A.K. SABAT & CO.
CHARTERED ACCOUNTANTS

A / 348, Sahid Nagar
Bhubaneswar - 751 007
Phone : 0674-2548264
2549383, Fax : 2548264
E-mail : aksabatco@gmail.com

INDEPENDENT AUDITOR'S REPORT

To The Members of

ODISHA POWER TRANSMISSION CORPORATION LIMITED

Report on the Ind-AS Financial Statements

QUALIFIED OPINION

We have audited the accompanying Ind-AS Financial Statements of **ODISHA POWER TRANSMISSION CORPORATION LIMITED** ("hereinafter referred to as the Company") which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in the Basis for Qualified Opinion Section of our Report, the aforesaid Ind-AS Financial Statements give the information required by the Companies Act, 2013 ("the **Act"**) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31st March, 2021, the Profit and Total Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Qualified Opinion

1. Certain statutory dues (debits and credits) are pending since long in the books of account without any payment / recovery under these heads. As these are statutory payments the payable amount under respective heads needs to be ascertained for clearing the statutory dues or if already discharged should be adjusted in the corresponding heads. Details are as follows:

ACCOUNT CODE	HEAD OF ACCOUNT	AMOUNT (IN RS.)
44.401	Income tax deducted at source on salaries.	6,696.00 (Dr)
46.924	Income tax deducted at source on payment to contractors	1,56,433.21 (Dr)
46.931	Income tax on other payment	5,43,202.00 (Dr)
46.932	Liability for Service Tax (Reverse Charge)	8,67,562.00 (Dr)
46.938	Liability for Odisha Sales Tax(WCT)	98,263.00 (Cr)
46.939	Liability for Odisha Sales Tax	6,19,123.00 (Dr)

A.K. SABAT & CO. Bhubaneswar Chartered Accountants

2. Liabilities of Employee Benefits as per Actuarial Valuation on account of Pension, Gratuity and Leave Encashment and Notes on Accounts, do not tally with liabilities as per Financial Statements as follow:

₹ in Crore

Particulars	Pension	Gratuity	Leave Encashment
Net Balance of Liability as per Actuarial Valuation	534.14	45.04	4.45
Net Balance of Liability as per Accounts	674.66	42.31	27.26
Difference	**140.52**	**(2.73)**	**22.81**

(Refer: Note No 23 and Note No 36)

3. Following unreconciled differences are observed under Trade Receivables, which requires provision:

Name of DISCOM	Account Code	Unreconciled Difference (₹ in crore)	Remarks
CESU	23.110	0.31	The difference pertains to FY 2011-12
SOUTHCO Ltd	23.112	45.66	The difference pertains to FY 2013-14
GRIDCO Ltd	28.871	54.00	Since formation of OPTCL from GRIDCO

(Refer: Note No 11 and Note No 15)

We conducted our audit of the financial statements in accordance with the Standard on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind-AS Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind-AS Financial Statements.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Emphasis of Matter

1. Interest accrued and due on borrowings from financial institutions includes, IBRD Loan amounting to Rs.34,73,34,414/- (disclosed in Note No 22A- Other Noncurrent Financial Liabilities) transferred from GRIDCO to OPTCL as per the Transfer Scheme which is carried forward in the books since FY 2005-06. The State Government has not waived the claim of interest on the IBRD loan till March 31, 2021 for the said amount. In the absence of the waiver of loan interest from State Government the Company has not accounted for the interest on such outstanding amount for the backlog period.

2. Interest accrued and due on borrowings from Central Government amounting to Rs.26,96,66,127.21 is the total interest provision made up to FY 2014-15 on Central Govt. Loan which was calculated and accounted for on a consistent basis. However in the letter no. 2/1/TRM/ CEA/Audit/2011894 dtd.15.07.2014 Central Electricity Authority (CEA) has intimated interest, payable against the Central Govt. Loan as Rs.2168.70 lakhs without mentioning the interest rate and the period up to which it has been calculated. Since there is a difference in figures this needs to be reconciled and adjusted in the books.

3. The Company is recognizing revenue from income like delayed payment surcharge & liquidated damage on confirmation basis. Although it is suitably disclosed in the notes to accounts, it is a deviation from accrual system of accounting.

4. The Company is booking expenses like interest payable on infrastructure loans, rebate allowed to distribution Companies on payment basis. Although it is suitably disclosed in the notes to accounts, it is a deviation from accrual system of accounting.

5. Reconciliation and confirmation of balances shown under various heads of Creditors, Debtors, Advances as well as Claims receivable are not available with the Company as on 31st March, 2021.

6. As per rule of Central Electricity Regulatory Commission (CERC) (No L- 7/145(160)/2008-CERC, Dated 19th January, 2009) the salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the capital cost of the asset. The Company is inconsistent/ did not comply with the above rule, resulting certain assets depreciated more than 90% and the salvage value remained less than 10%. Details are as follows:

Gross book value as on 01/04/2017	Maximum Accumulated Depreciation as on 01/04/2017 (90%)	Accumulate depreciation balance as on 01/04/2017	Difference (Excess charged Depreciation)
Rs.575,70,66,459.00	Rs.518,13,59,813.10	Rs. 540,64,92,174.25	-22,51,32,361.14

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

7. **Consumption of Inventory:**

As per the Accounting Policy, the closing stock including Materials at Site (MAS) is determined on weighted average basis, taking into consideration the physical verification of inventory at the year-end. The total purchases and opening stock is charged to repair & maintenance and the consumption of material during the year is ascertained by deducting the closing inventory from the total amount charged to repair & maintenance, which is not a correct procedure of inventory accounting and management. The Company should account for the actual stocks received and issued to the concerned projects for proper determination of consumption of materials under weighted average method and valuation of inventory at year-end accordingly.

8. **Royalty in case of erection contracts:-**

In respect of erection contracts (involving earthwork), no royalty is deducted from the bills of the contractors & deposited with the Government as per rules. Further, necessary proof regarding deposit of royalty directly by the contractors with the Government, if any, also not held on record and as explained to us, the same is not being obtained.

9. Under the Account Code 27.430 - ITC Receivable towards CGST of Bharat Net Ph-II the Company accounted GST receivables of Rs.1.02 crore towards Bharat Net Phase-II work. This is due to the raising of excess bills by the supplier as compared to Company billing for Bharat Net Project. The Company ought to raise the revenue bill for the excess expenses incurred for Bharat Net Ph-II to Bharat Net as per the terms of agreement.

10. An amount of Rs.674.65 Crores relating to various years, is payable by OPTCL to the Pension Trust towards outstanding dues upto 31.03 2021. Since this is an employee related dues, the amount needs to be settled at the earliest.

Our Report is not modified in respect of these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Boards Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind-AS Financial Statements and our auditor's report thereon. Our opinion on the Ind-AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Ind-AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind-AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

The Board Report is yet to be made available to us as of the date of this Auditor's Report.

Management's Responsibility for the Ind-AS Financial Statement

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind-AS Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Ind-AS Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind-AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind-AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind-AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind-AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of Management's use of the going concern basis accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind-AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind-AS Financial Statements, including the disclosures, and whether the Ind-AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. In terms of Sub-section (5) of Section 143 of the Act, we give in **Annexure B** a statement on the directions issued under the aforesaid Section by the Comptroller and Auditor General of India.



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

   a. We have sought and, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b. Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d. Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid Ind-AS Financials Statements dealt with by this report comply with the Accounting Standards specified under Section 133 of the Act read with relevant Rules issued thereunder.

   e. The matter described on the Basis for Qualified Opinion paragraph above, in our Opinion, may not have an adverse effect on the functioning of the Company.

   f. The Company being a Government Company, the provision of Section 164(2) of the Act, regarding disqualification of Directors does not apply in terms of Notification No GSR 463(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India.

   g. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure C.**

   h. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, we are informed that the provisions of Section 197 read with Schedule V of the Act relating to managerial remuneration are not applicable to the Company, being a Government Company in terms of Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India.

   i. With respect to other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule 2014, in our opinion and to the best of our information and according to explanations given to us:

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

a. The Company has disclosed the impact of pending litigations on its financial position in its IND AS Financials Statements except for matters arising out of Land disputes, family pension, disciplinary proceedings, tower lines disputes, Commercial, Compensation Land acquisition cases, Rehabilitation Assistance, Wheeling Charges and Enhanced Land Premium.

b. Except for the matters described in the basis for qualified opinion paragraph, the Company has made provision as required under applicable law or accounting standards, material foreseeable losses, if any on long term contracts including derivative contracts.

c. As per books of accounts and based on information and explanation provided to us there were no amounts which were required to be transferred to Investor's Education and Protection Fund by the Company.

For A.K.SABAT & CO.,
Chartered accountants
Firm Registration No.: 321012E

Place: Bhubaneswar
Date: 01/10/2021

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

(B.R. MOHANTY)
PARTNER
Membership No: 057266
UDIN:21057266AAAABB8775

Annexure A to the Independent Auditors' Report
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our Report of even date)

We Report that :

1. In respect of Fixed Assets:

a. The Company has maintained fixed assets records showing full particulars including quantitative detail of fixed assets, except for land for which complete records are not available with land section;

b. According to the information and explanations given to us, these fixed assets have been physically verified by the management every year, excepting the assets / installations put to use in transmission functions are considered as physically available so along as the functions are continued to be discharged and are not subject to periodical physical verification of assets (e.g. transmission lines run through forest area and are spread over the state). Material discrepancies noticed on such verification, have been properly dealt with in the books of account; and

c. In a number of cases the title deeds in respect of both freehold and leasehold lands are not held in the name of the Company. The Company has also not properly compiled the number of cases (both settled and unsettled) in respect of freehold land and leasehold land along with value thereof shown in gross block as well as net block under fixed assets. We have verified 78 numbers of title deeds and 1 lease deed of immovable properties (LAND) available on record on test check basis. On the basis of our verification it is noticed that, following number of title deeds are not held in the name of the Company:

Title Deeds are in the name of	No of Title Deeds
Power & Irrigation Department, Govt of Odisha	4
Energy Department, Govt of Odisha	6
OSEB (Orissa State Electricity Board)	26
GRIDCO (Grid Corporation of Orissa)	11
Total	**47**

Out of **2886.156 acres** of land in possession of the Company as on 31.03.2021 clear title deed for land measuring about **1798.448 acres** is available. Further title deeds for freehold land measuring **246.968 acres** and lease deeds for leasehold land measuring **840.740 acres** are not available. As per explanation given to us, the process of obtaining the title deeds are under progress;

2. Physical verification of Inventory has been conducted by the management every year. As explained to us discrepancies noticed on physical verification of inventories have been properly dealt in the books of accounts;

A. K. SABAT & CO. ★ Bhubaneswar ★ Chartered Accountants

3. According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013;

4. The Company has not entered any transaction involving compliance with the provisions of Section 185 and 186 of the Companies Act, 2013. Thus, the Paragraph 3(iv) of the Order is not applicable;

5. The Company has not accepted any deposits from the public within the meaning of Section 73 to Section 76 or any other relevant provisions of the Companies Act, 2013 or rules framed there under;

6. We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under Sub-section (1) of Section 148 of the Companies Act, 2013 read with Companies (Cost Records & Audit) Rules,2014. As informed to us the Company does riot keep separate set of registers and books for cost records and cost estimates are prepared based on the financial accounting books and records. We have not, however made a detailed examination of the statements with a view to determine whether they are accurate and complete;

7. (a) Based on our examination of books of accounts and according to the information and explanations given to us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other statutory dues with the appropriate authorities. There were some undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and other statutory dues in arrears as at 31st March, 2021 for a period of more than six months from the date they became payable. However due to non-availability of accurate data in respect of above, we are not in position to comment on the same;

(b) According to the information and explanations given and records produced to us, following are the details of the disputed Income Tax or Sales Tax or Value Added Tax or Service Tax or any other tax dues that have not been deposited on account of any disputes:

Name of the Statues	Nature of the Dues	Period to which the amount relates	Amount (Rs.)	Forum where dispute is pending
Finance Act,1994	Service Tax	F.Y. 2006-07 to 2009-10	2,22,09,078.00	Custom, Excise and Service Tax Appellate **Tribunal , Kolkata**
Finance Act,1994	Service Tax	For the F.Y.2010-11	23,96,032.00	Commissioner of (Appeals) Central Excise, CST, BBSR
Finance Act,1994	Service Tax	For the F.Y. 2014-15	2,75,64,210.00	

