

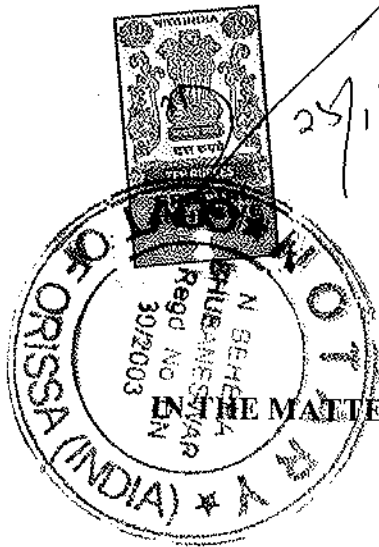
BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION, ODISHA

FILE NO. _____

CASE NO. 53 /2015

IN THE MATTER OF:

Application for approval of Generation Tariff for Odisha Power Generation Corporation Ltd. for FY 2016-17 under Section 62 & 86 of the Electricity Act, 2003 read with approved Bulk Power Supply Agreement along with Supplemental Agreement (together referred as "Amended PPA"), related provisions of OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2014 and OERC (Conduct of Business) Regulations, 2004.



AND

IN THE MATTER OF:

Odisha Power Generation Corporation Ltd. (OPGC Ltd.),
Zone-A, 7th Floor, Fortune Towers, Chandrasekharpur,
Bhubaneswar-751023, Odisha, IndiaPetitioner

AND

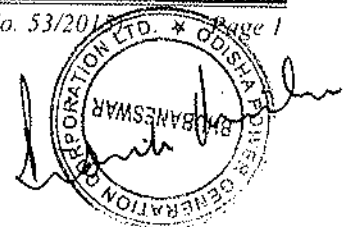
IN THE MATTER OF:

Reply to submissions made by **Sri. Anand Kumar Mohapatra** with respect to application of OPGC for approval of Generation Tariff for FY 2016-17

**ODISHA POWER GENERATION CORPORATION LIMITED ("The Petitioner")
RESPECTFULLY SUBMITS AS FOLLOWS:**

Odisha Power Generation Corporation Limited (herein after referred as "OPGC" or "the Petitioner") filed the application for approval of Generation Tariff for its IB Thermal Power Station (2x210 MW) for FY 2016-17 before the Hon'ble Odisha Electricity Regulatory Commission ("OERC" or "Commission") on December 7, 2015, which has been registered as Case No. 53 of 2015.

Reply to Objections for Approval of Generation tariff of OPGC for FY 2016-17 (Case No. 53/2015) Page 1



Mr. Anand Kumar Mohapatra (herein after referred as "the Objector") has submitted their suggestions and objections on the above said application of OPGC.

OPGC makes the following submissions, in reply to his submission:

OPGC noted that the Objector has submitted that generation tariff of OPGC power is very much affordable in comparison to central sector power station and such power is beneficial for people of Odisha to keep retail supply tariff low. Further, the Objector submitted that actions as deemed fit may be initiated expeditiously for commissioning of Unit 3 and 4, so as to supply reasonable and reliable electricity power to consumers of Odisha. OPGC likes to appreciate the concerns of the Objector in this regard.

Further, Objector submitted that monthly generation plan for OPGC for FY 2016-17 may be disclosed and OPGC to explain the reason for consideration of lower PLF as 81.46% compared to 85% and higher auxiliary consumption of 9.5% compared to 8.5% as per OERC Generation Tariff Regulations, 2014. In this regards, OPGC submits that it has already submitted the monthly generation plan to Hon'ble OERC in repose to its queries and the same are available on the website of Hon'ble OERC and OPGC.

OPGC has filed the present Petition as per the Amended PPA, which was duly approved by the Hon'ble OERC vide Order dated April 27, 2015. In the said Order, Hon'ble OERC directed OPGC to file the application of approval of Generation tariff as per Amended PPA. Accordingly, OPGC in the present Petition has considered the performance parameters as per terms and conditions of the Amended PPA. OPGC, in its Petition, has proposed gross generation of 2996.97 MU at PLF of 81.46%. OPGC has proposed the gross generation considering the weighted average PLF for last five years from FY 2011-12 to FY 2015-16 (upto November 2015). The Amended PPA also stipulates Auxiliary Consumption of 9.5% for the contract period, which has been considered by OPGC in the present Petition.

Bhubaneswar

25th January 2016



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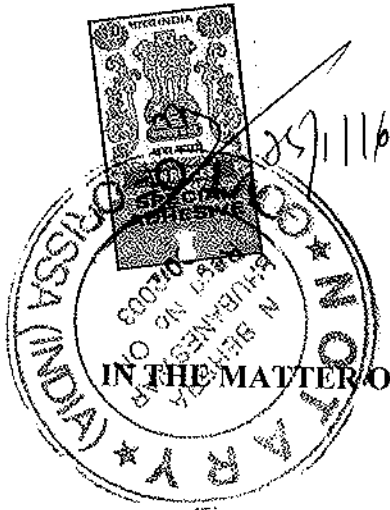
BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION, ODISHA

FILE NO. ___

CASE NO. 53 /2015

IN THE MATTER OF:

Application for approval of Generation Tariff for Odisha Power Generation Corporation Ltd. for FY 2016-17 under Section 62 & 86 of the Electricity Act, 2003 read with approved Bulk Power Supply Agreement along with Supplemental Agreement (together referred as "Amended PPA"), related provisions of OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2014 and OERC (Conduct of Business) Regulations, 2004.



AND

IN THE MATTER OF:

Odisha Power Generation Corporation Ltd. (OPGC Ltd.),
Zone-A, 7th Floor, Fortune Towers, Chandrasekharpur,
Bhubaneswar-751023, Odisha, IndiaPetitioner

AND

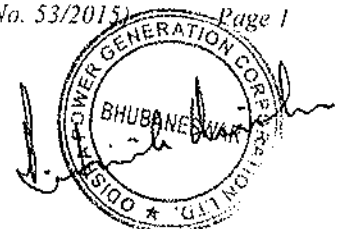
IN THE MATTER OF:

Reply to submissions made by **Sri. R. P. Mahapatra** with respect to application of OPGC for approval of Generation Tariff for FY 2016-17

**ODISHA POWER GENERATION CORPORATION LIMITED ("The Petitioner")
RESPECTFULLY SUBMITS AS FOLLOWS:**

Odisha Power Generation Corporation Limited (herein after referred as "OPGC" or "the Petitioner") filed the application for approval of Generation Tariff for its IB Thermal Power Station (2x210 MW) for FY 2016-17 before the Hon'ble Odisha Electricity Regulatory Commission ("OERC" or "Commission") on December 7, 2015, which has been registered as Case No. 53 of 2015.

Reply to Objections for Approval of Generation tariff of OPGC for FY 2016-17 (Case No. 53/2015) Page 1



Sri. R. P. Mahapatra, Retired Chief Engineer and Member (Generation), Erstwhile OSEB, (herein after referred as "the Objector") has submitted their suggestions and objections on the above said application of OPGC.

OPGC makes the following submissions, in reply to his submission:

OPGC noted that the Objector has contended that OPGC in its Petition has proposed the increase of more than 34% in generation tariff and projected unusually high increase in fuel prices. In this regards, OPGC submits that Hon'ble OERC in GRIDCO Tariff Order has approved annual fixed of Rs. 0.706 /kWh, energy charges of Rs. 1.22/kWh and total charges of 193.15/kWh, however, it has proposed the annual fixed cost of Rs. 0.769/kWh and energy charges of Rs. 1.33/kWh, total amounting to Rs. 2.099/kWh which is 9% higher than the previous years, which is primarily on account of increase in fuel prices.

For computation of Energy charges, OPGC has considered the latest fuel prices as on September 2015 and escalated the same by escalation factor of 6% (Actual growth in price from September 2014 to March 2015 in coal price from MCL) to arrive at Price of coal and Oil as on April 1, 2016. OPGC has no control over the increase in fuel prices and as per the Amended PPA between OPGC and GRIDCO, the actual fuel cost is passed through Fuel Price Adjustment. If there will be reduction in fuel prices in future, the benefit of the same shall be passed through Fuel Price Adjustment mechanism to GRIDCO.

OPGC also noted that the Objector has supported the claim of additional capitalisation towards statutory compliance and efficiency improvement. Hence, it is to be noted that the OPGC has separately shown the impact of additional capitalisation in its Petition as Rs. 0.353/kWh and requested the approval of same as year-end charges.

Bhubaneswar

25th January 2016



BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION, ODISHA

FILE NO. ____

CASE NO. 53 /2015

IN THE MATTER OF:

Application for approval of Generation Tariff for Odisha Power Generation Corporation Ltd. for FY 2016-17 under Section 62 & 86 of the Electricity Act, 2003 read with approved Bulk Power Supply Agreement along with Supplemental Agreement (together referred as "Amended PPA"), related provisions of OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2014 and OERC (Conduct of Business) Regulations, 2004.

AND

Odisha Power Generation Corporation Ltd. (OPGC Ltd.),
Zone-A, 7th Floor, Fortune Towers, Chandrasekharpur,
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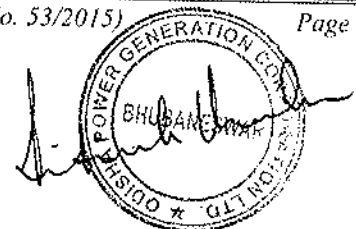
AND

IN THE MATTER OF:

Reply to submissions made by GRIDCO respondent with respect to application for approval of Generation Tariff for FY 2016-17

**ODISHA POWER GENERATION CORPORATION LIMITED ("The Petitioner")
RESPECTFULLY SUBMITS AS FOLLOWS:**

Odisha Power Generation Corporation Limited (herein after referred as "OPGC" or "the Petitioner") filed the application for approval of Generation Tariff for its IB Thermal Power Station (2x210 MW) for FY 2016-17 before the Hon'ble Odisha Electricity Regulatory Commission ("OERC" or "Commission") on December 7, 2015, which has been registered as Case No. 53 of 2015. GRIDCO has submitted its para wise reply on the above said application of OPGC.

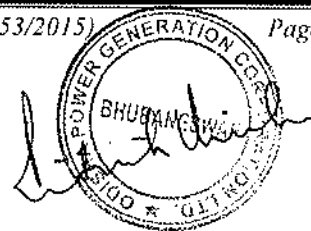


OPGC makes the following submissions, in reply to the GRIDCO's submission:

Approach for filing the Petition and Regulatory Certainty

1. OPGC in its Petition has well elaborated the approach for filing the present Petition for determination of Generation Tariff for FY 2016-17. OPGC reiterated that it has filed the present Petition primarily on the basis of the provisions of existing PPA between OPGC and GRIDCO and amendment to existing PPA signed on December 19, 2012 (together called as "Amended PPA") and further, wherever there is no provision or lack of clarity in the agreement, in such cases OERC Generation Tariff Regulations, 2014 have been considered.
2. OPGC submits that since the Amended PPA is signed with GRIDCO, only after all terms and conditions of Amended PPA were agreed by both Parties. Hence, at one side GRIDCO has agreed upon terms and conditions of Amended PPA and at other side, in its response, GRIDCO is suggesting to consider the terms and conditions for determination of generation Tariff as per OERC Generation Tariff Regulations, 2014, ignoring the terms and conditions of Amended PPA.

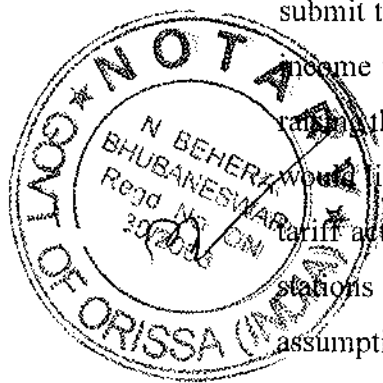
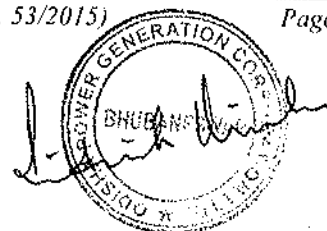
OPGC has filed the present application based on agreements entered between OPGC and GRIDCO, as mentioned in para 2.2 of the Petition. OPGC in its Petition has submitted that the principles laid in OERC Generation Tariff Regulations, 2014 have been followed to the extent as applicable to OPGC for the present application, which is not acceptable to GRIDCO, as submitted in para 3(c) of its submission. OPGC submits that OPGC has filed the present application as per the directives of Hon'ble OERC vide Order dated April 27, 2015. Since, the tariff is to be determined by Hon'ble OERC in consideration of the norms of determination of tariff as per the Amended PPA, for any petition to be filed the certain general aspects such as scope of Petition, procedure for tariff determination, etc. have to be considered based on the certain Regulations and accordingly the Petition has been filed considering the general aspects as per the provisions of the OERC Generation Tariff Regulations, 2014. Accordingly, OPGC has filed the Petition on the basis of Amended PPA and wherever there is lack of clarity in the Amended PPA,



OPGC has considered the provisions of OERC Generation Tariff Regulations, 2014. Hence, it would not be correct to hold that OERC Generation Tariff Regulations, 2014 is not at all applicable in case of filing the present application.

4. Further, OPGC submits that the Hon'ble OERC in its Order dated April 27, 2015 has made it clear that OPGC has to make an application for determination of generation tariff before Hon'ble OERC as per approved Amended PPA for rest of Control Period starting from FY 2016-17 onwards since the tariff for the FY 2014-15 and 2015-16 has already been approved by Hon'ble OERC in the ARR of GRIDCO for the said year basing on the submission of GRIDCO. Accordingly, in compliance to Hon'ble OERC directions, the petition has been filed for approval of tariff for FY 2016-17 and no Petition was filed for approval of tariff for FY 2014-15 and FY 2015-16 as the same was approved by Hon'ble OERC in the ARR of GRIDCO's. As regards GRIDCO's submission that the tariff estimated in the respective ARR application and the tariff at which OPGC is actually paid against the energy bills are totally different, OPGC would like to humbly submit that this variation is mainly due to variation in fuel prices and other charges like income tax, cess, statutory levies etc., which are allowed as per PPA. OPGC has been paying the bills in accordance with the provisions of Amended PPA. In this regard, OPGC would like to submit that this variation in tariff estimated while approving the ARR and tariff actually payable is not specific to OPGC and is applicable for all the generating stations including generating stations of NTPC. While approving the ARR, certain assumptions are made for forecasting the energy charges (i.e., fuel charges) of the thermal stations, while the actual payments are being made based on prevalent fuel prices as part of fuel price adjustment.

