site under water Resources Department towards water rent in respect of residential & non-residential building of OHPC (RHEP)	0.16	0.15
	(vi) Entry Tax, appeal before the Commissioner of Commercial Taxes, Cuttack (BHEP).	0.01	0.01
	(vii) Wrong assessment of water cess by Department of Water Resources and interest charged thereon.	0.01	0.01
	(viii) 50% of the Fixed deposit of Rs.25 Crs. pledged for the BG of BWCCCL in favour MOC, GoI.	12.50	12.50
	(ix) Pending cases on account of Income Tax demand raised by AO with different appellate authority for the Assessment Year 2007-08 & 2011-12 amounting to Rs.2.18 Crs., Rs.31.26 respectively.	33.44	60.03
	(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
(x)	Unaccepted Dam Maintenance Cost due to abnormally.	9.27	0.00
Total		329.02	181.02
(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)	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 (a) (viii).		
(e)	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 - 40

- (a) The sale of energy compared to the design energy for sale during the year 2014-15 is as under :

Power stations	Actual sale of energy (in MU)	Design energy for sale (in MU)
UIHEP, Mukhiguda	1590.912	1942.38
RHEP, Rengali	583.3918	519.75
BHEP, Balimela	578.0037	1171.17
UKHEP, Upper Kolab	712.804	823.68
HHEP, Burla	443.903	677.16
CHEP, Chiplima	211.630	485.10
Total	4120.6445	5619.24

- (b) As per the OERC tariff order dt. 23.03.2015, the tariff for the year 2015-16 for energy sold to GRIDCO is as follows.

Name of Power Station	Energy charge Rate (Paisa per Unit)	Capacity charges (Rupees in Crs.)
RHEP	56.441	29.335
UKHEP	26.461	21.795
BHEP	44.754	52.415
HHEP	66.269	44.875
UIHEP	36.937	71.745
CHEP	20.366	11.840
TOTAL	251.228	232.005

- (c) The sale of energy includes 16.39671 MU to CSPDCL @Rs.1.4981 per unit as provisionally approved by OERC which has been decided in a joint meeting held on 28.10.2014 between OHPC & CSPDCL at Raipur, Chhatisgarh.
- (d) The energy sold to GRIDCO has been reconciled both in quantity & value till 2014-15. Necessary rectification entries relating to sale of energy have been passed by the respective units.

Note - 41

During the year Rs.3,11,65,118/- has been paid and adjusted to SOUTHCO towards electricity charges for power consumed in UIHEP and Rs.87,46,561/- has been adjusted for the period from 1999-00 to 2013-14 which was ascertained in this year.

Note - 42

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 - 43

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 - 44

The details of installed capacity, generation and sale of power during the year are as under.

Power stations	Installed Capacity (MW)	Gross Generation (MU)	Sale of Power (MU)	Auxiliary consumption (MU)	Transformation loss	Internal consumption
CHEP	72.00	216.710	211.630	0.7860	4.2938	-
HHEP	275.50	457.164	443.903	2.403	10.858	-
RHEP	250.00	606.6215	583.3918	1.3136	10.1136	11.8024
UKHEP	320.00	727.662	712.804	3.331	11.527	-
BHEP	510.00	601.398	578.0037	4.6052	11.93708	6.85196
UIHEP	600.00	1653.322	1590.912	3.091	53.296	6.023
Total	2027.50	4262.8775	4120.6445	15.5298	102.0255	24.6844
Previous year	2027.50	6238.457	6092.16	18.814	100.943	26.541

Note - 45

Power Station wise financial results before Tax.

Power Station	Revenue from operation	Other Income	Share of H O income over exp.	Total Income	Total Exp.	Profit before tax
CHEP	17.04	0.14	6.47	23.65	28.29	-4.64
HHEP	74.64	0.38	29.09	104.11	53.50	50.61
RHEP	76.46	0.08	25.32	101.86	51.34	50.52
UKHEP	42.06	1.43	16.00	59.49	77.91	-18.42
BHEP	72.69	4.38	27.79	104.86	68.92	35.94
UIHEP	137.09	14.306	52.19	203.586	179.63	23.956
Total 2015-16	419.98	20.716	156.86	597.556	454.47	137.97
Total 2014-15	493.24	51.13	96.08	640.46	593.78	46.68

Note - 46

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 - 47

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.

	<u>Rs. in Lakhs.</u>		<u>Rs. in Lakhs</u>
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		
	104.00		54.03

Out of Rs.1,04,00,000/-, a sum of Rs.5,20,986/- has been referred by CTO, Koraput (now Nabarangpur) through challan vide BRV No.1333 dtd.24.03.2012 after finalization of appeal. 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.

Note - 48

- (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.7,40,23,445/- 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) (a) Insurance claim for Rs.2,76,666/- has been lodged to National Insurance Company on 09.06.2015 for unit-V, CB & CT. (b) Insurance claim of Rs.31,47,840/- has been lodged to national insurance Company on 02.07.2015 for damage of assets of Conference Hall & other equipments due to fire. (c) Insurance claim of Rs.7,21,712/- has been lodged to National Insurance company on 16.12.2015 for theft of store materials.

Note - 49

It was decided in 105th 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 - 50

- (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.

Significant Accounting Policy & Accompanying notes forming part of the financial statements.

In terms of our report of even date attached

For **LAL DASH & CO,**
Chartered Accountants

(B K Dash)
Partner
M. No. 052980

P K Mohanty
Company Secretary

P P Sahu
SGM (F) & CFO

B K Behera
Director (Finance) I/C

Rajesh Verma, IAS
Chairman-cum-
Managing Director
(DIN: 01725746)

Place : Bhubaneswar
Date : 26.08.2016



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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, Gram : HYDROPOWER
Web site : www.ohpcltd.com, E-mail : ohpc.co@gmail.com / md@ohpcltd.com
CIN : U40102OR2013SGC016747



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BOARD OF DIRECTORS

Sh Rajesh Verma, IAS

Chairman

Sh Hemant Sharma, IAS

Managing Director

Sh S C Bhadra

Director

Sh B B Acharya

Director

Sh A K Mishra

Director

Sh C R Pradhan

Director

Sh S K Jena

Director

Company Secretary

Sh P K Mohanty

BANKERS

State Bank of India

Union Bank of India

Axis Bank

STATUTORY AUDITORS

BATRA SWAIN & ASSOCIATES

Chartered Accountants

SECRETARIAL AUDITORS

M/s T K Satpathy & Co

Company Secretaries

REGISTERED OFFICE

OHPC Corporate Office, OSPH & W Corporation Building,

Janpath, Bhoinagar, Bhubaneswar -751022.

Tel.: 91-674-2542922, 2542983, 2545526, 2542826, Fax : 0674-2542102,

Email :info@gedcol.com



No. GEDCOL: SECTL/2014-16/

929

Dated the, 3rd September, 2016.

To

Sh Rajesh Verma, IAS,
CMD, OHPC
Chairman, GEDCOL & Member

Sh Hemant Sharma, IAS
Managing Director, CMD,
OPTCL & GRIDCO
Managing Director & Member

Sh B K Behera, OFS(SAG)
Director (Finance), OHPC
Member

Sh Rajesh Sharma,
Ex-Director(HRD), OHPC
Member, GEDCOL

Sh A K Mishra
CGM (El.) & Director (O), OHPC
Director & Member, GEDCOL

Sh D. Sethy, SGM(El.), OHPC
Member, GEDCOL

Sh P P Sahu
SGM (Finance) OHPC,
Member, GEDCOL

NOTICE

Sir (s),

NOTICE is hereby given that the 3rd Annual General Meeting (AGM) of the Members of GEDCOL will be held on Thursday, the 29th September, 2016 at 3:30 P.M at the Regd. Office of the Company at OHPC Corporate Office at Vanivihar Chhak, Janpath, Bhoinagar, Bhubaneswar - 751 022 to transact the following business:-

ORDINARY BUSINESS:

Item No. 1

To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2016 including the Balance Sheet and Statement of Profit and Loss for the financial year ended on that date together with Reports of the Board of Directors and Auditors thereon and Comments of the Comptroller & Auditor General of India, in terms of Section 143(6) of the Companies Act, 2013.

Item No. 2

To fix the remuneration of the Statutory Auditors for the financial year 2016-17.

Regd. Office:

Vanivihar Chhak, Janpath, Bhoinagar
Bhubaneswar - 751022,
Date: 03.09.2016.

By order of the Board of Directors,

Company Secretary



Memo No. 930

Dated the, 3rd September, 2016.

Copy to:

1. Sh Rajesh Verma, IAS, Principal Secretary to Govt., DoE and Chairman, GEDCOL for kind information with a request to kindly make it convenient to preside over the meeting.
2. Sh Hemant Sharma, IAS, MD, GEDCOL for kind information with a request to kindly make it convenient to attend the meeting.
3. M/s. Batra Swain & Associates, Chartered Accountants, L3/80, Housing board Colony, Acharya Vihar, Bhubaneswar-13, E-mail : info@batraswain.com / Secretarial Auditor M/s. T K Satapathy & Co., Company Secretaries, 2nd Floor, Biswal Commercial Complex, Cuttack Road, Bhubaneswar-751006, Ph 0674-2314500, Email : tk_satapathy@yahoo.co.in for kind information with a request to make it convenient to attend the meeting.
4. Sh S K Jena, Director & Chairman, Audit Committee, GEDCOL for kind information with a request to kindly make it convenient to attend the meeting.
5. Sh S C Bhadra, Director, Sh C R Pradhan, Director and Sh B B Acharya, Director for kind information with a request to kindly make it convenient to attend the meeting.

Company Secretary

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF, SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Instrument of Proxy in order to be effective, should be duly stamped, completed, signed and must be sent to the Company so as to receive at its registered office not later than 48 hours before the commencement of the meeting. Blank Proxy Form is enclosed.
3. The Statutory Audit and Audit by C&AG on the Accounts on the Accounts of GEDCOL for the F.Y. 2015-16 has been completed on 29.08.2016. The final comments of C&AG is expected to be received by the last week of September, 2016. After receipt of final comments of C&AG, the Financial Statement of the Company for the Financial Year 2015-16, Report of Auditors' and Directors' will be tabled for adoption. If the comments is not received, the meeting shall be adjourned till the date of receipt of Comments from C&AG.

Regd. Office:

Vanivihar Chhak, Janpath, Bhoinagar

Bhubaneswar - 751022,

Date: 03.09.2016.

By order of the Board of Directors,

Company Secretary



GREEN ENERGY DEVELOPMENT CORPORATION OF ODISHA LTD (A Wholly Owned Subsidiary of OHPC Ltd) DIRECTORS' REPORT 2016

Dear Members,

Your Directors are pleased to present the 3rd Annual Report of the Company on the performance of the company along with the audited Financial Statements, report of the Auditors and comments of the Comptroller and Auditor General of India for the financial year ended 31st March, 2016.

1. FINANCIAL HIGHLIGHTS

(i) Summarized Financial Results :

The Financial results for the year ended 31st March, 2016 are summarized below.

(Rs. in Lakhs)

Particulars	2015-16	2014-15
INCOME		
Revenue from Operation	49.25	-
Other Income	109.84	131.44
Total Income	159.09	131.44
EXPENDITURE		
Employee Benefit Expenses	31.52	30.60
Administrative & other expenses	38.75	17.85
Total Expenditure	70.27	48.45
Profit before depreciation and Tax	88.82	82.99
Depreciation	33.69	5.76
Profit after depreciation and before tax.	55.13	77.23
Less : Tax Expenses:		5.02
Current Tax	10.51	-
MAT Credit entitlement	(10.51)	-
Deferred Tax	(1699.98)	-
Profit after depreciation & Tax.	(1644.85)	72.22

(ii) DIVIDEND :

The Board of Directors has not recommended any dividend for the financial year under review.

2. BUSINESS INITIATIVES OF THE COMPANY

Your company has undertaken the following projects:-

(a) State Nodal Agency for On Grid Solar:

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.



(b) 20 MW Solar Project, Manamunda:

GEDCOL was allotted 20 MW Solar Power Plant at Manmunda in Boudh district under Jawaharlal Nehru National Solar Mission (JNNSM), Phase-II, Batch-I. The project has been commissioned successfully during March' 2016 (15 MW) and June 2016 (5 MW).

(c) Rooftop Solar Project:

MNRE has sanctioned 4 MW Solar Rooftop Project on the non-residential Govt. Buildings in twin city of Cuttack-Bhubaneswar through PPP mode.

199 nos. of buildings have been identified (126 in Bhubaneswar and 73 in Cuttack) for taking up Roof Top installations.

In response to the Request for Proposal (RFP), M/s Azure Power India Pvt. Ltd. had quoted a project cost of Rs.8 Crores per MW and levellised tariff of Rs.5.69/KWh for 25 years.

LOA has been placed on 09.06.2016 with M/s AZURE Power Ltd. The Project Implementation Agreement (PIA) was signed during July 2016. The project is scheduled to be completed by Sep. 2017.

(d) Solar Park:

GEDCOL is developing Solar Park(s) for 1000 MW of Solar Power Plant in a clustered manner constituting 100-200 MW capacity per Park/Project under the Ultra Mega Solar Power Park (UMSPP) Scheme of Govt. of India.

DPR has been prepared for 1000 MW Solar Park Project by GEDCOL (through M/s PWC) and submitted to Ministry of New & Renewable Energy (MNRE) for approval.

GEDCOL has requested Govt. of Odisha to provide Rs. 250 Cr. from Odisha Environment Management Fund Trust for alienation of Land in favour of GEDCOL through IDCO.

World Bank has proposed to extend loan support (up to 50% of the Park development cost) for shared Solar infrastructure with an attractive interest rate under the 100 million USD funding support to MNRE.

World Bank also suggested for engaging Consultants for Environment & Social Impact Analysis (ESIA) of the Project. World Bank is under the process of engaging Consultants to assist GEDCOL to conduct the ESIA of the Project

In the 32nd ECI meeting under Chairmanship of the Chief Secretary held on 27.04.2016, it is approved that, IFC will be engaged as Transaction Advisor for the Solar Park project to be developed in a PPP mode.

State Govt. is taking up with DEA, MoF, GoI for necessary concurrence in this regard. The matter is placed in the 64th Screening Committee of DEA on 30.08.2016 for decision.

Technical evaluation and detail report for the balance 350 MW sites will be prepared by IFC.

During the review of Chief Secretary on 23.07.2016, IDCO has been advised to identify large patches of non-agricultural Govt. land preferably in the Districts of Kalahandi, Nuapada, Boudh, Bolangir, Sundargarh, Sambalpur, Deogarh, Bargarh & Sonapur, which will be studied further for selecting alternate sites for the Solar Park.



(e) Solar Projects in OPTCL Sub-station Premises:

GEDCOL is under process to develop Solar Plants on the un-utilized lands available inside OPTCL Grid Sub-stations at Duburi, Baripada, Bolangir, Koraput & Rairangpur including OHPC Power House at Mukhiguda.

DPR has been prepared by Gujarat Energy Research & Management Institute (GERMI) for 16.4 MW capacity at these sites.

Preparation of Tender for selection of EPC contractor is under process.

(f) 20 MW Solar Project by GEDCOL towards RPO of GRIDCO:

As per requisition of GRIDCO, tender has been floated by GEDCOL for selection of Solar Power Developer for construction of 20 MW grid connected Solar Projects. The evaluation process will be completed shortly.

(g) Small Hydro Projects by GEDCOL:

Detailed Project Report (DPR) has been prepared for 3 MW (2 X 1.5MW), Jambhira SHEP in Mayurbhanj District and 4.2 MW (2 X 2.1 MW), Kanupur SHEP in Keonjhar District and submitted to Engineer in Chief (Electricity) for execution of "Implementation Agreement"

Pre-Feasibility Report (PFR) for 13 (thirteen) nos. SHEPs with approximate capacity of 168 MW have been prepared by GEDCOL.

Out of these 13 SHEPs, GEDCOL has requested State Technical Committee (STC) for allotment of 4 nos. SHEPs namely, Kharag - I, II, IIA and III (Kandhamal District) of capacity 96 MW in favour of GEDCOL for development.

The proposal to take up Salki - 1, 2 & 3 (Kandhamal District) projects for a capacity of about 36 MW will be submitted to STC for allotment.

PFR for another SHEP namely, Garjan Khol (Angul District) of approx. 10 MW capacity is under preparation by M/s WAPCOS.

GEDCOL and Steel Authority of India Limited (SAIL), Rourkela have agreed to develop 15 MW, Mandira SHEP in Sundargarh District in Joint Venture mode. Preliminary survey has been completed by M/s MECON and site for installation of Power House has been finalized. DPR for the same is under preparation by M/s MECON.

3. DEPOSITS

During the year, the Company has not accepted any fixed deposit within the meaning of Section 73 of Companies Act, 2013 and the rules made there under.

4. LOAN, GURANTEE OR INVESTMENTS

Particulars of loans, guarantees or investments u/s 186 of Companies Act, 2013 are NIL.



5. RELATED PARTY TRANSACTIONS

All transactions entered with related parties for the year were in the ordinary course of business and on an arms' length basis. Further, there are no material related party transactions during the year with the promoters, Directors or Key Managerial Personnel. The Company's related party transactions are made with its holding Company. All related party transactions are placed before the Audit Committee as also to the Board for approval.

6. HOLDING COMPANY

Green Energy Development Corporation of Odisha Ltd is a wholly owned subsidiary of Odisha Hydro Power Corporation Limited.⁴

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings & outgo as required to be disclosed under section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are enclosed at ANNEXURE-I.

8. CSR ACTIVITIES

The provisions disclosures pertaining to CSR activities as specified under section 135 of the Companies Act, 2013 are not applicable for the year under review.

9. EXTRACT OF ANNUAL RETURN:

Extract of Annual Return of the company in accordance to Section 92(3) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 is given at ANNEXURE-II.

10. STATUTORY AUDITOR

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 third financial year ended on 31st March 2016.

11. INTERNAL AUDITOR

M/s B S Subudhi & Co, Chartered Accountants, Bhubaneswar has been appointed as Internal Auditor of the company in pursuant to the provisions of Section 138 of the Companies Act, 2013 for F.Y. 2015-16.

12. SECRETARIAL AUDITOR

The Board has appointed M/s T K Satpathy & Co, Practicing Company Secretaries, to conduct Secretarial Audit of the Company for the financial year 2015-16. The Secretarial Audit Report is placed at ANNEXURE-III.



13. 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 31st March, 2015 and the replies of the Management to the report /comments of the Auditors are enclosed to this report.