A. K. SABAT & CO. ★ Bhubaneswar ★ Chartered Accountants

Name of the Statues	Nature of the Dues	Period to which the amount relates	Amount (Rs.)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Assessment Year 2010-11	2,06,03,354.00	C.I.T. (Appeal), Bhubaneswar
Income Tax Act, 1961	Income Tax	Assessment Year 2011-12	1,82,28,730.00	C.I.T. (Appeal), Bhubaneswar
Income Tax Act, 1961	Income Tax	Assessment Year 2013-14	8,51,781.00	C.I.T. (Appeal), Bhubaneswar
Income Tax Act, 1961	Income Tax	Assessment Year 2014-15	9,67,67,252.00	C.I.T. (Appeal), Bhubaneswar
Odisha VAT Act, 2004	VAT	Financial Year 2009-10 to 2013-14	1,08,385.00	Additional Commissioner of Sales Tax, South Zone
CST Act, (Orissa) Rules, 1957	CST	Financial Year 2009-10 to 2013-14	59,52,138.00	Additional Commissioner of Sales Tax, South Zone
Orissa Entry Tax Act, 1999	Entry Tax	Financial Year 2009-10 to 2013-14	5,28,37,448.00	Additional Commissioner of Sales Tax, South Zone

8. In respect of default in repayment of dues to any financial institution or banks, we report that in the books of the Company the following balances are appearing which are not yet reconciled /identified and rolling since long without any confirmation, for which we are unable to comment whether there is any default in repayment:

Sr. No.	Name of Institution	Amount of Default (In Rs.)	Nature of Default	Period of Default
1.	Central Electricity Authority	26,96,66,127.21	Interest	Not Available
2.	IBRD Loan	34,73,34,414.00	Interest	Not Available

There are no debentures or bonds issued by the Company.

9. The Company has neither raised moneys by way of initial public offer nor further public offer (including debt instruments) during the year. The term loans were applied for the purpose for which they were raised;

10. Based on audit procedures applied and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of audit for the year ended March 31, 2021.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

11. In view of the Government Notification No.GSR 463 (E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India, Government Companies are exempted from applicability of Section 197 *of* Companies Act, 2013. Accordingly clause 3(xi) of the Order is not applicable to the Company;

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company, hence Clause 3(xii) of the Order is not applicable;

13. The Company has complied with Sections 177 and 188 of Companies Act, 2013 in respect of transactions with the related parties, wherever applicable. Details of the transactions with the related parties have been disclosed in the IND AS Financials Statements as required by the applicable accounting standard;

14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

15. Based on the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them; and

16. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under Clause 3(xvi) of the Order is not applicable to the Company.

For A.K.SABAT & CO.,
Chartered accountants
Firm Registration No.: 321012E

Place: Bhubaneswar
Date: 01/10/2021

A. K. SABAT & CO. ★ Bhubaneswar ★ Chartered Accountants

(B.R. MOHANTY)
PARTNER
Membership No: 057266
UDIN:21057266AAAABB8775

Annexure B to the Independent Auditors' Report
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our Report of even date)

On the directions issued by the Comptroller and Auditor General of India under Sub section 5 of Section 143 of the Companies Act, 2013, based on the verification of records of the Company and information and explanations given to us, we report that:

Sl No.	Directions	Reply
01.	Whether the Company has clear title/lease deeds for freehold and lease hold land respectively? If not please state the area of freehold and leasehold and for which title/lease deeds are not available.	**Out** of **2886.156 acres** of land **in** possession of the Company **as on** 31st March, 2021 clear title deed for **land** measuring about **1798.448** acres **are** available. Further title deeds for freehold land measuring **246.968** acres and **lease deeds for leasehold land measuring 840.740** acres are not available. As per explanations given to us the process of obtaining the title deeds are under progress. (District wise abstract is in **Enclosure- 1)**
02.	Whether there are any cases of waiver/ write off of debts / loans/ interest etc. if yes, the reasons there for and amount involved	**During the year with approval from Board of Directors there is a write off in respect of Debt for ₹ 1,72,166. The reason of write off is unreconciled ledger balance since more than 11 years.** **There are no write off of Loans and interest.**
03.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grants (s) from the Government or other authorities.	There are no inventories lying with third parties. On verification, we have found **that the** Company has received certain **donated** assets and grants **continuing in the books since erstwhile OSEB / GRIDCO period** for **which adequate details/ records are not available.** Also the Company has not entered full particulars of land in the fixed assets register received either free of cost or Gift from Govt. or from any other authorities / person.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Additional Specific Directions:

Based on the verification of records of the Company and information and explanations given to us, in respect of Additional Directions on Specific Sector, issued under Section 143(5) of Companies Act, 2013, we report that:

SL No	Directions	Reply
01	Adequacy of steps to encroachment of idle land owned by the Company may be examined. In case land of the Company is encroached, under litigation, not put to use or declared surplus, details may be provided.	As explained to us the Company is acquiring land on lease basis from Govt. of Odisha and Private land through Land earlier to 31.12.2013 on payment of compensation to the land owners through the concerned Collector of District. Land acquired by the Company for Construction of Grid Stations / Staff Quarters / Store yard is the requirement. Acquired land is being recorded in favour of the Company's acquisition. As explained to us Land acquired by the Company is bounded with Boundary to prevent encroachment. As per information and explanations given to us, there are some lands which are encroached. Details are in **Enclosure 2.** No land is declared surplus as acquired lands are used for construction of Grid Sub Stations, Staff Quarters and Store yards and some available lands are meant for future expansion of Grid. While taking steps for preparation of Record of Right (RoR) in favour of the Company for the acquired lands which are in possession by the Company, certain discrepancies have come into light and remedial measures have been taken in appropriate forum for preparation of record in favour of the Company.
02	Where land acquisition is involved in setting up new projects, report whether settlement of dues done expeditiously and in a transparent manner in all cases, The cases of deviation may please be detailed.	Yes. Also as per explanations given to us, new Land Acquisition Act- Right to Fair Compensation in Land Acquisition. Rehabilitation and Resettlement Act, 2013 (RFCTLAR&R ACT) has come into force with effect 01.01.2014. Govt. of Odisha has permitted to purchase Private land directly from the land owners to the extent of **Ac. 25.00(Hc.10.00)** to all Govt. Deptt. with direction that PSU's may adopt this procedure vide their letter No. 10241 Dt.31.03.2014.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

SL No	Directions	Reply
		Accordingly, OPTCL is purchasing Private Lands directly from the Land owners with approval of the District Compensatory Committee (DCCC) chaired by concerned Collectors of the Districts. Compensation as consideration for the land acquired through land acquisition process / on approval of DCC is being paid by the Company for the acquired land. As regards payment of enhanced compensation as per the direction of the Civil Courts &Hon'ble High Court to the Ex-land owners in case of private land acquired through land acquisition process before 31.12.2013, decretal dues calculated by the concerned District Land Acquisition Officers checked by Govt. pleader of the District submitted through the concerned D.G.M. of the Division are paid to the Land Acquisition Officer of the District for disbursement. As such transparency is maintained. Settlement of dues is done expeditiously and in a transparent manner. No deviation is noticed.
03	Where the Company has an effective system for recovery of revenue as per contractual terms and the revenue is properly accounted for in the books of accounts in compliance with the applicable Accounting Standards?	Yes
04	How much cost has been incurred on abandoned projects and out of this how much cost has been written off?	From the records available it is found that project at Gopinathpur has been abandoned and the total cost incurred is Rs. 4.64 crores upto 31.03.2017. No amount has been written off as at 31st March, 2021. Further in respect of Abandoned Project 132 kV Line from Mancheswar to Badagada ₹ 3,28,45,039.52, full provision was created in earlier years. During the year, with due approval from Board of Directors of the Company, full value of the project has been written off with writing back of corresponding provision.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

SL No	Directions	Reply
05	Is the system of evacuation of power commensurate with power available for transmission with the generating company? If not, loss, if any, claimed by the generating company may be commented.	Transmission system of the Company is being expanded taking into account the future load demand, generation source availability, evacuation of state share power from IPPs, surplus power of CGPs, drawl of central sector allocation of powers and considering grid security aspects. Hence, there is no constraint in transmission system for evacuation of power of generating companies.
06	How much transmission loss in excess of prescribed norms has been incurred during the year and whether the same been properly accounted for in the books of accounts?	Transmission loss is within the approved range (Transmission loss approved by OERC for 2020-21 is 3.00% and the actual loss is 3.22%)
07	Whether the assets constructed and completed on behalf of other agencies and handed over to them has been properly accounted for in the IND AS Financials Statements.	Yes



Details of Freehold & Leasehold land(District wise) of OPTCL as on 31.03.2021

ENCLOSURE -1

Name of the District	Free hold Land with Title Deed (In Acres)	Lease hold Land with title deed (in Acres)	Freehold Land without Title Deed (in Acres)	Lease hold Land without Title Deed (in Acres)
ANGUL	117.94	34.89	0	17
BALASORE	25.37	41.41	0	0
BHADRAK	26.25	26.59	0	13.4
BARAGARH	0	10	0	65.31
BOLANGIR	0	84.387	1.24	7
BOUDH	0	5	0	0
CUTTACK	34.916	86.63	26.33	39.288
DEOGARH	0	0	0	28.05
DHENKANAL	27.93	95.03	0	1.7
GAJAPATI	3.579	5.09	7.106	12.746
GANJAM	119.836	28.523	15.896	30.113
JAGATSINGHPUR	0.15	92.09	1.82	6
JAJPUR	3.11	51.73	42.82	165.77
JHARSUGUDA	11.51	14.297	29.37	15.659
KEONJHAR	27.691	54.6	4.5	27.52
KHURDA	19.764	102.948	0	134.875
KALAHANDI	0	33.13	17.96	5.34
KENDRAPADA	17.08	5	0	12.47
KORAPUT	26.62	43.89	0	26.6
PHULBANI KANDHA	26.36	8	0	14.57
MAYURBHANJ	15.79	49.05	0.52	0
MALKANAGIRI	0	10.999	0	30
NAYAGARH	0	17.12	0	21
NAWARANGPUR	13.25	6	0	7
NUAPADA	0	22.08	0.55	1.03
PURI	34.638	4.95	0	3.21
RAYAGADA	14.76	140.29	0	37.79
SAMBALPUR	55.1	60.97	48.82	47.039

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Name of the District	Free hold Land with Title Deed (In Acres)	Lease hold Land with title deed (in Acres)	Freehold Land without Title Deed (in Acres)	Lease hold Land without Title Deed (in Acres)
SUBARNAPUR (SONEPUR)	0.94	10.58	0	10
SUNDARGARH	0	30.59	50.036	60.26
Total	622.584	1175.864	246.968	840.740
GRAND TOTAL				**2886.156**

ENCLOSURE 2

DETAILS OF ENCROACHED LAND

Sl No.	Name of District	Land Encroached (Acre)	Free hold / Lease hold
1	Khurda	Some portion of 7.30	Lease hold
2	Koraput	2.86	Lease hold
3	Nawarangpur	Some portion of 15.79	Free hold

For A.K.SABAT & CO.,
Chartered accountants
Firm Registration No.: 321012E

Place: Bhubaneswar
Date: 01/10/2021

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

(B.R. MOHANTY)
PARTNER
Membership No: 057266
UDIN:21057266AAAABB8775

Annexure C to the Independent Auditor's Report

(Referred to in paragraph 3(g) under 'Report on Other Legal and Regulatory Requirements' Section of our Report of even date)

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

We have audited the internal Financial Controls over financial reporting of Odisha Power Transmission Corporation Limited ('the Company') as of 31st March, 2021 in conjunction with our audit of the Ind-AS Financials Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

1. According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2021:

   a) The Company did not have an appropriate internal control system for effecting necessary adjustment in case of commissioned assets, deposit works/ cost plus contracts pending final settlement of bills with contractors. This could potentially result into under/over capitalization of fixed assets and corresponding impact on the operational results of the Company due to lower charge of depreciation.

   b) The Company did not have an appropriate internal control system for reconciliation and confirmation of balances shown under creditors, debtors, claims recoverable, other liabilities including various tax liabilities advances to suppliers and contractors, deposits, old cash and bank balances and other old unidentified/unconfirmed balances relating to field unit which could potentially result in changes in the Ind-AS Financials Statements.

   c) The Company's internal control system for creation of appropriate provision for pending bills from suppliers and contractors, were not operating effectively which

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

could potentially result in non-booking of capital as well as revenue expenditure timely.