5. GRIDCO, in para 3(c), has contended that Notification of Government of Odisha dated June 21, 2008, has to be relooked into and reconsidered or else there shall be difficulty in the determination of tariff. In this regard, OPGC submits that in order to resolve disputes arising between the Parties over the terms and conditions of the PPA, the parties entered into discussion and Government of Odisha constituted a Task Force vide Resolution No. 3895 dated May 7, 2007 for resolving disputes regarding tariff and other

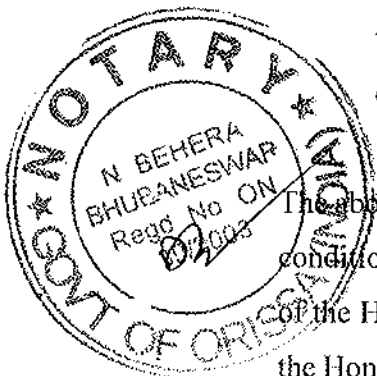
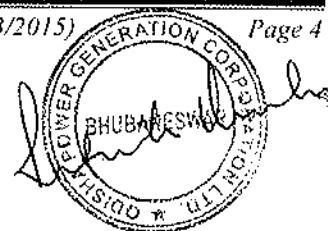


related matters. Government of Odisha, based on the recommendations of Task Force, issued Notification No. 7216 dated June 21, 2008 for resolving all such disputes. The said notification has decided the following:

- a. The provision for calculation of incentive in the existing PPA shall be amended to enhance PLF from 68.49% to 80%. All other terms and conditions of tariff for Unit 1 & 2 shall be as per the existing PPA.
- b. The Amended PPA shall be filed before Hon'ble OERC for approval.
- c. OPGC shall withdraw Special Leave Petition filed before Hon'ble Supreme Court against the Judgement of Hon'ble Orissa High Court regarding the jurisdiction of Hon'ble OERC for approval of PPA of Units 1 & 2.
- d. OPGC to take expeditious steps to commission Unit 3 & 4 and shall make half of the power generated from these units available to GRIDCO, subject to approval of PPA by Hon'ble OERC.

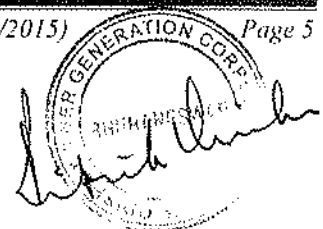
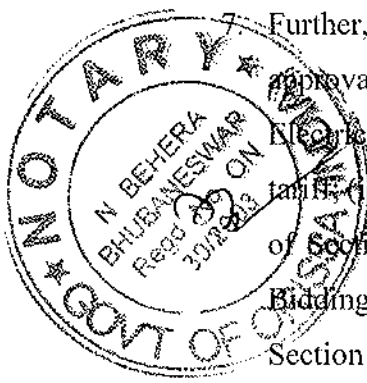
The above said Notification of Government of Odisha made it amply clear that terms and conditions of tariff for Unit 1 & 2 shall be as per the Amended PPA, subject to approval of the Hon'ble OERC. Accordingly the approval to the Amended PPA was sought from the Hon'ble OERC on the basis of a joint petition. Hence GRIDCO questioning the Govt. Notification does not merit any consideration. It may be noted that above said Notification of Government of Odisha was issued well before the notification of the OERC Generation Tariff Regulations, 2014. In view of the above said notification, Hon'ble OERC, in its regulations, has specified that the Annual Fixed Charges for OHPC and OPGC will be determined by the Commission by taking into account the notification(s) issued by the Government of Odisha from time to time. Further, Hon'ble OERC vide its Order dated April 27, 2015, has recognised above mentioned facts and approved the Amended PPA.

6. GRIDCO in its submission in para 3(d) has contended that, after initiating process of withdrawal of its Special Leave Petition before Hon'ble Supreme Court, OPGC did not file the ARR application for FY 2014-15 and FY 2015-16 before OERC and delayed till approval of Amended PPA by Hon'ble OERC. In this regard, OPGC submits that



Hon'ble Supreme Court in its Interim Order dated April 29, 2005 stayed the proceedings before Hon'ble OERC regarding the determination of Generation tariff for OPGC. Hence, there would not be any point in making an application before the Hon'ble OERC when the proceedings are stayed by Higher Court and decision of Hon'ble Supreme Court is pending. In view of the Notification of Government of Odisha, OPGC had first initiated to withdraw its Special Leave Petition. Hon'ble Supreme Court vide its Order dated February 14, 2013 has dismissed Appeals as withdrawn by OPGC and in the said order Hon'ble Supreme Court has directed OPGC to file the Amended PPA before Hon'ble OERC and directed that the Hon'ble OERC shall consider the same appropriately in accordance with law. Accordingly, OPGC and GRIDCO have jointly filed the Amended PPA before Hon'ble OERC for approval.

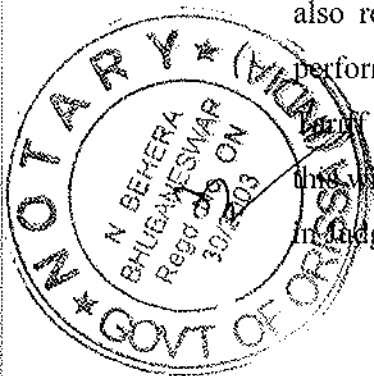
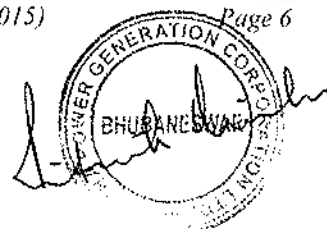
Further, OPGC does not agree with the submission of GRIDCO in para 3(e) that the approval of PPA is not pre-requisite to determination of tariff. OPGC submits that the Electricity Act, 2003 ("the Act") provides two routes and options for determination of tariff: (i) determination of tariff by the State Commission or Central Commission in terms of Section 86 and 79 of the Act and (ii) determination of tariff through Competitive Bidding Process in accordance with the guidelines issued by Government of India. Section 62(1)(a) of the Act provides that Hon'ble OERC shall determine the tariff in accordance with the provisions of the Act **for the supply of electricity by a generating company to a distribution licensee.** Section 86(1)(b) of the Act confers powers to Hon'ble OERC to regulate the electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State. Wherever there is no supply of power by generating company to distribution licensee, tariff cannot be determined by Hon'ble OERC. In view of the Section 86(1)(b) read with Section 62(1)(a) of the Act, **Hon'ble OERC shall determine the tariff for supply of electricity to distribution licensee only after approval of power purchase arrangement or agreement.**



Signature of N. Behera, Notary Public, Bhubaneswar, Odisha.

8. OPGC denies the submission of GRIDCO in para 3(g) that it has followed pick and choose principle to substantiate tariff application and ignore some of the important issues. OPGC in its Petition has clearly mentioned that it has filed an application and proposed Generation Tariff for FY 2016-17 on the basis of the provisions of the Amended PPA. GRIDCO has also appreciated the fact that Amended PPA includes Capital Cost, Operation Performance Parameters and Principles for Tariff determination, billing mechanism, etc. which has been given regulatory approval by Hon'ble OERC in its Order dated April 27, 2015. Hon'ble OERC had also recognised the fact that Amended PPA includes such parameters and accorded the approval after due consideration of the same.
9. OPGC further submits that it has entered into PPA with GRIDCO for supplying the power from Unit 1 & 2 in 1996. The existing PPA itself provides tariff parameters, operational performance parameters, billing mechanism, etc. to bring the certainty in the business over the contract period. Hon'ble OERC at the time of approval of Amended PPA, has also recognised this fact and approved Amended PPA accordingly. The operational performance parameters cannot be changed at this stage as per the OERC Generation Tariff Regulations, 2014. If the performance parameters will be changed at this stage, this will create regulatory uncertainty. Hon'ble Appellate Tribunal for Electricity (ATE) in judgement dated April 4, 2007 in Appeal No. 251 of 2006 ruled as under:

"55. Norms for operation for power stations are determined for the industry based on the technology, industry performance and in order to ensure optimum utilization of machines with efficient and economic operation. Black's Law Dictionary defines norms as : "An actual or set standard determined by the typical or most frequent behaviour of a group". We are quite intrigued: once the Commission has specified "norms" how the same can be changed for a particular generator merely because it has consistently performed better. One can understand if the entire industry performs at better operational levels, then observing the consistent industry average improve, norms for all can be upgraded. It is against natural justice that an individual station, instead of being rewarded for better performance, is made to meet higher targets of performance and exposed to the risk of not achieving it. Achieving exceptionally high levels of efficiencies requires great deal of effort and



expertise and must be incentivised. If Commission wishes to revise norms upward, it may also do so but such a revision has to be applied to all players after watching the industry performance over a period of time.

10. OPGC denies the contention of GRIDCO in para 6(p) that as per statutory provisions, the regulations in force from time to time overrides the provisions laid down in bilateral PPA and accordingly, tariff of OPGC should be determined as per OERC Generation Tariff Regulations, 2014. However, Hon'ble OERC in its Order dated April 27, 2015 has ruled as under:

"10. The Commission in meantime has published in the Gazette OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2014 on 10.10.2014 for control period of FY 2014-19. The Regulation 1.4 of the said Regulations provides as follows:

"1.4 These Regulations shall come into force on the date of publication in the Official Gazette, and unless reviewed earlier or extended by the Commission shall remain in force till 31.03.2019:

Provided that, where the Commission has, at any time prior to the notification of these Regulations, approved a Power Purchase Agreement (PPA) or arrangement between a generating company and a Beneficiary, or has adopted the tariff contained therein for supply of electricity from an existing generating station then the tariff for supply of electricity by the generating company to the Distribution Licensee shall be in accordance with such PPA or arrangement for such period as may be so approved or adopted by the Commission, to the extent of existing Installed Capacity as contained in the PPA."

- 11. Since the power purchase by GRIDCO from Unit 1 & 2 of Ib Thermal Power Station has been continuing as per mutual agreement without approved of PPA and the Commission has approved the same in the ARR of GRIDCO for the concerned years there is no need to reopen the same as per the above Regulation. The parties should, therefore, settle the power purchase process for the period prior to implementation of the above Regulation taking into account**

Application for Approval of Generation tariff of OPGC for FY 2016-17 (Case No. 53/2015)

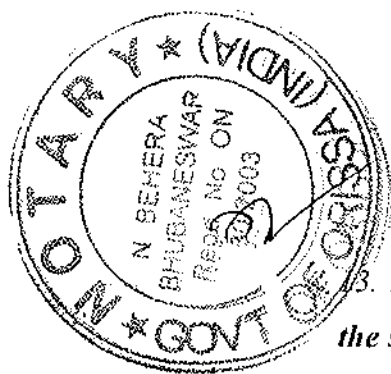


the original PPA and its supplemental one as approved by us now.

"12. The Regulation 2.7 of OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2014 provides as follows:

"The existing generation plants of OHPC and OPGC may make an application as per the Format prescribed by the Commission for determination of tariff as per annual schedule, by November 30th of every year for determination of tariff in respect of the units of the generating station completed or projected to be completed within six months from the date of application.

Provided that the OHPC and OPGC shall make an application as per the prescribed Format with necessary information and explanations, for determination of tariff based on capital expenditure incurred duly certified by the auditors or projected to be incurred up to the date of commercial operation and additional capital expenditure incurred duly certified by the auditors or projected to be incurred during the period for which application for determination of tariff is filed of the generating station:"



13. Due to the above provision in the Regulation read with **Regulation 7.13 of the same Regulations**, OPGC shall make an application before the Commission as per the above approved PPA each year for determination of tariff for the rest of the control period starting from FY 2016-17 onwards" (emphasis added)

11. Further, Regulation 7.13 of OERC Generation Tariff Regulations, 2014 specifies as under:

"POWER TO RELAX

7.13 The Commission, for reasons to be recorded in writing, may relax any of the provisions of these regulations on its own motion or on an application made before it by an interested person."

12. In view of the above OPGC reiterates that Hon'ble OERC, by exercising its power under

Regulation 7.13 of OERC Generation Tariff Regulations, 2014, directed OPGC to file an application as per approved Amended PPA, and not as per provisions of the OERC Generation Tariff Regulations, 2014.

13. OPGC does not agree with GRIDCO's submission in para 6(a) that power to relax should not be allowed as Hon'ble OERC in its Order dated April 27, 2015 has already decided the matter and directed to file an application as per approved amended PPA in view of the Regulation 7.3 of OERC Generation Tariff Regulations, 2014.

14. GRIDCO submitted that if interpretation of OPGC regarding above said para 13 of Hon'ble OERC Order dated April 27, 2015 be true then Hon'ble OERC would not have directed to file ARR for FY 2016-17 and determination of tariff is not required in view of the para 3 (a) of Task Force Notification dated June 21, 2008, which reads as under:

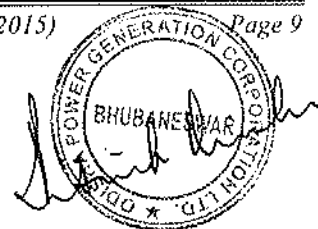
"In order to avoid the ambiguity with regard to tariff norms and parameters for Unit 1&2, all terms and parameters for determination of tariff for 1& 2 shall be as per this PPA as amended upto date. All tariff parameters will stand frozen till validity of this PPA as amended upto date notwithstanding modification in tariff norms by the CERC from time to time. Accordingly all references in other provisions of this PPA to change in tariff parameters in future shall be deemed to have been deleted. The Tariff shall however be subject to revision at the time of renewal, replacement or extension of this Supplementary agreement or on further enhancement of the generation capacity of Units 1 and /or 2, if any" (emphasis added)

15. OPGC submits that, as regards the above said para and its subsequent incorporation in Amendment to existing PPA, Hon'ble OERC in its Order dated April, 27, 2015 recognised that the above said clause provides for settlement of issues if any arising due to implementation of Amended PPA in future date. The relevant extract of Order is as under:

"9. The above stipulation in PPA provides for settlement of issues if any

Application for Approval of Generation tariff of OPGC for FY 2016-17 (Case No. 53/2015)

Page 9



arise due to implementation of this PPA in a future date the same shall be resolved basing on mutual discussion keeping intent and objects of the PPA intact. Therefore, the Commission has no objection to approve the PPA including its amendment between GRIDCO and OPGC for purchase of power from Unit 1&2 of Ib Thermal Power Station as it stands now.”(emphasis added)

16. OPGC further adds that even though the above said concerned para in Amendment in PPA stipulates that all tariff parameters will stand frozen till validity of this PPA as amended upto date, Hon’ble OERC ought to determine the Generation tariff for OPGC supplying power to GRIDCO, in accordance with Section 62 (1) (a) read with Section 86 (1) (b) of the Act. There would not be such case that the tariff shall not be required to be determined for OPGC, in view of the concerned para 3(a) of the Notification dated June 21, 2008.