14. BOARD OF DIRECTORS

As on 31st March 2016, the Board of your company comprised of following Directors:-

Sl. No.	Name	Date of Appointment	Date of Cessation	Designation
1	Sh Rajesh Verma, IAS (DIN :- 01725746)	07.12.2015	-	Chairman
2.	Sh. S C Mahapatra, IAS (DIN :- 00229586)	01.09.2014	07.12.2015	Chairman
3.	Sh Hemant Sharma, IAS (DIN:- 01296263)	20.01.2014	-	Managing Director
4.	Sh S K Sahu (DIN:- 05297051)	18.04.2013	06.01.2016	Whole time Director
5.	Sh C R Pradhan (DIN:- 00127539)	21.05.2013	-	Director
6.	Sh B B Acharya (DIN:- 06567542)	21.05.2013	-	Director
7.	Sh S C Bhadra (DIN:- 01896713)	21.05.2013	-	Director
8.	Sh S K Jena (DIN:-05169683)	15.04.2014	-	Director
9.	Sh A K Mishra (DIN :- 07421760)	04.02.2016	-	Director

15. BOARD MEETINGS

The Board Meetings are held normally at Bhubaneswar. During the financial year 2015-16, total 04 nos. of Board Meetings were held.

16. AUDIT COMMITTEE

The Audit Committee comprises the following Members:

1. Shri S K Jena, Independent Director, Chairman.
2. Shri S C Bhadra, Independent Director, Member.
3. Shri B B Acharya, Independent Director, Member.
4. Shri A K Mishra, Director, Member.



During the Financial Year 2015-16, total 04 nos. of Audit Committee Meetings were held.

17. KEY MANAGERIAL PERSONNEL:

During the year, in compliance with Section 203 of the Companies Act, 2013, following were designated as Key Managerial Personnel:

1. Sh S K Sahu, Director(Finance) up to 06.01.2016.
2. Sh P K Mohanty, Company Secretary.

18. DIRECTORS' RESPONSIBILITY STATEMENT:

In compliance to Section 134 (3) (C) of the Companies Act, 2013, the Directors state that: -

- a) in the preparation of the annual accounts for the year ended March 31, 2016, the applicable Accounting Standards read with requirements set out under Schedule-III to the Act, have been followed along with proper explanation relating to material departures; if any; had been followed by the Company along with proper explanation relating to material departures in the Notes to Accounts and Accounting Policies;
- b) the Directors have selected such accounting policies and applied them consistently except as disclosed in the Notes on reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as at March 31, 2016 and of the profit of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detection fraud and other irregularities.
- d) the Directors have prepared the annual accounts on a going concern basis.
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. DECLARATION OF INDEPENDENCE

Your company has received declaration from all the independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedule and Rules issued there under.

20. GENERAL

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

1. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.



2. There have been no Material Changes and Commitments subsequent to the Balance Sheet.
3. There are no Companies which have become or ceased as subsidiaries, joint ventures or associate companies during the Year.

21. 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, MNRE, GoI. 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

Place: Bhubaneswar

Date : 29.09.2016

Rajesh Verma, IAS

CHAIRMAN

DIN:- 01725746



ANNEXURE-I

Annexure to Director's Report

**DISCLOSURE REQUIRED UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT 2013
READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014:**

A. CONSERVATION OF ENERGY**(a) Energy Conservation measures taken and on hand.**

1. Technical specifications of electronic equipments such as inverter, SCADA etc. have been formed to do away with the requirement of Air Conditioning.
2. LED Lamps have been used for Internal Lighting.
3. Provision has been made for rainwater harvesting.
4. About 10 Acres of land which had trees was not used for installation of PV modules for the sake of maintaining green cover.

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

-NIL-

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

-NA-

B. TECHNOLOGY ABSORPTION

-

C. FOREIGN EXCHANGE EARNINGS AND OUTGO DURING 2015-16

(Rs. in lakhs)

		2015-16	2014-15
(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.	12.55	15.70



**FORM No.MGT-9
EXTRACT OF ANNUAL RETURN**

As on the Financial Year ended on 31st March, 2016

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

I. REGISTRATION AND OTHER DETAILS

i) CIN	U40102OR2013SGC016747
ii) Registration Date	18th April, 2013
iii) Name of the Company	Green Energy Development Corporation of Odisha Ltd.
iv) Category / Sub-Category of the Company	Public Company / Government Company
v) Address of the Registered Office and contact details	OHPC Corporate Office, Vani Vihar Chhak, Janpath, Bhoi Nagar, Bhubaneswar -751022
vi) Whether listed Company Yes/No	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be State:-

SI No.	Name and Description of main products /services	NIC Code of the Product /service *	% to total turnover of the Company**
1.	Electric Power Generation using Solar Energy.	35105	30.96%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES.

Sr. No.	Name of the Company	Address	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held by the Company/ Subsidiary/ Associate Company	Applicable
1.	Odisha Hydro Power Corporation Ltd.	Vani Vihar Chhak, Janpath, Bhoi Nagar, Bhubaneswar-751022	U40101OR 1995SGC003963	Holding	100.00	2(46)



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

i) Category-wise Share Holding

Category of Members	No. of Shares held at the beginning of the year (As on 01.04.2015)				No. of Shares held at the end of the year (As on 31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
g) Individual (Nominee)	0	600	600	0.12	0	600	600	0.12	0.00
h) Central Govt									
i) State Govt(s)	0	0	0	0	0	0	0	0	0
j) Bodies Corp.	0	498300	498300	99.88	0	502600	502600	99.88	0.74
k) Banks /FI	0	0	0	0.00	0	0	0	0	0.00
l) Others	0	0	0	0.00	0	0	0	0	0.00
Sub-Totals (A) (1):	0	498900	498900	100.00	0	503200	503200	0	100.00
(2) Foreign									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2) :-	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of promoter (A) = (A)(1)+(A)(2)	0	498900	498900	100.00	0	503200	503200	100.00	0.74
B. Public Shareholding	0	0	0	0	0	0	0	0	0.00
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (1):-	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
a) Bodies Corporate.	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
a) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
b) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total public shareholding (B) = (B) (1)+(B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
C. Shares held by custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	0	498900	498900	100.00	0	503200	503200	100.00	0.74



ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2015)			Share holding at the end of the year (As on 31.03.2016)			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	OHPC along with 6 nominees.	498900	498900	100.00	0	503200	503200	100.00
	Total	498900	498900	100.00	0	503200	503200	100.00

iii) Change in Promoters' Shareholding (please specify, if there is no change) -No change.

Sl No.		Shareholding at the beginning of the year (As on 01.04.2015)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	498900	100.00	498900	99.14
	Shares allotted on 20.07.2015	4300	-	4300	99.71
	At the end of the year (As on 31.03.2015)	503200	100.00	503200	99.99

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

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	For each of the top 10 Shareholders				
	At the beginning of the year	0	0	0	0
	Date wise increase/ decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/ bonus/sweat equity etc) :	0	0	0	0
	At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0



v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative / Shareholding in during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the Beginning (01.04.2015)/ end of the year (31.03.2016)	% of total Shares of the Company				Share	% of total shares of the Company
A.	DIRECTORS							
1.	Sh Rajesh Verma, IAS, Chairman	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2.	Sh Hemant Sharma, IAS MD	100	0.14	01.04.2015	0	0	100	0.14
		100	0.14	31.03.2016			100	0.14
3.	Sh S C Bhadra	0	0	01.04.2015	0	0	0	0
		0	0	31.03.2016	0	0	0	0
4.	Sh A K Mishra	0	0	01.04.2015	0	0	0	0
		100	0.14	04.02.2016	100	Transfer	100	0.14
		100	0.14	31.03.2016			100	0.14
5.	Sh S K Jena	0	0	01.04.2015	0	0	0	0
		0	0	31.03.2016	0	0	0	0
6.	Sh C R Pradhan	0	0	01.04.2015	0	0	0	0
		0	0	31.03.2016	0	0	0	0
7.	Sh B B Acharya	0	0	01.04.2015	0	0	0	0
		0	0	31.03.2016	0	0	0	0
8.	Sh S K Sahu Ex-Director (F)	100	0.14	01.04.2015			100	0.14
		100	0.14	31.03.2016			100	0.14
B.	KEYMANAGERIAL PERSONNEL							
1.	Sh P. K Mohanty, Company Secretary	Nil	Nil		Nil	Nil	Nil	



v) **INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness (in Rs.)
Indebtedness at the beginning of the Financial Year				
(i) Principal amount	Nil	Nil	Nil	Nil
(ii) Interest due but not paid	Nil	Nil	Nil	Nil
(iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the Financial Year				
Addition	Nil	Nil	Nil	Nil
Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the Financial Year				
Principal amount	Nil	Nil	Nil	Nil
Interest due but not paid	Nil	Nil	Nil	Nil
Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	365589254	Nil	365589254
Interest due but not paid	Nil	Nil	Nil	Nil
Interest accrued but not due	Nil	10929861	Nil	10929861
Total (i+ii+iii)	Nil	376519115	Nil	376519115

vi) **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.**

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount (in Rs.)
1.	Gross salary	-	-	-	-	-
	(a) Salary as per provision contained in section 17(1) of the Income Tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-	-



	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - As % of profit - Other s, specify.....	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act					

Note: Remuneration to Managing Director, whole time Directors-NIL

B. Remuneration to other Directors

1.	Independent Directors	Sh S C Bhadra	Sh S K Jena	Sh C R Pradhan	Sh B B Acharya	
	Fee for attending board committee meetings	Rs.40,000/-	Rs.50,000/-	Rs.25,000/-	Rs.35,000/-	Rs.1,50,000/-
	Commission	Nil	Nil	Nil	Nil	-
	Others, please specify	Nil	Nil	Nil	Nil	-
2.	Total (1)					
3.	Other Non-Executive Directors				-	-
4.	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
5.	Total (2)	Rs.40,000/-	Rs.50,000/-	Rs.25,000/-	Rs.35,000/-	Rs.1,50,000/-
6.	Total (B) = (1+2)					
7.	Total Managerial Remuneration					
8.	Overall Ceiling as per the Act	NA				

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

Sl. No.	Particulars of Remuneration	Company Secretary Amount	Total Amount (in Rs.)
1.	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	-
	c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	Nil	-



2.	Stock Option	Nil	-
3.	Sweat Equity	Nil	-
4.	Commission	Nil	-
	- As % of profit	Nil	-
	-others, specify....	-	-
5.	Others, please specify	-	-
	Total	-	-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

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



T K SATAPATHY & CO
COMPANY SECRETARIES

Trinath K Satapathy, FCS
2nd Floor, Biswal Commercial Complex
Cuttack Road, Bhubaneswar-751006
Ph 0674-2314500
Email : tk_satapathy@yahoo.co.in

Annexure - III

Form No. MR-3.
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
GREEN ENERGY DEVELOPMENT CORPORATION OF ODISHA LIMITED
(CIN NO. U40102OR2013SGC016747)
OHPC CORPORATE OFFICE, OSPH&W CORPORATION BUILDING,
JANPATH, BHOI NAGAR, BHUBANESWAR-751022

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GREEN ENERGY DEVELOPMENT CORPORATION OF ODISHA LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2016 ("Audit Report") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(Not Applicable to the Company during the Audit Period).**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(Not Applicable to the Company during the Audit Period).**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period).**



- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **(Not Applicable to the Company during the Audit Period).**
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable to the Company during the Audit Period).
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (Not Applicable to the Company during the Audit Period).
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the Company during the Audit Period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company during the Audit Period).
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period).
 - (f) The Securities and Exchange Board of India (Registrars to and Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable to the Company during the Audit Period).
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period).
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period).
- (vi) Other laws as may be applicable specifically to the company:
- 1. Indian Electricity Act, 2003
 - 2. Environmental (Protection) Act, 1986
 - 3. Income Tax Act, 1961
 - 4. Wealth Tax Act, 1948
 - 5. Service Tax Act, 1994
 - 6. The Orissa Entry Tax Act, 1999
 - 7. The Central Sales Tax Act, 1956
 - 8. The Orissa Value Added Tax Act, 2004
 - 9. The Indian Stamp Act, 1889
 - 10. Right to Information Act, 2005
 - 11. The Industrial and Labour Laws consisting of
 - a) Contract Labour (Regulation and Abolition) Act, 1970
 - b) The Minimum Wages Act, 1948
 - c) Payment of Wages Act, 1936



- d) Maternity Benefit Act, 1961
- e) Sexual Harassment of Women at work places (Prevention, Prohibition and Redressal) Act, 2013
- f) The Orissa Shop and Establishment Act, 1956
- g) Payment of Gratuity Act, 1972
- h) The payment of Bonus Act, 1965
- i) The Industrial Dispute Act, 1947

We have also examined compliance with the applicable clauses of the following:

- (i) The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), (Not Applicable to the Company during the Audit Period)

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

- (i) The Company has allotted 4300 Equity shares of Rs 1000/- each under the provisions of Section 62 of the Companies Act 2013 to its Holding Company, Odisha Hydro Power Corporation Ltd. on 20.07.2015.

For T.K Satapathy & Co.,
Company Secretaries

Place : Bhubaneswar
Date : 17.08.2016

Trinath K. Satapathy
CP No.2682, FCS:4731



Comments of the Comptroller and Auditor General of India under Section 143(6) (b) of the Companies Act, 2013 on the Financial Statements of Green Energy Development Corporation of Odisha Limited for the year ended 31st March, 2016.

The preparation of financial statements of Green Energy Development Corporation of Odisha Limited for the year ended 31st March, 2016 in accordance with financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Companies Act, 2013 are responsible for expressing opinion on these financial statements under Section 143 of the Companies Act, 2013 based on independent audit in accordance with the Standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 17.08.2016.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of Green Energy Development Corporation of Odisha Limited for the year ended 31st March, 2016. This supplementary audit has been carried out independently without access to the working paper of the statutory auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the followings significant matter under Section 143(6) (b) of the Act, which have come to my attention and which in my view are necessary for enabling a better understanding the financial statements and the related Audit Report.

SI No.	Comments of C&AG of India	Replies of the management
(A)	<p>Comments on Profitability Statement of Profit and loss Other income (Note No.17): Rs.1.10 crore</p> <p>1. The above includes Rs.0.76 crore being the interest earned on Fixed Deposit made out of Grant-in-aid of Rs.20 crore received from Government of Odisha for infrastructure development in area of renewable energy. Since the Grant-in-aid is for capital expenditure, the interest so earned should have been credited to Grant-in-aid accounts instead of accounting it as income of the company. This has resulted in overstatement of other income and understatement of Capital Reserve of Rs.0.76 crore each in addition to understatement of loss to the same extent.</p>	<p><i>GEDCOL has been incorporated as per the provisions of Companies Act. As such, GEDCOL is required to comply all such Accounting Standards notified under the relevant provision of the Companies Act, 2013.</i></p> <p>All the Government grants to a company are governed by "Accounting Standard (AS) 12: Accounting for Government Grants".</p> <p>Accounting Standard (AS) 12 is silent on the accounting treatment of the income generated, if any, during intermediate period of its receipt and its application such as interest on parking the fund in banks.</p> <p>Further, the granting authority i.e. the Government of Odisha has not put forward any guidelines regarding the treatment of any such income</p>



generated at the time of such grant.

Apart from this, any income from any "Fund of a Capital nature" should be routed through the revenue statement i.e. Profit and Loss Account only and not directly reflected in the Balance Sheet.

This treatment is based on the Opinion of the Expert Advisory Committee of the Institute of Chartered Accountants of India vide "**Accounting and auditing practices - Volume - 15 - Query No.- 1.30 - Treatment of interest accruing on short term deposits made with banks**"

As interest income is not an operational income, therefore, it is an indirect income and shown under the head "Other Income".

**Statement of Profit & Loss Expenses
Depreciation and Amortization Expenses
(Note No.9): Rs.0.34 crore**

2. The above is understated by Rs.0.16 crore due to charging of depreciation of cables and other equipments on the basis of warranty certificate of solar PV module and wrong rate applied for civil works, boundary wall, drains, roads for which separate depreciation rate is provided in schedule 11 of Companies Act,2013. This has also resulted in overstatement of fixed assets (tangible Assets) and understatement of loss for the period by Rs.0.16. crore each.

BHEL the contractor is yet to provide a bill mentioning component-wise value for the project. In the absence of which it is almost impossible to assign any value to any individual asset. Therefore, in the absence of the Fixed Assets Register and any logical basis for apportionment of total contract cost to individual assets the capitalization is done on a proportionate basis as that was the best estimate that could have been done.

Further as per Point No: 1 (C) SIGNIFICANT ACCOUNTING POLICIES FOR THE PERIOD ENDED 31ST MARCH' 2016 : Fixed Assets. in the Notes to Accounts.

The above Note clearly mentions the capitalization is done on a provisional basis.

For and on behalf of C&AG of India

For and On behalf of the Board of Directors

Sd/-
(DEVIKANAYAR)
PRINCIPAL ACCOUNTANT
GENERAL

Rajesh Verma,IAS
Chairman
DIN:- 01725746

Place : Bhubaneswar, Date : 29.09.2016



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

1. BASIS FOR QUALIFIED OPINION

The Company's Capital Work in Progress is carried in the Balance Sheet at Rs. 37,45,24,838/- which includes Rs. 1,24,15,296/- for Small Hydro Projects (SHEP) which is paid towards the consultancy fees such as preparation of PFR, DPR etc. If we go by the provisions of the "Accounting Standard 26: Intangible Assets", 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 in the Statement of Profit and Loss instead of capitalising them which constitutes a departure from the Accounting Standards referred to in sub section(1) of section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Company's records indicate that had the management stated the Administrative and Overhead Expenditures in the statement of profit and loss, then an amount of Rs. 1,24,15,296/- would have been required to be charged as expenses. Accordingly, the total expenses would have been increased by Rs. 1,24,15,296/- and net profit and shareholders' funds would have been reduced by Rs. 1,24,15,296/-.

2. QUALIFIED OPINION

The Company's Current Liabilities state a figure of Rs. 37,40,29,552/- which includes a figure of Rs. 17,77,00,000/- under the sub-head "Withheld Amount (BHEL)". But as the same is deducted from

Replies of the management

As per the definition of the Accounting Standard 26; which deals with Intangible Asset, "*an intangible asset is an identifiable non-monetary asset, without physical substance, held for use in the production or supply of goods or services, for rental to others, or for administrative purposes. Expenditure on an intangible asset after its purchase or its completion should be recognized as an expense when it is incurred unless:*

- (a) *it is probable that the expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance; and Intangible Assets*
- (b) *the expenditure can be measured and attributed to the asset reliably."*

The expenditures under question are mainly incurred towards consultancy charges incurred for preparation of PFRs of small SHEP. The said PFR are saleable documents. Hence the company has shown the expenditures under Capital Work in Progress for Rs. 1,24,15,296/- in line with AS-26.

Since the contract with BHEL and WAPCOS is yet to be closed, therefore it is rightly shown under the Current Liability under the sub-head "Withheld Amount".



the bill of the Contractor, and is not paid so the same should be recognized as revenue and not as liability. Accordingly, the total income would have been increased by Rs.17,77,00,000/- and net profit and shareholders' funds would have been increased by Rs.17,77,00,000/-

Annexure to the Independent Auditors Report

In respect of Fixed Assets :

The Company has lease-hold land and CWIP as fixed assets (refer to our comments in the paragraph "BASIS FOR QUALIFIED OPINION" in the main Audit report). Further, as to the assets capitalised during the year, the Company is yet to prepare its Fixed Assets Register showing full particulars including individual identification of the assets, quantitative details and situation of such assets. As explained to us, the Company management is verifying them regularly and no discrepancies were noticed on such verification, but no such verification report is found during the course of our audit.