In our opinion, **except for the effects/ possible effects of the material weaknesses described above** on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2021 based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Ind-AS Financials Statements of the Company as of 31st March, 2021 and these material weaknesses do not affect our opinion on the Ind-AS Financial Statements of the Company.

For A.K.SABAT & CO.,
Chartered accountants
Firm Registration No.: 321012E

Place: Bhubaneswar
Date: 01/10/2021

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

(B.R. MOHANTY)
PARTNER
Membership No: 057266
UDIN:21057266AAAABB8775

Odisha Power Transmission Corporation Limited

(A Government of Odisha Undertaking)
Regd. Office: Janpath, Bhubaneswar - 751022
CIN : U401020RSGC007553

Balance Sheet as at March 31, 2021

Amount in Rs. Crore

	Notes	As at 31.03.2021	As at 31.03.2020
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	5	4,079.93	3,685.21
(b) Capital work-in-progress	6	2,260.36	2,092.41
(c) Intangible assets	7	9.75	12.28
(d) Intangible assets under development	8	-	-
(e) Financial assets			
(i) Investments	9	119.73	124.73
(ii) Loans	10	15.60	17.99
(iii) Other financial assets	11	14.09	12.93
(f) Deferred tax assets	12	40.81	-
(g) Other non-current assets	13	174.39	177.58
Total non-current assets		**6,714.66**	**6,123.13**
(2) Current assets			
(a) Inventories	14	199.73	195.93
(b) Financial assets			
(i) Investments	9	5.00	-
(ii) Trade receivables	15	146.82	135.89
(iii) Cash and cash equivalents	16	1,216.61	966.42
(iv) Bank balances other than (iii) above	17	309.76	261.17
(v) Loans	10	7.52	8.26
(vi) Other financial assets	11	81.92	84.79
(c) Current tax assets	18	54.94	70.39
(d) Other current assets	13	3.44	4.72
Total current assets		**2,025.74**	**1,727.57**
Total assets		**8,740.40**	**7,850.70**
Equity and liabilities			
(1) Equity			
(a) Equity share capital	19	1,571.06	859.77
(b) Other equity	20	363.55	507.93
Total equity		**1,934.61**	**1,367.70**
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	1,225.00	821.12
(ii) Other financial liabilities	22	84.89	78.31
(b) Provisions	23	551.93	602.76
(c) Deferred income	24	1,768.71	1,613.39
(d) Deferred Tax Liabilities	12	-	0.32
(e) Other non-current liabilities	25	1,947.65	1,635.27
Total non-current liabilities		**5,578.18**	**4,751.17**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	132.51	77.78
(ii) Trade payables			
Total outstanding dues of Micro Enterprises and Small Enterprises	26	-	-
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	26	184.79	268.33
(iii) Other financial liabilities	22	102.27	338.23
(b) Deferred income	24	89.74	70.00
(c) Other current liabilities	25	526.00	813.22
(d) Provisions	23	192.30	164.27
Total current liabilities		**1,227.61**	**1,731.83**
Total liabilities		**6,805.79**	**6,483.00**
Total equity and liabilities		**8,740.40**	**7,850.70**

The accompanying notes (1 to 45) form an integral part of the financial statements
Subject to our report of even date

for A.K.Sabat & Co.,
Chartered Accountants.
FRN:321012E

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

(CA B.R. Mohanty)
Partner
Membership No. 057266
Date: 01.10.2021

(Samir Kumar Swain)
Director (Finance)

(R.C. Mishra)
Chief Financial Officer

(Sanjay Kumar Mishra)
Managing Director

(P.K Das)
Company Secretary

Odisha Power Transmission Corporation Limited

(A Government of Odisha Undertaking)
Regd. Office: Janpath, Bhubaneswar - 751022
CIN : U401020RSGC007553

Statement of Profit and Loss for the year ended March 31, 2021

Amount in Rs. Crore

		Notes	Year ended 31.03.2021	Year ended 31.03.2020
I	Revenue from operations	27	711.40	684.94
II	Other income	28	193.09	130.11
III	**Total revenue (I + II)**		**904.49**	**815.05**
IV	**Expenses**			
	(a) Employee benefits expense	29	380.36	394.37
	(b) Finance costs	30	71.94	71.60
	(c) Depreciation and amortisation expense	31	284.14	257.96
	(d) Other expenses	32	155.71	171.54
	Total expenses (IV)		**892.15**	**895.47**
V	**Profit Before Tax (III - IV)**		**12.34**	**(80.42)**
VI	**Tax expense**			
	(1) Current Tax (MAT)	33	2.16	-
	Tax for earlier years	33	(2.43)	-
	(2) Deferred tax	33	(49.06)	63.95
	Total tax expense (VI)		**(49.33)**	**63.95**
VII	**Profit/(Loss) after Tax (V - VI)**		**61.67**	**(144.37)**
VIII	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement gains / (losses) on defined benefit plans	36	(14.69)	(16.21)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	33	5.13	5.66
	Total other comprehensive income for the year (VIII)		**(9.56)**	**(10.55)**
IX	**Total comprehensive income for the year (VII+VIII)**		**52.11**	**(154.93)**
X	**Earnings per equity share:**			
	(1) Basic	34	51.56	(167.87)
	(2) Diluted	34	51.56	(136.20)

The accompanying notes (1 to 45) form an integral part of the financial statements

Subject to our report of even date

for A.K.Sabat & Co.,
Chartered Accountants.
FRN:321012E

(CA B.R. Mohanty)
Partner
Membership No. 057266
Date: 01.10.2021

A.K. SABAT & CO. ★ Bhubaneswar ★ Chartered Accountants

(Sabir Kumar Swain)
Director (Finance)

(R.C. Mishra)
Chief Financial Officer

(Sanjay Kumar Mishra)
Managing Director

(P.K Das)
Company Secretary

Odisha Power Transmission Corporation Limited

(A Government of Odisha Undertaking)
Regd. Office: Janpath, Bhubaneswar - 751022
CIN : U401020RSGC007553

Cash Flow Statement

Amount in Rs. Crore

	Year ended 31.03.2021	Year ended 31.03.2020
A. Cash flows from operating activities		
Profit for the period	**52.11**	**(144.37)**
Adjustments for:		
Income tax expense recognised in profit or loss	(49.33)	63.95
Finance costs recognised in profit or loss	71.94	71.60
Interest income recognised in profit or loss	(19.62)	(23.69)
Deferred Income recognised in profit or loss	(83.62)	(57.12)
Net (gain) / loss on disposal of property, plant and equipment	(14.85)	(4.95)
Impairment loss recognised on non-financial assets	-	2.73
Inventories of stores, spares written off	-	1.06
Depreciation of plant, property and equipment	281.57	255.39
Amortisation of intangible assets	2.57	2.57
Loss on Discom Projects	10.80	-
Impairement Loss	7.91	-
Write Off of old balances	6.77	-
Write back of old balance	(32.45)	-
	233.80	**167.17**
Movements in working capital:		
(Increase) / decrease in inventories	(4.14)	(33.60)
(Increase) / decrease in trade receivables	(10.93)	6.70
(Increase) / decrease in loans and other financial asset	4.84	(6.94)
(Increase) / decrease in other assets	0.06	42.77
Increase / (decrease) in trade payables	4.65	92.30
Increase / (decrease) in other financial liabilities	(83.54)	(998.58)
Increase / (decrease) in other liabilities	25.16	1,066.93
Increase / (decrease) in provisions	(13.24)	13.36
Cash (used in) / generated from operations	**156.66**	**350.11**
Income taxes paid	**28.08**	**(21.58)**
Net cash (used in) / generated by operating activities	**184.74**	**328.53**
B. Cash flows from investing activities		
Payement towards term deposits	(48.59)	267.73
Interest received from banks and others	23.33	27.50
Payments for property, plant and equipments	(861.44)	(917.68)
Proceeds from disposal of property, plant and equipments	29.54	24.49
Payments for intangible assets	(0.03)	0.03
Net cash (used in) / generated by investing activities	**(857.19)**	**(597.93)**
C. Cash flows from financing activities		
Proceeds from issue of equity instrument of the company	64.29	69.90
Proceeds from borrowings	658.61	228.47
Finance cost paid	(58.94)	(71.60)
Increase/(Decrease) in Trade Paybles on Discom Related Works	-	(355.41)
Increase / (decrease) in deferred revenue	258.68	326.37
Net cash (used in) / generated by financing activities	**922.64**	**197.73**
Net increase or (decrease) in cash or cash equivalents	**250.19**	**(71.66)**
Cash and cash equivalents at the beginning of the year	**966.42**	**1,038.08**
Cash and cash equivalents at the end of the year	**1,216.61**	**966.42**

See accompanying notes forming an integral part of the financial statements

Note- Prepared on the basis on Indirect Method as per Ind AS-7

for A.K.Sabat & Co.,
Chartered Accountants.
FRN:321012E

(CA B.R. Mohanty)
Partner
Membership No. 057266
Date: 01.10.2021

A. K. SABAT & CO. ★ Chartered Accountants ★ Bhubaneswar

(Samir Kumar Swain)
Director (Finance)

(R.C. Mishra)
Chief Financial Officer

(Sanjay Kumar Mishra)
Managing Director

(P.K Das)
Company Secretary

Odisha Power Transmission Corporation Limited
(A Government of Odisha Undertaking)
Regd. Office: Janpath, Bhubaneswar - 751022
CIN : U401020RSGC007553

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31,2021

A. Equity Share Capital

	Rs. In Crore
As at 31st March,2019	**790.07**
Changes during the year	69.70
As at 31st March,2020	**859.77**
Changes during the year	711.29
As at 31st March,2021	**1,571.06**

B. Other Equity

Amount in Rs. Crore

		Reserves and surplus								
							Retained earnings			
Other equity	**Equity component of compound financial instruments**	**Capital reserves**	**Corporate social responsibility reserves**	**Contingency reserve fund**	**SLDC development fund**	**Staff welfare fund**	**Profit and loss**	**Other Comprehensive Income**	**Others**	**Total**
Balance as at 31.03.2019	**200.00**	**279.20**	**-**	**191.75**	**53.98**	**0.23**	**50.98**	**(117.33)**	**0.02**	**658.83**
Share capital Issued	-	-	-	-	-	-	(144.37)		-	(144.37)
Profit for the year	-	-	-	-	-	-	-	(10.54)	-	(10.54)
Other comprehensive income/(Loss) for the year	-	-	-	-	3.85	-	-		-	3.85
Interest received from investment	-	-	-	(67.02)	-	-	-		-	(67.02)
Transfer to retained earnings	-	-	-	-	-	-	(4.51)		-	(4.51)
Transfer to SLDC Devlopment Fund	-	-	0.20	-	4.51	-	-		-	4.71
Transfer from retained earnings	-	-	-	-	-	-	66.98		-	66.98
Transfer from Contigency Reserve Fund	-	-	-	-	-	-	-		-	-
Balance as at 31.03.2020	**200.00**	**279.20**	**0.20**	**124.73**	**62.34**	**0.23**	**(30.92)**	**(127.87)**	**0.02**	**507.93**
Share capital Issued	(200.00)	-	-	-	-	-	-		-	(200.00)
Profit for the year	-	-	-	-	-	-	61.67		-	61.67
Other comprehensive income/(Loss) for the year	-	-	-	-	-	-		(9.56)	-	(9.56)
Interest received from investment	-	-	-	-	3.71	-	-		-	3.71
Transfer to retained earnings	-	-	-	-	-	-	-		-	-
Transfer to SLDC Devlopment Fund	-	-	-	-	-	-	(4.08)		-	(4.08)
Transfer from retained earnings	-	0.25	(0.20)	-	4.08	(0.23)	-		(0.02)	3.88
Transfer from Contigency Reserve Fund	-	-	-	-	-	-	-		-	-
Balance as at 31.03.2021	**-**	**279.45**	**-**	**124.73**	**70.13**	**-**	**26.67**	**(137.43)**	**-**	**363.55**

for A.K. Sabat & Co.,
Chartered Accountants.
FRN:321012E

(CA B.R. Mohanty)
Partner
Membership No. 057266
Date:

A.K. SABAT & CO. Bhubaneswar Chartered Accountants

(Samir Kumar Swain)
Director(Finance)

(R.C.Mishra)
Chief Financial Officer

(Sanjay Kumar Mishra)
Managing Director

(P.K.Das)
Company Secretary

Notes to the Financial Statements

1. General Corporate Information

Odisha Power Transmission Corporation Limited (OPTCL) is the Power Transmission Utility having registered office at Bhubaneswar, Odisha. OPTCL became fully operational with effect from 1st April 2005 consequent upon issue of Odisha Electricity Reform (Transfer of Transmission and Related Activities) Scheme, 2005 under the provisions of Electricity Act, 2003 and the Odisha Electricity Reform Act, 1995 by the State Government for transfer and vesting of transmission related activities of GRIDCO Ltd. with OPTCL. The Company has been designated as the State Transmission Utility in terms of Section 39 of the Electricity Act, 2003.