Claim of Additional Capitalisation

17. OPGC, in the present Petition, has claimed additional capitalisation of Rs. 95.65 Crore on account of statutory environmental compliance and efficiency improvement, separately, as part of year end expenses, for reimbursement on actual basis. Clause 10.0 of the existing PPA stipulates that any other kind of imposition whatsoever imposed by any Government (State or Central) and /or any other local bodies in environmental protection shall be billed by OPGC and will be paid by GRIDCO. The capitalisation has to be undertaken in order to comply the direction of State Pollution Control Board and schemes which are essential for operation of the plant. Regulation 2.4 of OERC Generation Tariff Regulation, 2014 also provides for the additional capitalisation after cutoff date.

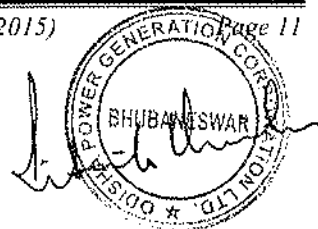
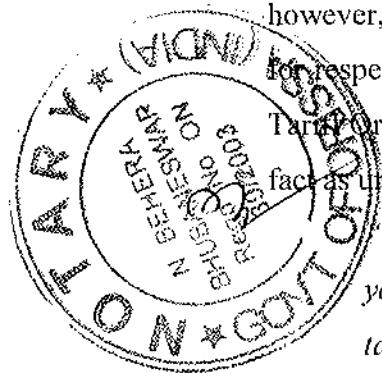
18. As regards the additional capitalisation claimed by OPGC, GRIDCO, in para 11, submitted that OPGC has never appraised Hon’ble OERC regarding such expenditures incurred by it at appropriate times, as such reimbursement shall be considered after due regulatory approval by Hon’ble OERC. Further, GRIDCO, in para 14(a), has also submitted that the capitalisation claimed towards environmental stipulation and efficiency improvement may be considered under the O&M expenditures for the

respective years. GRIDCO, in para 20, has also submitted that the additional capital expenditure claimed by OPGC being capital in nature, cannot be addressed under Year end adjustment at all, however, such expenditures shall be fully financed by OPGC from its reserves and any loan may not be considered as debt amount for calculation of interest on loan. In view of the above, it may be noted that GRIDCO has made oscillating submissions regarding consideration of additional capitalisation proposed by OPGC as under;

- a. To approve subject to scrutiny and regulatory approval by Hon'ble OERC (in para 11 of its submission)
- b. To consider under O&M expenditure (in para 14(a) of its submission)
- c. To consider being capital in nature and fully financed by OPGC.(in para 20 of its submission)

19. OPGC reiterates that as regards the recovery of such additional capitalisation, OPGC while submitting the tariff calculation to GRIDCO for FY 2014-15 & FY 2015-16 has claimed such additional capitalisation as part of Year End charges for reimbursement, however, such additional capitalisation has not been considered by GRIDCO in its ARR for respective years while submitting to the Hon'ble OERC. The Hon'ble OERC in its Tariff Order for GRIDCO for FY 2015-16 dated March 23, 2015 has also recognised the fact as under:

232. *Year-end Charges: In its application, GRIDCO has proposed the total year-end charges of OPGC to the tune of Rs.50.26 crore on account of water tax/cess, electricity duty, income tax, incentive, land rent/cess, Electrical Inspection Fees and SOC & MOC for SLDC. GRIDCO has mentioned that, this projection of Year End Charges for FY 2015-16 is as per the projection submitted by OPGC in its tentative tariff calculation sheet for FY 2015-16 to GRIDCO. However, the expenditures towards ESP,CHP,EPE, ash pond C with HDPE lining and Ash utilisation and ash utilisation expenses as projected by OPGC in its tariff calculation, have not been considered by GRIDCO as such expenditures are subject to scrutiny after accordance of regulatory approval of amended PPA (of Unit #1 and #2) by the Commission” (emphasis added)*



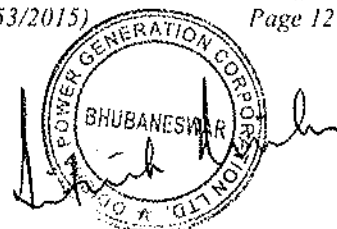
GRIDCO has never denied the basis of raising the claim of the additional capital expenditures on account of environmental stipulations and/or efficiency improvement, however, it has not considered the same in ARR for FY 2015-16, since, scrutiny and regulatory approval is required for such additional expenditures.

20. In the past, Hon'ble OERC has approved additional capital expenditure towards environmental protection in tariff Order of GRIDCO for FY 2011-12 and FY 2012-13, however, GRIDCO has not paid such expenditure even after approval of Hon'ble OERC. The relevant extract of tariff Order of GRIDCO for FY 2012-13 dated March, 23, 2012 is as under:

"377. GRIDCO has claimed Rs.0.38 crore towards SOC and MOC of SLDC, Rs.0.15 crore towards ERPC charges and Rs.3.00 crore towards cost of environment protection equipment installation for the FY 2012-13. The Commission approves these expenses to be included in the year-end charges."

(emphasis added)

Along with the schemes for environmental protection, OPGC has submitted the schemes which are essential for its operation. OPGC submits that both the units started functioning with ash disposal to pond-B which was constructed at the time of commissioning of the units in 1996. Ash Pond-B was completely exhausted in 11 years after raising embankment height upto permissible limits and soil capping was done. To meet the 30 year term of the PPA, additional ash pond capacity needed to be created and hence Ash pond-A was put into operation and after filling the design capacity of Ash pond-A, height of pond has been increased by 3 meters in each phase. A separate project has been prepared for the same to increase the ash disposal capacity of ash pond A. Further, with current rate of ash disposal, the Ash pond-A will be exhausted by October 31, 2016. In context of this for running of plant and continuous discharge of ash slurry, new ash pond is required. Hence a patch of land between Ash ponds-A & B was acquired for construction of new Ash pond-C. Till the operation of ash pond C commences, it is required to increase the height of ash pond A. After increasing the height of ash pond in each phase by 3 meter, the additional volume of 21,67,500 m³ would be available.



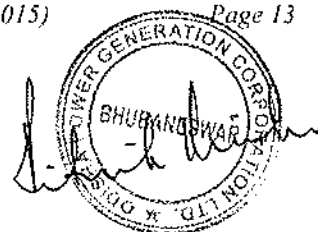
22. OPGC does not agree with the submission of GRIDCO in para 26 that O&M Expenses may be considered to be allowed as per normative lakh/MW fixed for Unit size of 210 MW at Regulation 4.28 of OERC Generation Tariff Regulations, 2014. Since, all expenses and tariff parameters have to be considered as per Amended PPA, there cannot be pick and choose regarding the individual items such as O&M expenses, where the principle for computing the O&M expenses for each year of contract period has already been stipulated in the Amended PPA.

23. The computation of Interest on working capital shall be done in accordance with the provisions of the Amended PPA. OPGC does not agree with the computation of Interest on Working capital made by GRIDCO in para 25 as per OERC Generation Tariff Regulations, 2014, as all the tariff parameters shall be considered as per Amended PPA.

Operational Performance Parameters

24. OPGC does not agree with the submission of GRIDCO that operational performance parameters of OPGC shall be considered as per OERC Generation Tariff Regulations, 2014. OPGC reiterates that Amended PPA stipulates the normative operational performance parameters and same shall be considered for determination of generation tariff for OPGC. GRIDCO in para 3 submitted that Notification of Government of Odisha dated June 21, 2008 shall be complied wherein tariff parameters shall be as per the Amended PPA, however, at the same time, submits that performance parameters shall be considered as per OERC Generation Tariff Regulations, 2014.

25. OPGC submits that its IB thermal power station Unit 1 & 2 was commissioned in 1995-96. The performance parameters of the plant have been provided in the Amended PPA for the contract period and no degradation of such performance parameters have been considered over the period of time. However, OPGC has proposed such normative performance parameters even after approx. 20 years of operation of the plant, irrespective of its actual performance. With the adoption of the proactive practices, OPGC has been able to maintain the performance of the plant ever after 20 years of operation. As discussed earlier, performance parameters of individual station shall not be changed on

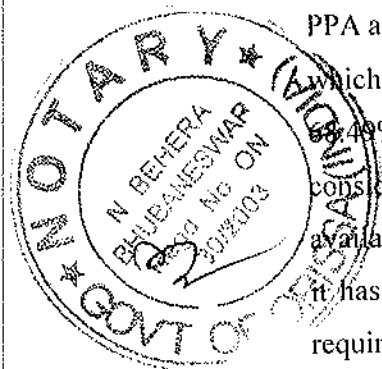
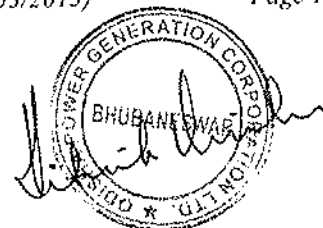


account of its better performance in view of the Hon'ble ATE in Judgement dated April 4, 2007 in Appeal No. 251 of 2006. Further, for the parameters like auxiliary consumption, the actual Auxiliary Consumption of OPGC for FY 2014-15 was 10.55%. In the present Petition, OPGC has already proposed to bear the loss on account of Auxiliary Consumption based on actual performance, on its part. Accordingly, OPGC has not claimed Auxiliary consumption based on actual level of performance, which is much higher than normative Auxiliary Consumption of 9.5%, as per the provisions of the Amended PPA approved by the Hon'ble Commission.

26. OPGC does not agree with the submission of GRIDCO that recovery of full annual fixed charges shall be at 85% of PLF and incentive shall be given above 85% of PLF, as per provisions of OERC Generation Tariff Regulations, 2014. It may be noted that GRIDCO has misunderstood the provisions of Regulation 5.3 of OERC Generation Tariff Regulations, 2014, wherein recovery of full Annual Fixed charges has been linked to Normative Plant Availability Factor (NAPAF), not PLF. However, as per the Amended PPA approved by the Hon'ble OERC, the recovery of fixed cost is linked to net Availability, which is akin to PLF. Further, the Amended PPA stipulates normative net availability of 81.46% for full recovery of fixed charges. OPGC has projected PLF of 81.46% by considering the weighted average PLF of last five years, which is higher than normative net availability. Further, GRIDCO has submitted to increase the normative PLF to 85%, however it has never contended to consider the impact of such increased PLF in working capital requirement. GRIDCO has wrongly considered the approach where it would be beneficial.

Fuel Price and GCV

27. For computation of Energy charges, OPGC has considered weighted average Gross Calorific Value of Coal for the period from October 2014 to September 2015 (12 months) and latest prices of fuel as on September 2015. It is the practice adopted in the most of the States in the country to consider the latest available prices of Fuel for computation of energy charges. OPGC has also provided the latest actual GCV and Prices of fuel upto December, 2015 to Hon'ble OERC. Further any upward /downward variation in fuel price and GCV after the computation of energy charge shall be passed through Fuel Price Adjustment (FPA)



Mechanism. Hence, the submission of GRIDCO to consider the provisional tariff and determination of energy charge every month on actual figures of coal and approved performance parameters as per the OERC Generation Tariff Regulations, 2014 is not appropriate. There is already mechanism of FPA in place to cater the variation of approved and actual price and GCV of fuel as per Amended PPA.

28. OPGC submits that for computing the landed price of coal, it has considered the basic price, royalty, excise duty, clean energy cess, VAT and entry tax. It is submitted that the transportation of coal from loading point located at mine to unloading point at the station for the span of 11 km is handled by OPGC by rail transport. Hence, only fuel cost of Rs. 4.17 /MT pertaining to operation of Merry-Go-Round system (MGR) has been considered to arrive landed cost of fuel. OPGC reiterates that it has not considered O&M expenses of Rs. 3.53 crore of MGR under fuel cost since it has already been covered under fixed cost.

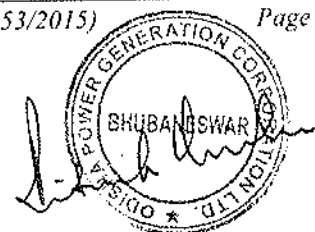
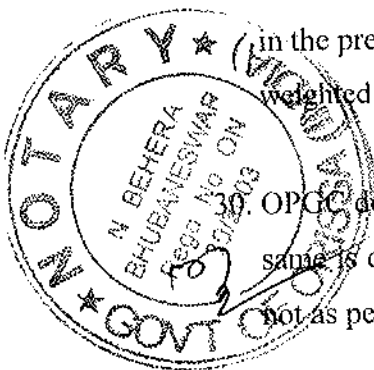
29. OPGC appreciate the suggestion of GRIDCO that the normative transit loss shall be allowed as per Regulation 4.34 of OERC Generation tariff Regulations, 2014. However, in the present Petition, OPGC has considered the loss in quantity of coal of 0.38% based on weighted average from FY 2011-12 to FY 2014-15, excluding FY 2013-14.

30. OPGC does not agree with the computation of energy charges made by GRIDCO as the same is done by considering provisions of OERC Generation Tariff Regulations, 2014, not as per Amended PPA, which was approved by Hon'ble OERC.


Year End Charges

31. As regards the FPA mechanism, OPGC strongly objects the contention of GRIDCO not to consider as the same is not specified in the OERC Generation Tariff Regulations, 2014. The OERC Generation Tariff Regulations, 2014 may not have similar mechanism akin to FPA, but the actual price of fuel is allowed as pass through in tariff.

32. As regards the Year end charges, OPGC in its Petition has estimated various year end charges as per terms and conditions of Amended PPA. Further, OPGC like to clarify that it has



submitted the Year end charges on provisional basis and charges shall be considered during the year on actual basis as and when it occurs. OPGC humbly request the Hon'ble OERC to approve the recovery of such Year-end charges as per the terms and conditions of Amended PPA.