Noted.

For and On behalf of the Board of Directors

Rajesh Verma, IAS

Chairman

DIN:- 01725746

Place : Bhubaneswar

Date : 29.09.2016



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Independent Auditors' Report

To
THE MEMBERS OF GREEN ENERGY DEVELOPMENT CORPORATION OF ODISHA LIMITED.

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying Standalone Financial Statements of Green Energy Development Corporation of Odisha Limited (the Company), which comprise the Balance Sheet as at March 31, 2016, 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 STANDALONE FINANCIAL STATEMENTS

The Company's Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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 Standalone Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India and those specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Financial Statements are free from material misstatement.



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

1. The Company's Capital Work in Progress is carried in the Balance Sheet at Rs. 37,45,24,838/- which includes Rs.1,24,15,296/- for Small Hydro Projects (SHEP) which is paid towards the consultancy fees such as preparation of PFR, DPR etc. If we go by the provisions of the "Accounting Standard 26: Intangible Assets", 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 in the Statement of Profit and Loss instead of capitalising them which constitutes a departure from the Accounting Standards referred to in sub section(1) of section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Company's records indicate that had the management stated the Administrative and Overhead Expenditures in the statement of profit and loss, then an amount of Rs. 1,24,15,296/- would have been required to be charged as expenses. Accordingly, the total expenses would have been increased by Rs. 1,24,15,296/- and net profit and shareholders' funds would have been reduced by Rs. 1,24,15,296/-.
2. The Company's Current Liabilities state a figure of Rs.37,40,29,552/- which includes a figure of Rs.17,77,00,000/- under the sub-head "Withheld Amount". But as the same is deducted from the bill of the Contractor, and is not paid so the same should be recognized as revenue and not as liability. Accordingly, the total income would have been increased by Rs.17,77,00,000/- and net profit and shareholders' funds would have been increased by Rs.17,77,00,000/-

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 above, the aforesaid Standalone 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, of the state of affairs of the Company as at 31st March, 2016, and its profit and its 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, 2016 (the Order) issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the Directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a Director in terms of Section 164(2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. Our observation to the Direction u/s 143(5) of the Companies Act, 2013 are as follows:

(I) Power Sector :

DIRECTIONS

- (1) Adequacy of steps to prevent encroachment of idle land owned by Company may be examined. In case land of the Company is encroached, under litigation, not put to use or declared surplus, details may be provided.

OBSERVATIONS

- (1) The management has constructed the boundary wall around the plant site having an installed capacity of 15MW, but the work of construction of boundary wall around the plant site having an installed capacity of 5MW is not yet complete, but as the entire 20MW is now successfully commissioned so apparently there is no question of any encroachment and there is no idle land with the Company. Further, as



per the clarification by the management, there is no pending litigation in the name of the Company.

- | | |
|---|--|
| (2) Where land acquisition is involved in setting up new projects, report whether settlement of dues done expeditiously and in a transparent manner in all cases, The cases of deviation may please be detailed. | (2) Land has been acquired on lease from IDCO in setting up Manmunda project. During the year only Rs.50,000/- has been paid as compensation. |
| (3) Whether the Company has an effective system for recovery of revenue as per contractual terms and the revenue is properly accounted for in the books of accounts in compliance with the applicable Accounting Standards? | (3) The Company is yet to raise any bill of revenue for the year. But it has notionally booked the revenue as per the power purchase agreement and the units transmitted through the grid. |
| (4) How much cost has been incurred on abandoned projects and out of this how much cost has been written off? | (4) As explained to us, there are no abandoned projects. |

(II) Generation :

- | | |
|--|--|
| (1) In the cases of Thermal Power Projects, compliance of the various Pollution Control Acts and the impact thereof including utilization and disposal of ash and the policy of the company in this regard, may be checked and commented upon. | (1) At present the Company does not have any thermal power project. |
| (2) Has the company entered into revenue sharing agreements with private parties for extraction of coal at pitheads and it adequately protects the financial interest of the company? | (2) The company has not entered into any revenue sharing agreements with private parties for extraction of coal at pitheads. |
| (3) Does the company have a project system for reconciliation of quantity/quality coal ordered and received and whether grade of coal moisture and demurrage etc. are properly recorded in the books of accounts? | (3) The Company does not deal with coal in any manner. |
| (4) How much share of free power was due to the state government and whether the same was calculated as per the agreed terms and depicted | (4) The Company has just started its commercial production from 09.03.2016.
Its Power Purchase Agreement doesn't have |



in the accounts as per accepted accounting norms?

- (4) In the case of hydroelectric projects the water discharge is as per policy/guidelines issued by the State Government to maintain biodiversity. For not maintaining it penalty paid/payable may be reported.

any clause regarding share of free power with state government.

- (5) The Company is yet to set up any hydroelectric project.

(III) Others :

- (1) Whether the company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold and for which title/lease deeds are not available?
- (2) Whether there are any cases of waiver/write off of debits/loans/interest etc, if yes, the reasons there for and the amount involved.
- (3) Whether proper records are maintained for inventories lying with third parties and assets received as gift from Government or other Authorities.

- (1) The Company has acquired the land from IDCO on lease and the company has clear lease deeds in its name.
- (2) There are no cases of waiver/write off of debits/loans/interest etc,
- (3) No inventory is lying with third parties and no assets are received as gift from Government or other Authorities.

For **BATRA SWAIN & ASSOCIATES**

Chartered Accountants
(Firm Registration No. 322050E)

A N MAHAPATRA

Partner

Membership No.: 066784

Place : Bhubaneswar

Date : 17.08.2016



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements section of our report of even date)

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 has lease-hold land and CWIP as fixed assets (refer to our comments in the paragraph "BASIS FOR QUALIFIED OPINION" in the main Audit report). Further, as to the assets capitalised during the year, the Company is yet to prepare its Fixed Assets Register showing full particulars including individual identification of the assets, quantitative details and situation of such assets. As explained to us, the Company management is verifying them regularly and no discrepancies were noticed on such verification, but no such verification report is found during the course of our audit.

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 not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under section 189 of the Act.

iv) Except for the purchase of Land (which is purchased from IDCO a Govt of Odisha Undertaking), the Company has neither purchased any inventory or fixed assets and nor sold any goods during the period under audit. The Company has only booked the revenue from sale of power as the agreement with SECI on provisional basis and no bill has yet been raised, therefore the provisions of clause (iv) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits. Therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi) The provisions of clause 3 (vi) of the Order are not applicable to the Company as the Company is not covered by the Companies (Cost Records and Audit) Rules, 2014.

vii) **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, 2016 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.
- viii) According to the information and explanations given to us and based on the documents and records produced to us, the company has defaulted in repayment of any loan from any Financial Institution, Banks or Governments. Further, the company has not obtained any borrowings by way of debentures.
- ix) 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 3(ix) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- x) 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.
- xi) The Managerial Remuneration paid or provided are in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act.
- xii) The Company is not a Nidhi Company so the provisions of clause 3(xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013.
- xiv) The company has not made any preferential allotment during the year so the provisions of clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For **BATRA SWAIN & ASSOCIATES**

Chartered Accountants

(Firm Registration No. 322050E)

A N MAHAPATRA

Partner

Membership No.: 066784

Place : Bhubaneswar

Date : 17.08.2016



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GREEN ENERGY DEVELOPMENT CORPORATION OF ODISHA LIMITED

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

We have audited the internal financial controls over financial reporting of Green Energy Development Corporation of Odisha Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, except to point no-3(i) of the Companies (Auditor's Report) Order 2016 an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **BATRA SWAIN & ASSOCIATES**

Chartered Accountants

(Firm Registration No. 322050E)

A N MAHAPATRA

Partner

Membership No.: 066784

Place : Bhubaneswar

Date : 17.08.2016



Comments of the Comptroller and Auditor General of India under Section 143(6) (b) of the Companies Act, 2013 on the Financial Statements of Green Energy Development Corporation of Odisha Limited for the year ended 31st March, 2016.

The preparation of financial statements of Green Energy Development Corporation of Odisha Limited for the year ended 31st March, 2016 in accordance with financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Companies Act, 2013 are responsible for expressing opinion on the financial statements under Section 143 of the Companies Act, 2013, based on independent audit in accordance with the Standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 17.08.2016.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of Green Energy Development Corporation of Odisha Limited for the year ended 31st March, 2016. This supplementary audit has been carried out independently without access to the working paper of the statutory auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the followings significant matter under Section 143(6) (b) of the Act, which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

(A) Comments on Profitability, Statement of Profit and loss, Other income (Note No.17): Rs.1.10 crore

1. The above includes Rs.0.76 crore being the interest earned on Fixed Deposit made out of Grant-in-aid of Rs.20 crore received from Government of Odisha for infrastructure development in area of renewable energy. Since the Grant-in-aid is for capital expenditure, the interest so earned should have been credited to Grant-in-aid accounts instead of accounting it as income of the Company. This has resulted in overstatement of other income and understatement of Capital Reserve of Rs.0.76 crore each in addition to understatement of loss to the same extent.

Statement of Profit & Loss Expenses, Depreciation and Amortization Expenses (Note No.9): Rs.0.34 crore

2. The above is understated by Rs.0.16 crore due to charging of depreciation of cables and other equipments on the basis of warranty certificate of solar PV module and wrong rate applied for civil works, boundary wall, drains, roads for which separate depreciation rate is provided in schedule II of Companies Act, 2013. This has also resulted in overstatement of fixed assets (tangible Assets) and understatement of loss for the period by Rs.0.16 crore each.

B. Auditor's Reports

3. A reference is invited to point no.1 of basis for qualified opinion where in it is stated that as per "Accounting Standard 26: "Intangible Assets", Overhead expenditure in the nature of consultancy fees should be charged as revenue expenses instead of capitalising them as no future economic benefits are attributable from them. But the said consultancy charges have been incurred for creation of Tangible fixed assets



(Small Hydro Electric Project) and not for Intangible Assets. Hence Accounting Standard 26 is not applicable in this case. Therefore the above opinion is incorrect.

4. Though the Company has made loss for the period ended 31st March, 2016, in the qualified opinion it has been stated that except for the effects of the matter described in the Basis for Qualified opinion, the aforesaid Standalone Financial Statements give a true and fair view of the state of the affairs of the Company as at 31st March 2016 and its profit and its cash flow for the year ended on that date.

For and on behalf of C&AG of India

Sd/-

(DEVIKA NAYAR)

PRINCIPAL ACCOUNTANT GENERAL

Place : Bhubaneswar

Date : 23.09.2016



FINANCIAL STATEMENTS

FINANCIAL YEAR 2015-16



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, Gram : HYDROPOWER
Web site : www.ohpcLtd.com, E-mail : ohpc.co@gmail.com / md@ohpcLtd.com
CIN : U40102OR2013SGC016747



3rd Annual Report 2015-16

GREEN ENERGY DEVELOPMENT CORPORATION OF ODISHA LIMITED

BALANCE SHEET AS AT 31ST MARCH 2016

CIN : U40102OR2013SGC016747

(Amount in Rs.)

Particulars	Note No.	As at 31-03-2016	As at 31-03-2015
I EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	503,200,000	498,900,000
(b) Reserves and surplus	3	36,331,120	100,816,033
(2) Non-current liabilities		-	-
(a) Deferred Tax Liabilities (Net)	4	169,998,309	-
(3) Current Liabilities			
(a) Short-term borrowings	5	217,215,211	-
(b) Trade payables	6	659,898,200	1,030,374,691
(c) Other current liabilities	7	374,029,552	26,408,178
(d) Short-term provisions	8	1,331,260	646,047
TOTAL		1,962,003,652	1,657,144,949
II ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	1,186,136,778	85,081,583
(ii) Intangible assets	-	-	-
(iii) Capital work-in-progress	10	374,524,838	1,172,241,871
(b) Long-term loans and advances	11	2,019,879	-
2. Current assets			
(a) Trade receivables	12	4,925,682	-
(b) Cash and cash equivalents	13	242,906,930	154,409,325
(c) Short-term loans and advances	14	148,248,458	245,401,920
(d) Other current assets	15	3,241,087	10,250
TOTAL		1,962,003,652	1,657,144,949
Significant Accounting Policies	1		
Notes on Accounts	2 to 30		

The accompanying notes form an integral part of these Financial Statements.

As per our Audit Report of even date attached

For & on behalf of

Batra Swain & Associates

Chartered Accountants

A N Mahapatra

Partner

M. No. 066784

Place : Bhubaneswar

Date : 17.08.2016

P K Mohanty

Company Secretary &

CFO

A.K.Mishra

Director

DIN-07421760

For & on behalf of the Board of Directors

Hemant Sharma, IAS

Managing Director

[DIN: 01296263]



GREEN ENERGY DEVELOPMENT CORPORATION OF ODISHA LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH'2016

CIN : U40102OR2013SGC016747

(Amount in ₹.)

Particulars	Note No.	As at 31-03-2016	As at 31-03-2015
I. Revenue from operations	16	4,925,682	-
II. Other income	17	10,984,110	13,144,393
III. Total Revenue(I+II)		15,909,792	13,144,393
IV. Expenses:			
Employee Benefit Expenses	18	3,152,233	3,059,989
Other Expenses	19	1,972,790	1,784,250
Depreciation and Amortization Expense	9	3,368,988	576,253
Finance Cost	20	1,902,385	-
Total expense		10,396,396	5,420,492
V. Profit before exceptional and extraordinary items and tax(III-IV)		5,513,396	7,723,901
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax(V-VI)		5,513,396	7,723,901
VIII. Extraordinary Items		-	-
IX. Profit before tax(VII-VIII)		5,513,396	7,723,901
X. Tax expenses:		-	-
(1) Current tax		1,050,577	1,471,790
(2) Less-MAT Credit Entitlement		1,050,577	969,302
(3) Net Current Tax Liability		-	502,488
(2) Deferred tax		(169,998,309)	-
XI. Profit (Loss) for the period from continuing operations(IX-X)		(164,484,913)	7,221,413
XII. Profit/ (Loss) from discontinuing operations		-	-
XIII. Tax expenses of discontinuing operations		-	-
XIV. Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit(Loss) for the period (XI+XIV)		(164,484,913)	7,221,413
XVI. Earnings per equity share			
(1) Basic		(326.88)	14.47
(2) Diluted		(326.88)	14.47
Significant Accounting Policies	1		
Notes on Accounts	2 to 30		

The accompanying notes form an integral part of these Financial Statements.

As per our Audit Report of even date attached

For & on behalf of

Batra Swain & Associates

Chartered Accountants

A N Mahapatra

Partner

M. No. 066784

Place : Bhubaneswar

Date : 17.08.2016

P K Mohanty

Company Secretary &

CFO

A.K.Mishra

Director

DIN-07421760

For & on behalf of the Board of Directors

Hemant Sharma, IAS

Managing Director

[DIN: 01296263]



GREEN ENERGY DEVELOPMENT CORPORATION OF ODISHA LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED AS AT 31ST MARCH 2016

(Amount in ₹.)

Particulars	2014-16	2013-15
(A) Cash Flow from/ (Used in) Operating Activities :		
Net Profit / (Loss) Before Tax & Extraordinary Item	5,513,396	7,723,901
	5,513,396	7,723,901
Adjustments for :		
Interest Income from Bank Deposit	(10,558,050)	(12,970,166)
Operating Profit before working capital changes	(5,044,654)	(5,246,265)
Adjustment for:		
Increase/ (Decrease) in Loan & Advance	97,153,462	(245,383,787)
Increase/ (Decrease) in Trade Receivable	(4,925,682)	-
Increase/ (Decrease) in Other Current Assets	(3,230,837)	220,593
Increase/ (Decrease) Short Term Borrowing	217,215,211	-
Increase/ (Decrease) Trade payable	(370,476,491)	-
Increase/ (Decrease) in Other Current Liabilities	346,149,583	1,052,408,829
Increase/ (Decrease) in Short Term Provisions	685,213	(7,730)
Cash Generated from Operation	282,570,459	807,237,905
Income Tax paid	1,471,790	-
Net Cash Flow from / (Used In) Operating Activities	278,997,595	801,991,640
(B) Net Cash Flow from / (Used In) Investing Activities		
Increase / (Decrease) in Capital Work in Progress	797,717,034	(1,167,481,791)
Increase / (Decrease) Pre-operative Expenditure	-	1,725,541
Increase / (Decrease) Fixed Assets	(1,101,055,195)	(85,081,583)
Increase/ (Decrease) in Long term Advance	(2,019,879)	-
Increase/ (Decrease) in long Term Liabilities.	-	-
Interest Income from Bank Deposit	10,558,050	12,970,166
Net Cash Flow from / (Used In) Investing Activities	(294,799,990)	(1,237,867,667)
(C) Cash Flow from / (Used in) Financing Activities		
Received form Govt. of Odisha	100,000,000	100,000,000
Proceeds from Issue of Share Capital	4,300,000	428,900,000
Net Cash Flow from / (Used in) Financing Activities	104,300,000	528,900,000
Net Increase / (Decrease) in Cash & Bank Balance (A+B+C)	88,497,605	93,023,973
Cash and cash equivalent at beginning of period (Refer Note No.13)	154,409,325	61,385,352
Cash and Cash equivalent at end of period (Refer to Note No.13)	242,906,930	154,409,325
Significant Accounting Policies and Notes on	1, 2 to 25	

The accompanying notes form an integral part of these Financial Statements.
As per our Audit Report of even date attached

For & on behalf of

Batra Swain & Associates

Chartered Accountants

A N Mahapatra

Partner

M. No. 066784

Place : Bhubaneswar

Date :

P K Mohanty

Company Secretary &

CFO

A.K.Mishra

Director

DIN-07421760

For & on behalf of the Board of Directors

Hemant Sharma, IAS

Managing Director

[DIN: 01296263]



1. SIGNIFICANT ACCOUNTING POLICIES FOR THE PERIOD ENDED 31ST MARCH'2016.

A. Basis of preparation of financial statement

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

B. Use of Estimates

In preparing the financial statements is in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of the financial statement and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

C. Fixed Assets.

The fixed assets are stated at cost less accumulated depreciation and impairment, if any. Cost comprises of all expenses incurred in bringing the assets to its present location and working condition for intended use and inclusive of incidental expenses relating to acquisition and financing cost capitalized, net of cenvat and grant received against specific assets. Deposit, payments/liabilities made towards compensation and other expenses including expenses on development of land related to acquisition of land are treated as cost of land. In the case of assets put to use, where final settlement of bills with contractors are yet to be effected, capitalization is done on provisional basis subject to necessary adjustment, if any, in the year of final settlement. Administrative and general overhead expenses attributable to construction of fixed assets incurred till they are ready for their intended use are identified for allocation on a systematic basis to the cost of related asset on capitalization.