Presently the Company is carrying on intra state transmission and wheeling of electricity under a license issued by the Odisha Electricity Regulatory Commission.

The operations of the Company are governed by the Electricity Act, 2003 and various Regulations and / or Policies framed thereunder by the appropriate authorities. Accordingly, in preparing the financial statements the relevant provisions of the said Act, Regulations etc. have been duly considered.

2. Significant Accounting Policies:

2.01 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015. Up to the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

2.02 Basis of preparation and presentation

The financial statements of the Company have been prepared in all material aspects with the relevant provisions of the Companies Act, 2013, Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and Companies (Indian Accounting Standards) Rules, 2016 and other relevant provision of the Act. Further, as the Company is governed by the Electricity Act, 2003, the Company has followed the provisions of this Act read with rules made to the extent they are inconsistent with the provisions of the Companies Act, 2013.

2.03 Basis of Measurement

The financial statements are prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities which are classified at fair value through profit and loss or fair value through other comprehensive income;
- Defined benefit plans and plan assets.
- Contingent consideration.

Historical cost is generally based on the fair value of the consideration given in the exchange of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosures in these financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

2.04 Classification of Assets and Liabilities into Current/Non-Current

The Company has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

i) It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or
ii) It is held primarily for the purpose of trading; or
iii) It is expected to realise the asset within twelve months after the reporting period; or
iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

Similarly, a liability is classified as current if:

i) It is expected to be settled in the normal operating cycle; or
i) It is held primarily for the purpose of trading; or
ii) It is due to be settled within twelve months after the reporting period; or
iii) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

2.05 Use of estimates

The preparation of these financial statements are in conformity with the recognition and measurement principles of IND-AS which requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of, fair value of unquoted securities and impairment of investments, valuation of current and deferred tax expense, valuation of defined benefit obligations, regulatory deferral accounts and provisions and contingent liabilities.

2.06 Materiality

In line with the Guidance note issued by the Institute of Chartered Accountants of India taking into consideration the size nature and complexity of the business the Corporation has refixed the limit of materiality concept as " any item of income or expenditure which exceeds 03% (Three) of Total Income or Rs. 30.00 Crore which ever is higher to be treated as material."

2.07 Functional & Presentation Currency and Rounding off of amounts:

All amounts disclosed in the financial statements and notes have been presented in Indian Rupees (₹), which is the Company's functional currency and rounded off to the nearest Crores as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated.

2.08 Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation. Cost comprises the purchase price and any other applicable costs attributable in bringing the assets to their working condition for their intended use, including borrowing costs and other overheads attributable to Property, Plant and Equipment. Depreciation commences when the assets are ready for their intended use. However, Freehold lands are not depreciated.

In the case of commissioned assets, deposit work / cost plus contracts where final settlement of bills with contractors is yet to be effected; capitalization is done on provisional basis subject to

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

necessary adjustment in the year of final settlement. Capitalisation from Capital work in progres (CWIP) is being done only not in line with Ind AS of Technical Certificate from the respective field officers.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequen costs relating to day to day servicing of the item are not recognised in the carrying amount of ar item of property, plant and equipment; rather, these costs are recognised in profit or loss as incurred.

Spare parts, standby equipment and servicing equipment which meet the recognition criteria of Property, Plant and Equipment are capitalized. The carrying amount of those spare parts, standby equipment and servicing equipment that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other spare parts, standby equipment and servicing equipment are treated as "Stores and spares" and are classified as Inventory.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

In some of the cases the title deeds of land are in the name of OSEB,GRIDCO, Power and Irrigation Department or Energy Department, Govt. of Odisha as they are transferred to OPTCL by virtue of the Transfer Notification dtd. 21.06.2006 (vide Sl no.1- Notes to Accounts).

2.09 Assets on Deposit Work

Assets transferred from customers are recognized at their fair value when it meets the definition of an asset and all attaching conditions is complied with.

Assets received from customers or assets constructed on receipt of amounts from the customers and on obtaining the control over the asset the Company recognised it as property, plant and equipment and depreciates over their expected useful lives on the same basis as the owned assets.

Amount received from the customer towards construction of a property, plant and equipment are included in non-current liabilities as deposit against deposit work assets and are credited to profit or loss on a systematic basis over the expected lives of the related assets and presented within other income as deferred income to the extent of depreciation provided during the year.

2.10 Capital Work in Progress

In respect of Works Contract Value of work-in-progress is recognised on the basis of bill submitted by the contractor relating to the progress of work. Incidental expenditure prior to construction, preliminary project expenditure on identification, survey/feasibility studies of the project, etc. are apportioned to capital work in progress on the basis of accretion thereto. These expenses, however, are charged to Statement of profit and loss in case the project is abandoned. Deposit work or cost plus contracts are accounted for on the basis of statement of account received from concerned office. Claims for Price variations in the form of escalation in contracts are accrued for on acceptance basis.

Supervision charges received on deposit work executed by OPTCL has been transferred to statement of P&L on percentage of completion method over the period of construction. Employees cost and A&G Cost over and above the supervision changes credited to P&L has been debited to CWIP (both Government work and own work) on proportionate basis to the total value of work executed during the year in case of construction division.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

In case of other divisions, employees cost and A&G cost has been debited to CWIP @ 2% and 0.5% respectively of the work executed during the year.

2.11 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulate amortisation and accumulated impairment losses. Amortisation is recognised on a straight -line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.
Subsequent to initial recognition, internally-generated intangible assets are reported—at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.12 Impairment

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss, if any. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount and the difference between the carrying amount and recoverable amount is recognised as impairment loss in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Investment in Joint-venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.
The Company measures its investment in joint venture at cost in accordance with Ind AS 27 – Separate financial statements.

2.14 Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

sale. Unserviceable / damaged stores and spares are identified and written down based on the rates specified under the technical assessment.

2.15 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having an original maturity of three months or less.

2.16 Leases

Lease Accounting

At inception of contract, the Company assesses whether the Contract is or contains a lease. A contract is or contains a lease if the contract convey a right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

As a Lessee

Right-of-use Assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses , and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short term leases and leases of low value of assets

The Company applies short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.17 Government Grants

Grants and subsidies from the government are not recognized at their fair value until there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be compiled with.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate and presented within other income. Specifically, government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a systematic basis over the expected lives of the related assets and presented within other income to the extent of depreciation provided during the year.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

A. K. SABAT & CO. Chartered Accountants Bhubaneswar

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.18 Borrowing costs

General and specific borrowing cost directly related to a particular project under construction or acquisition of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are expensed in the period they occur. The borrowing cost is measured at amortized cost using the effective interest method.

2.19 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made based on technical valuation and past experience. No provision is recognized for liabilities whose future outcome cannot be ascertained with reasonable certainty.

If the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a borrowing cost.

Contingent liabilities are not recognized/disclosed unless the possibility of outflow of resources are remote. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.
Contingent assets are generally not recognized but are disclosed when inflow of economic benefit is probable.

2.20 Cash flow statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts or cash credit liabilities. In the balance sheet, bank overdrafts or cash credit liabilities are shown within borrowings in current liabilities.

2.21 Income Taxes

Tax expense represents the sum of current tax and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current income tax charge is calculated by using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Tax relating to items recognized directly in other comprehensive income forms part of the statement of comprehensive income.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

A deferred tax asset arising from unused tax losses or tax credits are recognized only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity.

2.22 Employee benefits
2.22.1 Defined benefit plans

The liability to pay defined benefits to the personnel who have joined on or before 31.12.2004 is vested with Odisha Power Transmission Corporation Ltd.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period from April 01, 2015 onwards. Re-measurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability.

The retirement benefit obligation recognised in the balance sheet represents the actual obligation in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.22.2 Defined contribution plans
Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

2.22.3 Short-term and other long-term employee benefits
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.
Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.
Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.



2.23 Financial Instruments
Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at

fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liabilities.

a) Financial assets

(i)Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii)Financial assets at Fair value through Other Comprehensive Income (OCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual term of the financial assets give rise on specified days to cash flows that are solely payment of principals and the interest on principal amount outstanding.

(iii) Financial assets at Fair value through Profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive item on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit or loss.

(iv) De-recognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing of the proceeds received.

(v) Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b) Financial liabilities and equity instruments

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Equity instruments

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

(iii) Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Other financial liabilities are measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.
Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

(iv) De-recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

(v) Offsetting financial instruments

Financial assets and liabilities of the Company are offset and the net amount reported in the balance sheet, when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

2.24 Revenue Recognition

Revenue is recognized when no significant uncertainty as to the measurability or collectability exists. Revenue is measured at the fair value of the consideration received or receivable net of trade discount and volume rebates. The revenue from Transmission of power is accounted for on accrual basis. At the year end, the provisions for outstanding liability are made if no bills are received or raised till date of closing 'of the respective financial year.
Income such as supervision charges are recorded as revenue on accrual basis under "Sale of Services". Supervision charges / implementing agency charges in respect of DISCOMs and other work are credited/debited to statement of Profit & Loss in the year in which the completion and handing over (i.e. control is transferred) of the assets is made to the division, after adjustment of related expenses, if any. Supervision charges received on assets created by beneficiary are credited to statement of Profit & Loss on raising of bills by OPTCL to the party. Supervision charges received on deposit work executed by OPTCL is transferred to statement of Profit & Loss on percentage of completion method over the period of construction.

Revenue income is recognized as and when accrued by written communication from any Regulatory or Statutory authority, unless the same is under litigation or process of litigation. Further Income Receivable through Regulatory Mechanism in respect of additional cost incurred during the period over and above cost allowed in prevailing tariff order is recognized based on the applicable available orders and regulations of Regulatory Authorities.
Revenue from other works in the nature of Consultancy/Contract Services is accounted for on the basis of actual progress/technical assessment of work executed, except in cases where contracts provide otherwise. Receipts for delayed payments surcharges are accounted for when it is ascertained and the collection of the amount is confirmed.

The property, plant and equipment created by the Beneficiaries have been capitalized after obtaining the ownership along with the control with matching credit to Deferred Revenue. This deferred revenue account is debited and Revenue is recognized over the useful life of the asset.

One time registration fees of new user, training fees, sale of scrap are accounted for when there is certainty regarding the realisation of the same. Rebate allowed to Distribution Companies on realization of bills are accounted for when it is ascertained and confirmed.

Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

Revenue Subsidies received from State Government are accounted to statement of Profit and Loss Account.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.25 Expense Recognition

All expenses are recognised in the Statement of Profit and Loss on accrual basis as per the necessary terms of the contracts entered into with suppliers and service providers.

Interest on Infrastructure loan is accounted for subject to full filling of certain conditions after 5years from the date of commencement of supply of power. m

2.26 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus Issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period, are adjusted for the effects of all dilutive potential equity shares.