Petitioner

Bhubaneswar

25th January 2016




NILAMANI BEHERA
NOTARY, BHUBANESWAR
GOVT. OF ORISSA (INDIA)
Regd. No-ON-39/2003

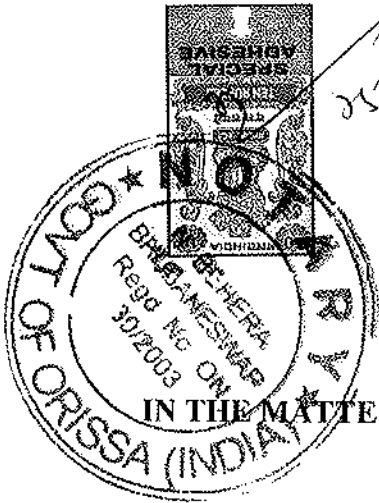
BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION, ODISHA

FILE NO. __

CASE NO. 53 /2015

IN THE MATTER OF:

Application for approval of Generation Tariff for Odisha Power Generation Corporation Ltd. for FY 2016-17 under Section 62 & 86 of the Electricity Act, 2003 read with approved Bulk Power Supply Agreement along with Supplemental Agreement (together referred as "Amended PPA"), related provisions of OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2014 and OERC (Conduct of Business) Regulations, 2004.



AND

IN THE MATTER OF:

Odisha Power Generation Corporation Ltd. (OPGC Ltd.),
Zone-A, 7th Floor, Fortune Towers, Chandrasekharpur,
Bhubaneswar-751023, Odisha, IndiaPetitioner

AND

IN THE MATTER OF:

Reply to submissions made by **Sri. Ramesh Ch. Satpathy**,
Secretary, National Institute of Indian Labour, with respect to
application of OPGC for approval of Generation Tariff for FY
2016-17

**ODISHA POWER GENERATION CORPORATION LIMITED ("The Petitioner")
RESPECTFULLY SUBMITS AS FOLLOWS:**

Odisha Power Generation Corporation Limited (herein after referred as "OPGC" or "the Petitioner") filed the application for approval of Generation Tariff for its IB Thermal Power Station (2x210 MW) for FY 2016-17 before the Hon'ble Odisha Electricity Regulatory Commission ("OERC" or "Commission") on December 7, 2015, which has been registered as Reply to Objections for Approval of Generation tariff of OPGC for FY 2016-17 (Case No. 53/2015)

Page 1
A signature and a circular stamp of the Odisha Power Generation Corporation Limited (OPGC) are located at the bottom right of the page. The stamp contains the text "ODISHA POWER GENERATION CORPORATION LIMITED" around the perimeter and "BHUANESWAR" in the center.

Case No. 53 of 2015.

Sri. Ramesh Ch. Satpathy, Secretary, National Institute of Indian Labour (herein after referred as "the Objector") has submitted their suggestions and objections on the above said application of OPGC.

OPGC makes the following submissions, in reply to his submission:

- 1) GRIDCO has proposed to receive 3128.04 MU from OPGC based on the letter No. ITPS(E)-519 dated 8/20/2015, but the OPGC has proposed to sell GRIDCO 2996.97 MU for year FY 2016-17. The applicant has to establish the reason for such less generation.

Reply of OPGC:

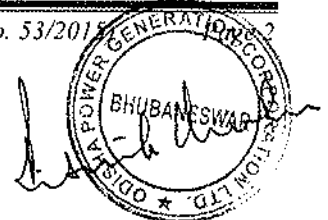
OPGC, in its Petition, has proposed gross generation of 2996.97 MU at PLF of 81.46%. OPGC has proposed the gross generation considering the weighted average PLF for last five years from FY 2011-12 to FY 2015-16 (upto November 2015), as submitted in Para 3.40 of the Petition dated 7 December, 2015 submitted to the Hon'ble Commission. It may be noted that the gross generation of 3218.04 MU proposed by GRIDCO was based on preliminary projections made by OPGC, which were forwarded to GRIDCO.

- 2) OPGC has to produce all the CAG balance sheet since 2009-10 till 2015-16 as because the Govt. Has 51% share of the Company.

Reply of OPGC:

OPGC vide letter dated 6th January 2016 in reply to Hon'ble OERC queries, has submitted the audited accounts from FY 2010-11 to FY 2014-15. The same is available on the website of Hon'ble OERC and OPGC.

- 3) The Company has proposed PLF at 81.46% for FY 2016-17, but the PLF for NTPC stations is much higher than the PLF of OPGC. The Hon'ble Commission may direct the applicant to produce relevant evidence on documents before taking a decision on the issue.



Reply of OPGC:

OPGC has proposed PLF of 81.46% as the weighted average PLF for last five years from FY 2011-12 to FY 2015-16 (upto November 2015). OPGC has also taken into account the plant outage of Unit 2 on account of minor annual overhauling schedule for the period from April 5, 2016 to April 25, 2016, i.e., for 21 days. The actual generation details and PLF for last five years has already been submitted to Hon'ble OERC. OPGC requests Hon'ble OERC to take appropriate view while approving the PLF for OPGC for FY 2016-17.

- 4) The applicant proposes auxiliary consumption at the rate of 9.5% where as other Thermal Power Stations are limited their auxiliary consumption within 9%.

Reply of OPGC:

OPGC has filed the present Petition as per the Amended PPA, which was duly approved by the Hon'ble OERC vide Order dated April 27, 2015. In the said Order, Hon'ble OERC directed OPGC to file the application of approval of Generation tariff as per Amended PPA.

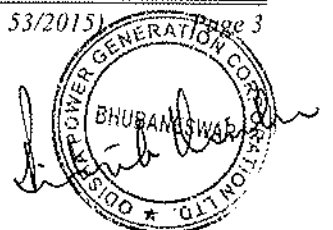
Accordingly, OPGC in the present Petition has considered the performance parameters as per terms and conditions of the Amended PPA. The Amended PPA stipulates Auxiliary consumption of 9.5% for the contract period, which has been considered by OPGC in the present Petition.

- 5) The applicant OPGC may be directed to submit their O&M expenses since 2002-03 to 2014-15 before taking a decision on their Tariff Proposal.

Reply of OPGC:

The actual O&M expenses from FY 2002-03 to FY 2014-15 are annexed herewith, being extracts of the P&L statement from annual reports for the above period.

- 6) OPGC has to submit month wise cash flow statement showing sources of inflow and outflow of cash from FY 2010-11 to FY 2015-16.



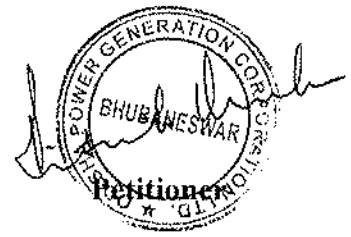
Reply of OPGC:

OPGC vide letter dated 6th January 2016 in reply to Hon'ble OERC queries, has submitted audited accounts for the period from FY 2010-11 to FY 2014-15 which also contains cash flow statement. The same is also available on the website of OPGC and Hon'ble OERC.

- 7) OPGC has to produce the details of the manpower employed and their salary component since FY 2005-06 to FY 2015-16.

Reply of OPGC:

The actual employee expenses from FY 2005-06 to FY 2014-15 are annexed herewith, being extracts of the P&L statement from annual reports for the above period.



Bhubaneswar

25th January 2016



25/1/16
NILAMANI BEHERA
NOTARY, BHUBANESWAR
GOVT. OF ORISSA (INDIA)
Regd. No-ON-30/2003

Odisha Power Generation Corporation Ltd.

Statement of Profit and Loss for the Year ended on 31st March, 2015

(₹ in lakh)

	Note No.	2014-15	2013-14
INCOME			
Revenue from Operations	21	53,926.64	53,336.49
Other Income	23	9,073.86	8,927.52
Total Revenue		63,000.50	62,264.01
EXPENSES			
Cost of Material Consumed	24	26,085.63	27,678.66
Employee Benefits Expense	25	4,230.76	4,530.51
Finance costs	26	-	-
Depreciation and amortisation expense	27	1,916.10	1,839.76
Generation and Other Expenses	28	7,718.45	9,816.96
CSR expenditure	29	117.09	-
Prior Period Expenses (net)	30	(30.29)	15.83
Total Expenses		40,037.74	43,881.72
Profit before Exceptional and Extraordinary items and tax		22,962.76	18,382.29
Exceptional Items		-	-
Profit Before Extraordinary items and tax		22,962.76	18,382.29
Extraordinary Items		-	-
Profit Before tax		22,962.76	18,382.29
Current Tax		7,933.40	6,180.33
Earlier years Tax		(3.59)	(370.59)
Deferred Tax		(26.16)	(184.62)
Profit for the Year		15,057.11	12,757.17
Earning per equity share of face value of ₹.1000/- each Basic & Diluted (in ₹.)		307.15	260.24

Significant Accounting Policies

The accompanying notes form an integral part of these financial statements - 1 to 41

There are no exceptional and extra ordinary items in the above period which needs to be disclosed.

In terms of our report of even date attached
For JBMT & ASSOCIATES

For & on behalf of Board of Directors

Chartered Accountants.

Sd/-
(B.D Ojha)
Partner

Membership No. 055193

Bhubaneswar
Date: 19th August, 2015

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

Sd/-
(H. P. Nayak)
Director(Finance)

Sd/-
(Indranil Dutta)
Managing Director

Note : Notes to Financial Statements for the Year ended 31st March, 2015

(₹ in Lakh)

(ii) Excess Provision written back related to

Employee benefits and expense	246.95	-
Generation and other expenses	39.56	26.37
Administrative expenses	6.37	-

24 COST OF RAW MATERIALS CONSUMED

	2014-15	2013-14
Imported	-	-
Indigenous	26,085.63	27,678.66
TOTAL	26,085.63	27,678.66

Shortage of Coal for 11,950.62 MT amounting to ₹.130.78 lakh (Previous year shortage of 33,914.85 MT amounting to ₹.345.56 lakh) and 9.32 KL of oil sludge having value of ₹.4.72 lakh found during physical verification has been accounted to consumption of coal and oil account respectively.

24.1 Particulars of raw materials consumed

	2014-15	2013-14
COAL	25,114.32	26,384.51
FO /LDO	971.32	1,294.16
TOTAL	26,085.64	27,678.66

25 EMPLOYEE BENEFIT EXPENSE

	2014-15	2013-14
Salaries & Wages *	6,162.23	4,979.13
Contribution to Provident fund	396.46	298.75
Gratuity fund	40.53	282.25
Staff Welfare Expenses	578.39	634.33
	7,177.61	6,194.46
Less: transferred to Fuel Cost	563.73	510.37
Less: transferred to Expenditure during construction period - unit 3 & 4 (Ref. Note 28)	1,874.45	618.98
Less: transferred to development of Coal Mine (Refer Note 29)	508.67	534.60
TOTAL	4,230.76	4,530.51

*(i) It includes

(a) an amount of ₹.495.15 lakh (previous year ₹.356.53 lakh) towards provision for Variable Pay of the employees under approved performance management system of the company.

(b) Previous year figure includes ₹.357.37 lakh towards provision against revision of salary of employees of the company.

Odisha Power Generation Corporation Ltd.
Statement of Profit and Loss for the year ended 31st March, 2014

(₹ in lakhs)

	Note No.	2013-14	2012-13
INCOME			
Revenue from Operations	21	53,336.49	53,944.29
Other Income	22	8,927.51	9,659.07
Total Revenue		62,264.01	63,603.36
EXPENDITURE			
Cost of Material Consumed	23	27,678.66	27,832.36
Employee Benefits Expense	24	4,530.51	3,376.15
Finance Costs	25	-	-
Depreciation and Amortization Expense	26	1,839.76	1,525.59
Generation and Other Expenses	27	9,816.96	5,865.42
Prior Period Expenses (net)	28	15.83	(20.04)
Total Expenses		43,881.72	38,579.47
Profit before Exceptional and Extraordinary Items and Tax		18,382.29	25,023.89
Exceptional Items		-	-
Profit Before Extraordinary Items and Tax		18,382.29	25,023.89
Extraordinary Items		-	-
Profit Before Tax		18,382.29	25,023.89
Current Tax		6,180.33	8,187.71
Earlier years Tax		(370.59)	12.82
Deferred Tax		(184.62)	80.27
Profit for the Year		12,757.17	16,743.09
Earning per equity share of face value of ₹ 1000/- each			
Basic & Diluted (in ₹)		260.24	341.54

Significant Accounting Policies

The accompanying notes form an integral part of these financial statements 1 to 39

There are no exceptional and extra ordinary items in the above period which needs to be disclosed.

In terms of our report of even date attached

For & On behalf of JBMT & Associates

For & on behalf of Board of Directors

Chartered Accountants

Sd/-

(B. D. Ojha)

Partner

Membership No. 055193

Sd/-

(M. R. Mishra)

Company Secretary

Sd/-

(H. P. Nayak)

Director (Finance)

Sd/-

(S. Subramaniam)

Managing Director

Bhubaneswar

Date - 21st July, 2014

Note: Notes on Financial Statements for the Year ended 31st March 2014

(₹ in lakhs)

(ii) Excess Provision written back related to

	2013-14	2012-13
Provision for Debtor	-	-
Obsolete stores / spares	-	-
Employee Benefits and Expense	-	59.36
Generation and other Expenses	26.37	1.08

23. COST OF RAW MATERIALS CONSUMED

	2013-14	2012-13
Imported	-	-
Indigenous	27,678.66	27,832.36
TOTAL	27,678.66	27,832.36

Shortage of Coal for 33,914.85 MT amounting to ₹.345.56 lakh (previous year excess of 3822.21 MT amounting to ₹.37.76 lakh) found during physical verification has been adjusted to consumption of coal.

23.1 Particulars of raw materials consumed

	2013-14	2012-13
COAL	26,384.51	26,580.61
FO /LDO	1,294.16	1,251.75
TOTAL	27,678.66	27,832.36

24. EMPLOYEE BENEFIT EXPENSE

	2013-14	2012-13
Salaries & Wages *	4,979.13	3,476.01
Contribution to		
Provident fund	298.75	258.89
Gratuity fund	282.25	139.19
Staff Welfare Expenses	634.33	443.83
	6,194.46	4,317.91
Less transferred to Fuel Cost	510.37	444.83
Less transferred to Expenditure during construction period - unit 3 & 4 (Note 28)	618.98	180.56
Less transferred to development of Coal Mine - (Note 29)	534.60	316.37
TOTAL	4,530.51	3,376.15

* (i) It includes

- Provision of ₹.356.53 lakh (previous year ₹.242.22 lakh) has been made as variable pay of the employees under performance management system based upon approved principles.
- Provision of ₹.357.37 lakh has been made against revision of salary of non executive employees of the company due from 1st April 2010.