D. Capital Work in Progress

Project under which assets are not ready for their intended use are disclosed under Capital Work in Progress and stated at Cost. In respect of project contracts, the value of supplies is taken as Capital Work in Progress on receipt of materials at site. In respect of project supply contracts, wherever ownership of materials have been transferred to the company are accounted as material in transit and disclosed under Capital Work in Progress.

E. Depreciation

The Company provide depreciation on Straight Line Method at the rates prescribed in Schedule II of the Companies Act 2013. Management believe that this method of depreciation will result in more appropriation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of these assets.

The Management estimate the useful life of the Fixed Assets are as follows:

Lease Hold Land	Over the lease period
Plant & Equipment	15 Years



Solar Power Plant	25 Years
Office Equipment	5 Years
Computer & Accessories	3 Years
Electrical Installation	10 Years

Solar Power Plant is Depreciated over a period of 25 years on the basis of warranty certificate received from the supplier.

F. Amortization of Intangible Assets

- (i) Expenditure incurred on development of various projects is recognized as an asset after ascertaining its feasibility of completion, considering available resources and when it is probable that expenditure will generate future economic benefits.
- (ii) Intangible assets in form of legal rights are recognized at cost of acquisition and amortized over a period of useful life not exceeding period of legal rights. Recoverable amount of each intangible asset is reviewed at each balance sheet date.

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

G. Grant-in-Aid

Grant-in-aid received from Central/State Government or any other authorities towards capital expenditure are initially treated as capital reserve and adjusted in the carrying cost of such asset on the commencement of commercial production.

H. Cash and Cash Equivalents:

- i) Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
- ii) As per requirements of AS-3 prevail over Schedule III and disclosure requirements of Schedule III shall be modified as per AS-3. Accordingly, the item heading "cash and cash equivalents" shall be changed to "Cash and Bank Balance" which will be further divided in to two sub-heading i.e. "Cash and Cash equivalents" containing items that constitute cash and cash equivalents as per AS-3 and "other bank balance" containing other items of cash and cash equivalents as per Schedule III not covered in AS-3.

I) 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 Finance Statements.

**J) Earning per shares :**

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.

K) 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.

L) Cash Flow Statement :

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

M) Revenue Recognition :

Revenue has been accounted for on accrued basis as per AS-9. Sale of Energy and other revenue is recognized when no significant uncertainty as to the measurability or collect ability exists.

N) Taxes on Income :

Current Tax is the amount of Tax payable for the year, determined under the provisions of Tax Laws. Deferred Tax on account of timing difference between taxable and accounting income is accounted using the tax rates and the tax laws enacted or substantively enacted by the balance sheet date. Deferred tax assets in respect of unabsorbed depreciation or carried forward losses are recognised if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised to the extent there is reasonable certainty of their realisation.

MAT Credit is recognised as an Asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued . The said asset is created by way of a credit to the Profit & Loss Account and shown as MAT Credit Entitlement. The company reviews the same at each Balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

O) Borrowing Costs.

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue. Borrowing cost payable on financial assistance received from government is provided when the terms and amount of borrowing cost finally payable is ascertained.



**NOTES ON ACCOUNTS FOR THE FINANCIAL YEAR ENDED
31ST MARCH'2016**

(Amount in ₹.)

Particulars	As at 31-03-2016	As at 31-03-2015	
2 . SHARE CAPITAL			
a) Authorized			
10,00,000 Equity Shares of Rs.1000/- each	1,000,000,000	1,000,000,000	
b) Issued			
5,03,200 Equity Shares(Previous Year 4,98,900 Equity Share) of Rs.1000/- each fully paid-up	503,200,000	498,900,000	
Total	503,200,000	498,900,000	
c) The Reconciliation of the number of shares outstanding as at 31st March'2016 and 31st March' 2015 is set out below..			
	No. of shares	No. of shares	
Number of Shares at the beginning of the year	498,900	70,000	
Add:-Shares issued during the year	4,300	428,900	
Shares bought back during the year	-	-	
Shares outstanding at the end of the year	503,200	498,900	
d) 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.			
e) The Shares (in aggregate) of each class held as at 31st March,2015 & 31st March,2016 is set out below:			
Holding company & its Nominees	503,200	498,900	
Ultimate Holding Company	-	-	
Subsidiaries	-	-	
Associates of the Holding Company	-	-	
Associates of the Ultimate Handing Company	-	-	
	503,200	498,900	
f) The Details of shareholder holding more than 5% shares as at 31st March, 2016 is set out below:			
	% Held as at 31st March'2016	No. of shares	No. of shares
M/s Odisha Hydro Power Corporation Limited and its Nominees	100.00	503,200	498,900
	100.00	503,200	498,900
g) The details of Shares issued in the preceding years from as at 31st March, 2016 is set out below:			
	Year (Aggregate No. of Shares) 2015-16	Year (Aggregate No. of Shares) 2014-15	
Fully paid up pursuant to contract(s) without payment being received in cash.	Nil	Nil	
Fully paid up by way of bonus shares	Nil	Nil	
Shares bought back	Nil	Nil	
	Nil	Nil	



(Amount in ₹.)

Particulars	As at 31-03-2016	As at 31-03-2015
3 RESERVES AND SURPLUS		
a. Surplus		
Opening Balance	816,033	(6,405,380)
(+) Net Profit / (Net Loss) For the current year	(164,484,913)	7,221,413
Closing Balance	(163,668,880)	816,033
b. Capital Reserve		
Opening Balance	100,000,000	-
Add: Addition during the year(Grant In Aid from Govt)	100,000,000	100,000,000
Closing Balance	200,000,000	100,000,000
Total	36,331,120	100,816,033

Department of Energy, Govt of Odisha vide letter No 10460 dated 29th December 2014 sanctioned and released a sum of Rs.10.00 Crore in the FY 2014-15. Further, as per State Plan 2015-16 Rs.10.00 Crore was released by Govt of Odisha during the FY 2015-16 in favour of GEDCOL for New & Renewal Energy. The said amount has been shown as " Grant " under Capital Reserve and the corresponding entry has been shown as "Term Deposit with Banks " under Current Assets.

4 NON CURRENT LIABILITIES

Deferred Tax Liabilities (Net)	169,998,309	-
(Difference of book depreciation and tax depreciation)		
Total	169,998,309	-

5 SHORT-TERM BORROWING

OD-Account-HDFC	191,619,793	-
OD-Account-UNION BANK	25,595,418	-
Total	217,215,211	-

Over draft against the Term Deposit with Banks has been availed for release of payment due to BHEL against Supply of Materials for 20MW SPV Project at Manamunda.

6. TRADE PAYABLES

Sundry Creditors for supply of Materials	524,673,200	1,030,374,691
Sundry Creditors for Works	135,225,000	-
Total	659,898,200	1,030,374,691

Trade Payables are subject to confirmation. Pending such confirmation, the balance as per books have been taken into account

7. OTHER CURRENT LIABILITIES

Inter Corporate Loan (OHPC)	159,303,904	-
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3rd Annual Report 2015-16

(Amount in ₹.)

Particulars	As at 31-03-2016	As at 31-03-2015
Payable for expenses and others to holding Company (OHPC)	5,506,268	4,354,748
TDS Payable	1,335,203	15,541
Entry Tax Payable	112,766	21,525,426
Service Tax Payable	27,934	618
Work Contract Tax Payable	-	7,800
Withheld Amount *	177,700,000	-
Deposit From Others (MNRE GoI)	29,800,000	-
Deposit from Others (5MW Roof Top)	-	436,968
EMD from Contractor/Suppliers	91,077	31,077
Security Deposit From Contractors & Suppliers	7,463	-
Salary Payable	59,062	-
Audit Fees Payable	85,875	27,000
Director Sitting fees Payable	-	9,000
Total	374,029,552	26,408,178

*A sum of Rs.17,70,00,000/- and Rs 7,00,000/- has been withheld from BHEL & WAPCOS respectively, as the contract is yet to be closed.

8. SHORT-TERM PROVISION

Provision for others (Out standing Liabilities)	280,683	143,559
Provision for Income Tax (MAT)	1,050,577	502,488
Provision for Income Tax	-	-
Total	1,331,260	646,047

11. LONG TERM LOANS & ADVANCE\

MAT Credit Entitlement	2,019,879	-
Total	2,019,879	-

12. TRADE RECEIVABLE

SUNDRY DEBTORS FOR SALE OF POWER (Out standing for a period exceeding six months from the due date of payment)	-	-
SUNDRY DEBTORS FOR SALE OF POWER (Out standing for a period up to six months from the due date of payment)	4,925,682	-
Total	4,925,682	-

**Note No.- 9 : Fixed Assets (Tangible Assets)**

Particular	Cost				Depreciation			Net Carrying Amount		
	Cost as on 01.04.2015	Additions	Sales/ Adjustment	Cost as on 31.03.2016	Upto 01.04.2015	For the year	Sales/ Adjustment	Upto 01.04.2016	As at 31.03.2016	As at 31.03.2015
Land										
Lease hold	85,657,836	50,000		85,707,836	576,253	1,338,759		1,915,012	83,792,824	85,081,583
Free hold										
Plant & Machinery										
Plant & Equipment										
Solar Power Plant		1,097,638,644	-	1,097,638,644	-	1,988,111		1,988,111	1,095,650,533	
Electrical Installation		6,719,211		6,719,211	-	40,223		40,223	6,678,988	
Office Equipment		16,328		16,328		1,895		1,895	14,433	
Total	85,657,836	1,104,424,183	-	1,190,082,019	576,253	3,368,988	-	3,945,241	1,186,136,778	85,081,583
Previous Year	-	85,657,836	-	85,657,836	-	576,253	-	576,253	85,081,583	

Note No-10 : Capital Work In Progress

Particular	Cost				Depreciation			Net Carrying Amount		
	Cost as on 01.04.2015	Additions	Sales/ Adjustment	Cost as on 31.03.2016	Upto 01.04.2015	For the year	Sales/ Adjustment	Upto 01.04.2016	As at 31.03.2016	As at 31.03.2015
a) Materials Supplied by BHEL(20MW SPV Project at Manamunda	1,159,900,117	151,782,883	983,762,250	327,920,750	-	-		-	327,920,750	1,159,900,117
b) Errection & Commissioning. Materials Supplied by BHEL(20MW SPV Project at Manamunda		135,225,000	101,418,750	33,806,250	-	-		-	33,806,250	-
c) Advisory /Consultancy Service(20MW SPV Project at Manamunda)	1,530,166	-	1,147,625	382,542	-	-		-	382,542	1,530,166
d) Transmission Line (20MW SPV Project at Manamunda)	5,755,857	-	5,755,857	-	-	-		-	-	5,755,857
e) SHEP Project	5,055,731	7,359,565		12,415,296	-	-		-	12,415,296	5,055,731
Total	1,172,241,871	294,367,448	1,092,084,482	374,524,838	-	-	-	-	374,524,838	1,172,241,871
Previous Year	4,760,080	1,167,481,791	-	1,172,241,871	-	-	-	-	1,172,241,871	

Description Notes:

1. Company has acquired leasehold land form IDCO ,measuring Ac 152.324 valuing Rs.8,52,12,129 /- vide lease agreement dated 10th Oct 2014 & 3rd December 2014 for Ac 109.494 & Ac 42.83 respectively.
2. Leasehold land has been amortized over a lease period of 64 years w.e.f 10th Oct 2014 & 3rd December 2014 for Ac 109.494 & Ac 42.83 respectively.



13. CASH AND CASH EQUIVALENTS

a. Cash on hand	2,113	12,088
b. Balance with Banks in Current Accounts	12,684,837	154,397,237
c. Fixed deposit with Banks pledge as security	230,219,980	
Total	242,906,930	154,409,325

14. SHORT TERMS LOANS & ADVANCES

TDS Receivable	739,621	706,963
Advance to OHPC	-	100,000,000
Temporary advance	-	4,157
Deposit From Others(5MW Roof Top)	818,359	-
Mobilisation Advance(BHEL)	144,690,800	144,690,800
Mobilisation Advance(WAPCOS)	350,000	-
Mobilisation Advance(MECON LTD)	738,754	-
Advance & Deposit(OFDC)	910,924	-
Total	148,248,458	245,401,920

15. OTHER CURRENT ASSETS

Accrued Interest	3,241,087	10,250
Total	3,241,087	10,250

16. REVENUE FROM OPERATIONS

Sale of Power	4,925,682	-
Total	4,925,682	-

15MW SPV Project (10MW on 09.03.2016 & 5MW on 26.03.2016) was commissioned, out of SECI awarded 20MW Project at Manamunda. Since the project has not been commissioned in due time the tariff rate for the purpose of revenue recognition in the Financial Statement has been considered @ 4.50/- unit as against the original sale price of Rs.5.45/- unit in line with the term of PPA executed with SECI. However the matter has been taken up with SECI to allow GEDCOL to purchase power @ Rs.5.45/- per unit. Total unit supplied to GRID as on 31.03.2016 has been billed for 10,94,596 unit. Sale is net off internal consumption.

17. OTHER INCOME

Other non- operating Income- Interest Received from Bank Deposit	10,558,050	12,970,166
Misc Receipt*	426,060	727
Processing Fee	-	173,500
Total	10,984,110	13,144,393

*Misc Receipt includes Rs.2.99 lakhs liquidity damage and penalty recovered from contractors and others.

**18. EMPLOYEES BENEFIT EXPENSES**

Salary & Allowances (Administrative)	3,152,233	3,059,989
Total	3,152,233	3,059,989

19. OTHER EXPENSES

Printing & Stationary	11,609	61,252
Sitting Fees	194,004	202,249
Postage & Stamp Exps	-	330
Meeting Expenses	53,562	80,380
Bank charges	305,364	1,562
Professional Charges	122,671	181,199
Contract service expenses	-	158,250
Miscellaneous Expenses	140,029	19,880
R & M Vehicle	16,305	72,567
R & M Others	14,748	-
Vehicle Running Expenses	366,249	114,459
Software package	6,595	-
Travelling & Conveyance	241,643	618,624
Advertisement	107,530	129,825
Fees & Subscription	270,900	-
Electricity Charges	-	2,828
Out side Training Fees	28,000	34,292
Legal Expenses	-	14,890
Rent (Office)	-	48,000
Insurance Charges	-	5,597
Telephone Charges	3,506	4,358
*Audit Fees	90,075	33,708
Total	1,972,790	1,784,250

*Audit Fees

i.	Audit Fees Statutory Audit	44,275	33,708
ii.	Audit Fees Internal audit	22,900	-
iii.	Audit Fees Secretarial Audit	22,900	-
		90,075	33,708



20. FINANCE COST

Interest on Inter Corporate Loan(OHPC)	878,103	-
Interest on OD Account with Banks HDFC	1,018,218	-
Interest on OD Account with Banks Union Bank	6,064	-
Total	1,902,385	-

21. Mobilisation Advance

Mobilisation Advance paid to M/s.BHEL amounting to Rs. 14,46,90,800/- against submission of Bank Guarantee towards Performance BG & Advance BG group is shown under Current assets .

22. Contingent Liabilities / Provision

Odisha Hydro Power Corporation Ltd. (OHPC) holding Company had provided the BG for Rs. 6 Crore issued in favour of Solar Energy Corporation of India Limited (SECI) on behalf of GEDCOL. The Bank charges against issue of the said BG has been booked to the Accounts of GEDCOL for FY 2015-16.

Subject to the above, contingent liabilities & commitments charges to the extend not provided for:

- a. CONTINGENT LIABILITIES Nil
- b. COMMITMENTS Nil

23. 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.

24. Foreign currency transactions

- a) Expenditure incurred in foreign currency on cash basis being payment made to consultants. Rs.1,255,327
- b) Value of Imports calculated on CIF basis being components, spare parts and construction materials through LC. NIL
- c) Travelling expenses. NIL

25. Related Party Transaction.

- 1. List of Related Parties.
 - a) Key Management Personnel : Shri Hemant Sharma, IAS, Managing Director.
Shri P.K. Mohanty, Company Secretary & CFO.
 - b) Relative of Key Management Personnel and their enterprises, where transactions have taken place: Nil.
- 2. Transactions with related parties :

Details related to parties referred to in (1) (a) above.

Sitting Fees and Director Exps. to all Directors	2015-16	2014-15
	Rs.218,008	Rs.202,249



26. 50% of the salary of three nos. of executives and 100% of the salary of two nos. of executives of OHPC has been booked under Employee benefits of GEDCOL since they are discharging the day to day work of GEDCOL in addition to their Job responsibility in OHPC.
27. 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.
28. 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.
29. Figures have been rounded off to the nearest rupees wherever considered necessary.
30. Previous year's figures have been restated/ recasted, wherever necessary, to confirm to this year's classification.

The accompanying notes form an integral part of these Financial Statements.
As per our Audit Report of even date attached

For & on behalf of
Batra Swain & Associates
Chartered Accountants

For & on behalf of the Board of Directors

A N Mahapatra
Partner
M. No. 066784

P K Mohanty
Company Secretary &
CFO

A.K.Mishra
Director
DIN-07421760

Hemant Sharma, IAS
Managing Director
[DIN: 01296263]

Place : Bhubaneswar
Date : 17.08.2016



Signing of Agreement for Rooftop Solar Project at Bhubaneswar and Cuttack.



Visit of of Managing Director, GEDCOL to 20 MW Solar Power Plant at Manmunda.



Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014] CIN:

CIN : U40102OR2013SGC016747

Name of the Company : Green Energy Development Corporation of Odisha Ltd.
 Registered Office : OHPC Corporate Office at Vanivihar Chhak, Janpath, Bhoinagar, Bhubaneswar-751022.
 Name of the Member (s) :
 Registered Address :
 E-mail Id :
 Folio No/Client Id :
 DP ID :

I/We, being the Member (s) of shares of the above named Company, hereby appoint.

1. Name

Address :

E-mail Id:

Signature....., or failing him

2. Name

Address :

E-mail Id:

Signature....., or failing him

3. Name

Address :

E-mail Id:

Signature.....

as my/ our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **3rd Annual General Meeting** of the Company, to be held on the **29th day of September, 2016 At 3:30P.M** at OHPC Corporate Office Vanivihar Chhak, Janpath, Bhoinagar, Bhubaneswar-751022 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.
2.
3.

Affix Revenue Stamp

Signed this 3rd day of September, 2016.

Signature of Shareholder



GEDCOL 20 MW Solar Power Plant at Manmunda in the District of Boudha, Odisha



Control Room of 20 MW Solar Power Plant at Manmunda.