3. Critical accounting judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Such estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

A. Critical judgments in applying accounting policies:

The following are the critical judgments, apart from those involving estimations (see point i to iv below), that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

i) Financial assets at amortized cost

The management has reviewed the Company's financial assets at amortized cost in the light of its business model and have confirmed the Company's positive intention and ability to hold these financial assets to collect contractual cash flows. Details of these assets are set out in **note 11.**

ii) Regulatory deferral accounts

Ind AS - 114 "Regulatory Deferral Accounts" permits the Company to apply the requirements of this standard in its first Ind AS financial statements if and only if it conducts rate-regulated activities and recognised amounts that qualify as regulatory deferral account balances in its financial statements in accordance with its previous GAAP. As the Company had consistently elected not to recognise the regulatory deferral balances in its previous GAAP, the requirement of IND AS 114 does not apply to the Company.

iii) Depreciation rates, depreciation method and residual value of property, plant and equipment

In terms of Part B of Schedule II of the Companies Act, 2013, the Company has followed the depreciation rates, depreciation method and residual value of the items of property, plant and equipment as notified by the respective regulators in accordance with the Electricity Act, 2003 with respect to the assets falling under regulated business. Individual Assets costing Rs.5000/- or less are depreciated fully in the year in which they are put to use.

iv) Service concession arrangements

A. K. SAHU & Co. Bhubaneswar Chartered Accountants

The Company has assessed applicability of Appendix A of Ind AS - 11 "Service Concession Arrangements" with respect to its distribution assets portfolio. In assessing the applicability, the Company have exercised judgment in relation to the provisions of the Electricity Act, 2003, distribution license and / or agreements etc. Based on such assessment, it has concluded that Appendix A of Ind AS 11 is not applicable.

B. Key sources of estimation uncertainty:

i) Deferred tax assets

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii) Provisions

Provisions (excluding provision for salary) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

iii) Contingent liabilities

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

iv) Impairment of property plant and equipment

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

v) Fair value measurements and valuation processes:

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

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

4. Changes in Ind AS and related pronouncements effective at a future date

4.1 Amendment in Schedule III to Companies Act 2013:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with the Companies (Indian Accounting Standards) Rules 2015 (as amended)are:
BalanceSheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions ,then disclosure of details of where it has been used.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

for A.K. Sabat & Co.,
Chartered Accountants.
FRN:321012E

(CA B.R. Mohanty)
Partner
Membership No. 057266
Date: 01.10.2024

A.K. SABAT & CO. Chartered Accountants Bhubaneswar

(Samir Kumar Swain)
Director Finance

(R.C. Mishra)
Chief Financial Officer

(Sanjay Kumar Mishra)
Managing Director

(P.K Das)
Company Secretary

Odisha Power Transmission Corporation Limited
(A Government of Odisha Undertaking)
Regd. Office: Janpath, Bhubaneswar - 751022
CIN : U401020RSGC007553

Notes to the Financial Statements

5 - Property, plant and equipment

	Amount in Rs. Crore	
	As at 31.03.2021	As at 31.03.2020
Carrying amount of:		
Freehold land	52.31	51.97
Leasehold land	44.45	41.24
Buildings	87.64	81.61
Electrical installation	8.19	6.76
Other civil works	75.84	65.47
Owned plant and machinery	2,549.79	2,236.85
Lines and cables	1,232.61	1,173.90
Vehicles	0.62	0.72
Furniture and fixtures	4.88	4.79
Office equipment	23.60	21.90
Total tangible assets	**4,079.93**	**3,685.21**

Amount in Rs. Crore

Cost or deemed cost	Freehold land	Leasehold land	Buildings	Electrical installation	Other civil works	Owned plant and machinery	Lines and cables	Vehicles	Furniture and fixtures	Office equipment	Total tangible assets
Balance as at 31.03.2019	**51.03**	**44.01**	**83.04**	**3.37**	**30.48**	**2,546.22**	**1,348.19**	**1.17**	**5.32**	**25.57**	**4,138.40**
Additions .	1.79	2.98	15.78	4.31	39.62	295.55	191.71	-	0.92	6.67	559.33
Disposals	(0.85)	0.85	-	-	-	(12.14)	(11.38)	(0.01)	(0.02)	(0.06)	(23.61)
Balance as at 31.03.2020	**51.97**	**47.84**	**98.82**	**7.68**	**70.10**	**2,829.63**	**1,528.52**	**1.16**	**6.22**	**32.18**	**4,674.12**
Additions	0.34	4.99	10.55	2.04	13.34	502.23	150.56	-	0.51	6.40	690.96
Disposal	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	(24.84)	(1.16)	-	-	-	(26.00)
Balance as at 31.03.2021	**52.31**	**52.83**	**109.37**	**9.72**	**83.44**	**3,307.02**	**1,677.92**	**1.16**	**6.73**	**38.58**	**5,339.08**

Amount in Rs. Crore

Accumulated depreciation and impairment	Freehold land	Leasehold land	Buildings	Electrical installation	Other civil works	Owned plant and machinery	Lines and cables	Vehicles	Furniture and fixtures	Office equipment	Total tangible assets
Balance as at 31.03.2019	**-**	**4.79**	**13.10**	**0.49**	**2.61**	**436.33**	**272.31**	**0.34**	**1.06**	**6.58**	**737.61**
Depreciation expense	-	1.85	4.05	0.41	2.08	156.47	86.30	0.10	0.38	3.73	255.37
Disposals	-	(0.02)	0.06	-	(0.06)	(0.02)	(4.00)	(0.01)	-	(0.02)	(4.07)
Balance as at 31.03.2020	**-**	**6.62**	**17.21**	**0.90**	**4.63**	**592.78**	**354.61**	**0.43**	**1.44**	**10.29**	**988.91**
Depreciation expense	-	1.77	4.52	0.62	2.97	175.26	91.20	0.10	0.41	4.71	281.56
Disposal	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	0.01	-	(0.01)	-	(10.81)	(0.51)	-	0.01	(0.01)	(11.32)
Balance as at 31.03.2021	**-**	**8.40**	**21.73**	**1.51**	**7.60**	**757.23**	**445.30**	**0.53**	**1.86**	**14.99**	**1,259.15**

Amount in Rs. Crore

Carrying amount	Freehold land	Leasehold land	Buildings	Electrical installation	Other civil works	Owned plant and machinery	Lines and cables	Vehicles	Furniture and fixtures	Office equipment	Total tangible assets
Balance as at 31.03.2019	**51.03**	**39.24**	**69.94**	**2.86**	**27.87**	**2,109.89**	**1,075.87**	**0.82**	**4.27**	**19.00**	**3,400.79**
Additions	1.79	2.98	15.78	4.31	39.62	295.55	191.71	-	0.92	6.67	**559.33**
Disposals	(0.85)	0.87	(0.06)	-	0.06	(12.12)	(7.38)	-	(0.02)	(0.04)	**(19.54)**
Depreciation expense	-	1.85	4.05	0.41	2.08	156.47	86.30	0.10	0.38	3.73	**255.37**
Balance as at 31.03.2020	**51.97**	**41.24**	**81.61**	**6.76**	**65.47**	**2,236.85**	**1,173.90**	**0.72**	**4.79**	**21.90**	**3,685.21**
Additions	**0.34**	**4.99**	**10.55**	**2.04**	**13.34**	**502.23**	**150.56**	**-**	**0.51**	**6.40**	**690.96**
Disposal	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	(0.01)	-	0.01	-	(14.03)	(0.65)	-	(0.01)	0.01	**(14.68)**
Depreciation expense	-	1.77	4.52	0.62	2.97	175.26	91.20	0.10	0.41	4.71	**281.56**
Balance as at 31.03.2021	**52.31**	**44.45**	**87.64**	**8.19**	**75.84**	**2,549.79**	**1,232.61**	**0.62**	**4.88**	**23.60**	**4,079.93**

Depreciation is recognised so as to write off the cost of assets (Other than free hold land and properties under construction) less their residual value up to 90% of the orginal cost of asset and at the rates notified by the OERC Regulation using the straight line method, over useful life of respective assets as estimated by the management and at the rates specified by OERC and where the rates are not prescribed by OERC, the rates given under schedule II of the Companies Act, 2013. However, depreciation was recognised up to 31.03.2013 as per the Compaies Act, 1956 where the assets is depreciated up to 95% of the original cost, the impact of which is Rs. 22.51 crore more than the OERC rate.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Deposit Work Assets included in PPE are as under :

Cost or deemed cost											
Balance as at 31.03.2020	**6.29**	**3.23**	**6.99**	**2.73**	**2.66**	**693.10**	**423.97**	**-**	**0.44**	**3.42**	**1,142.83**
(i) Grant Asset	0.27	1.87	-	2.25	0.05	203.38	183.69	-	0.10	3.02	394.63
(ii) Other than Grant Asset	6.02	1.36	6.99	0.48	2.61	489.72	240.28	-	0.34	0.40	748.20
Balance as at 31.03.2021	**6.29**	**5.11**	**6.99**	**3.44**	**3.13**	**893.54**	**528.23**	**-**	**0.44**	**3.42**	**1,450.59**
(i) Grant Asset	0.27	3.32	-	2.25	0.05	391.43	204.97	-	0.10	3.02	605.41
(ii) Other than Grant Asset	6.02	1.79	6.99	1.19	3.08	502.11	323.26	-	0.34	0.40	845.18
Accumulated depreciation and impairment											
Balance as at 31.03.2020	**0.62**	**0.21**	**1.01**	**0.31**	**0.21**	**132.53**	**68.36**	**-**	**0.09**	**1.29**	**204.63**
(i) Grant Asset	0.03	0.06	-	0.30	-	18.90	13.03	-	0.01	1.16	33.49
(ii) Other than Grant Asset	0.59	0.15	1.01	0.01	0.21	113.63	55.33	-	0.08	0.13	171.14
Balance as at 31.03.2021	**-**	**0.35**	**1.26**	**0.53**	**0.31**	**175.62**	**94.44**	**-**	**0.12**	**1.73**	**274.36**
(i) Grant Asset	-	0.14	-	0.46	-	33.61	23.14	-	0.01	1.57	58.93
(ii) Other than Grant Asset	-	0.21	1.26	0.07	0.31	142.01	71.30	-	0.11	0.16	215.43
Carrying amount											
Balance as at 31.03.2020	**5.67**	**3.02**	**5.98**	**2.42**	**2.45**	**560.57**	**355.61**	**-**	**0.35**	**2.13**	**938.20**
(i) Grant Asset	0.24	1.81	-	1.95	0.05	184.48	170.66	-	0.09	1.86	361.14
(ii) Other than Grant Asset	5.43	1.21	5.98	0.47	2.40	376.09	184.95	-	0.26	0.27	577.06
Balance as at 31.03.2021	**6.29**	**4.76**	**5.73**	**2.91**	**2.82**	**717.92**	**433.79**	**-**	**0.32**	**1.69**	**1,176.23**
(i) Grant Asset	0.27	3.18	-	1.79	0.05	357.82	181.83	-	0.09	1.45	546.48
(ii) Other than Grant Asset	6.02	1.58	5.73	1.12	2.77	360.10	251.96	-	0.23	0.24	629.75

6 - Capital work-in-progress

Amount in Rs. Crore

	As at 31.03.2021	**As at 31.03.2020**
Capital work-in-progress at cost	2,260.36	2,092.41
Total capital work-in-progress	**2,260.36**	**2,092.41**

Amount in Rs. Crore

Carrying amount	**Building**	**Electrical installation**	**Other civil works**	**Other office equipment**	**Plant and machinery**	**Lines and cables**	**Total CWIP**
Balance as at 31.03.2019	**5.44**	**0.69**	**2.37**	**0.31**	**1,361.85**	**363.40**	**1,734.06**
Additions	11.93	-	8.51	4.73	636.68	99.50	761.35
Other adjustments	-	-	-	-	91.14	(0.82)	90.32
Capitalised during the year	(9.60)	(0.45)	(7.52)	-	(400.88)	(74.87)	(493.32)
Balance as at 31.03.2020	**7.77**	**0.24**	**3.36**	**5.04**	**1,688.79**	**387.21**	**2,092.41**
Additions	64.95	0.10	7.50	1.52	641.69	108.08	823.84
Other adjustments					(1.70)	(1.50)	(3.20)
Capitalised during the year	(10.53)	(0.25)	(8.63)	(5.49)	(506.09)	(121.70)	(652.69)
Balance as at 31.03.2021	**62.19**	**0.09**	**2.23**	**1.07**	**1,822.69**	**372.09**	**2,260.36**

1. The Cost of Capital Expenditure includes an amount of Rs. 16.83 Cr (Previous Year Rs. 15.13 Cr) towards employee cost, Rs. 2.57 Cr (Previous Year Rs. 2.54 Cr) towards A&G cost and Rs. 18.07 Cr (Previous Year Rs. 7.99 Cr) towards Interest respectively.