Odisha Power Generation Corporation Ltd.
Statement of Profit and Loss for the year ended 31st March, 2013

(₹ in lakhs)

	Note	2012-13	2011-12
INCOME			
Revenue from Operations	20	53,944.29	49,045.82
Other Income	21	9,659.07	8,232.22
Total Revenue		63,603.36	57,278.04
EXPENDITURE			
Cost of Material Consumed	22	27,832.36	25,991.63
Employee Benefits Expense	23	3,376.15	3,065.05
Finance costs	24	-	6.35
Depreciation and amortization expense	25	1,525.59	1,521.15
Generation and Other Expenses	26	5,865.42	5,981.84
Prior Period Expenses (net)	27	(20.05)	83.45
Total Expenses		38,579.47	36,649.47
Profit before Exceptional and Extraordinary items and tax		25,023.89	20,628.57
Exceptional Items		-	-
Profit Before Extraordinary items and tax		25,023.89	20,628.57
Extraordinary Items		-	-
Profit Before Tax		25,023.89	20,628.57
Current Tax		8,187.71	6,803.43
Earlier years Tax		12.82	59.78
Deferred Tax		80.27	56.50
Profit for the Year		16,743.09	13,708.86
Earning per equity share of face value of ₹ 1000/- each Basic & Diluted (in ₹)		341.54	279.65
Notes accompanying the financial statements	1 to 36		

In terms of our report of even date attached

For & on behalf of JBMT & Associates

For & on behalf of Board of Directors

Chartered Accountants

Sd/-

(B. D. Ojha)

Partner

Membership No. 055193

Sd/-

(M. R. Mishra)

Company Secretary

Sd/-

(H. P. Nayak)

Director (Finance)

Sd/-

(V. Kuppusami)

Managing Director

Bhubaneswar

Date - 10th July, 2013



Note: Notes on Financial Statements for the Year ended 31st March 2013

(₹ in lakhs)

	2012-13	2011-12
(ii) Excess Provision written back related to		
Provision for Debtor	-	163.48
Obsolete stores / spares	-	26.19
Performance Incentive	59.36	89.61
Other Expenses	1.08	30.18

22. COST OF RAW MATERIALS CONSUMED

	2012-13	2011-12
Imported	-	-
Indigenous	27,832.36	25,991.63
TOTAL	27,832.36	25,991.63

Excess of Coal for 3822.21 MT amounting to ₹ 37.76 lakhs (Previous year shortage of 8378.19 MT amounting to ₹ 80.93 lakhs) found during physical verification has been adjusted to consumption of coal.

22.1 Particulars of raw materials consumed

	2012-13	2011-12
COAL	26,580.61	24,506.31
FO /LDO	1,251.75	1,485.32
TOTAL	27,832.36	25,991.63

23. EMPLOYEE BENEFIT EXPENSE

	2012-13	2011-12
Salaries & Wages	2,991.63	2,838.54
Contribution to		
Provident fund	252.82	222.41
Gratuity fund	139.19	46.65
Staff Welfare Expenses	437.34	405.25
	3,820.98	3,512.85
Less transferred to Fuel Cost	444.83	447.80
TOTAL	3,376.15	3,065.05

(i) Previous year figure includes an amount ₹ 179.18 lakhs paid under Voluntary Separation Scheme to the employees on their separation from Company.

(ii) Pending finalization of final payment of Variable Pay to the employees of the company under performance management system, a provision of ₹ 242.22 lakhs (previous year ₹ 240.95 lakhs) has been made on an estimated basis.

Odisha Power Generation Corporation Ltd.
Statement of Profit and Loss for the year ended 31st March, 2012

(₹ in lakhs)

	Note	2011-12	2010-11
INCOME			
Revenue from Operations	20	49,045.82	45,303.72
Other Income	21	8,232.22	5,109.93
Total Revenue		57,278.04	50,413.66
EXPENDITURE			
Cost of Material Consumed	22	25,991.63	22,471.85
Employee Benefits Expense	23	3,065.05	3,452.73
Finance costs	24	8.01	61.70
Depreciation and amortization expense	25	1,521.15	1,588.48
Generation and Other Expenses	26	5,980.18	6,045.56
Prior Period Expenses (net)	27	83.45	149.20
Total Expenses		36,649.47	33,769.52
Profit before Exceptional and Extraordinary items and tax		20,628.57	16,644.14
Exceptional Items		-	-
Profit Before Extraordinary items and tax		20,628.57	16,644.14
Extraordinary Items		-	-
Profit Before Tax		20,628.57	16,644.14
Current Tax		6,803.43	5,766.46
Earlier years Tax		59.78	-
Deferred Tax		(56.50)	626.79
Profit for the Year		13,708.86	11,504.47
Earning per equity share of face value of ₹1000/- each Basic & Diluted (in ₹)		279.65	234.68
Notes accompanying the financial statements	1 to 36		

In terms of our report of even date attached
For & on behalf of MKPS & Associates

For & on behalf of Board of Directors

Chartered Accountants
Sd/-
(Sunil Kumar Jalan)
Partner
Membership No. 062814

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

Sd/-
(C. P. Mohanty)
Director (Finance)

Sd/-
(V. Kuppusami)
Managing Director

Place - Bhubaneswar
Date - 6th August, 2012



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ANNUAL REPORT
2011-12

Note: Notes on Financial Statements for the Year ended 31st March 2012

(₹ in lakhs)

(ii) Excess Provision written back related to

Provision for Debtor	163.48	
Obsolete stores / spares	26.19	
Performance Incentive	89.61	57.55
Other Expenses	30.18	18.02

22. COST OF RAW MATERIALS CONSUMED

	2011-12	2010-11
Imported		
Indigenous		
	25,991.63	22,471.85
TOTAL	25,991.63	22,471.85

Shortage of Coal for 8378.19 MT amounting to ₹ 80.93/- lakhs (Previous year excess of 37,962.47 MT amounting to ₹ 358.78 lakhs) found during physical verification has been adjusted to consumption of coal.

22.1 Particulars of raw materials consumed

	2011-12	2010-11
COAL	24,506.32	21,493.32
FO /LDO	1,485.32	978.53
TOTAL	25,991.63	22,471.85

23. EMPLOYEE BENEFIT EXPENSE

	2011-12	2010-11
Salaries & Wages	2,838.54	2,662.67
Contribution to		
Provident fund	222.41	311.44
Gratuity fund	46.65	415.36
Staff Welfare Expenses	405.25	379.44
	3,512.85	3,768.92
Less transferred to Fuel Cost	447.80	316.19
TOTAL	3,065.05	3,452.73

(i) Company announced a Voluntary Separation Scheme (VSS) for the employees during the year. A sum of ₹ 179.18 lakhs (previous year nil) has been paid during the year and debited to Statement of Profit and Loss under the head "Employee Benefits Expense".

(ii) Pending finalization of final payment of Variable Pay to the employees of the company under performance management system, a provision of ₹ 240.95 lakhs (previous year ₹ 134.36 lakhs) has been made on an estimated basis.

Orissa Power Generation Corporation Ltd.
Profit and Loss Account for the year ended 31st March, 2011

(₹ in lakhs)

Particulars	Schedule	Year Ended 31.03.2011	Year Ended 31.03.2010
INCOME			
Sale of power		39,203.72	39,988.24
Other Income	9	5,142.99	5,606.03
Total		44,346.71	45,594.27
EXPENDITURE			
Raw Materials Consumption	10	22,421.85	19,437.05
Production Expenses	11	1,631.18	2,909.27
Power & Electricity Duty	12	1,077.62	129.27
Employees' Remuneration & Benefits	13	3,152.72	2,588.89
Administrative Expenses	14	891.75	788.76
Other Expenses	15	1,316.43	883.64
Interest & Financing Charges	16	61.76	160.85
Depreciation		1,598.46	5,138.38
Total		34,653.36	32,636.10
Profit before tax & Prior Period Adjustment		9,693.35	12,958.17
Prior Period Adjustments (Net)	17	(4,104.20)	(2,330.62)
Profit before tax		5,589.15	10,627.55
Less: Provision for Taxation:			
Current Income Tax		1,266.46	5,580.12
Add: Reversal of deferred tax liability		(831.39)	(1,074.39)
Profit after tax		3,491.30	3,973.04
Add: Balance of profit brought forward from previous year	40,649.05		
Less: Provision for MAT Credit payable to Customer	673.51		
Amount available for appropriation		40,649.05	40,649.05
Appropriation			
Balance carried to Balance Sheet		40,649.05	40,649.05
Earning per Share (in ₹)			
Basic & Diluted Earning per Share		21.65	165.63
Significant Accounting Policies	18		
Notes on Accounts	19		
Additional Information	20		

Schedules 9 to 20 annexed hereto, from part of the Profit and Loss Account.

In terms of our report of even date attached

For & on behalf of MKPS & Associates

Chartered Accountants

Sd/-
(Sunil Kumar Jalan)
Partner
M.No. 062814

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

Sd/-
(S. K. Pattanayak)
Director (Finance)

Sd/-
(V. Kuppusami)
Managing Director

For & on behalf of Board of Directors

Place - Bhubaneswar
Date - 21st September, 2011



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ANNUAL REPORT
2010-11

Schedules forming part of Profit and Loss Account

(₹ in lakhs)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
Schedule - 9		
Other Income		68.85
Other Sales	76.65	
Interest Income from Investment / Deposits*	4,608.66	5,388.32
Interest Income from Employees & others	189.53	13.86
Receipt of Rent, Electricity, Water Charges & Others	85.21	82.63
Sundry Receipt	104.77	42.35
Excess Provision written Back	75.56	10.01
Profit on Sale of Fixed Assets	0.60	0.00
Total	5,142.99	5,606.03
* Tax deducted at source from interest on deposits with banks is ₹ 392.91 lakhs (Previous year ₹ 681.81 lakhs). Sundry receipt includes gain on fluctuation from foreign currency transactions for ₹ 1.65 lakhs.		
Schedule - 10		
Raw Materials Consumption		18,466.97
Consumption of Coal	21,495.32	
Consumption of - FO / LDO	978.53	970.08
Total	22,471.85	19,437.05
Schedule - 11		
Production Expenses		1,372.01
Consumption of Stores & Spares	1,343.13	
Contract Job Outsourcing Expenses	902.95	1,280.23
Insurance charges of Plant & Machineries	96.85	50.44
Repair & Maintenance of Plant *	54.29	43.68
Other Production Expenses	234.15	162.91
Total	2,631.38	2,909.27
* It includes Repair & Maintenance of Plant Building for ₹ 22.00 lakhs (Previous year ₹ 4.95 lakhs)		
Schedule - 12		
Power & Electricity Duty		113.38
Water Charges & Cess	340.89	
Power Purchase Cost	24.89	13.87
Electricity Duty on Auxiliary Consumption	641.24	602.01
Total	1,007.02	729.27
Schedule - 13		
Employees Remuneration & Benefits		1,875.93
Salary, Wages, Bonus & Incentive on Generation	2,370.98	
Contribution to PF & Other Funds	712.80	423.04
Employees Compensation & Family Rehabilitation Expenses	1,191	957
Welfare Expenses-Educational Facility	156.92	137.47
Welfare Expenses-Medical Facility	95.04	64.92
Other staff welfare & reimbursements	94.92	77.95
Total	3,452.73	2,588.89

Orissa Power Generation Corporation Ltd.
Profit and Loss Account for the year ended 31st March, 2010

(Rs. in lakhs)

Particulars	Schedule	Year Ended 31.03.2010	Year Ended 31.03.2009
INCOME			
Sale of power		39,988.24	39,797.10
Other Income	10	5,606.03	6,689.79
Total		45,594.27	46,486.88
EXPENDITURE:			
Raw Materials Consumption	11	19,437.05	19,232.34
Production Expenses	12	2,909.27	2,532.26
Power & Electricity Duty	13	729.27	804.21
Employees' Remuneration & Benefits	14	2,588.89	3,151.29
Administrative Expenses	15	788.76	896.28
Other Expenses	16	883.64	329.29
Interest & Financing Charges	17	160.85	270.37
Depreciation		5,138.38	5,730.19
Total		32,636.10	32,946.22
Profit before tax & Prior Period Adjustment		12,958.17	13,540.67
Prior Period Adjustments (Net)	18	(333.02)	(209.60)
Profit before tax		12,625.15	13,331.06
Less: Provision for Taxation			
Current Income Tax		5,580.12	2,207.80
Fringe Benefit Tax		-	35.89
Add: Reversal of deferred tax liability		1,074.39	49.62
Profit after tax		8,119.42	11,136.99
Add - Balance of profit brought forward from previous year		32,529.63	34,550.47
Amount available for appropriation		40,649.05	45,687.46
Appropriation			
Transfer to General Reserve		-	1,113.70
Interim Dividend		-	10,294.57
Tax on Interim Dividend		-	1,749.56
Balance carried to Balance Sheet		40,649.05	32,529.63

Significant Accounting Policies 19
Notes on Accounts 20
Additional Information 21

Schedules 10 to 21 annexed hereto, from part of the Profit and Loss Account.

In terms of our report of even date attached

For & on behalf of Dass Maulik Mahendra K Agrawala & Co.
Chartered Accountants

For & on behalf of Board of Directors

Sd/-
(Sunil Kumar Jalan)
Partner
M.No. 062814

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

Sd/-
(S. K. Pattanayak)
Director (Finance)

Sd/-
(Vivekananda Biswal)
Managing Director

Place - Bhubaneswar
Date - 23rd August 2010

(Rs. in lakhs)

Particulars	Year Ended 31.03.2010	Year Ended 31.03.2009
Schedule - 10		
Other Income	68.85	82.50
Other Sales	5,388.32	6,255.01
Interest Income from Investment / Deposits*	13.86	48.89
Interest Income from Employees & others	82.63	80.26
Receipt of Rent Electricity, Water Charges & Others	42.35	28.79
Sundry Receipt	10.01	194.34
Excess Provision written Back		
Total	5,606.03	6,689.79
*Tax deducted at source from interest on deposits with banks is Rs.681.81 lakhs (Previous year Rs.1354.21 lakhs.)		
Schedule - 11		
Raw Materials Consumption		
Consumption of Coal	18,466.97	18,346.22
Consumption of - FO / LDO	970.08	886.12
Total	19,437.05	19,232.34
Schedule - 12		
Production Expenses		
Consumption of Stores & Spares	1,372.01	1,197.36
Contract Job Outsourcing Expenses	1,280.23	888.50
Insurance charges of Plant & Machineries	50.44	51.98
Repair & Maintenance of Plant *	43.68	140.25
Other Production Expenses	162.91	254.17
Total	2,909.27	2,532.26
* It Includes Repair & Maintenance of Plant Building for Rs.4.95 lakhs (Previous year Rs.56.40 lakhs)		
Schedule - 13		
Power & Electricity Duty		
Water Charges & Cess	113.38	136.59
Power Purchase Cost	13.87	34.19
Electricity Duty on Auxiliary Consumption	602.01	633.43
Total	729.27	804.21
Schedule - 14		
Employees Remuneration & Benefits		
Salary, Wages, Bonus & Incentive on Generation	1,875.93	2,283.08
Contribution to PF & Other Funds	423.04	600.75
Employees Compensation & Family Rehabilitation Expenses	9.57	8.21
Welfare Expenses-Educational Facility	137.47	93.28
Welfare Expenses-Medical Facility	64.92	88.52
Other staff welfare & reimbursements	77.95	77.44
Total	2,588.89	3,151.29



Orissa Power Generation Corporation Ltd.
Profit and Loss Account for the year ended 31st March, 2009

Amount in Rs.