LALDASH & CO.,
CHARTERED ACCOUNTANTS

Plot No.1882, 2nd Floor,
Nilakantha Nagar, Unit -8,
Nayapalli, Bhubaneswar-751012
Tel.: +0674-2561638, Fax -0674-2562638,
Cell : 9937020638
Email : dashbijaya62@hotmail.com

INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Odisha Hydro Power Corporation Limited 'the Holding Company' and its subsidiaries, its associates and jointly controlled entities, (collectively referred as the Group) which comprise of the Consolidated Balance Sheet as at March 31st , 2016, and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information on the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibilities

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

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below is sufficient and appropriate to provide basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

1. On the account of Holding Company audited by us
 - a. 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 2014-15.
 - b. The Company has not ascertained the provision required to be made on account of impairment of fixed assets as per Accounting Standard 28 even though the Company is having clear case of impaired assets i.e. CWIP of Potteru Project amounting to Rs. 22.95 crore (Previous Year Rs. 23.03 crore), Sindol Project amounting to Rs. 0.29 crore & Building WIP including office & staff quarter amounting to Rs. 0.23 crore.
 - c. Sundry Debtors on account of receivable from the CSPDCL is overstated & Profit & Loss Account is overstated to the tune of Rs. 1.77 crore due to non-provision against bad & doubtful debts as the same has not been accepted by the CSPDCL.
 - d. Short Term Provision is understated & Accumulated Profit is overstated to the extent of non-provision

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

- e. The Company has disclosed in its accounting policy that inventory is valued at cost. As per Accounting Standard 2, inventory needs to be valued at Cost or Net realisable Value whichever is lower. The store/inventory auditors have also reported redundant/obsolete store items lying with the unit. However the same was not quantified.
- f. The amounts shown under trade receivables, trade payables, Loans & Advances and Current Liabilities as on 31st March, 2016 have not been confirmed by the parties.
- g. The terminal benefit of employees deputed to Machhkund has been wrongly taken as expenses of the Company which resulted in understatement of profit, receivable from GRIDCO and overstatement of payable to APGENCO. The amount could not be provided by the Management.
- h. The provision for Taxation and Deferred Tax Liability has been made by considering Unutilised Leave Salary to be paid during the month of September, 2016 which results in understatement of provision for Taxation and overstatement of Deferred Tax Liability to the extent of Rs 0.18 crore.
- i. The expenditure incurred under Corporate Social Responsibility has not been disallowed for the Computation of Income Tax which results in understatement of provision for Income Tax and overstatement of profit to the extent of Rs. 0.10 crores.
- j. As per Para 17 of Accounting Standard 13, the long term investments are usually carried at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline. Indicators of the value of an investment are obtained by reference to its market value, the investee's assets, results and expected cash flows from the investment and the type and extent of the investor's stake in the investee are also taken into account. The Company has invested in the following joint ventures and associate company which have substantial accumulated losses as on 31.03.2016. The Company has neither assessed nor provided for the diminution in the value of investments as on 31.03.2016.

Name of the Company	Type of Venture	Share in Venture	Accumulated Loss as on 31.03.2016 (Amount in crores)	Share of Loss Borne by OHPC (Amount in crores)
BWCCCL	Joint Venture	33 %	0.12	0.04
OTPCL	Joint Venture	50 %	7.39	3.70
OCPL	Associate	49%	0.80	0.44
Total			8.31	4.18

2. On the account of Subsidiary, Jointly Controlled Entities audited by Other Auditors:

- a. In case of Green Energy Development Corporation of Odisha Limited, a subsidiary company

- i. The Company's Capital Work in Progress is carried in the Balance Sheet at Rs. 37.45 crores which includes Rs.1.24 crores for Small Hydro Projects (SHEP) which is paid towards the consultancy fees such as preparation of PFR, DPR etc. If we go by the provisions of the Accounting Standard 26, 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 Consultancy Fees shown as capital work in progress in the Statement of Profit and Loss instead of capitalising them which constitutes a departure from the Accounting Standards referred to in sub section(1) of section 133 of the Companies Act,2013 read with Rule 7 of the Companies (accounts) Rules,2014. The Company's records indicate that the management had stated the Administrative and Overhead Expenditures in the statement of profit and loss, then an amount of Rs. 1.24 crores would have been increased by Rs. 1.24 crores and the net profit and shareholders fund would have been reduced by Rs. 1.24 crores.
 - ii. The company's current liabilities state a figure of Rs. 37.40 crores which includes a figure of Rs. 17.77 crores under the sub-head "withheld amount". But as the same is deducted from the bill of the contractor and is not paid so the same should be recognised as revenue and not as liability. Accordingly, the total income would have been increased by Rs. 17.77 crores and net profit and shareholders' funds would have been increased by Rs. 17.77 crores.
 - iii. The company has made provision for gratuity and leave salary on cash basis instead of making provisions for the above on the basis actuary valuation as required by Accounting Standard 15.
 - iv. The company has not booked expenditure incurred in foreign currency in cash basis, payment being made to consultants instead of accounting of foreign exchange fluctuation as required in Accounting Standard 11.
- b. In case of Joint Venture company's not audited by us:
- i. The company has made provision for gratuity and leave salary on cash basis instead of making provisions for the above on the basis actuary valuation as required by Accounting Standard 15.
 - ii. Transfer TA charged in Profit & Loss Account for the year 2015-16 of Rs. 0.01 crore relates to financial year 2013-14 for shifting expenses of Mr. S.P. Rath (Ex-CEO). The same expenses has not been booked as prior period expenses in the financial statement of the company for the financial year 2015-16 as per Accounting Standard 5.

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 Consolidated 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, of the consolidated state of affairs of the Group and jointly controlled entities as at 31st March,2016, and its consolidated profit and its consolidated cash flows for the year ended on that date.

Emphasis of matter

1. We draw attention in case of Holding Company audited by us:
 - a. The disclosure requirement as per Accounting Standard 15 for Employees Benefit has not been disclosed by the Company in the Notes to the accounts.
 - b. The Company has not made age wise analysis of Other Long Term Liabilities for amounting to Rs. 21.56 crore as on 31st March, 2016. The Other Long Term Liabilities includes Rs. 13.32 crore as detailed below continuing since long & also subject to reconciliations & confirmations for respective parties.

Name of the Unit	Head of Account	Amount (Rs in Crores)
BHEP	Creditor for Raw materials	0.12
	Liabilities for Others	5.18
HHEP	Employees Liabilities	0.50
UIHEP	Retention Money	3.38
	SD from Contractor & Suppliers	2.54
CHEP	Sundry Creditor for Raw Materials	1.48
	Sundry Creditor for Works	0.12
Total		13.32

- c. Other Current Liabilities includes of Rs. 7.43 crore as detailed below, continuing since long & also subject to reconciliations & confirmations.

Name of the Unit	Head of Account	Amount (Rs in Crores)
UIHEP	Liability to others	6.45
	Provision for others	0.98
Total		7.43

2. We draw attention in case of Joint Venture and Subsidiaries Company's not audited by us:
 - i. Attention is invited to Note No-19 regarding collateral securities of Rs.75 crores given by the three promoter companies, Rs. 25 crore each for issuance of Bank Guarantee which is subjudice for which the company is contingently liable.

Our opinion is not qualified / modified in respect of this matters above.

Other Matters

We did not audit the financial statements of M/s Green Energy Development Corporation of Odisha Limited, a subsidiary, and M/s Baitarini West Coal Company Limited & M/s Odisha Thermal Power Corporation Limited, jointly controlled entities, and M/s Odisha Coal & Power Limited, associate company whose financial statements/

financial information reflect total assets of Rs 316.87 crores as at 31st March, 2016, total revenues of Rs 2.29 crore and net cash flows amounting to Rs 7.49 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs 16.45 crores, Rs. 0.04 crores and Rs. 0.39 crores for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of associates, whose financial statements / financial information have not been audited by us.

These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on the Other Legal and Regulatory Requirements below, is not modified to our reliance on the work done and the reports of the Other Auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the Other Auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- (d) Except for the effects of the matter described in the Basis for Qualified Opinion and Matter of Emphasis paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the clarification furnished before us, since the Holding Company, and its subsidiary companies, jointly controlled companies and associate company incorporated in India are Government Companies, the qualifications of Directors under Section 164 (2) of the Act is not applicable.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure -1".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements has disclosed the impact of pending litigations on consolidated

- financial position of the Group and jointly controlled entities - Refer Note 39 to the consolidated financial statements.
- ii. The Group and Jointly controlled entities did not have long-term contracts including derivative contracts for which provision are required to be made under the applicable law or accounting standards, for material foreseeable losses.
 - iii. There were no amount which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and jointly controlled companies incorporated in India during the year ended March 31st, 2016.

For and on behalf of
Laldash & Co
Chartered Accountants
F.R. N-311147E

CA B. K. Dash
Partner
M. No. 052980

Place : Bhubaneswar
Date : 26.08.2016



Annexure 1 to the Independent Auditors' Report of even date to the Members of Odisha Hydro Power Corporation Limited on the Consolidated Financial Statements for the year ended 31st March, 2016

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

In conjunction with our audit of the consolidated financial statements of the Company, We have audited the internal financial controls over financial reporting of the Odisha Hydro Power Corporation Limited ('herein referred to as the Holding Company') and its subsidiary companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal

control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by Other Auditors in terms of their Reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary company, associate company and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2016 except in case of two jointly controlled companies where the auditors have qualified their opinion on certain matters which we are informed will not have material impact on the adequacy and operating effectiveness of internal financial control over financial reporting of the Group, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in



the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 1 subsidiary company, 1 associate company and 2 jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For and on behalf of
Laldash & Co
Chartered Accountants
F.R. N-311147E

Place : Bhubaneswar
Date : 26.08.2016

CA B. K. Dash
Partner
M. No. 052980

Comments of the Comptroller and Auditor General of India under section 143(6)(b) of the Companies Act, 2013 on the Consolidated Financial Statement of Odisha Hydro Power Corporation Limited for the year ended 31st March, 2016.

The preparation of Consolidated Financial Statements of Odisha Hydro Power Corporation Limited for the year ended 31st March 2016 in accordance with financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with 129(4) of the Companies Act, is responsible for expressing opinion on the financial statements under Section 143 read with 129(4) of the Act, based on independent audit in accordance with the Standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated: 26 August 2016.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under Section 143(6)(a) read with 129(4) of the Act of the Consolidated Financial Statements of Odisha Hydro Power Corporation Limited for the year ended 31 March 2016. We conducted a supplementary audit of the financial statement of Green Energy Development Corporation of Odisha Limited, Odisha Thermal Power Corporation Limited, Baitarani West Coal Company Limited and Odisha Coal and Power Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working paper of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matter under section 143(6)(b) read with 129(4) of the Act, which have come to my attention and which in my view are necessary for enabling a better understanding of the Consolidated Financial Statements and the related Audit Report.

(A) Comments on Financial Position, Balance Sheet (CFS), Fixed Assets, Other Non-Current assets (Note-16): Rs. 35.20 cr.

1. The above is overstated by Rs. 6.84 crore due to capitalization of expenses relating to Baitarani West Coal Block incurred up to 2012-13 for purchase of Geological Report, consultations charges, washability test report and preparation of mining plan etc. Since the Baitarani West Coal Block had already been de-allocated in December 2012 and subsequent payment in that regard have been charged to statement of profit and loss, the above expenses should also have been charged to statement of profit and loss. This has resulted in understatement of expenditure and loss by Rs. 6.84 crore for the year by the same amount.

(B) Comments on Disclosure:

Significant Accounting Policies followed by Group Para-10 (Depreciation).

2. The company in its significant accounting policy stated that the depreciation was charged as per Part B of schedule II of companies Act 2013. However, the company has provided depreciation at the rate prescribed by Electricity Act. Thus, the disclosure was deficient to the extent of its clarity.

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

Sd/-

(DEVIKA NAYAR)

PRINCIPAL ACCOUNTANT GENERAL

Place : Bhubaneswar

Date : 24.10.2016



Balimela Power House



Chiplima Power House

ODISHA HYDRO POWER CORPORATION LIMITED

(A Government of Odisha Undertaking)

(A Gold Rated State PSU)



**AUDITED CONSOLIDATED
FINANCIAL STATEMENTS
2015-16**

JANPATH, BHOINAGAR, BHUBANESWAR

ODISHA HYDRO POWER CORPORATION LIMITED

Consolidated Balance Sheet of Odisha Hydro Power Corporation Ltd with its 100% Subsidiary GEDCOL, Joint Venture of BWCCL, OTPC and Associates of OCPL as at 31st March 2016.

(In Rupees)

Particulars	Note No.	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	6,38,65,07,000	3,39,80,07,000
(b) Reserves and surplus	3	5,77,53,50,619	6,84,50,23,471
(c) Money received against share warrants			
Sub-total [(a)+(b)+(c)]		12,16,18,57,619	10,24,30,30,471
(2) Share application money pending allotment			
(3) Non-current liabilities			
(a) Long-term borrowings	4	12,53,87,90,000	13,00,65,96,737
(b) Deferred tax liabilities (Net)		1,49,94,13,191	
(c) Other Long term liabilities	5	21,56,19,652	21,66,17,365
(d) Long-term provisions	6	52,69,86,095	43,67,64,792
Sub-total [(a)+(b)+(c)+(d)]		14,78,08,08,938	13,65,99,78,894
(4) Current liabilities			
(a) Short-term borrowings	7	21,72,15,211	-
(b) Trade payables	8	66,74,73,713	1,05,04,32,059
(c) Other current liabilities	9	5,63,41,47,162	7,49,46,52,871
(d) Short-term provisions	10	1,14,06,11,743	42,22,27,939
Sub-total [(a)+(b)+(c)+(d)]		7,65,94,47,829	8,96,73,12,869
GRAND TOTAL		34,60,21,14,386	32,87,03,22,234
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	10,90,68,70,724	10,93,75,77,769
(ii) Intangible assets	12	-	-
(iii) Capital work-in-progress	13	83,56,43,289	1,73,54,79,335
(iv) Intangible assets under development			
Sub-total [(i)+(ii)+(iii)+(iv)]		11,74,25,14,013	12,67,30,57,104
(b) Non-current investments	14	-	2,45,000
(c) Deferred tax assets (net)			
(d) Long-term loans and advances	15	7,24,31,43,478	7,24,18,67,577
(e) Other non-current assets	16	35,19,74,705	9,99,98,954
Sub-total [(b)+(c)+(d)+(e)]		7,59,51,18,183	7,34,21,11,531
(2) Current assets			
(a) Current investments			

(b) Inventories	17	54,02,83,959	54,79,29,160
(c) Trade receivables	18	78,82,70,027	1,36,45,37,916
(d) Cash and cash equivalents	19	11,58,36,18,942	9,36,97,87,036
(e) Short-term loans and advances	20	1,82,56,44,314	92,04,12,332
(f) Other current assets	21	52,66,64,949	65,24,87,155
Sub-total [(a)+(b)+(c)+(d)+(e)+(f)]		15,26,44,82,191	12,85,51,53,599
GRAND TOTAL		34,60,21,14,386	32,87,03,22,234

Significant Accounting Policy & Accompanying notes forming part of the financial statements
In terms of our report of even date attached.

For **LAL DASH & CO,**
Chartered Accountants

B K Dash
Partner
M. No. 052980

P K Mohanty
Company Secretary

P P Sahu
SGM (F) & CFO

B K Behera
Director (Finance) I/C

Rajesh Verma, IAS
Chairman-cum-
Managing Director
(DIN: 01725746)

Place : Bhubaneswar

Date : 26.08.2016



ODISHA HYDRO POWER CORPORATION LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2016

Consolidated Balance Sheet of Odisha Hydro Power Corporation Ltd with its 100% Subsidiary GEDCOL, Joint Venture of BWCCCL, OTPC and Associates of OCPL as at 31st March 2016.

(In Rupees)

Particulars	Note No.	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
I Revenue from operations	22	4,20,47,74,053	4,93,24,12,904
II Other income	23	1,97,11,98,124	1,33,64,96,353
III Total Revenue (I + II)		6,17,59,72,177	6,26,89,09,257
IV Expenses:			
Repair & Maintenance expenses	24	84,71,33,840	62,09,53,605
Operational expenses	25	9,85,94,281	9,84,88,380
Employee benefits expense	26	1,63,84,75,712	1,60,44,62,964
Administrative & General expenses	27	18,24,24,887	19,96,86,626
Finance costs	29	84,34,90,254	58,47,15,363
Depreciation and amortization expense	11	1,31,70,25,154	2,94,83,02,724
Selling & Distribution expenses	30	85,73,575	4,31,37,450
Total expenses		4,93,57,17,704	6,09,97,47,112
V Profit before prior year adjustments (III-IV)		1,24,02,54,473	16,91,62,145
VI Prior year adjustments	28	(13,13,84,271)	(29,91,90,317)
VII Profit before exceptional and extraordinary items and tax (V-VI)		1,37,16,38,744	46,83,52,462
VIII Exceptional items	31	1,93,924	-
IX Profit before extraordinary items and tax (VII - VIII)		1,37,14,44,820	46,83,52,462
X Extraordinary Items			-
XI Profit before tax (IX-X)		1,37,14,44,820	46,83,52,462
XII Tax expense:			
(1) Current tax		72,64,97,466	88,91,10,496
(2) Less Mat Credit set off			57,84,53,172
(3) Net Current Tax Liability		72,64,97,466	31,13,72,422
(4) Deferred Tax		(4,97,66,313)	-
XIII Profit (Loss) for the period from continuing operations (XI - XII)		69,47,13,667	15,69,80,040

Profit (Loss) for the period (XIII)		69,47,13,667	15,69,80,040
XIV Earnings per equity share:			
(1) Basic		217	49
(2) Diluted			

Significant Accounting Policy & Accompanying notes forming part of the financial statements
In terms of our report of even date attached.