2. CWIP relating to Discom Project and BBNL Project amounting to Rs. 4162.44 Cr (Previous Year 3907.77) has not been included in the above notes.



Odisha Power Transmission Corporation Limited
(A Government of Odisha Undertaking)
Regd. Office: Janpath, Bhubaneswar - 751022
CIN : U401020RSGC007553

Notes to the Financial Statements

7 - Intangible assets

Amount in Rs. Crore

	As at 31.03.2021	As at 31.03.2020
Carrying amount of:		
Computer software	9.75	12.28
	9.75	**12.28**

	Computer software
Cost or deemed cost	
Balance as at 31.03.2019	**17.36**
Additions	0.01
Disposals	
Balance as at 31.03.2020	**17.37**
Additions	0.03
Adjustment	0.02
Disposals	
Balance as at 31.03.2021	**17.42**

	Computer software
Accumulated depreciation and impairment	
Balance as at 31.03.2019	**2.52**
Depreciation expense	2.57
Disposals	
Balance as at 31.03.2020	**5.09**
Depreciation expense	2.58
Disposals	
Balance as at 31.03.2021	**7.67**

	Computer software
Carrying amount	
Balance as at 31.03.2019	**14.84**
Additions/adjustments	0.01
Disposals	-
Depreciation expense	2.57
Balance as at 31.03.2020	**12.28**
Additions/adjustments	0.05
Disposals	-
Depreciation expense	2.58
Balance as at 31.03.2021	**9.75**

Deposit Work Asset included in above Rs. 6.15 Cr (Gross Asset value Rs. 7.75 Crore, Accumulated Depreciation Rs. 1.60 Crore), Previous Year Rs. 7.75 Cr (Gross Asset Value Rs. 10.69 Crore, Accumulated Depreciation Rs. 2.94 Crore)

8 - Intangible assets under development

Amount in Rs. Crore

	As at 31.03.2021	As at 31.03.2020
Intangible assets under development	-	-
Total intangible assets under development	**-**	**-**

	Intangible assets under development
Carrying amount	
Balance as at 31.03.2019	**0.04**
Additions	
Other adjustments	(0.04)
Capitalised during the year	
Balance as at 31.03.2020	**-**
Additions	
Other adjustments	
Capitalised during the year	
Balance as at 31.03.2021	**-**

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Notes to the Financial Statements

Amount in Rs. Crore

9 - Investments

I. Investment in joint venture

Non-current	**As at 31.03.2021**	**As at 31.03.2020**
Unquoted investments (all fully paid)		
Investments in equity instruments - (classified as at cost)		
Kalinga Vidyut Prasaran Nigam Private Limited (5,000 shares of Rs. 10 each fully paid up)	-	0.01
Less: allowance for impairment loss	-	(0.01)
Total investment in joint ventures	**-**	**-**

9.1 Details of material joint ventures

Details of each of the Company's joint ventures at the end of the reporting period are as follows

Name of the joint venture	**Principal activity and place of incoporation and principal place of business**	**Proportion of ownership interest / voting rights held by the Company**	
		As at 31.03.2021	**As at 31.03.2020**
Kalinga Vidyut Prasaran Nigam Private Limited	Bhubaneswar (Transmission of Electricity)	-	50%

9.1 Impairment of investments

Under previous GAAP, Kalinga Vidyut Prasaran Nigam Private Limited was classified as a jointly controlled entity and was carried at cost. For the purposes of applying the equity method, the initial investment regarded as deemed cost, as at the date of transition. Also an impairment assessment has been performed as at March 31, 2018 and it has been concluded that entire investment shall be required to be provided for impairment loss. The investment in joint venture has been considered as materially not significant for the Company's point of view. Winding-up of KVPNL has been completed and the RoC has struck off the name of the company from the register of the companies and consequently KVPNL has dissolved.

II. Other investments

Non-current	**As at 31.03.2021**		**As at 31.03.2020**	
Quoted investments	**Quantity**	**Amount**	**Quantity**	**Amount**
Investments in Government securities (Face value Rs. 10,000/each)	**Units**	**Rs. in crores**	**Units**	**Rs. in crores**
8.62% Jharkhand SDL -2023	3,000.00	3.00	3,000.00	3.00
8.65% Karnataka SDL -2023	5,000.00	5.00	5,000.00	5.00
8.54% Punjab SDL - 2023	2,000.00	2.00	2,000.00	2.00
8.51% Punjab SDL - 2023	5,000.00	5.00	5,000.00	5.00
8.49% Haryana SDL - 2023	3,000.00	3.00	3,000.00	3.00
9.69% Jharkhand SDL - 2024	5,000.00	5.00	5,000.00	5.00
9.38% Himachal Pradesh SDL - 2024	2,000.00	2.00	2,000.00	2.00
9.64% kerala SDL -2024	1,062.00	1.06	1,062.00	1.06
9.65% Nagaland SDL-2024	1,300.00	1.30	1,300.00	1.30
9.63% Punjab SDL-2024	1,625.00	1.63	1,625.00	1.63
9.63% Himachal Pradesh SDL-2024	2,500.00	2.50	2,500.00	2.50
9.63% Rajasthan-2024	2,500.00	2.50	2,500.00	2.50
9.22% Chhattisgarh SDL-2024	5,000.00	5.00	5,000.00	5.00
9.23% Himanchal Pradesh SDL -2024	2,000.00	2.00	2,000.00	2.00
9.23% Maharastra SDL-2024	4,080.00	4.08	4,080.00	4.08
9.21% Punjab SDL-2024	3,434.00	3.43	3,434.00	3.43
9.21% Rajasthan SDL-2024	5,000.00	5.00	5,000.00	5.00
9.24% Tamil Nadu SDL-2024	5,000.00	5.00	5,000.00	5.00
9.11% Rajasthan SDL-2024	5,000.00	5.00	5,000.00	5.00
9.05% Goa SDL-2024	1,951.00	1.95	1,951.00	1.95
9.03% Rajasthan -2024	5,000.00	5.00	5,000.00	5.00
9.03% Kerala SDL -2024	3,000.00	3.00	3,000.00	3.00
8.72% Kerala SDL -2024	3,000.00	3.00	3,000.00	3.00
8.21% Goa SDL-2025	2,000.00	2.00	2,000.00	2.00
8.22% Nagaland SDL -2025	500.00	0.50	500.00	0.50
8.25% Odisha SDL-2025	5,000.00	5.00	5,000.00	5.00
7.09% Odisha SDL-2021	-	-	5,000.00	5.00
7.64% West Bengal SDL-2027	10,173.00	10.17	10,173.00	10.17
7.30% PN SDL-2027	1,500.00	1.50	1,500.00	1.50
7.26% AS SDL 09-08-2027	5,000.00	5.00	5,000.00	5.00
8.13% CG SDL-2028	5,000.00	5.00	5,000.00	5.00
8.39% UPSDL- 2029	10,000.00	10.00	10,000.00	10.00
8.39% BRSDL- 2029	4,106.00	4.11	4,106.00	4.11
Total - investments in Government securities	**1,19,731.00**	**119.73**	**1,24,731.00**	**124.73**
Total - other non-current investments	**1,19,731.00**	**119.73**	**1,24,731.00**	**124.73**

Additional information		
Aggregate amount of quoted investments and market value thereof	130.58	136.07
Aggregate amount of impairment in value of investments		



Notes to the Financial Statements

Amount in Rs. Crore

9 - Investments

III. Other investments

Current	**As at 31.03.2021**	**As at 31.03.2020**
Quoted investments		
Investments in Government securities		
7.09% Odisha SDL-2021 (5000 Units @ Face Value 10000/ each)	5.00	-
Total - other current investments	**5.00**	**-**
Additional information		
Aggregate amount of quoted investments and market value thereof	5.09	
Aggregate amount of impairment in value of investments	-	

9.1 Category-wise other investments - as per Ind AS 109 classification

	As at 31.03.2021	**As at 31.03.2020**
Financial assets carried at amortised cost	124.73	124.73
	124.73	**124.73**

Amount in Rs. Crore

10 - Loans

A. Non-current	**As at 31.03.2021**	**As at 31.03.2020**
(a) Loans to employees		
Considered good-Secured	-	-
Considered good-Unsecured	12.86	11.93
Having significant increase in credit risk	0.09	0.52
Less: Credit Impaired	(0.09)	(0.52)
(b) Security Deposit	2.15	5.53
(c) Security deposits with public utilities	0.59	0.53
Total non-current loans	**15.60**	**17.99**

B. Current	**As at 31.03.2021**	**As at 31.03.2020**
(a) Loans to employees		
Considered good-Secured	-	-
Considered good-Unsecured	7.52	8.26
Having significant increase in credit risk	-	-
Less: Credit Impaired	-	-
Less: Allowance for bad and doubtful loans		
Total current loans	**7.52**	**8.26**

Amount in Rs. Crore

11 - Other financial assets

A. Non current	**As at 31.03.2021**	**As at 31.03.2020**
(a) Interest accrued but not due		
i) on staff loans and others	10.19	10.83
(b) Receivable from Government	2.02	2.02
(c) Amount recoverable from employees/ex-employees	0.02	0.01
(d) Other receivables	1.86	0.07
Total other non-current financial assets	**14.09**	**12.93**

B. Current	**As at 31.03.2021**	**As at 31.03.2020**
(a) Interest accrued but not due		
i) on term deposits	4.36	11.09
ii) on non-current investment	2.51	2.51
iii) on staff loans and others	4.08	3.50
(b) Receivable from Government	0.88	1.05
(c) Amount recoverable from employees/ex-employees	0.79	0.05
(d) Advances with Government Authorities	0.71	1.10
(e) Other receivables	72.30	72.20
Less: Allowance for bad and doubtful other non-current assets	(3.71)	(6.71)
Total other current financial assets	**81.92**	**84.79**



Notes to the Financial Statements

12 - Deferred tax liabilities

Amount in Rs. Crore

	As at 31.03.2021	As at 31.03.2020
Deferred tax liabilities	369.45	353.23
Deferred tax assets	410.27	339.85
MAT credit receivable	-	(13.06)
	(40.81)	**0.32**

2020-21	**Opening Balance as at 01.04.2020**	**Recognised in profit or loss**	**Recognised in other comprehensive income**	**Closing balance as at 31.03.2021**
Deferred tax liabilties relating to:				
Property, plant and equipment	(353.23)	(16.22)	-	(369.45)
FVTPL financial assets	-	-	-	
Deferred tax liabilties	**(353.23)**	**(16.22)**	**-**	**(369.45)**
Deferred tax assets in relation to:				
Provision for compensated absences and other employee benefits	12.21	(2.68)		9.53
Provision for defined benefit obligation	255.82	(10.41)	5.13	250.54
Others	71.82	78.38		150.20
Deferred tax assets	**339.85**	**65.29**	**5.13**	**410.27**
MAT credit receivable	13.06			-
Deferred tax (liabilities) / assets (net)	**(0.32)**	**49.06**	**5.13**	**40.81**

2019-20	**Opening Balance as at 01.04.2019**	**Recognised in profit or loss**	**Recognised in other comprehensive income**	**Closing balance as at 31.03.2020**
Deferred tax liabilties relating to:				
Property, plant and equipment	(41.87)	(311.36)	-	(353.23)
FVTPL financial assets	(79.65)	79.65	-	-
Deferred tax liabilties	**(121.52)**	**(231.71)**	**-**	**(353.23)**
Deferred tax assets in relation to:				
Provision for compensated absences and other employee benefits	-	12.21	-	12.21
Provision for defined benefit obligation	84.31	165.85	5.66	255.82
Others	82.12	(10.30)	-	71.82
Deferred tax assets	**166.43**	**167.76**	**5.66**	**339.85**
MAT credit receivable				13.06
Deferred tax.(liabilities) / assets (net)	**44.91**	**(63.95)**	**5.66**	**(0.32)**