Particulars	Schedule	Year Ended	Year Ended
		31.03.2009	31.03.2008
INCOME			
Sale of power		3,979,709,878	4,327,754,802
Other Income	10	668,978,518	519,118,302
Total		4,648,688,396	4,846,873,104
EXPENDITURE:			
Raw Materials Consumption	11	1,923,233,817	1,659,436,647
Production Expenses	12	253,225,535	258,287,943
Power & Electricity Duty	13	80,420,686	77,416,763
Employees' Remuneration & Benefits	14	315,128,584	274,002,175
Administrative Expenses	15	89,628,242	72,284,177
Other Expenses	16	32,928,778	17,455,299
Interest & Financing Charges	17	27,037,396	45,777,973
Depreciation		573,018,724	585,227,829
Total		3,294,621,762	2,989,888,806
Profit before tax & Prior Period Adjustment		1,354,066,634	1,856,984,298
Prior Period Adjustments (Net)	18	(20,960,271)	(544,431)
Profit before tax		1,333,106,363	1,856,439,867
Less: Provision for Taxation			
Current Income Tax		220,780,117	209,975,062
Fringe Benefit Tax		3,589,208	3,173,653
Add: MAT Credit entitlement		-	33,526,751
Reversal of deferred tax liability		4,961,679	10,107,261
Profit after tax		1,113,698,717	1,686,925,164
Add - Balance of profit brought forward from previous year		3,455,046,966	1,842,165,197
Adjustment of MAT Credit entitlement for the previous years		-	(74,043,395)
Amount available for appropriation		4,568,745,683	3,455,046,966
Appropriation			
Transfer to General Reserve		111,369,872	-
Interim Dividend		1,029,456,540	-
Tax on Interim Dividend		174,956,139	-
Balance carried to Balance Sheet		3,252,963,132	3,455,046,966

Significant Accounting Policies. 19
Notes on Accounts . 20
Additional Information. 21

Schedules 10 to 21 annexed hereto, from part of the Profit and Loss Account.

In terms of our report of even date attached
For & on behalf of Dass Maullik Mahendra K Agrawala & Co.
Chartered Accountants

For & on behalf of Board of Directors

Sd/-
(Sunil Kumar Jalan)
Partner
M.No. 062814

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

Sd/-
(P. Tripathy)
Director (Finance)

Sd/-
(Vivekananda Biswal)
Managing Director

Place - Bhubaneswar
Date - 19th November 2009

Amount in Rs.

Particulars	Year Ended	
	31.03.2009	31.03.2008
Schedule - 10		
Other Income		
Other Sales	8,249,954	4,811,526
Interest Income from Investment / Deposits	625,500,916	485,181,587
Interest Income from Employees & others	4,888,904	16,317,007
Receipt of Rent, Electricity, Water Charges & Others	8,025,619	8,083,165
Sundry Receipt	2,878,934	4,527,874
Excess Provision written Back	19,434,191	1,750
Profit on Sale of Fixed Assets	-	195,393
Total	668,978,518	519,118,302
Tax deducted at source from interest on deposits banks is Rs.13,54,21,448/- (Previous year Rs.9,80,16,134/-)		
Schedule - 11		
Raw Materials Consumption		
Consumption of Coal	1,834,621,905	1,606,452,109
Consumption of - FO / LDO	88,611,912	52,984,538
Total	1,923,233,817	1,659,436,647
Schedule - 12		
Production Expenses		
Consumption of Stores & Spares	119,736,172	103,340,424
Contract Job Outsourcing Expenses	88,850,195	75,052,938
Insurance charges of Plant & Machinerles	5,197,705	10,043,289
Repair & Maintenance of Plant *	14,024,863	51,111,034
Other Production Expenses	25,416,600	18,740,258
Total	253,225,535	258,287,943
* It Includes Repair & Maintenance of Plant Building for Rs.56,39,603/- (Previous year Rs.49,90,203/-)		
Schedule - 13		
Power & Electricity Duty		
Water Charges & Cess	13,658,663	14,147,796
Power Purchase Cost	3,418,663	4,499,249
Electricity Duty on Auxilliary Consumption	63,343,360	58,769,718
Total	80,420,686	77,416,763
Schedule - 14		
Employees Remuneration & Benefits		
Salary, Wages & Incentive on Generation	228,307,555	220,797,556
Contribution to PF & Other Funds	60,075,171	29,206,992
Employees Compensation & Family Rehabilitation Expenses	820,662	1,535,507
Welfare Expenses-Educational Facility	9,328,334	8,765,259
Welfare Expenses-Medical Facility	8,852,383	7,733,572
Other staff welfare & reimbursements	7,744,479	5,963,289
Total	315,128,584	274,002,175

ORISSA POWER GENERATION CORPORATION LTD. BHUBANESWAR

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2008

Amount in Rs.

Particulars	Schedule	Year Ended 31.03.2008	Year Ended 31.03.2007
INCOME			
Sale of power		4,327,54,302	4,487,837,525
Other Income	10	51,91,830	78,289,089
Total		4,379,46,132	4,566,126,614
EXPENDITURE:			
Raw Materials Consumption	11	1,609,43,647	1,632,360,760
Production Expenses	12	16,24,773	256,405,258
Power & Electricity Duty	13	7,11,670	81,901,441
Employees' Remuneration & Benefits	14	27,46,316	25,729,653
Administrative Expenses	15	7,29,411	60,298,067
Other Expenses	16	17,11,062	16,080,169
Interest & Financing Charges	17	13,77,974	68,661,440
Depreciation		2,22,27,009	60,705,223
TOTAL		2,98,88,896	2,99,976,011
PROFIT BEFORE TAX & PRIOR PERIOD ADJUSTMENT		1,39,05,236	1,79,65,603
Prior Period Adjustments(Net)	18	(2,30,731)	(22,065,308)
PROFIT BEFORE TAX		1,36,74,505	1,76,68,295
Less: Tax Expenses			
Current Income tax		1,12,72,062	1,98,125,021
Fringe Benefit Tax		1,12,72,062	2,865,143
Add: MAT Credit entitlement		1,12,72,062	1,34,425,168
Reversal of deferred tax liability		1,12,72,062	61,900
PROFIT AFTER TAX		1,23,62,443	1,70,218,270
Add - Balance of profit brought forward from previous year		2,20,13,107	26,910,864
Adjustment of MAT Credit entitlement for the previous years		(1,77,82,091)	11,307,214
DISPOSABLE PROFIT		1,45,93,459	1,98,436,348
APPROPRIATION			
Dividend			
Interim			
Proposed			
Tax on Dividend			
Interim			
Proposed			
Transfer to General Reserve			
BALANCE CARRIED TO BALANCE SHEET		1,45,93,459	1,98,436,348
Significant Accounting Policies	19		
Notes on Accounts	20		
Additional Information	21		

In terms of our report of even date attached
For & on behalf of Agasti & Associates
Chartered Accountants

For & on behalf of Board of Directors

Sd/-
(CA. B. Agasti)
Partner

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

Sd/-
(P. Tripathy)
Director (Finance)

Sd/-
(Vivekananda Biswal)
Managing Director

Place - Bhubaneswar
Date - 4th March 2009

Amount in Rs.

Particulars	Year Ended 31.03.2008	Year Ended 31.03.2007
Schedule - 10		
OTHER INCOME		
Other Sales	4811526	11930199
Interest income from Investment / Deposits	485181587	257743691
Interest income from Employees & others	16317907	1951576
Receipt of Rent,Electricity, Water Charges & Others	8083165	7767508
Sundry Receipt	4520624	3226473
Profit on Sale of Fixed Assets	195393	269642
TOTAL	549118302	282889089
Tax deducted at source from interest on investment & deposits with banks is Rs.9,80,16,134/- (Previous year Rs.5,19,76,794/-)		
Schedule - 11		
RAW MATERIALS CONSUMPTION		
Consumption of Coal	1606452399	1593610746
Consumption of - FO / LDO	52984538	40750014
TOTAL	1659436937	1632360760
Schedule - 12		
PRODUCTION EXPENSES		
Consumption of Stores & Spares	103340424	95675296
Contract Job Outsourcing Expenses	75052936	54481364
Insurance charges of Plant & Machineries	10043289	15406125
Repair & Maintenance of Plant *	51111034	69682098
Other Production Expenses	13740258	21160375
TOTAL	258287945	256405258
* It includes Repair & Maintenance of Plant Building for Rs.49,90,203/- (Previous year Rs.90,84,503/-)		
Schedule - 13		
POWER & ELECTRICITY DUTY		
Water Charges & Cess	14147795	14220819
Power Purchase Cost	4499249	3117142
Electricity Duty on Auxiliary Consumption	58769748	64563480
TOTAL	77416763	81901441
Schedule - 14		
EMPLOYEES REMUNERATION & BENEFITS		
Salary, Wages & Incentive on Generation	220797556	210203586
Contribution to EPF & Other Funds	29206992	24550943
Employees Compensation & Family Rehabilitation Expenses	1535507	1540500
Welfare Expenses-Educational Facility	8765259	7109933
Welfare Expenses-Medical Facility	7733572	6468217
Other staff welfare & reimbursements	5963289	7325474
TOTAL	274002175	257198653

ORISSA POWER GENERATION CORPORATION LTD. BHUBANESWAR

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2007

Amount In Rs.

Particulars	Schedule	Year Ended 31.03.2007	Year Ended 31.03.2006
INCOME			
Sale of power		4,487,837,525	4,297,423,931
Other Income	10	282,889,089	189,848,737
TOTAL		4,770,726,614	4,487,272,668
EXPENDITURE			
Raw Materials Consumption	11	1,638,736,304	1,571,023,497
Production Expenses	12	239,816,679	211,818,492
Power & Electricity Duty	13	75,266,209	70,221,845
Employees Remuneration & Benefits	14	257,198,652	157,372,691
Administrative Expenses	15	78,912,787	73,524,493
Other Expenses	16	14,496,426	99,440,541
Interest & Financing Charges	17	68,498,731	100,745,869
Depreciation		607,050,223	591,410,348
TOTAL		2,979,976,011	2,875,557,776
PROFIT BEFORE TAX & PRIOR PERIOD ADJUSTMENT		1,790,750,603	1,611,714,892
Prior Period Adjustments (Net):	18	(22,065,308)	7,368,064
PROFIT BEFORE TAX		1,768,685,295	1,619,082,956
Less - Provision for current income tax		198,125,021	136,245,831
Less-provision for fringe benefit tax		2,865,143	2,773,245
Adjustment of Taxes for earlier years		-	1,583,010
Add : MAT credit entitlement		134,425,168	-
Reversal of deferred tax liability		61,910	-
PROFIT AFTER TAX		1,702,182,209	1,478,480,870
Add-Balance of Profit brought forward from Previous Year		26,910,864	37,807,018
MAT credit entitlement for the year 2005-06		113,072,124	-
DISPOSABLE PROFIT :		1,842,165,197	1,516,287,888
APPROPRIATIONS			
Dividend			
Interim		-	612,771,750
Proposed		-	563,750,010
Tax on Dividend			
Interim		-	85,941,238
Proposed		-	79,065,939
Transfer to General reserve		-	147,848,087
BALANCE CARRIED TO BALANCE SHEET		1,842,165,197	26,910,864

Significant Accounting Policies 19

Notes on Accounts 20

Additional Informations 21

In terms of our report of even date attached

For & on behalf of Agasti & Associates.

Chartered Accountants

For & on behalf of Board of Directors

Sd/-
(CA. B. Agasti)
Partner

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

Sd/-
(P. Tripathy)
Director (Finance)

Sd/-
(Vivekananda Biswal)
Managing Director

Place - Bhubaneswar
Date - 3rd October 2007

23rd Annual Report 2006-07



Amount in Rs.

Particulars	Year Ended 31.03.2007	Year Ended 31.03.2006
Schedule - 10		
OTHER INCOME		
Interest from investment /Deposits	257,743,691	168,898,984
Interest on refund of Advance Income Tax	45,061	1,215,187
Interest Income from Employees & others	1,906,515	2,311,161
Receipt for Rent, Electricity Charges	8,043,368	7,647,706
Sundry Receipt	2,950,613	7,132,534
Sale of scrap	11,930,199	2,643,165
Profit on sale of / disposal of fixed Assets	269,642	-
TOTAL	282,889,089	189,848,737
Tax deducted at source from interest on investment & deposits with banks is Rs. 5,19,76,794/- (Previous year Rs.3,08,07,091/-)		
Schedule - 11		
RAW MATERIALS CONSUMPTION		
Consumption of Coal	1,591,610,746	1,533,397,097
Consumption of Fuel & Oil	40,750,014	32,477,665
Chemical Consumed	6,375,544	5,148,735
TOTAL	1,638,736,304	1,571,023,497
Schedule - 12		
PRODUCTION EXPENSES		
Operation & maintenance expenses including consumption - Stores & Spares	152,697,924	178,635,144
Repair & Maintenance of Plant	59,337,110	2,950,522
Other Production Expenses	12,375,520	13,558,506
Insurance charges on plants & machineries	15,406,125	16,674,320
TOTAL	239,816,679	211,818,492
Schedule - 13		
POWER & ELECTRICITY DUTY		
Power Purchased 220KV/33KV	2,857,454	1,731,631
Electricity duty - Auxiliary Consumption	64,563,480	61,201,800
Water charges & cess	7,845,275	7,288,414
TOTAL	75,266,209	70,221,845
Schedule - 14		
EMPLOYEES REMUNERATION & BENEFITS		
Salary Wages & Incentive on generation	210,852,086	122,898,855
Employer Contribution to EPF Scheme	12,832,492	10,867,825
Employer Contribution to Gratuity	11,395,476	2,917,244
Voluntary retirement Compensation to staff written off	1,462,451	1,462,451
Rehabilitation Expenses	78,049	168,733
Education Expenses	7,109,933	6,658,955
Medical Expenses	6,468,217	6,550,743
Other Staff Welfare Expenses	6,999,948	5,847,885
TOTAL	257,198,652	157,372,691

ORISSA POWER GENERATION CORPORATION LTD. BHUBANESWAR

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2006

Amount in Rs.