For **LAL DASH & CO,**
Chartered Accountants

B K Dash
Partner
M. No. 052980

P K Mohanty
Company Secretary

PP Sahu
SGM (F) & CFO

B K Behera
Director (Finance) I/C

Rajesh Verma, IAS
Chairman-cum-
Managing Director
(DIN: 01725746)

Place : Bhubaneswar
Date : 26.08.2016



ODISHA HYDRO POWER CORPORATION LIMITED

Consolidated Balance Sheet of Odisha Hydro Power Corporation Ltd with its 100% Subsidiary GEDCOL, Joint Venture of BWCCCL, OTPC and Associates of OCPL as at 31st March, 2016

(In Rupees)

Particulars	Figures as at the end of current reporting period ended 31st March-2016		Figures as at the end of previous reporting period ended 31st March-2015	
1. Cash flows from operating activities :				
Net profit before taxation and extraordinary items and tax	1,37,14,44,820		46,83,52,464	
Adjustment for :				
Depreciation & amortisation	1,31,70,25,154		2,94,83,02,724	
(Profit) / Loss on Sale of Assets	56,24,511		49,139	
Write off of Assets	-		-	
Provision for FBT	-		-	
Provision for Income tax	(72,64,97,466)		(31,08,69,934)	
Interest income	(1,79,11,11,893)		(1,12,79,59,712)	
Finance Cost	84,34,90,254		58,47,15,363	
Operating profit before working capital changes	1,01,99,75,380		2,56,25,90,044	
Adjustment for (Increase)/Decrease in operating assets				
Increase in inventories	76,45,201		(6,98,47,529)	
Increase in Other Current Assets	2,34,78,642		1,45,92,145	
Increase in Other Non-Current Assets	(25,19,75,751)		11,09,62,718	
Increase in Short -term loan & advance	(90,52,31,982)		(56,87,05,022)	
Decrease in trade receivables	57,62,67,889		(91,48,08,254)	
Decrease in Long-term loans & advances	(20,75,901)		1,18,39,935	
Total	(55,18,91,902)		(1,41,59,66,007)	
Adjustment for Increase/(Decrease) in operating Liabilities				
Decrease in Trade Payable	(38,29,58,346)		1,19,63,552	
Decrease in Short -term borrowings	21,72,15,211		-	
Decrease in Other Current Liabilities	(1,85,69,77,118)		1,07,12,75,161	
Increase in Other Long term Liabilities	(9,97,713)		43,95,45,376	
Decrease in Short-term Provision	71,83,83,804		(7,82,94,797)	
Decrease in Long-term Provision	9,02,21,302		43,28,56,177	
Total	(1,21,51,12,860)		1,87,73,45,469	
Cash generated from operations	(74,70,29,382)		3,02,39,69,506	
Net Cash flow before extraordinary item		(74,70,29,382)		3,02,39,69,506
Extraordinary Items	-	-		
Net cash flow from operating activities		(74,70,29,382)	3,02,39,69,506	

2. Cash flows from investing activities :			
Capital Expenditure on fixed assets including capital advances	(39,13,06,572)		(1,38,40,55,726)
Increase / (decrease) pre- operative exp.	-		3,07,71,129
Interest received	1,89,34,55,457		1,26,91,60,118
Long term investment in JVs	2,45,000		(52,91,45,000)
Net cash flow from investing activities		1,50,23,93,884	(61,32,69,479)
3. Cash flow from financing activities :			
Proceeds from issue of share Capital	2,98,85,00,000		52,89,00,000
Received form Govt. of Odisha	10,00,00,000		10,00,00,000
Repayment to long term borrowings to State Govt	(30,23,00,000)		(1,51,15,00,000)
Govt. of Odisha Loan-3-POTTERU	-		(9,29,50,000)
Repayment of long term borrowings (PFC)	(16,55,06,737)		(16,66,20,951)
Increase in Share Capital	-		
4. Proposed Dividend	(26,18,91,970)		(4,67,83,252)
5. Tax on Dividend	(5,33,15,043)		(93,53,867)
Finance Cost	(84,70,18,845)		(58,70,88,220)
6. Net cash used in financing activities equivalents (1+2+3)		1,45,84,67,404	(1,78,53,96,290)
Net increase in cash and cash equivalents (1+2+3)		2,21,38,31,906	62,53,03,737
Cash and cash equivalent at beginning of the Year		9,36,97,87,036	8,74,44,83,300
Cash and cash equivalent at end of the Year *		11,58,36,18,942	9,36,97,87,036
* Comprises			
(a) Cash on Hand		1,37,155	1,89,158
(b) Balances with Banks			
(i) In current accounts		70,71,44,003	63,10,09,769
(iii) In Earmarked accounts		10,87,63,31,847	8,73,85,70,000
(C) Postal order & Stamp and Advances		5,938	18,110

Significant Accounting Policy & Accompanying notes forming part of the financial statements

In terms of our report of even date attached.

For **LAL DASH & CO,**

Chartered Accountants

B K Dash

Partner

M. No. 052980

P K Mohanty

Company Secretary

P P Sahu

SGM (F) & CFO

B K Behera

Director (Finance) I/C

Rajesh Verma, IAS

Chairman-cum-

Managing Director

(DIN: 01725746)

Place : Bhubaneswar, Date : 26.08.20176

ACCOUNTING POLICIES FOLLOWED BY THE GROUP

SIGNIFICANT ACCOUNTING POLICIES :

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

1.1 The consolidated financial statements (CFS) are prepared in accordance with Accounting Standard (AS) 21- "Consolidated Financial Statements", Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard (AS) 27- "Financial Reporting of Interests in Joint Ventures", prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014.

1.2 Principles of Consolidation

- i. The financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21, "Consolidated Financial Statements". The financial statements of the Parent Company and its Subsidiaries are consolidated on a line by- line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and are presented to the extent possible, in the same manner as the Parent Company's independent financial statements. Associates are consolidated by adopting the equity method of accounting. Investments in Joint Ventures are consolidated using proportionate consolidation method on a line-by-line basis, after eliminating intra-group balances to the extent of Group's share in the Joint Ventures. As far as possible, the Consolidated Financial Statements of the Group have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- ii. Companies included in Consolidation

Particulars	Country of Incorporation	Share holding as at 31/03/2016	Share holding as at 31/03/2015
GEDCOL	India	100%	100%
BWCCL	India	33.33%	33.33%
OTPC	India	50%	50%
OCPL	India	49%	49%

- 1.3 These financial statements have been prepared under the historical cost convention method in accordance with the Generally Accepted Accounting Principles in India (INDIAN GAAP) including Accounting Standards notified under the relevant provisions of Companies Act, 2013.
- 1.4 The Company follows Mercantile System of Accounting and recognizes significant items of income and expenditure on accrual basis except those with significant uncertainties.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and

assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialized.

3. LIABILITY

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.

4. FIXED ASSETS

4.1 TANGIBLE ASSETS

- (a) Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- (b) Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- (c) The grants-in-aid received against capital expenditure of projects are adjusted at the time of capitalization of assets on completion of respective projects.
- (d) Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.
- (e) Fixed assets, which were transferred by Government of Orissa on 01.04.1996 under Transfer Scheme, are stated at transfer price.

4.2 INTANGIBLE ASSETS

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization / depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

5. IMPAIRMENT

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

6. INVESTMENTS

Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Non Current investments are stated at cost. Provision for diminution in the value of Non Current investments is made only

if such a decline is other than temporary.

7. INVENTORIES

Inventories of stores, spares and consumables are valued on the basis of transfer price in respect of inventories transferred from Government on 01.04.1996 and at cost in case of inventories procured thereafter.

8. FOREIGN EXCHANGE TRANSACTIONS

- 8.1 Transactions denominating foreign currency are settled and accounted for at the exchange rates prevailing on the date of the transactions.
- 8.2 Monetary items denominated in foreign currency are translated at the exchange rate prevailing on the last day of the accounting year.
- 8.3 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.
- 8.4 Recovery of foreign exchange fluctuation loss raised to GRIDCO is accounted for on the basis of actual realization.

9. RECOGNITION OF REVENUE

- 9.1 Revenue is recognized on accrual basis as per energy sale bills raised on GRIDCO in accordance with Orissa Electricity Regulatory Commission's tariff order. In case of energy sales to CSPDCL, Revenue is recognized as per bills, raised on the basis of unit cost of generation of HHEP.
- 9.2 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.
- 9.3 All other Revenues are accounted for on accrual basis except the following which are accounted for on cash / realization basis due to uncertainty in collection.
 - (i) Interest on delayed payment on energy bills paid by GRIDCO.
 - (ii) Cash discount from PFC for final repayment of loan.
 - (iii) Electricity charges billed to Water Resources Department and other department.
 - (iv) Recovery of compensation for loss of energy due to drawl of water by nearby Industrial Units.
 - (v) Sale of scrap.
 - (vi) Interest on security deposit with SOUTHCO.
 - (vii) Insurance claim and interest on house building advance.

10. DEPRECIATION

- 10.1 The depreciation is charged as per part B of schedule II of Companies Act 2013.
- 10.2 Depreciation is provided on prorata basis in the year in which the assets become available for use.
- 10.3 Assets costing Rs. 5000/- or less individually are depreciated fully in the year in which they are put to use.

- 10.4 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 was provided on straight line method as per the rates prescribed under schedule XIV of the Companies Act, 1956 up to the financial year 2013-14.
- 10.5 In case of other group company except parent company, depreciation has been charged as per the rate specified in schedule- II of the Companies Act, 2013
- 10.6 GEEDCOL management estimate the useful life of the Fixed Assets are as follows:

Lease Hold Land	Over the lease period
Plant & Equipment	15 Years
Solar Power Plant	25 Years
Office Equipment	5 Years
Computer & Accessories	3 Years
Electrical Installation	3 Years

Solar Power Plant is depreciated over a period 25 years on the basis of warranty certificate received from the supplier.

11. RETIREMENT BENEFITS

- 11.1 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.
- 11.2 Liability towards Gratuity is made on the basis of actuarial valuation by LIC of India. For meeting the service gratuity liability, the Corporation has taken two group gratuity insurance policy with LIC of India.
- 11.3 The pension and service gratuity liabilities of ex-Hirakud Dam Project employees are accounted for on cash basis.
- 11.4 The pension & leave salary contribution in respect of employees under deputation to the Corporation are accounted for consistently in the year of payment on the basis of demand notice raised by A.G & other PSUs.

12. ALLOCATION OF CORPORATE OFFICE INCOME BY PARENT COMPANY

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

13. 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.

14. INCOME TAXES

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to

be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

15. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

15.1. Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

15.2 Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

15.3 Contingent assets are neither recognised nor disclosed in the financial statements.

16. MISCELLANEOUS

16.1 Liabilities for Goods in transit / capital works executed but not certified are not provided for, pending inspection & acceptance by the Corporation.

16.2 Dam maintenance cost for the current year has been made based on the bills submitted by DOWR on provisional basis.

16.3 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.

16.4 Prior Period Expenses / income of items of Rs 1,00,000/- and below are charged to respective heads of account.

16.5 In case of GEDCOL: Project under which assets are not ready for their intended use are disclosed under Capital Work in Progress and stated at Cost. In respect of project contracts, the value of supplies is taken as Capital Work in Progress on receipt of materials at site. In respect of project supply contracts, wherever ownership of materials have been transferred to the company are accounted as material in transit and disclosed under Capital Work in Progress.

16.6 In case of GEDCOL: Grant-in-aid received from Central / State Government or any other authorities towards capital expenditure are initially treated as capital reserve and adjusted in the carrying cost of such asset on the commencement of commercial production.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-2

Figure in Rs.

SHARE CAPITAL	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
Authorised Capital :		
1,00,00,000 Equity Shares of Rs.1000/- each	10,000,000,000	10,000,000,000
Issued, Subscribed and paid-up :		
6386507 Equity Shares of Rs.1000/- each fully paid-up.	6,386,507,000	3,398,007,000
Total Share Capital	6,386,507,000	3,398,007,000

- a) During current year 2988500 new shares have been issued and there is no buyback of shares.
b) Govt. of Odisha holds 6386507 numbers of equity shares of the company.

The Reconciliation of the number of shares outstanding as at 31st March, 2016 is set out below:

	No of Shares	No of Shares
Shares Outstanding at the beginning of the year	33,98,007	32,08,007
Shares issued during the year	29,88,500	1,90,000
Shares bought back during the year	0	0
Shares outstanding at the end of the year	63,86,507	33,98,007
The Details of shareholder holding more than 5% shares as at 31st march 2016 is set out below :		
	% Held as at 31st March, 2016	No of Shares
Governor of Odisha represented by DoE	100%	63,86,507
		63,86,507
		33,98,007
		33,98,007

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-3

Figure in Rs.

RESERVES & SURPLUS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
Capital Reserve		
A. Opening Balance	100,000,000	190,000,000
Addition during the year	100,000,000	100,000,000
Deduction during the year		(190,000,000)
Closing balance (A)	200,000,000	100,000,000
Dam Sharing Reserve		
B. Opening Balance	1,000,000,000	1,000,000,000
Addition during the year		-

Deduction during the year		
Closing balance (B)	1,000,000,000	1,000,000,000
C. Surplus		
Opening Balance	5,745,023,469	5,644,210,612
Balance of Statement of Profit & Loss	694,713,667	156,980,042
Less:		
a) Dividend Paid		
b) proposed dividend	(261,891,970)	(46,783,252)
c) Tax on dividend	(53,315,043)	(9,353,867)
d) Deffered Tax Liabilities not charged in previous years.	(1,549,179,504)	
e) Retailed Earnings		(30,064)
e) Bonus Shares		
Closing balance (C)	4,575,350,619	5,745,023,471
Total of Reserves & Surplus [(A)+(B)+(C)]	5,775,350,619	6,845,023,471

As per the Order No.3060 dtd.31.03.2015 & subsequent DoE Notification No.5843 dtd.03.07.2015 a sum of Rs.100.00 crores has been shown under the head capital reserve towards dam share.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-4

Figure in Rs.

LONG-TERMBORROWINGS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
A. Term Loans from PFC	-	165,506,737
a) This loan is guaranteed by Govt. of Odisha.		
(i) The Loan availed from PFC for RM & U of Unit-3 & 4 of HHEP, Burla has been full repaid during the year and there is no outstanding of PFC loan from HHEP, Burla		
(ii) The foreign currency loan availed by BHEP, Balimela for extension project (unit 7 & 8) is repaid half-yearly on 15th of June & December.		
b) There is no default in repayment of above loan during the year. A sum of Rs.1,00,944/- is received from PFC as cash discount for prompt payment which is shown as deduction from finance cost.		
Sub-total (A)	-	165,506,737
B. Term Loans from Govt. of Odisha [Unsecured]		
i. UIHEP - TL (1)	3,412,390,000	3,714,690,000

<p>As per Dept. of Energy, Govt. of Odisha order No.3060 dtd.31.03.2015 and subsequent DoE Notification No.5843 dtd.03.07.2015 the total loan of Rs.821.4690 Crs. is divided into two parts i.e. Rs.298.85 Crs. as equity included in Note-2 and balance of Rs.522.6190 Crs. as loan with 7% interest payable w.e.f. 01.04.2006. This loan is payable in 15 equal annual instalments w.e.f. 2010-11 with 4 years moratorium. OHPC, out of the said loan amount of Rs 522.619 Crs., repaid Rs.181.38 Crs. till 31.03.2016 & balance loan amount of Rs 341.239 Crs is shown as above.</p>		
<p>ii. UIHEP - TL(2)</p> <p>This is interest free perpetual loan</p>	1,321,400,000	1,321,400,000
<p>iii. POTTERU</p> <p>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.</p>	143,000,000	143,000,000
<p>iv. Loan for old project</p> <p>As per Dept. of Energy. Govt. of Odisha order No. 3060 dtd.31.03.2015 and subsequent DoE Notification No.5843 dtd.03.07.2015, the total bond amount of Rs.766.20 Crs. issued as per original Notification No.SRO 250 dtd.01.04.1996, is now treated as loan @ 7% interest which is payable from the Financial Year 2015-16 & shown accordingly i.e. Rs.766.2 crores loan as above and Rs.53.63 Crore interest payable to State Govt. of Odisha is shown at note 5(ix).</p>	7,662,000,000	7,662,000,000
Sub-total (B)	12,538,790,000	12,841,090,000
Total of Long-term Borrowings (A+B)	12,538,790,000	13,006,596,737

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-5

Figure in Rs.

OTHERLONG-TERMLIABILITIES	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
Trade payables		
i. Sundry Creditors for supply of materials	16,109,467	23,568,822
ii. Sundry Creditors for works	4,620,446	7,945,624
iii. Sundry Creditors for others		36,698
Sub-total	20,729,913	31,551,144

Others		
i. Security deposit from contractors / suppliers	14,416,448	16,606,570
ii. EMD from contractors / suppliers	7,519,120	7,353,612
iii. Security deposit from employees	659,242	643,432
iv. Other security deposits	2,239,050	2,068,923
v. Retention money / withheld a/c	87,308,252	71,753,623
vi. Liability to employees	5,221,565	5,136,776
vii. Liability to others	77,526,062	81,503,285
Sub-total	194,889,739	185,066,221
Total of Other Long-term Liabilities	215,619,652	216,617,365

Trade payables are subject to confirmation. Pending such confirmation, the balance as per books have been taken into account.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-6

Figure in Rs.

LONG-TERMPROVISIONS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Provision for employee benefits	526937495	431,345,571
ii) Provision for Others	48,600	5,419,221
Total of Long-term Provisions	526,986,095	436,764,792

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-7

Figure in Rs.

SHORT-TERMBORROWINGS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
Short - term borrowings from banks	217,215,211	-
Sub-total	217,215,211	-

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-8

Figure in Rs.

TRADEPAYABLES	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Sundry Creditors for supply of materials	528,385,780	1,035,380,512
ii) Sundry Creditors for works	138,510,076	11,742,493
iii) Sundry Creditors for others	577,857	3,309,054
Total of Trade payables	667,473,713	1,050,432,059

Trade payables are subject to confirmation. Pending such confirmation, the balance as per books have been taken into account.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-9

Figure in Rs.

OTHER CURRENT LIABILITIES		Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i)	Current maturities of loan from Power Finance Corporation.	140,692,027	164,855,358
ii)	Interest accrued but not due on PFC loan	2,570,897	6,099,488
iii)	Employees liabilities	388,166,062	123,004,695
iv)	OHPC PF Trust	17,145,917	38,098,255
v)	Liability to others	370,130,127	654,132,056
vi)	Security deposit from contractors / suppliers	41,876,467	41,219,891
vii)	EMD from contractors / suppliers	11,629,803	9,976,379
viii)	Security deposit from employees	7,463	-
ix)	Other security deposit	31,000	43,000
x)	Retention money / withheld a/c	200,873,945	52,003,171
xi)	Advance against sale of scrap	8,061,005	8,072,926
xii)	Payable to APGENCO on Machhakunda a/c	283,067,493	115,690,955
xiii)	Payable to Machhakund	20,029	20,029
xiv)	State Govt. Loan converted to equity (Refer Note -2&4-B (i))		2,988,500,000
xv)	Deposit from Others (5MW Roof Top)	29,800,000	436,968
xv)	Interest Payable on UIHEP Govt. Loan	3,552,528,000	3,292,499,700
xvi)	Interest on State Govt Loan	536,340,000	
xvii)	Branch Adjustment Accounts	51,206,927	
	Total of Other Current Liabilities	5,634,147,162	7,494,652,871

- a) Advance received against sale of scrap amounting Rs. 80,61,005/- as shown at (xi) above is not settled due to some dispute with parties.
- b) 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 raised provisional bill towards O & M cost and cost of power for the current year. Accordingly, OHPC has taken the O & M cost and cost of power during the current year details of which are given below.

30% share of O&M cost	119734597
Cost of Power beyond 30% share	8574408
TOTAL	128309005

OHPC received an amount of Rs 8,23,01,632/- in 2015-16 from GRIDCO including arrear dues of APGENCO for 2014-15 towards cost of power & O&M charges. So the amount shown as payable to APGENCO comes to Rs.28,30,67,463/- as on 31.03.2016. 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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-10

Figure in Rs.