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Notes to the Financial Statements

13- Other Assets

Amount in Rs. Crore

A. Non-current	**As at 31.3.2021**	**As at 31.3.2020**
(a) Captial Advance		
Unsecured, considered good	174.37	177.56
Unsecured, considered doubtful	-	-
(b) Advance to suppliers and contractors		
Unsecured, considered good	0.02	0.02
Unsecured, considered doubtful	-	-
Gross other non-current assets	**174.39**	**177.58**
Less: Allowance for bad and doubtful other non-current assets		
(a) Captial Advance		
(b) Advance to suppliers and contractors	-	-
Total allowance for bad and doubtful other non-current assets	**-**	**-**
Total other non-current assets	**174.39**	**177.58**
Classification of other non-current assets:		
Secured, considered good		
Unsecured, considered good	174.39	177.58
Doubtful	-	-
Gross other non-current assets	**174.39**	**177.58**

B. Current	**As at 31.3.2021**	**As at 31.03.2020**
(a) Advance to suppliers and contractors		
Unsecured, considered good	0.55	7.21
Unsecured, considered doubtful	-	-
(b) Prepaid expenses (Unsecured, considered good)	2.90	0.06
Gross other current assets	**3.45**	**7.27**
Less: Allowance for bad and doubtful other current assets		
(a) Advance to suppliers and contractors	(0.01)	(2.55)
Total allowance for bad and doubtful other current assets	**(0.01)**	**(2.55)**
Total other current assets	**3.44**	**4.72**

14 - Inventories (lower of cost and net realisable value)

Amount in Rs. Crore

	As at 31.03.2021	**As at 31.03.2020**
(a) Stores and spares	181.87	175.15
(1) Cost	199.84	195.92
(2) Less: Provisions	(17.97)	(20.77)
(b) Other material	17.86	20.78
(1) Cost	22.03	24.64
(2) Less: Provisions	(4.17)	(3.86)
Total inventories	**199.73**	**195.93**

Notes:

14.1 The cost of inventories recognised as expenses includes Rs. 66.52 crore for the year ended March 31, 2021 (for the year ended March 31, 2020: Rs. 65.48 crore).

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Notes to the Financial Statements

Amount in Rs. Crore

15 - Trade receivables

Current	As at 31.03.2021	As at 31.03.2020
(a) Considered good-Secured	-	-
(b) Considered good-Unsecured	146.82	135.89
(c) Having significant increase in credit risk	8.37	8.37
Less: Credit Impaired	(8.37)	(8.37)
Net trade receivables	**146.82**	**135.89**

Notes:

15.1 Trade receivables

Trade Receivables consist mainly of receivables relating to transmission services, and also receivables from consultancy services and telecom services. The Company had entered into Transmission Service Agreement (TSA) with DISCOMs consisting of Central Electricity Supply Utility ("CESU")upto 31.05.2020, TP Central Odisha Distribution Limited(TPCODL) w.e.f 01.06.2020, North Eastern Electricity Supply Company of Orissa Limited ("NESCO"), Western Electricity Supply Company of Orissa Limited ("WESCO")upto 31.12.2020, TP Western Odisha Distribution Limited(TPWODL) w.e.f 01.01.2021, Southern Electricity Supply Company of Orissa Limited ("SOUTHCO") upto 31.12.2020, TP Southern Odisha Distribution Limited(TPSODL) w.e.f 01.01.2021which is entrusted with distribution function and also long-term open access users like IMFA and NALCO are primary users of transmission system of OPTCL. Currently the entire transmission system is owned by OPTCL and included in the Company's Property, plant and equipment and revenues generated from the same is being presented in revenue from operations as "Transmission Charges". No interest is to be charged even when the amount is overdue for more than credit period. The average credit period for transmission services to the customers is of 30 days from the date of billing which is considered as collection period.
Out of the trade receivable amounting to Rs. 155.20 crores as at March 31, 2021, Rs.124.89 crores is due from LTOA Customers within the State of Odisha, Rs. 30.31 crores is due from PGCIL and others for transmission of power and generally the collection against these receivables is made within a period of 3-6 months from the date of billing. However, in case of receivable from PGCIL it depends upon the collection from the DIC by the PGCIL. There is no other customer who represents more than 10% of the total balance of trade receivables.

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. At initial recognition, financial assets (excluding trade receivables) are considered as having negligible credit risk and the risk has not increased from initial recognition. Therefore, the allowance for expected credit loss shall be equivalent to the existing provision already recognised in the books.
The Company has used a practical approach by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The Company makes provision for allowances based on the industrial credit loss exprience and adjusted for forward loking information. In case of the Company the significant portion is generally collected within the credit period and there is only specific disputed case which needs to be provided for.

15.2 Age of receivables (at net)

Amount in Rs. Crore

	As at 31.03.2021	As at 31.03.2020
Within credit period		
0-60 days	61.18	50.53
60-180 days	3.98	0.84
180 days & above	90.03	92.89
Less: Allowance for expected credit loss	(8.37)	(8.37)
Total	**146.82**	**135.89**

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Notes to the Financial Statements

Amount in Rs. Crore

16 - Cash and cash equivalents

	As at 31.03.2021	As at 31.03.2020
(a) Balances with banks		
(1) Balance with scheduled banks		
(i) In current account	1,215.62	965.14
(b) Cheque in hand	0.88	1.12
(c) Cash on hand	0.11	0.16
Gross cash and cash equivalents	**1,216.61**	**966.42**
(a) Provision against theft	-	-
Total cash and cash equivalents	**1,216.61**	**966.42**

Amount in Rs. Crore

17 - Bank balances other than cash and cash equivalents

	As at 31.03.2021	As at 31.03.2020
(a) Balances with banks		
(1) Balance with scheduled banks		
(i) In deposit account with maturity between 3-12 months	309.76	261.17
Total bank balances other than cash and cash equivalents	**309.76**	**261.17**

18 - Tax assets

Amount in Rs. Crore

Current	As at 31.03.2021	As at 31.03.2020
(a) TDS receivable and advance tax	73.80	102.58
(b) Less: Provision for Taxation	18.86	32.19
Net Tax Asset	**54.94**	**70.39**

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Notes to the Financial Statements

19 - Share Capital

Amount in Rs. Crore

	As at 31.03.2021	As at 31.03.2020
Equity share capital		
Equity share capital	1,571.06	859.77
	1,571.06	**859.77**
Authorised share capital:		
25,000,000 fully paid-up equity shares of Rs. 1,000 each (As at 31.03.2020 15,000,000 fully paid-up equity shares of Rs. 1,000 each)	2,500.00	1,500.00
	2,500.00	**1,500.00**
Issued and subscribed capital comprises:		
1,57,10,600 fully paid-up equity shares of Rs. 1,000 each (As at 31.03.2020 85,97,700 fully paid-up equity shares of Rs. 1,000 each)	1,571.06	859.77
	1,571.06	**859.77**

19.1 Fully paid equity shares

	Number of shares	Amount in Rs. Crores
Balance as at 31.03.2019	**79,00,700**	**790.07**
Issue of shares	6,97,000	69.70
Balance as at 31.03.2020	**85,97,700**	**859.77**
Issue of shares	71,12,900	711.29
Balance as at 31.03.2021	**1,57,10,600**	**1,571.06**

During the year 64,70,000 shares are issued for other than cash i.e bonds and interest accued there on are converted to equity shares, Total number of Shares issued for other than cash 71,12,700.

19.2 Rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 1,000 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

19.3 Details of shares held by each shareholder holding more than 5% of shares

	As at 31.03.2021		As at 31.03.2020	
	No. of shares held	% of holding of shares	No. of shares held	% of holding of shares
Fully paid equity shares				
Government of Odisha	1,57,10,593.00	99.99%	85,97,693	99.99%
Others*	7.00	0.01%	7	0.01%
Total	**1,57,10,600**	**100.00%**	**85,97,700**	**100.00%**

*Other shareholders hold the shares as nominee of the Government of Odisha.

20 - Other equity

Amount in Rs. Crore

	As at 31.03.2021	As at 31.03.2020
(a) Equity component of compound financial instruments	-	200.00
(b) Capital reserves	279.45	279.20
(c) Retained earnings		
(i) Corporate social responsibility reserves	-	0.20
(ii) Contingency reserve fund	124.73	124.73
(iii) SLDC development fund	70.13	62.34
(iv) Staff welfare fund	-	0.23
(v) Profit and loss	26.67	(30.92)
(vi) Other Comprehensive Income	(137.43)	(127.87)
(vii) Others	-	0.02
Total	**363.55**	**507.93**

The Balance in Staff Welfare Reserve Fund Rs. 0.23 Cr, Tariff Reserve & Others Rs. 0.02 Cr and Accident reserve Fund Rs. -0.01 Cr has been transferred to Capital Reserve in the FY 2020-21

The capital reserve includes Rs. 164.19 cr as the difference of assets and liabilities as per transfer notification no. 6035 dated 21.06.2006 of Dept. of Energy Govt. of Odisha regarding formation of OPTCL, write back of interest on GRIDCO bond of Rs. 104 cr for pre-OPTCL period and the balance represents write back of old/ unreconciled ledger balances.

Contigency Reserve was created as per provision contained in section IV of the 6th schedule of the Electricity Supply Act, 1948 read with "Electricity Act 2003". The Appropriation was made upto FY 2013-14. Investment equivalent to the appropriation amount has been made in government securities.

Based on the provisions in CERC Regulation, 2009 & Regulation-8 of OERC Regulation, 2010 SLDC development Fund has been created out of the unspent amount of SLDC in each year. The fund shall be utilised for assets creation and margin money for raising loan from FIs for assets creation & funding of R&D Projects, if any, relating to Odisha Power System with the necessary approval of the Commission.

Staff Welfare Fund was created for giving advance to employees and it is outstanding prior to formation of OPTCL.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Odisha Power Transmission Corporation Limited
(A Government of Odisha Undertaking)
Regd. Office: Janpath, Bhubaneswar - 751022
CIN : U401020RSGC007553

Notes to the Financial Statements

21 - Borrowings

Amount in Rs. Crore

	As at 31.03.2021	As at 31.03.2020
A. Non current		
a. Unsecured - at amortised cost		
(i) State Government Bonds (Refer note (i) below)	-	200.00
(ii) Loan from JICA (Refer note (ii) below)	460.56	165.53
(iii) Loan from others		
Infrastructure Loan from Industries (Refer note (iii) below)	95.79	74.75
b. Secured - at amortised cost		
Loan from banks (Refer note (iv) (a) and (b) below)	502.12	183.21
from financial Institutions (Refer note (v) (a) and (b) below)	166.53	197.63
Total Non-current Borrowings	**1,225.00**	**821.12**

	As at 31.03.2021	As at 31.03.2020
B. Current		
a. Unsecured - at amortised cost		
(i) State Government Bonds (Refer note (i) below)	-	-
(ii) Loan from JICA (Refer note (ii) below)	42.74	-
(iii) Loan from others		
Infrastructure Loan from Industries (Refer note (iii) below)	5.26	29.80
b. Secured - at amortised cost		
Loan from banks (Refer note (iv) (a) and (b) below)	53.42	6.75
from financial Institutions (Refer note (v) (a) and (b) below)	31.09	41.23
Total Current Borrowings	**132.51**	**77.78**

21.1 Summary of Borrowings arrangements

(i) State Government Bonds

As per the Government notification, 60,000 nos. of 13% non-cumulative non-convertible Government bonds were issued in favour of OPTCL having nominal value Rs. 200 crores (out of which 40,000 were issued Rs. 33,000 each at par and 20,000 nos. each at Rs. 34,000 each at par). The total amount borrowed being Rs. 200 crores has been converted to equity capital w.e.f. 01.10.2020 as per the Govt. of Odisha Notification No -11080/En dtd. 31.12.2020 (Rs. 200 crores remains outstanding as at 31.03.2020).