Particulars	Schedule	Year Ended March 31, 2006	Year Ended March 31, 2005
INCOME			
Sale of power		4,08,27,295	41,16,160,224
Other income	10	1,09,09,737	15,07,63,191
TOTAL		4,98,156,032	4,26,692,315
EXPENDITURE			
Raw Materials Consumption	11	1,57,09,740	1,52,96,44,240
Production Expenses	12	23,31,342	2,06,48,86,58
Power & Electricity Duty	13	70,22,368	70,96,25,36
Employees Remuneration & Benefits	14	1,57,72,691	1,48,83,78,11
Administrative Expenses	15	5,36,74,43	61,91,23,77
Other Expenses	16	10,35,92,05	5,62,15,92
Interest & Financing Charges	17	1,06,75,869	1,30,66,08,84
Depreciation		39,14,03,68	3,80,86,74,43
TOTAL		2,76,47,140	2,73,49,55,41
PROFIT BEFORE TAX & PRIOR PERIOD ADJUSTMENT		1,61,16,892	1,53,19,27,874
Prior Period Adjustments (Net)	18	1,76,8,004	1,80,8,690
PROFIT BEFORE TAX		1,61,05,295	1,53,73,65,64
Less - Provision for current income tax		20,20,321	1,20,26,118
Less-provision for fringe benefit tax		1,73,205	
Adjustment of Taxes for earlier years		1,53,010	20,40,133
PROFIT AFTER TAX		1,47,51,959	1,43,37,35,79
Add-Balance of Profit brought forward from Previous Year		37,80,013	84,30,095
Amount available for appropriation		1,85,31,972	1,51,87,35,74
APPROPRIATIONS			
Dividend			
Interim		61,27,71,750	61,27,71,750
Proposed		56,75,00,010	56,75,00,010
Tax on Dividend			
Interim		80,08,1,608	80,08,1,608
Proposed		79,06,5,939	79,06,5,939
For earlier year			1,31,8,991
Transfer to General reserve		1,47,84,8,087	1,43,38,7,358
BALANCE CARRIED TO BALANCE SHEET		26,91,0,864	37,80,7,018

Significant Accounting Policies 19
Notes on Accounts 20
Additional Informations 21

In terms of our report of even date attached
For & on behalf of Singh Ray Mishra & Co.
Chartered Accountants

For & on behalf of Board of Directors

Sd/-
(J.K.Mishra, FCA)
Partner

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

Sd/-
(P. Tripathy)
Director (Finance)

Sd/-
(Gurdeep Singh)
Managing Director

Place - Bhubaneswar
Date - 23rd June 2006

Amount in Rs.

Particulars	Year Ended March 31, 2006	Year Ended March 31, 2005
Schedule - 10		
OTHER INCOME		
Interest from Investment /Deposits	168,898,084	116,984,014
Interest on refunded of Advance Income Tax	1,021,587	4,140,197
Interest Income from Employees & others	23,11,161	3,029,037
Receipt for Rent, Electricity Charges	76,47,706	6,563,045
Sundry Receipt	7,13,253	1,783,161
Sale of scrap	26,43,165	10,906,804
Profit on sale of Surplus Stock		5,318,858
Profit on sale of / disposal of fixed Assets		38,075
TOTAL	189,848,737	150,763,191
Tax deducted at source from interest on investment & deposits with banks is Rs. 3,08,07,091/- (Previous year Rs.1,67,15,587/-)		
Schedule - 11		
RAW MATERIALS CONSUMPTION		
Consumption of Coal	1,533,397,097	1,481,473,596
Consumption of Fuel & Oil	32,47,766	43,855,630
Chemical Consumed	5,143,735	4,315,014
TOTAL	1,571,023,497	1,529,644,240
Schedule - 12		
PRODUCTION EXPENSES		
Operation & maintenance expenses including consumption - Stores & Spares	193,685,144	1,76,119,781
Repair & Maintenance Plant	2,960,522	3,056,505
Other Production Expenses	48,568,506	10,118,059
Insurance charges on plants & machineries	166,74,320	17,194,312
TOTAL	211,315,492	206,488,658
Schedule - 13		
POWER & ELECTRICITY DUTY		
Power Purchased 220KV/33KV	1,72,16,311	1,74,62,251
Electricity duty - Auxiliary Consumption	61,20,800	61,994,871
Water charges/cess	7,28,414	7,221,414
TOTAL	70,724,845	70,962,536
Schedule - 14		
EMPLOYEES REMUNERATION & BENEFITS		
Salary Wages & Incentive on generation	122,498,955	1,17,366,626
Employer Contribution to EPF Scheme	10,867,325	10,267,461
Employer Contribution to Gratuity	9,17,244	2,791,473
Voluntary retirement Compensation to staff written off	1,062,451	1,022,858
Rehabilitation Expenses	1,68,733	42,893
Education Expenses	6,65,955	6,748,491
Medical Expenses	5,30,761	5,503,299
Other Staff Welfare Expenses	1,47,385	5,094,710
TOTAL	1,57,172,699	1,48,837,811

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2005

Amount in Rs.

Particulars	Schedule	Year Ended March 31, 2005	Year Ended March 31, 2004
<u>INCOME</u>			
Sale of power		4,116,160,224	4,099,731,823
Other Income	9	150,763,191	131,363,554
TOTAL		4,266,923,415	4,231,095,377
<u>EXPENDITURE</u>			
Raw Materials Consumption	10	1,529,644,240	1,449,213,116
Production Expenses	11	206,531,551	162,605,893
Power & Electricity Duty	12	70,962,536	72,317,580
Employees Remuneration & Benefits	13	148,794,918	142,217,903
Administrative Expenses	14	61,912,377	50,032,021
Other Expenses	15	5,621,592	65,785,941
Interest & Financing Charges	16	130,660,884	231,113,999
Miscellaneous Expenses Written Off.	17		6,048,225
Depreciation		580,867,443	587,233,407
TOTAL		2,734,995,541	2,766,568,085
<u>PROFIT FOR THE YEAR</u>			
		1,531,927,874	1,464,527,292
Add / Less Prior Period Adjustments (Net):	18	1,808,690	11,200,418
<u>PROFIT BEFORE TAX</u>			
		1,533,736,564	1,475,727,710
Less - Provision for Taxation - Current		120,264,118	113,446,568
Add - Provision of taxation for earlier years written back		20,401,133	-
<u>PROFIT AFTER TAX</u>			
		1,433,873,579	1,362,281,142
Add - Balance of profit brought forward from previous year		84,309,095	130,253,792
Amount available for appropriation			
		1,518,182,674	1,492,534,935
<u>APPROPRIATIONS</u>			
Interim Dividend on Shares		612,771,750	612,771,750
Proposed final dividend on shares		563,750,010	514,728,270
Income tax on Dividend		159,147,547	144,460,940
Income tax on dividend for earlier year		1,318,991	36,766
Transferred to General Reserve		143,387,358	136,228,114
<u>BALANCE OF PROFIT CARRIED TO BALANCE SHEET</u>			
		37,807,018	84,309,095
Significant Accounting Policies	19		
Notes on Accounts	20		
Additional Informations	21		

In terms of our report of even date attached
For & on behalf of Singh Ray Mishra & Co.
Chartered Accountants

For & on behalf of Board of Directors

Sd/-
(J.K.Mishra, FCA)
Partner

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

Sd/-
(P. Tripathy)
Director (Finance)

Sd/-
(Gurdeep Singh)
Managing Director

Place - Bhubaneswar
Date - 17th Aug. 2005

Amount in Rs.

Particulars	As At	As At
	March 31, 2005	March 31, 2004
SCHEDULE -9		
<u>OTHER INCOME</u>		
Interest from investment / Deposits	118,984,014	103,736,363
Interest on refund of Advance Income Tax	4,140,197	
Interest Income from Employees & Others	3,029,037	3,707,457
Receipt for Rent , Electricity charges.	6,563,045	3,231,054
Sundry Receipt	1,783,161	6,382,041
Sale of scrap	10,906,804	2,387,971
Profit on surplus Stock	5,318,858	7,537,380
Profit on sale of fixed asset	38,075	4,381,289
TOTAL	150,763,191	131,363,554
Tax deducted at source from interest on investments & deposits with banks is Rs.1,67,15,587/- (Previous year Rs.2,34,19,290/-)		
SCHEDULE-10		
<u>RAW MATERIALS CONSUMPTION</u>		
Consumption of Coal	1,481,473,596	1,375,635,529
Consumption of Fuel & Oil	43,855,630	69,013,713
Chemical Consumed	4,315,014	4,563,874
TOTAL	1,529,644,240	1,449,213,116
SCHEDULE-11		
<u>PRODUCTION EXPENSES</u>		
O/M Exp. including consumption-Stores & Spares	176,119,781	124,495,972
Repair & Maintenance Plant	3,056,505	1,129,483
Rehabilitation Expenses	42,893	18,245,000
Other Production Expenses	10,118,060	6,656,766
Insurance charges on plant & machineries	17,194,312	12,078,672
TOTAL	206,531,551	162,605,893
SCHEDULE-12		
<u>POWER & ELECTRICITY DUTY :</u>		
Electricity charges	1,746,251	2,846,253
Electricity duty	61,994,871	63,023,060
Water charges/cess	7,221,414	6,448,267
TOTAL	70,962,536	72,317,580
SCHEDULE-13		
<u>EMPLOYEES REMUNERATION & BENEFITS :</u>		
Salary, Wages & Incentive on generation	117,366,626	113,837,629
Employer Contribution to EPF Scheme	10,267,461	10,295,611
Employer Contribution to Gratuity	2,791,473	1,794,331
VRS Comensation to staff written off	1,022,858	1,022,858
Education Expenses	6,748,491	6,753,099
Medical Expenses	5,503,299	3,924,404
Other Staff Welfare Expenses	5,094,710	4,589,971
TOTAL	148,794,918	142,217,903



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2004

Amount in Rs.

Particulars	Schedule	Year Ended March 31, 2004	Year Ended March 31, 2003
<u>INCOME</u>			
Sale of power		4,099,731,823	4,515,066,565
Other Income	10	131,363,554	217,736,307
TOTAL		4,231,095,377	4,732,802,872
<u>EXPENDITURE</u>			
Raw Materials Consumption	11	1,449,213,116	1,195,657,088
Production Expenses	12	162,605,893	92,081,843
Power & Electricity Duty	13	72,317,580	65,885,011
Employees Remuneration & Benefits	14	142,217,903	123,973,228
Administrative Expenses	15	50,032,021	58,538,709
Other Expenses	16	65,785,941	2,602,809
Interest & Financing Charges	17	231,113,999	369,308,126
Miscellaneous Expenses Written Off.	18	6,048,225	6,048,223
Depreciation		587,233,407	832,327,596
TOTAL		2,766,568,085	2,746,422,633
PROFIT FOR THE YEAR		1,464,527,292	1,986,380,239
Add / Less Prior Period Adjustments (Net):	19	11,200,418	(14,048,423)
PROFIT BEFORE TAX		1,475,727,710	1,972,331,816
Less - Provision for Taxation		113,446,568	155,321,131
PROFIT AFTER TAX		1,362,281,142	1,817,010,685
Add-Profit B/F from Previous Year		130,253,792	153,986,922
<u>Amount available for appropriation</u>		1,492,534,935	1,970,997,607
<u>APPROPRIATIONS</u>			
Proposed Dividend		1,127,500,020	1,470,652,200
Income tax on Dividend		1,44,460,940	188,390,547
Dividend Tax paid than provision (2002-03)		36,766	
Transferred to General Reserve		136,228,114	181,701,068
BALANCE OF PROFIT CARRIED TO BALANCE SHEET		84,309,095	130,253,792
Significant Accounting Policies	20		
Notes on Accounts	21		
Additional Informations	22		

Interms of our report of even date attached
For & on behalf of Singh Ray Mishra & Co.
Chartered Accountants

For & on behalf of Board of Directors

Sd/-
(J.K.Mishra, FCA)
Partner

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

Sd/-
(P. Tripathy)
Director (Finance)

Sd/-
(A.S. Rao)
Managing Director

Place - Bhubaneswar
Date - 30th July 2004





Amount in Rs.