SHORT-TERMPROVISIONS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
(A) Provision for employee benefits		
i) Provision for arrear salary		2,172,335
ii) Provision for bonus	916,000	374,742
iii) Liability for leave encashment of employees	45,492,090	13,366,504
Sub-Total (A)	46,408,090	15,913,581
(B) Other provisions		
i) Provision for Income-tax (MAT)		311,159,812
ii) Provision for Income-tax	727548043	
iii) Provision for proposed dividend	261,891,970	46,783,252
iv) Provision for dividend Tax	53,315,043	9,353,867
v) Provision for Others	51,448,597	39,017,427
Sub-total (B)	1,094,203,653	406,314,358
Total of Short-term Provisions (A+B)	1,140,611,743	422,227,939

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-11

Figure in Rs.

TANGIBLEASSETS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
Gross Block	33,030,926,548	31,752,389,340
Accumulated Depreciation	-22,124,055,824	-20,814,811,571
Net Block	10,906,870,724	10,937,577,769

FIXED ASSET & DEPRECIATION AS ON 31.03.2015

Figure in Rs.

Sl. No.	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK				
		Balance as on 1.04.2015	Addition	Deletion during the year	Total as on 31.03.2016	Balance as on 1.04.2015	Addition	Adjustment depreciation	Deletion during the year	Total as on 31.03.2016	W.D.V as on 31.03.2016	W.D.V as on 1.04.15
		1	2	3	4	5	6		7	8	9	10
1	LAND (a)	1,18,06,17,623	50,000	-	1,18,06,67,623	57,28,221	30,43,626	-	-	87,71,847	1,17,18,95,776	1,17,48,89,402
2	Power House Civil Works	4,01,82,50,303	-	-	4,01,82,50,303	2,55,43,41,156	13,24,57,995	-	-	2,68,67,99,151	1,33,14,51,152	1,46,39,09,147
3	Power House Electric Mechanical Work	23,23,60,29,231	12,32,99,518	(1,32,39,044)	23,34,60,89,705	16,39,42,61,707	1,06,31,90,500	(1,66,697)	(72,52,576)	17,45,00,32,934	5,89,60,56,771	6,84,17,67,524
4	Civil Building/ Township	2,97,14,81,024	6,69,27,190	-	3,03,84,08,214	1,63,50,24,818	10,31,59,217	-	-	1,73,81,84,035	1,30,02,24,179	1,33,64,56,206
5	Vehicles	6,27,94,981	33,48,245	(34,47,475)	6,26,95,751	5,01,30,998	17,29,076	-	(93,828)	5,17,66,246	1,09,29,505	1,26,63,983
6	Furniture & Fixture	1,79,52,380	3,23,877	(4,12,443)	1,78,63,814	83,73,371	8,28,026	-	(77,601)	91,23,796	87,40,018	95,79,009
7	Office Equipment	5,84,52,312	24,59,065	(21,918)	6,08,89,459	3,25,30,052	35,07,797	-	(10,816)	3,60,27,033	2,48,62,426	2,59,22,260
8	Misc.Assets	4,56,58,650	50,009	-	4,57,08,659	2,69,97,482	19,20,622	-	-	2,89,18,104	1,67,90,555	1,86,61,168
9	Electrical Installation	9,02,61,722	89,18,412	(19,535)	9,91,60,599	7,09,38,020	17,61,494	-	(6,318)	7,26,93,196	2,64,67,403	1,93,23,702
10	Water Supply Installation	6,38,07,076	23,72,217	-	6,61,79,293	3,03,30,528	34,90,284	-	-	3,38,20,812	3,23,58,481	3,34,76,548
11	Training Centre Equipment	70,84,038	90,374	(599)	71,73,813	61,55,218	1,32,835	(599)	-	62,87,454	8,86,361	9,28,820
12.	Solar Power Plant		1,08,81,79,076		1,08,81,79,076		19,70,977			19,70,977	1,08,62,08,099	-
	GRAND TOTAL	31,75,23,89,340	1,29,60,17,983	(1,71,41,014)	33,03,12,66,309	20,81,48,11,571	1,31,71,92,450	(1,67,296)	(74,41,139)	22,12,43,95,586	10,90,68,70,725	10,93,75,77,769
	Previous year Figure	31,62,74,20,627	13,44,21,563	(94,52,850)	31,75,23,89,340	17,86,72,52,892	1,30,97,40,697	1,63,85,62,027	(7,44,045)	20,81,48,11,571	10,93,75,77,770	13,76,01,67,735
							1090,68,70,724					

- 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 UIHER, 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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-12

Figure in Rs.

INTANGIBLE ASSETS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
	0	0

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-13

Figure in Rs.

CAPITAL WORK-IN-PROGRESS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Land (Development of 7 & 8th Unit of Extension Project)	303,111	303,111
ii) Building	76,427,924	118,238,452
iii) Road, Bridge, Culvert & Other Civil Works	13,535,297	13,465,998
iv) Water Supply Installation	109,804	109,804
v) Plant & Machinery (Construction)	115,380,509	115,619,005
vi) Plant & Machinery (Generation)	75,791,583	6,844,288
vii) Hydr. Works, Dams, Tunnels & Pen Stock	39,235,637	39,235,637
viii) Substation Equipments	6,245,021	32,097,715
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) Other Civil Works	51,517,080	170,030,516
xvi) Sindol Project	2,877,905	2,877,905
xvii) Office Building	1,634,875	2,973,515
xviii) Staff Quarters	693,391	380,605
xix) GEDCOL CWIP	374,524,838	1,172,241,871
xx) OTPCL WIP	75,519,745	59,214,344
Total Work-In-Progress	835,643,289	1,735,479,335

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-14

Figure in Rs.

NON-CURRENT INVESTMENTS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Odisha Thermal Power Corporation Limited (A joint venture Company between OMC & OHPC 50% each share holding) 1042047 shares of Rs. 1000/- each.	-	-

ii) Baitarni West Coal Company Limited (BWCCL). (A joint venture Company among OHPC, GPCL & KSEB with 1/3 each share holding) 100000 shares of Rs.1000/- each	-	
iii) Odisha Coal & Power Limited (OCPL). (A joint venture Company between OHPC & OPGC with 51% share of OPGC & 49% share of OHPC) 24500 shares of Rs.10/- each	-	245,000
iv) 49890 fully paid equity shares of Rs.1000/- each in Green Energy Development Corporation of Odisha Ltd. (GEDCOL). A 100% subsidiary company of OHPC.	-	
Total of Non-Current Investments	-	245,000

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-15

Figure in Rs.

LONG-TERM LOANS AND ADVANCES	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
(A) Capital Advance		
Advance for Capital Expenditure and Capital advance paid for extension project of unit 7 & 8 Balimela & Potteru small HEP	3,051,758	3,851,758
(B) Security Deposit		
Deposit with others	1,007,678,817	25,856,930
Other Loans & Advance		
i) Advance to supplier	16,645,956	10,064,244
ii) Advance to contractor	12,415,447	17,099,332
iii) Advance to others	12,697,636	995,051,049
iv) Advance to staff	653,864	(55,736)
v) Debt securitisation of GRIDCO dues	6,190,000,000	6,190,000,000
Total of Long-Term Loans and Advances	7,243,143,478	7,241,867,577

- (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.
- (c) The GRIDCO dues of Rs.619 Crores as on 31.03.2013 shown at (v) above has been securitised at 8% interest which shall be repaid by GRIDCO within 10 years including 3 years moratorium period which will start from May 2017.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-16

Figure in Rs.

OTHER NON-CURRENT ASSETS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
(A) Long-term Trade Receivable		
Sundry Debtor for sale of Power	280,170,527	17,665,841
(B) Others		
i) Sundry Debtor for others	696,150	696,150
ii) Claims receivable	-	12,548,814
iii) Security Deposit (OB & CC)	25,783	25,783
iv) Preparative Expenditures	69,062,366	69,062,366
MAT Credit Entitlement	2,019,879	
Total of Other Non-Current Assets	351,974,705	99,998,954

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-17

Figure in Rs.

CURRENT ASSETS - INVENTORIES	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Stores & Spares	564,180,049	569,982,192
ii) Less Provision for fire, theft & shortage (Note -33)	24,795,081	22,984,219
Sub total	539,384,968	546,997,973
i) Loose tools	877,762	931,187
ii) Inventory in transit	21,229	-
Total of Inventories	540,283,959	547,929,160

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

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-18

Figure in Rs.

CURRENT ASSETS - TRADE RECEIVABLES	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Sundry Debtor for sale of Power (Outstanding for a period exceeding six months from the due date of payment.)		390756113
ii) Sundry Debtor for sale of Power (Outstanding for a period up to six months from the due date of payment.)	788,270,027	973,781,803
Total of Trade Receivables	788,270,027	1,364,537,916

- (i) All debtors stated at Note -16 (A) & 18 amounting of Rs.106.35 Crs. as on dt.31.03.2016 are considered good.
(ii) Unsecured considered doubtful -Nil

Company	Less than 6 months	More than 6 months	TOTAL
GRIDCO	Rs.78,12,62,428/-	0	Rs.78,12,62,428/-
CSPDCL	Rs.20,81,917/-	0	Rs.20,81,917/-
Total	Rs.78,33,44,345/-	0	Rs.78,33,44,345/-

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-19

Figure in Rs.

CASH & CASHEQUIVALENTS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Cash in hand	137,155	189,158
ii) Staff imprest	16	16
iii) Postal orders & stamps	5,922	18,094
Sub-total (A)	143,092	207,268
i) Remittance in transit	-	-
Sub-total (B)	-	-
i) Balances with banks held as margin money or security	540,219,980	310,000,000
ii) Earmarked balance with banks	10,876,331,847	8,738,570,000
iii) Other bank balance	166,924,023	321,009,769
Sub-total (C)	11,583,475,850	9,369,579,769
Total of Cash & Bank Balance (A) + (B) + (C)	11,583,618,942	9,369,787,036

- i) OHPC has pledged (a) Fixed deposit of Rs.25 Cr. with Panjab & 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 Bank, Basua Ghai Branch, Bhubaneswar towards Performance Bank Guarantee on behalf of GEDCOL.(c) 23.02 Cr pledge by GEDCOL.
- ii) Earmarked balance with banks for the following purpose.

	31.03.2016 (Rs.)	31.03.2015 (Rs.)
Terminal Liabilities	350,000,000	60,000,000
Loan Repayments	452,300,000	780,000,000
JV & new project	5,297,231,847	5,498,570,000
RMU & new projects	4,776,800,000	2,400,000,000
	10,876,331,847	8,738,570,000

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-20

Figure in Rs.

CURRENTASSETS-SHORT-TERM LOANSANDADVANCES	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
Unsecured considered good:		
i) Prepaid Expenses	68,33,450	10,306,540
ii) Deposit with others	36,28,911	1,899,629
iii) Advance to supplier	17,57,04,236	25,513,967
iv) Advance to contractor	3,10,41,035	37,803,238
v) Advance to others	44,60,614	6,701,739
vi) Advance to staff	2,78,97,353	30,734,513
vii) Advance Income Tax (TDS) (Ref. note 42 (f))	52,26,52,827	442,970,537
viii) Advance Income-tax (FBT)	3,043	3,043
ix) Advance Income-tax	611,300,000	219,186,000
x) Short Term Loan to GEDCOL	-	-
xi) OHPC Rehabilitation Assistance Trust Fund	10,000	10,000
xii) Advance Sales Tax	5,152	592,326
xiii) Mobilisation Advance	145,779,554	144,690,800
xiv) Short Term Loan to OCPL	296,328,139	-
Total of Short-Term Loans and Advances	1,825,644,314	920,412,332

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-21

Figure in Rs.

CURRENTASSETS- OTHERCURRENTASSETS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Claims receivable	67,490,028	34,983,385
ii) Dam Share Receivable from W.R. Department	109,667,235	251,749,952
iii) Other Misc. assets	682,884	449,165
iv) Receivable from Gridco on Machhakund a/c	113,427,737	27,564,831
v) Other receivable from staff	2,591	1,784
vi) Interest accrued but not due on bank deposits	190,150,744	337,248,916
vii) Interest receivable from Others	45,232,504	477,896
viii) Receivable from OPTCL	11,226	11,226
Total of Other Current Assets	526,664,949	652,487,155

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-22

Figure in Rs.

REVENUE FROM OPERATIONS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Sale of Electricity	4,105,341,513	4,881,265,969
ii) Compensation for loss of Energy		45,299,051
iii) Other operating revenue	99,432,540	5,847,884
Total of Revenue from operations	4,204,774,053	4,932,412,904

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.16,94,399/-	Rs.17,90,751/-
Electricity charges recovery - Contractors:	Rs.9,77,38,141/-	Rs.40,57,333/-

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-23

Figure in Rs.

OTHER INCOME	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Interest on Employees advances	1,100	29,717
ii) Interest on Bank Deposits	940,589,299	979,985,999
iii) Interest on others	4,554,822	6,110,934
iv) Interest in lieu of DPS from GRIDCO	845,966,672	144,433,334
v) Sale of tender papers	3,716,500	2,955,261
vi) House rent recovery	1,482,940	1,756,566
vii) Vehicle charges recovery	466,008	416,653
viii) Electricity charges recovery - Employees	582,861	573,395
ix) Electricity charges recovery - Contractors	10,933,044	9,736,492
x) Guest house charges recovery	209,095	275,484
xi) Sale of scrap	2,470,468	1,470,853
xii) Other miscellaneous receipt	7,360,291	1,634,830
xiii) Recovery from Penalties	1,049,412	1,444,784
xiv) Receipt from RTI	3,371	1,791
xv) Insurance Claim Receipts	49,500	939,297
xvi) Forfeiture of EMD/SD	95,506	218,375
xvii) Dam Share From DOWR (UIHEP)	109,667,235	124,374,481
xviii) Profit on sale of Assets	-	-
xix) Recovery of foreign exchange fluctuation loss	42,000,000	59,900,000
xx) Profit on sale of Inventory	-	64,550
xxi) Processing Fee	-	173,500
xxii) Other Income	-	57
Total of Other income	1,971,198,124	1,336,496,353

(a) Interest income of Rs. 92,30,61,719/- on short term deposits with the Banks which includes Rs.8,89,59,793/- as TDS.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-24

Figure in Rs.

REPAIR & MAINTENANCE EXPENSES	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) R&M to Plant and Machinery	538,313,224	189,712,684
ii) R&M to Building	49,134,406	37,484,030
iii) R&M to Civil Works	41,337,580	43,069,019
iv) R&M to Hydraulic Works	11,238,013	7,582,472
v) R&M to Line Cables Networks	3,083,186	4,399,037
vi) R&M to Vehicles	864,430	1,489,637
vii) R&M to Furniture & Fixture	43,169	72,680
viii) R&M to Office Equipments	1,367,807	1,476,436
ix) R&M to Electrical Installation	4,905,989	3,624,632
x) R&M to Water Supply Installation	3,390,276	5,094,267
xi) R&M to Misc. Assets	309,508	187,594
xii) R&M to Substation Equipment	14,543,064	4,796,139
xiii) R & M to Dam Maintenance	178,603,188	321,964,978
Total	847,133,840	620,953,605
Less Expenditure During Construction		-
Total of Repair & Maintenance Expenses	847,133,840	620,953,605

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-25

Figure in Rs.

OPERATION EXPENSES	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Power and fuel	9,600,778	10,108,127
ii) Insurance charges of Power House	12,609,500	14,467,119
iii) Oil, Lubricant & Consumables	21,199,135	22,670,217
iv) Transportation Charges	1,058,926	348,099
v) Hire charges of vehicles / machineries	12,975,507	12,612,747
vi) Refreshment(Operation)	159,871	512,866
vii) Other Operation expenses	14,012	2,650,211
viii) Water Cess	-	-
ix) Watch & Ward of Power House	40,976,552	35,118,994
Total	98,594,281	98,488,380
Less : Expenditure During Construction	-	-
Total Operation Expenses:	98,594,281	98,488,380

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-26

Figure in Rs.

EMPLOYEE BENEFIT EXPENSES	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Salary & Allowances	493,250,849	523,564,392
ii) Wages & Allowances	442,061,758	455,190,462
iii) Over time	1,495,013	961,691
iv) Bonus	944,378	351,349
v) Payment to Apprentices & Trainees	8,531,022	3,831,416
vi) Contribution to PF and other Funds	343,625,995	427,703,712
vii) Employees welfare expenses	85,015,543	66,693,128
viii) Other employee benefit expenses	263,551,154	126,166,814
Total	1,638,475,712	1,604,462,964
Less Expenditure During Construction	-	-
Total of Employee Benefit Expenses	1,638,475,712	1,604,462,964

Employee cost includes Salary and Allowances paid to the Key Managerial Personnel as given below:

	Current Year (in Rs.)	Previous Year (in Rs.)
Salaries & Allowances	4,459,586	6,117,659
Sitting Fees paid to Independent Directors	834,008	929,335

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-27

Figure in Rs.

ADMINISTRATIVE & GENERAL EXPENSES	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i) Rent	8,202,562	6,566,098
ii) Rates and Taxes	676,227	1,359,637
iii) License & Registration Expenses	-	77,428
iv) Fees & Subscriptions	1,722,687	7,592,918
v) Insurance Charges	867,064	2,106,294
vi) Communication Expenses	5,338,924	4,151,701
vii) Traveling & Conveyance Expenses	20,925,967	26,775,512
viii) Printing & Stationery	4,484,222	4,220,954
ix) Bank Charges	334,133	92,701
x) Electricity & Water Charges	54,724,067	60,998,248
xi) Legal Expenses	1,914,708	3,991,329
xii) Professional & Consultancy Charges	4,853,997	3,086,938
xiii) Audit Fees & Expenses (a)	3,040,302	2,807,870

xiv) Advertisement & Publicity	3,974,050	3,990,966
xv) Training, Seminar & Conference	5,901,512	5,939,065
xvi) Office Upkeep & Maintenance	1,669,465	1,971,758
xvii) Watch & Ward charges	19,842,490	21,364,881
xviii) Repair & Maintenance others	570,149	18,857
xix) Recruitment Expenses	92,729	347,484
xx) Meeting Expenses	3,033,975	2,052,706
xxi) Transit House expenses	579,523	740,687
xxii) Electrical Accessories	960	2,550
xxiii) Loss of Asset	5,624,511	49,139
xxiv) Loss on Inventories	1,810,862	179,245
xxv) Afforestation expenses	-	14,114,332
xxvi) Peripheral Development	5,986,704	-
xxvii) Other Administrative & General Expenses	22,336,239	25,087,328
xxviii) Loss from Associates Company	3,916,861	
Total	182,424,887	199,686,626
Less Expenditure During Construction	-	
Total of Administrative & General Expenses	182,424,887	199,686,626

(a) Remuneration to Auditors.