Particulars	As At March 31, 2004	As At March 31, 2003
Schedule - 10		
<u>OTHER INCOME</u>		
Interest from investment /Deposits	103,726,363	201,567,805
Interest income from Employees & Others	3,707,457	4,406,997
Receipt for Rent, Electricity Charges	3,231,054	3,343,346
Sundry Receipt	6,382,041	5,792,306
Sale of scrap	2,287,971	2,584,071
Profit on sale of Surplus Stock	7,537,380	
Profit on sale of fixed asset	4,381,289	41,782
TOTAL	131,963,554	217,736,307
Tax deducted at source from interest income from investment & deposits with banks is Rs. 2,34,19,290/- (Previous Year Rs. 1,49,13,341/-)		
Schedule - 11		
<u>RAW MATERIALS CONSUMPTION</u>		
Consumption of Coal	1,375,635,529	1,122,465,738
Consumption of Fuel & Oil	69,013,713	70,202,517
Chemical Consumed	4,563,874	2,988,834
TOTAL	1,449,213,116	1,195,657,089
Schedule - 12		
<u>PRODUCTION EXPENSES</u>		
O/M Exp. including consumption - Stores & Spares	124,495,972	75,752,230
Repair & Maintenance Plant	1,129,483	246,574
Contract Labour Retrenchment Expenses	18,245,000	
Other Production Expenses	6,656,766	6,237,385
Insurance charges on plants & machineries	12,078,672	9,845,654
TOTAL	162,605,893	92,081,843
Schedule - 13		
<u>POWER & ELECTRICITY DUTY</u>		
Electricity charges	2,846,253	3,635,393
Electricity duty	63,023,060	56,875,380
Water charges/cess	6,448,267	5,374,238
TOTAL	72,317,580	65,885,011
Schedule - 14		
<u>EMPLOYEES REMUNERATION & BENEFITS</u>		
Salary Wages & Incentive on generation	113,837,629	98,764,066
Employer Contribution to EPF Scheme	10,295,611	8,939,482
Employer Contribution to Gratuity	1,794,331	1,795,288
Rehabilitation Assistance Expenses		400,000
VRS Compensation to staff written off	1,022,858	--
Education Expenses	6,753,099	6,030,150
Medical Expenses	3,924,404	4,134,478
Other Staff Welfare Expenses	4,589,971	3,909,764
TOTAL	142,217,903	123,973,228





ANNUAL REPORT 2002-2003

ORISSA POWER GENERATION CORPORATION LTD, BHUBANESWAR**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2003**

Particulars	Schedule	Amount in Rs	
		2002-2003	2001-2002
INCOME			
Sale of power		4,515,066,565	3,866,207,825
Other Income	10	217,736,307	249,718,456
TOTAL		4,732,802,872	4,115,926,281
EXPENDITURE			
Raw Materials Consumption	11	1,195,657,088	1,154,577,679
Production Expenses	12	92,081,843	146,024,931
Power & Electricity Duty	13	65,885,011	59,167,252
Employees Remuneration & Benefits	14	123,973,228	11,028,434
Administrative Expenses	15	61,141,518	67,362,374
Interest & Financing Charges	16	369,308,126	411,908,349
Miscellaneous Expenses Written Off.	17	6,048,223	6,048,223
Depreciation		832,327,596	836,885,276
TOTAL		2,746,422,633	2,793,002,518
PROFIT FOR THE YEAR		1,986,380,239	1,322,923,763
Add / Less Prior Period Adjustments (Net):	18	(14,048,423)	(679,830)
PROFIT AFTER PRIOR PERIOD ADJUSTMENTS		1,972,331,816	1,322,243,933
Less - Provision for Taxation		155,321,131	101,151,661
PROFIT AFTER TAX		1,817,010,685	1,221,092,272
Add-Profit B/F from Previous Year		153,986,922	630,873,419
Add-Excess Provision of Income Tax on Dividend Written Back		---	150,006,524
AMOUNT AVAILABLE FOR APPROPRIATION :		1,970,997,607	2,001,972,215
<u>Less - Appropriation</u>			
Proposed Dividend		1,470,652,200	1,715,760,900
Income tax on Dividend		188,390,547	-
Less Transferred to General Reserve		181,701,068	132,224,390
BALANCE OF PROFIT CARRIED FORWARD TO BALANCE SHEET		130,253,792	153,986,925

Notes on Accounts 19

Statement of Significant Accounting Policies and Schedules form part of Accounts.
In terms of our attached report of even date.

For Singh Ray Mishra & Co.

Chartered Accountants

Sd/-
(J.K.Mishra, FCA)
PartnerSd/-
(M.R. Mishra)
Company SecretarySd/-
(D. Panda)
Director (Finance)Sd/-
(A.S. Rao)
Managing Director

Place - Bhubaneswar

Date - 10.9.2003



ORISSA POWER GENERATION CORPORATION LTD, BHUBANESWAR

Amount in Rs.

Particulars	As At 31.03.2003	As At 31.03.2002
Schedule - 11		
RAW MATERIALS CONSUMPTION		
Consumption of Coal	1,122,465,738	1,082,721,961
Consumption of Fuel & Oil	70,202,517	68,054,532
Chemical Consumed	2,988,834	3,801,186
TOTAL	1,195,657,088	1,154,577,679
Schedule - 12		
PRODUCTION EXPENSES		
M Exp. including consumption - Stores & Spares	75,752,230	132,312,609
Repair & Maintenance Plant	246,574	4,447,509
Other Production Expenses	6,237,385	3,689,594
Insurance charges on plants & machineries	9,845,654	5,575,219
TOTAL	92,081,843	146,024,931
Schedule - 13		
WATER & ELECTRICITY DUTY		
Electricity charges	3,635,393	9,321,135
Electricity duty	56,875,380	43,797,908
Other charges/cess	5,374,238	6,048,209
TOTAL	65,885,011	59,167,252
Schedule - 14		
EMPLOYEES REMUNERATION & BENEFITS		
Wages & Incentive on generation	98,764,066	86,956,051
Employer Contribution to EPF Scheme	8,939,482	8,323,921
Employer Contribution to Gratuity	1,795,288	2,517,311
Compensation /Rehabilitation Assistance	400,000	494,120
Medical Expenses	6,030,150	5,757,522
Staff Expenses	4,134,478	4,020,229
Staff Welfare Expenses	3,909,764	2,959,280
TOTAL	123,973,228	111,028,434

D.M. ASSOCIATES POWER GENERATION CORPORATION LTD, BHUBANESWAR

PROFIT AND LOSS ACCOUNT FOR THE YEAR UPTO 31.03.2002.

Particulars	Schedule	Amount in Rs	
		2001-2002	2000-2001
Income			
Income from power		3,866,207,825	4,009,881,756
Other income	11	<u>249,718,456</u>	<u>170,444,278</u>
TOTAL		<u>4,115,926,281</u>	<u>4,180,326,034</u>
EXPENDITURE			
Raw Materials Consumption:	12	1,154,577,679 ✓	1,252,673,317 ✓
Production Expenses :	13	146,024,931 ✓	149,382,491 ✓
Power & Electricity Duty :	14	59,167,252 ✓	83,619,076 ✓
Employees' Remuneration & Benefits:	15	111,028,434 ✓	135,534,546
Administrative Expenses:	16	67,362,374 ✓	52,627,168
Rabate to GRIDCO			40,256,699
Interest & Financing Charges :	17	411,908,349 ✓	484,660,839
Miscellaneous Expenses Written Off:	18	6,048,223 ✓	6,048,223
Depreciation		836,885,276 ✓	848,040,308
Transfer to Expend. During Construction. A/C			(1,756,453)
TOTAL		<u>2,793,002,518</u>	<u>3,051,086,214</u>
PROFIT FOR THE YEAR			
Add / Less Prior Period Adjustments(Net):	19	1,322,923,763 ✓	1,129,239,820
		(679,830) ✓	(30,379,978)
PROFIT AFTER PRIOR PERIOD ADJUSTMENTS:		1,322,243,933	1,098,859,842
Less - Provision for Taxation.		101,151,661	116,119,069
PROFIT AFTER TAX:		1,221,092,272	982,740,773
Add - Profit B/F from Previous year :		630,873,419	1,378,677,354
Add - Excess provision of Income Tax on Dividend Written Back		150,006,524	
AMOUNT AVAILABLE FOR APPROPRIATION:		2,001,972,215	2,361,418,127
Less - Appropriation			
Proposed Dividend		1,715,760,900	1,470,652,200
Income tax on Dividend		0	150,006,524
Less Transferred to General Reserve		<u>132,224,393</u>	<u>109,885,984</u>
BALANCE OF PROFIT CARRIED FORWARD TO BALANCE SHEET:		<u>153,986,922</u>	<u>630,873,419.4</u>

Notes on Accounts

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Statement of Significant Accounting Policies and Schedules form part of Accounts.

In terms of our attached report of even date.

For D.M. ASSOCIATES
Chartered Accountants.Sd/-
(Anil Kumar Agarwal)
Partner

Sd/-

(M.R.Mishra)
Company Secretary

Sd/-

(Dharitri Panda)
Director (Finance)

Sd/-

(A. S. Rao)
Managing DirectorPlace : Bhubaneswar
Date : 15.01.2003

Particulars	Year Ended March, 31,2002.	Year Ended March, 31,2001
SCHEDULE-11		
OTHER INCOME		
Interest from investment / Deposits	234,550,798	162,000,000
Surcharge Received		
Interest Income from Employees & Others	4,677,952	2,860,000
Hire Charges of machinery	119,730	
Stores incidental Charges Recovery		
Receipt for Rent , Electricity charges	3,268,598	3,480,000
Sundry Receipt	1,046,956	1,301,000
Sale of scrap	6,035,271	675,000
Profit on sale of fixed asset	19,151	66,000
TOTAL	249,718,456	170,444,200
SCHEDULE-12		
RAW MATERIALS CONSUMPTION.		
Consumption of Coal	1,082,721,961	1,174,087,860
Consumption of Fuel & Oil	68,054,532	74,143,760
Chemical Consumed	3,801,186	4,441,680
TOTAL	1,154,577,679	1,252,673,310
SCHEDULE-13		
PRODUCTION EXPENSES		
O/M Exp. including consumption-Stores & Spares	132,312,609	138,120,010
Repair & Maintenance Plant	4,447,509	2,119,370
Other Production Expenses	3,689,594	3,159,400
Insurance chages on plant & machineries	5,575,219	5,983,700
TOTAL	146,024,931	149,382,490
SCHEDULE-14		
POWER & ELECTRICITY DUTY :		
Electricity charges	9,321,135	43,248,220
Electricity duty	43,797,908	34,748,650
Water charges/cess	6,048,209	5,622,190
TOTAL	59,167,252	83,619,070
SCHEDULE-15		
EMPLOYEES REMUNERATION & BENEFITS;		
Salary Wages & Incentive on generation	86,956,051	89,337,400
Employer Contribution to EPF Scheme	8,323,921	11,238,740
Employer Contribution to Gratuity	2,517,311	1,921,260
Retrenchment Compensation/Rehabilitation Assistance	494,120	20,656,430
Education Expenses	5,757,522	4,968,500
Medical Expenses	4,020,229	3,514,460
Other Staff Welfare Expenses	2,959,280	3,897,710
TOTAL	111,028,434	135,534,540

SA POWER GENERATION CORPORATION LTD., BHUBANESWAR
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.3.2001

Particulars	Schedule	2000-2001	1999-2000
(In Rupees)			
INCOME			
Income from power		4,009,881,756	4,153,787,511
Income from other sources	11	170,444,278	411,400,718
TOTAL		4,180,326,034	4,565,188,229
EXPENDITURE			
Materials Consumption	12	1,252,673,317	1,307,093,787
Depreciation Expenses	13	149,382,491	153,652,669
Water & Electricity Duty	14	83,619,076	40,339,856
Employees' Remuneration & Benefits	15	135,534,546	108,773,203
Administrative Expenses	16	52,627,168	72,134,446
Transfer to GRIDCO		40,256,699	78,300,403
Interest & Financing Charges	17	484,660,839	631,029,775
Provision for Miscellaneous Expenses Written Off	18	6,048,223	6,048,223
Provision for Depreciation		848,040,308	845,808,573
Transfer to Expenditure During Construction Account	19	(1,756,453)	(5,468,739)
TOTAL		3,051,086,214	3,237,712,196
PROFIT FOR THE YEAR		1,129,239,820	1,327,476,033
Plus/Less Prior Period Adjustments (Net)	20	(30,379,978)	(83,614,460)
PROFIT AFTER PRIOR PERIOD ADJUSTMENTS		1,098,859,842	1,243,861,573
Less: Provision for Taxation		116,119,069	
PROFIT AFTER TAX		982,740,773	1,243,861,573
Balance B/E from Previous year		1,378,677,354	1,013,220,831
AMOUNT AVAILABLE FOR APPROPRIATION		2,361,418,127	2,257,082,404
Less: Appropriation			
Proposed Dividend		1,470,652,200	735,326,100
Income Tax on Dividend		150,006,524	80,885,871
Less: Transferred to General Reserve		109,885,984	62,193,079
BALANCE OF PROFIT CARRIED FORWARD		630,873,419	1,378,677,354

TO BALANCE SHEET

Subject to Accounts & significant Accounting Policies & schedules referred to above form

As at the end of Accounts as per our report of even date.

For D.M. ASSOCIATES

Chartered Accountants

Sd/
Partner

Sd/
Company Secretary

Sd/
Director(Finance)

Sd/
Managing Director

Bhubaneswar
31.3.2002

Particulars	Year Ended March 31, 2001	Year Ended March 31, 2000 (In Rupees)
Schedule - 15		
Employees Remuneration & Benefits :		
Salary Wages & Incentive on generation	89,337,406	82,411,228
Employer Contribution to EPF Scheme	11,238,747	9,050,603
Employer Contribution to Gratuity	1,921,266	1,386,915
Retrenchment Compensation/ Rehabilitation Assistance	20,656,439	675,000
Education Expenses	4,968,511	5,720,782
Medical Expenses	3,514,464	3,002,947
Other Staff Welfare Expenses	3,897,714	6,525,728
TOTAL	135,534,546	108,773,203

Schedule - 16**Administrative Expenses :**

Rent for Office Accomodation A/c	1,192,818	1,191,720
Taxes & Cess (land etc)	1,026,422	1,099,781
Repair & Maintenance of Raods & Buildings	7,286,015	4,447,799
Repair & Maintenance of Furniture & Equipments	633,455	2,413,472
Repair & Maint. of Power & Water Supply System	12,297,474	3,521,816
Repair & Running Expenses of Vehicle.	3,115,292	3,102,912
Entertainment Expenses	316,793	146,511
Advertisement & publicity Expenses	1,748,406	2,004,691
Postage & Telephone Expenses	1,478,832	1,764,086
Travelling & Conveyance Expenses	5,256,831	4,879,911
Printing & Stationaries	799,662	632,785
Auditor's Remuneration-Statutory audit fees	42,000	42,000
Auditor's Remuneration-Tax Audit fees	17,850	12,600
Audit Expenses	48,431	38,978
Insurance Charges Others	711,782	519,348
Professional & Other Fees	629,182	109,920
Bank charges & commission	933,254	273,537
Legal Fees & Expensess	772,965	349,692
Training, Seminar & Conference Expenses	5,018,108	2,391,338
Donation A/c		35,900,362
Office Maintenance Expenses	237,338	316,957
ITP service Charges & software expenses	263,881	167,652
Watch & Ward expenses	4,492,812	4,194,193
Horticulture & Plantation Expenses	662,367	883,959
Pollution & Enviornment Expenses	274,107	400,000
Computer Development Expenses	3,203,467	1,207,299
Other Miscellaneous Expenses	163,624	112,377
Director sitting fees expenses	4,000	7,000
Loss on sale of Fixed Assets		1,750
TOTAL	52,627,168	72,134,446