	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
Statutory Audit Fees	491,692	434,000
Statutory Audit Expenses	271,849	452,353
Other Audit Fees	1,587,705	1,221,000
Other Audit Expenses	689,057	539,839
Grand Total	3,040,303	2,647,192

(b) Total Loss of OCPL for the Financial year 2015-16 comes to Rs 79,93,593/- and out of which OHPC Share of loss comes to Rs 39,16,861/- ie 79,93,593/- * 49% but OHPC investment on above project is Rs 2,45,000/- so balance amounting Rs 36,71,861/- is adjusted against Short term loan given to OCPL, after considering above now Short term loan given to OCPL shown as Rs 29,63,28,139/- as on 31 march 2016.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-28

Figure in Rs.

PRIOR PERIOD EXPENSES/(INCOME)	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
i Repair & Maintenance	(70,325,790)	(120,000)
ii Operational Expenses	(762,257)	(118,247)
iii Employee Cost	(22,794,231)	(295,969,098)
iv Administration & General Expenses	(14,118,097)	-
v Other Income	(23,383,896)	(100,000)
vi Interest income	-	(2,882,972)
Prior Period Expenses (Net)	(131,384,271)	(299,190,317)

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-29

Figure in Rs.

FINANCE COST	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
A. Interest cost:		
i Interest on Bank Loan	1,264,008	1,781,777
ii Interest on PFC Loan	20,664,916	38,397,864
iii Interest on GOVT. Loan(UIHEP)	260,028,300	504,483,700
iv Interest on GOVT. Loan(Old Power House)	536,340,000	
v Cash discount (PFC interest)	(100,944)	(263,085)
Sub-total (A)	818,196,280	544,400,256
B. Other Borrowing costs:		
i) Guarantee Commission	10,812,000	10,812,000
Sub-total (B)	10,812,000	10,812,000
C. Gain or loss on foreign currency transaction / translation:		
i) Foreign Exchange Fluctuation Loss	14,481,974	29,503,107
Sub-total (C)	14,481,974	29,503,107
Total Finance Cost (A+B+C)	843,490,254	584,715,363

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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-30

Figure in Rs.

SELLING & DISTRIBUTION EXPENSES	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
Rebate on sales realization	8573575	43,137,450
Total of Selling & Distribution Expenses	8573575	43,137,450

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-31

Figure in Rs.

EXCEPTIONAL ITEMS	Figures as at the end of current reporting period ended 31st March-2016	Figures as at the end of previous reporting period ended 31st March-2015
Voluntary separation scheme payment	193,924	
Total Exceptional Items	193,924	-

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -32

The book value of stores & spares partly not available due to theft, fire and shortages in both civil stores & Electrical Store Mukhiguda and Central Stores Khatiguda of Civil wing as per the stock verification report of M/s. JBMT Associates, C.A., Bhubaneswar for the year ending 31.03.2016 are as follows :-

Particulars.	Civil Stores Mukhiguda (Rs.)	Central Store Khatiguda (Rs.)	Electrical Store Mukhiguda (Rs.)	Total Amount (Rs.)
Theft	2,73,311.79	13,75,322.50	0	16,48,634.29
Fire Damage	0.00	1,55,12,500.10	0	1,55,12,500.10
Shortages.	18,86,899.76	5,81,279.23	0	24,68,178.99
Total Loss of Stores up to 31.03.12	21,60,211.55	1,74,69,101.83	0	1,96,29,313.38
Theft during 2012-13	17,08,318.33	0.00	0	17,08,318.33
Shortages during 2012-13	3,81,310.38	71,799.75	0	4,53,110.13
Shortages during 2014-15	0.00	2,85,599.42	7,10,862	9,96,461.42
Total loss of stores as on 31.03.2016	42,49,840.26	1,78,26,501.00	7,10,862	2,27,87,203.26

- (a) The value of inventory of Hirakud HEP as on 31st March, 2016 includes the cost of spares theft in the year 2008, 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 in the year 2010-11 and provision has been made for balance amount of Rs.1,97,006/- in the accounts 2011-12 which is yet to be written off.
- (b) The value of inventory of RHEP, Rengali includes Rs.18,10,862/- towards shortage due to theft amounting to Rs.2,89,458/- and unserviceable stores amounting to Rs.15,21,404/- which has been provided & charged to P & L account. The same shall be written off after approval of Competent Authority.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT-33

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

The outstanding Energy Charges of Rs 28,59,024/- of UIHEP, Mukhiguda are pending with different offices of DOWR, BSNL & Banks for which letters for confirmation of balance as on 31.03.2016 were issued on 04.04.2016 by speed post but confirmations were not received viz.

Amount in Rs		Amount in Rs	
E.E, Right Canal Divn.	57,112/-	SDO, BSNL, Nabarangpur	9,47,376/-
E.E., Left Canal Divn.	4,43,464/-	SDO, BSNL, Dharamgarh	12,11,191/-
		SBI, Jaipatna	1,34,475/-
		Utkal Gramya Bank	65,406/-

Total Receivable from DOWR:5,00,576/- Total Receivable from BSNL&Banks: 23,58,448/-

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -34

Foreign currency transactions:

Particulars	2015-16 (Rs.)	2014-15 (Rs.)
Payment made to consultants	12,55,327	
Value of Imports calculated on CIF basis in respect of components and spare parts through LC.(¥ 113673600)	6,47,46,491	7,14,30,624
Value of Imports calculated on CIF basis in respect of capital goods (HHEP, Burla • 21112.60 & \$ 86506.60 and CHEP, Chiplima • 9659.40 & \$ 70353.60)	1,27,74,437	NIL
Total expenses	7,87,76,255	7,14,30,624

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -35

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 2015-16 (Rs.)	As at 31.03.2016 (Rs.)
1.	Pension	32,55,21,985	608,62,33,923
2.	Leave Encashment	14,46,68,241	57,24,29,585
3.	Gratuity	11,95,759	76,67,248

As against the aforesaid liabilities towards Pension, an amount of Rs.576,07,11,938/- has been paid to the OHPC Pension Fund till 31.03.2016. Accordingly the balance amount of Rs.32,55,21,985/- 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 and 01.04.2014. During the year under audit, OHPC has paid Rs.1,00,000/- to the Gratuity Trust Fund.

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

Pension liability in respect of employees covered under OHPC uniforms pension scheme are provided in the year of retirement.

Other group company except parent company accounted the liability on account of gratuity & leave Encashment accounted as and when it is incurred / paid

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -36

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'.

Notes on consolidated Financial Statement : 36-A

Related Party (By Parent Company) :

- A. As per Accounting Standard-18- Related Party Disclosures issued by the Ministry of Corporate Affairs, the names of the related parties disclosed below.

Nature of Relationship	Name of the related party
Subsidiary Company	Green Energy Development Corporation of Odisha Ltd.
Joint Venture	Odisha Thermal Power Corporation Ltd., Baitarni West Coal Company Ltd.,
Associates Company	Odisha Coal and Power Limited

Key Management Personnel / Directors	Name of the related party
	Sh Rajesh Verma, IAS (From 07.12.2015)
	Sh S.C. Mahapatra, IAS (upto 07.12.2015)
	Sh Hemant Sharma, IAS
	Sh Vijay Arora, IAS (From 10.07.2015)
	Sh Rajesh Sharma
	Sh S K Sahu (upto 06.01.2016)
	Sh B K Behera
	Sh A K Mishra
	Sh S C Bhadra
	Sh S K Jena
	Sh D K Jena
	Sh R C Tripathy
	Mrs. Saveeta Mohanty (From 14.07.2015)
	Sh P K Mohanty, Company Secretary

B. Details of transactions between the Company and the Related Parties during the Year.

Sl No.	Particulars	Sub, Asso, JV	KMP, Director	Total	Note No.
1	Other Loan and Advances	450000000		450000000	Note-20
2	Advance to Others	5510994		5510994	Note-20
3	Investment	4300000		4300000	Note-14
4	Managerial Remuneration		5983736		Note-26
5	Sitting Fees & Conveyance		668500	668500	Note-26

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -37

The consolidated financial statement has been prepared separately taking the Audited Accounts of OHPC, GEDCOL, OTPCL, BWCL & OCPL with Generally Accepted Accounting Principles as per Companies Act 2013. Inadvertent omissions or errors if any will be rectified in the accounts of year of identification.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -38

The Company spent Rs.34.98 lakhs towards CSR for conservation of Natural Resources under Schedule -VII and Item (iv) of Companies Act 2013. The computation details are as follows :

Rs in Lakhs.

Sl. No.	Year	2012-13	2013-14	2014-15	2015-16
1.	Net profit before tax as per Section 198	5892.32	1112.32	4668.14	-
2.	Average profit for last 3 years	-	-	-	11672.78
3.	2% of average profit	-	-	-	233.46
4.	Expenditure made during the year	-	-	-	30.38

Amount spent during the year on:

Rs in Lakhs.

Sl. No.		In cash\ Cheque	Yet to be paid in cash	Total
i.	Construction/acquisition of any asset.			
ii.	On purposes other than (i) above	30.38		30.38

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -39

Commitment & Contingent liabilities:

(a) **Commitment**

(Rs. in crores)

		As at 31.03.16	As at 31.03.15
(a)	(i) Estimated amount of contracts to be executed on capital account (net of advances and LCs opened) UIHEP, Mukhiguda & HHEP, Burla	184.78	33.05
	(ii) Estimated amount to be required for CATP	13.58	0.00
(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	0.32	0.32
	(iii) Claims of the contractor M/s Trafalgar House Construction (T) Satyam Sankaranarayan Joint Venture of UIHEP, Khatiguda	65.57	65.57
	(iv) Workman compensation pending before the Hon'ble High Court of Odisha. (CHEP)	0.06	0.06
	(v) Claim of Dam Division, Rengali Dam site under water	0.16	0.15

	Resources Department towards water rent in respect of residential & non-residential building of OHPC (RHEP)		
(vi)	Entry Tax, appeal before the Commissioner of Commercial Taxes, Cuttack (BHEP).	0.01	0.01
(vii)	Wrong assessment of water cess by Department of Water Resources and interest charged thereon.	0.01	0.01
(viii)	50% of the Fixed deposit of Rs.25 Crs. pledged for the BG of BWCCCL in favour MOC, GoI.	12.50	12.50
(ix)	Pending cases on account of Income Tax demand raised by AO with different appellate authority for the Assessment Year 2007-08 & 2011-12 amounting to Rs.2.18 Crs., Rs.31.26 respectively.	33.44	60.03
(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
(x)	Unaccepted Dam Maintenance Cost due to abnormally.	9.27	0.00
	TOTAL	329.02	181.02

- (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) 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 (a) (viii).
- (e) 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).

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -40

- (a) The sale of energy compared to the design energy for sale during the year 2015-16 are as under:

Power stations	Actual sale of energy (in MU)	Design energy for sale (in MU)
UIHEP, Mukhiguda	1590.912	1942.38
RHEP, Rengali	583.3918	519.75
BHEP, Balimela	578.0037	1171.17
UKHEP, Upper Kolab	712.804	823.68
HHEP, Burla	443.903	677.16
CHEP, Chiplima	211.630	485.10
Total	4120.6445	5619.24

- (b) As per the OERC tariff order dt. 23.03.2015, the tariff for the year 2015-16 for energy sold to GRIDCO is as follows.

Name of Power Station	Energy charge Rate (Paisa per Unit)	Capacity charges (Rupees in Crs.)
RHEP	56.441	29.335
UKHEP	26.461	21.795
BHEP	44.754	52.415
HHEP	66.269	44.875
UIHEP	36.937	71.745
CHEP	20.366	11.840
TOTAL	251.228	232.005

- (c) The sale of energy includes 16.39671 MU to CSPDCL @Rs.1.4981 per unit as provisionally approved by OERC which has been decided in a joint meeting held on 28.10.2014 between OHPC & CSPDCL at Raipur, Chhatisgarh.
- (d) The energy sold to GRIDCO has been reconciled both in quantity & value till 2014-15. Necessary rectification entries relating to sale of energy have been passed by the respective units.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -41

During the year Rs.3,11,65,118/- has been paid and adjusted to SOUTHCO towards electricity charges for power consumed in UIHEP and Rs.87,46,561/- has been adjusted for the period from 1999-00 to 2013-14 which was ascertained in this year.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -42

Expenses in respect of employees who are in receipt of remuneration of not less than Rs.24,00,000/- per annum and employed throughout the year or Rs.2,00,000/- per month and employed for part of the year is Nil.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -43

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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -44

The details of installed capacity, generation and sale of power during the year are as under.

Power Stations	Installed Capacity (MW)	Gross Generation (MU)	Sale of Power (MU)	Auxiliary consumption (MU)	Transformation loss	Internal consumption
CHEP	72.00	216.710	211.630	0.7860	4.2938	-
HHEP	275.50	457.164	443.903	2.403	10.858	-
RHEP	250.00	606.6215	583.3918	1.3136	10.1136	11.8024
UKHEP	320.00	727.662	712.804	3.331	11.527	-
BHEP	510.00	601.398	578.0037	4.6052	11.93708	6.85196
UIHEP	600.00	1653.322	1590.912	3.091	53.296	6.023
Total	2027.50	4262.8775	4120.6445	15.5298	102.0255	24.6844
GEEDCOL		1.09459	1.09459	0	0	0
Previous year	2027.50	6238.457	6092.16	18.814	100.943	26.541

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -45

Power Station wise financial results before Tax.

Power Stations	Revenue from operation	Other Income	Share of H O income over exp.	Total Income	Total Exp.	Profit before tax
CHEP	17.04	0.14	6.47	23.65	28.29	-4.64
HHEP	74.64	0.38	29.09	104.11	53.50	50.61
RHEP	76.46	0.08	25.32	101.86	51.34	50.52
UKHEP	42.06	1.43	16.00	59.49	77.91	-18.42
BHEP	72.69	4.38	27.79	104.86	68.92	35.94
UIHEP	137.09	14.306	52.19	203.586	179.63	23.956
Total 2015-16	419.98	20.716	156.86	597.556	454.47	137.97
Total 2014-15	493.24	51.13	96.08	640.46	593.78	46.68

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -46

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 Benakhmar 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.

Mobilisation Advance paid to M/s.BHEL amounting to Rs. 14,46,90,800/- against submission of Bank Guarantee towards Performance BG & Advance BG group is shown under Current assets

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -47

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		
Total	104.00	Total	54.03

Out of Rs.1,04,00,000/-, a sum of Rs.5,20,986/- has been referred by CTO, Koraput (now Nabarangpur) through challan vide BRV No.1333 dtd.24.03.2012 after finalization of appeal. 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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT - 48-A

- (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.7,40,23,445/- 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) (a) Insurance claim for Rs.2,76,666/- has been lodged to National Insurance Company on 09.06.2015 for unit-V, CB & CT. (b) Insurance claim of Rs.31,47,840/- has been lodged to National Insurance Company on 02.07.2015 for damage of assets of Conference Hall & other equipments due to fire. (c) Insurance claim of Rs.7,21,712/- has been lodged to National Insurance company on 16.12.2015 for theft of store materials.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT - 48-B

In case of OTPCL: Prior period adjustment effect has been given for the observation of AG Auditor in the accounts for the Financial Year 2014-15 for an amount of Rs. 1,44,00,000/- paid to the Pollution Control Board Authorities for their clearance which was treated as revenue expenditure in the Financial Year 2014-15 which has been reversed in the accounts of 2015-16. Simultaneously an amount of Rs. 82,60,035/- was paid to OPTCL towards construction of Extension of two nos. of bays at Kamakhyanagar grid sub-station for supply of construction power to project site of OTPC in the FY 2014-15. This amount was shown as capital expenditure. However, as the bays after completion will be handed over to OPTCL, these assets will not be shown in the books of accounts of OTPC and therefore this expenditure should have been shown as revenue expenditure in the FY 2014-15. This has also been reversed in the accounts of the FY 2015-16. So the net effect of (Rs. 1,44,00,000 - Rs. 82,60,035) Rs. 61,39,965/- has been shown as credit balance (income) as prior period adjustment in the Profit & Loss account of 2015-16.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -48-C

The expenditure incurred from the date of incorporation has been booked to pre-operative expenses till the end of FY 2012-13. Pre-operative expenses will be capitalized under appropriate heads on commission of the project.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -49

It was decided in 105th 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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT- 50

Disclosure as per schedule III By way of additional information as per general instruction 2.

The share of subsidiaries and joint venture in the consolidated net assets and consolidated profit and loss account is as follows.

Name of Entity	Net assets (Total assets - Total Liability)		Share in profit or loss (after tax)	
	As % of consolidated Net Asset	Amount (In Crore)	As % of consolidated Profit and loss	Amount (In Crore)
Parent				
OHPC LTD	100.0016%	1216.59	124.24%	86.2635
Subsidiaries				
GEDCOL	0.30577%	3.72	(23.56)%	(16.3589)
Joint venture (As per proportionate consolidation)				
BWCCL	(0.003287)%	(0.04)	(0.0052)%	(0.0036)
OTPC	(0.30331)%	(3.69)	(0.0544)%	(0.0378)
Associates Company				
OCPL			(0.5637)%	(0.3916)
Total	100 %	1216.57		69.47

NOTES ON CONSOLIDATED FINANCIAL STATEMENT -51

- (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.

Significant Accounting Policy & Accompanying notes forming part of the financial statements.

In terms of our report of even date attached

For **LAL DASH & CO,**
Chartered Accountants

B K Dash
Partner
M. No. 052980

P K Mohanty
Company Secretary

P P Sahu
SGM (F) & CFO

B K Behera
Director (Finance) I/C

Rajesh Verma, IAS
Chairman-cum-
Managing Director
(DIN: 01725746)

Place : Bhubaneswar

Date : 26.08.2016



Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014] CIN:

CIN : U40101OR1995SGC003963

Name of the Company : Odisha Hydro Power Corporation Limited
Registered Office : Vanivihar Chhak, Janpath, Bhoinagar , Bhubaneswar-751022.
Name of the Member (s) :
Registered Address :
E-mail Id :
Folio No/Client Id :
DPID :

I/We, being the Member (s) of shares of the above named Company, hereby appoint.

1. Name
Address :
E-mail Id:
Signature....., or failing him

2. Name
Address :
E-mail Id:
Signature....., or failing him

3. Name
Address :
E-mail Id:
Signature.....

as my/ our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 21st Annual General Meeting of the Company, to be held on the 28th day of September, 2016 At 4:00P.M at Registered Office Vanivihar Chhak, Janpath, Bhoinagar, Bhubaneswar-751022 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

- 1.
2.
3.

Affix Revenue Stamp

Signed this day of 2016

Signature of Shareholder



Generator Floor Upper Kolab Power House.



Machine Floor, HHEP, Burla



DUDUMA WATERFALL

ODISHA HYDRO POWER CORPORATION LIMITED

(A Gold Rated State PSU)

JANPATH, BHOINAGAR, BHUBANESWAR - 751022,

Tel: 0674-2542922, Fax:2542102, Gram : HYDROPOWER

Web site : www.ohpcLtd.com, E-mail : ohpc.co@gmail.com / md@ohpcLtd.com

CIN : U40101OR1995SGC003963