(ii) Japan International Co-operative Agency (Jica)

The total loan sanctioned was JPY 21787 million. (Approx. in INR ₹1146.68 Crore @1.90 ,₹ Vs Yen) for specified capital project and which will be repaid along with interest halfyearly in 14 years after the grace period of 6 years from the date of signing of the loan amount. The outstanding balance as on 31.03.2021 is Rs. 503.30 Cr. (includes Rs. 42.74 crore as current) (as at 31.03.2020 is Rs. 165.53 Cr.)

(iii) Infrastructure loans:

The Company is also engaged in establishing grid substation or transmission lines for the purpose of establishing infrastructure facility for power transmission for upgradation of transformers of OPTCL to be located at the borrower's premises to meet the load demand available by the industry.

Currently, there are several parties from whom such loans have been obtained, the amount of loan outstanding as at 31.03.2021 amounts to Rs. 101.05 crores (as at 31.03.2020 amounts to Rs. 104.55 crores).

(iv) Secured term loan from bank include term-loan from

(a) Bank of India

The Bank advanced a secured term Loan of Rs. 81 crores for specified capital project and which is to be repaid along with stipulated base rate of interest and repayable within a period of 15 years with a moratorium period of 3 years from the date of 1st disbursement.

The amount outstanding as at 31.03.2021 being Rs. 31.64cr (includes Rs 6.75 cr as current) (As at 31.03.2020 being Rs. 38.61 crores and includes Rs. 6.75cr as current.)

The purpose of loan for which the loan was disbursed was for financing 2*40MVA, 132/33 KV grids, substations and transmission lines etc. at different locations.

(b) Union Bank of India

The Bank advanced a secured term Loan of Rs. 560 crores for specified capital project and which is to be repaid along with stipulated rate of interest and repayable within a period of 15 years with a moratorium period of 3 years from the date of 1st disbursement. The amount outstanding as at 31.03.2021 being Rs. 523.90 Cr. (includes Rs 46.67 cr as current) (As at 31.03.2020 being Rs. 151.35 crores)

(v) Loan from Financial Institutions

(a) Rural Electrification Corporation (RECL):

The total loan sanctioned by financial institution is Rs. 424.96 crores out of which amount outstanding Rs.166.62 (includes Rs 24.35 cr as current)at 31.03.2021 against security [Rs. 201.11 crores (includes 34.49 cr current) as at 31.03.2020]

The purpose of the loan is to finance the 2*100MVA or 2*12.5 MVA or 2*160 MVA, 132/33 KV grid substation and transmission lines.

(b) Power Finance Corporation Limited (PFCL):

The total loan sanctioned by financial institution is Rs. 96.67 crores out of which amount outstanding Rs.31.01 crores (includes Rs. 6.74 cr as current)against security as at 31.03.2021 (Rs. 37.75 crores (includes Rs 6.74 cr as current)as at 31.03.2020]

The purpose of the loan is to finance the capital projects for installation of auto transformer, power transformer, grid substation and transmission lines at specified location within the state of Odisha.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

21.2 The terms of repayment of term loans and other loans are stated below:

As at March 31, 2021

Particulars	Amount outstanding	Terms of repayment	Rate of interest
(i) Loan form financial institutions			
Term loans-REC Ltd	166.62	Principal to be repaid in equal annual instalments payable after 3 years of moratorium period beginning from the date of 1st disbursement of loan sanctioned but the entire loan shall be repaid by the OPTCL within a period of 10/12 years from the date of disbursement of the first instalment	a)Interest reset option after every 3 years . b) The interest rate for the year veries from 10.50% to 11.25% per annum.
Term loans-PFC Ltd	31.01	Principal to be repaid in equal annual instalments payable after 3 years of moratorium period beginning from the date of 1st disbursement of loan sanctioned but the entire loan shall be repaid by the OPTCL within a period of 10/12 years from the date of disbursement of the first instalment of the loan.	a)Interest reset option after every 3 years . b) The interest rate for the year veries from 10.5% to 11.25% per annum.
(ii) Loan from bank			
Term Loan from Bank of India (Term Loan-I)	31.64	Principal to be repaid in 144 equal monthly instalments (Rs 0.5625 crores in 144 instalments) commencing after 3 years from 1st disbursement.	The rate of interest is variable rate and accordingly reset every time the Base Rate/MCLR is reset by the RBI.
Term Loan from Union Bank of India	523.90	Principal to be repaid in 144 equal monthly instalments (Rs 3.89 crores in 144 instalments) commencing after 3 years from 1st disbursement.	The rate of interest is variable rate and accordingly reset every time the MCLR is reset by the Bank.
(iii)Japan International Co-operative Agency (Jica)	503.30	The total loan sanctioned was JPY 21787 million. (Approx. in INR ₹1146.68 Crore @1.90 ,₹ Vs Yen) for specified capital project and which will be repaid along with interest halfyearly in 14 years after the grace period of 6 years from the date of signing of the loan amount.	Rate of Interest being 5.00% p.a.
(iv) Loan from others			
- Infrastructure loan from industries	101.05	The principal amount of loan deposited by the industry with OPTCL will be refunded by OPTCL to the industry as per the agreement with the respective industries.	Rs. 26.30 cr on simple interest @ 6% p.a. subject to fulfilling the terms and conditions of the agreement and the rest are interst free.

A. K. SABAT & CO. ★Charter... ...untants★ Bhubaneswar

Notes to the Financial Statements

Amount in Rs. Crore

22 - Other financial liabilities (Classified at amortised cost)

A. Non current	As at 31.03.2021	As at 31.03.2020
(a) Interest accrued and due on borrowings		
(i) IBRD Loan	34.73	34.73
(ii) Central Government Loan	26.97	26.97
(iii) Jica Loan	18.55	10.50
(b) Others		
(i) Payable to State Govt.against Central Plan.	4.64	6.08
(ii) Payables to others	-	0.03
Total other non-current financial liabilities	**84.89**	**78.31**

B. Current	As at 31.03.2021	As at 31.03.2020
(a) Interest accrued but not due on borrowings	1.42	235.59
(b) Other payables	100.85	102.64
Total other current financial liabilities	**102.27**	**338.23**

Notes:

22.1 There are no dues payable to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company.

22.2 Out of Rs. 235.59 crore interest accrued but not due on borrowings as on 31.03.2020, Rs. 234 crore has been converted to equity during the Financial Year 2020-21.

Amount in Rs. Crore

23 - Provisions

A. Non-current	As at 31.03.2021	As at 31.03.2020
(a) Provision for employee benefits		
(1) Retirement benefits obligations		
(i) Pension obligation	521.17	541.19
(ii) Gratuity obligation	18.31	39.85
(2) Other long-term employee benefits		
(i) Compensated absences	12.45	21.72
Total non current provisions	**551.93**	**602.76**

B. Current	As at 31.03.2021	As at 31.03.2020
(a) Provision for employee benefits		
(1) Retirement benefits obligations		
(i) Pension obligation	153.49	141.36
(ii) Gratuity obligation	24.00	9.69
(2) Other short-term employee benefits		
(i) Compensated absences	14.81	13.22
Total current provisions	**192.30**	**164.27**

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Notes to the Financial Statements

24 - Deferred income

Amount in Rs. Crore

A. Non-current

	As at 31.03.2021	As at 31.03.2020
(a) Grants for property, plant and equipment	973.38	838.51
(b) Deposits against deposit work assets	795.33	774.88
Total non current deferred income	**1,768.71**	**1,613.39**

B. Current

	As at 31.03.2021	As at 31.03.2020
(a) Grants for property, plant and equipment	32.74	25.54
(b) Deposits against deposit work assets	57.00	44.46
Total current deferred income	**89.74**	**70.00**

24.1 The deferred revenue arises as a result of the benefit received against property, plant and equipment has been received and the revenue is recognised as other income.

25 - Other liabilities

Amount in Rs. Crore

A. Non-current

	As at 31.03.2021	As at 31.03.2020
(i) Deposit received from vendors	20.74	10.16
(ii) Deposit against Works	761.46	758.84
(iii) Deposits from suppliers/contractors:		
(a) Security deposit	8.61	5.10
(b) Earnest money deposit	1.66	0.33
(c) Retention money	220.47	236.36
(iv) Deposits relating to DISCOM assets	921.56	621.52
(v) Deposits relating to BBNL Projects	13.15	2.96
Total other non-current liabilities	**1,947.65**	**1,635.27**

2. Liability relating to Discom Project Rs. 3906.41 Cr (Previous Year Rs. 3907.77 Cr) and BBNL Project Rs. 256.03 Cr has not been included in the above notes as the same is not included in Capital Work In Progress.

B. Current

	As at 31.03.2021	As at 31.03.2020
(i) Deposit received from vendors	24.17	46.92
(ii) Deposits from suppliers/contractors:		
(a) Security deposit	21.16	23.56
(b) Earnest money deposit	2.11	3.49
(c) Retention money	448.57	718.06
(iii) Statutory dues	29.99	21.19
Total other current liabilities	**526.00**	**813.22**

26 - Trade payables

Amount in Rs. Crore

A. Current

	As at 31.03.2021	As at 31.03.2020
(i) Creditors for capital supplies		
Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	115.12	172.84
(ii) Creditors for supplies and services		
Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	53.93	74.37
(iii) Creditors for accrued wages and salaries	15.74	21.12
Total current trade payables	**184.79**	**268.33**

Notes:

26.1. There are no dues payable to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company.

26.2 The average credit period on purchase of goods or procurement of services is 60 days. No interest is charged on the trade payables even if they become overdue after 60 days from the date of invoice. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.



Odisha Power Transmission Corporation Limited

(A Government of Odisha Undertaking)

Regd. Office: Janpath, Bhubaneswar - 751022

CIN : U401020RSGC007553

Notes to the Financial Statements

27 - Revenue from operations

Amount in Rs. Crore

	Year ended 31.03.2021	Year ended 31.03.2020
(a) Transmission charges		
i. Long-term open access charges	617.98	620.81
ii. Short-term open access charges	64.43	37.96
(b) Wheeling charges	15.05	12.72
(c) Other operating revenue		
i. System operation charges	7.54	8.13
ii. Market operation charges	1.89	2.05
iii. Scheduling charges	2.86	2.21
iv. Registration fees	0.06	0.07
v. Application fees	1.59	0.99
Total revenue from operations	**711.40**	**684.94**

28 - Other income

Amount in Rs. Crore

	Year ended 31.03.2021	Year ended 31.03.2020
(a) Interest income from		
- Bank deposits	13.04	21.48
- Loans to employees and suppliers	2.22	2.14
- Advances to suppliers	0.18	0.07
- Interest on income tax refund	4.18	-
(b) Deferred Income	83.62	57.12
(c) Sale of Scrap	14.85	4.95
(d) Writing back of old outstanding balances	21.46	-
(e) Excess Provision written back	10.99	8.42
(f) Supervision charges	30.90	24.96
(g) Other miscellaneous income	11.65	10.97
Total other income	**193.09**	**130.11**

The deferred Income during the year of Rs. 83.62 Cr (Previous Year Rs. 57.12 Cr) includes Rs. 71.34 Cr (Prevoius Year Rs. 55.98 Cr) towards Depreciation/Amortisation on Deposit Work Asset & Grant Asset and Rs. 12.28 Cr (Previous Year Rs. 1.14 Cr) towards Repair & Maintenance Expenses.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Odisha Power Transmission Corporation Limited
(A Government of Odisha Undertaking)
Regd. Office: Janpath, Bhubaneswar - 751022
CIN : U401020RSGC007553

Notes to the Financial Statements

29 - Employee benefits expense

Amount in Rs. Crore

	Year ended 31.03.2021	Year ended 31.03.2020
(a) Salaries and wages, including bonus		
(1) Salaries (Basic+DA)	194.97	199.06
(2) House Rent Allowance	14.50	15.17
(3) Other Allowance	6.82	7.21
(4) Bonus	0.01	0.04
(5) Stipend	0.91	3.46
(6) Out Sourced Employee	2.32	2.36
(7) Ex-Gratia	10.59	5.40
(8) Others	2.11	2.40
(b) Contribution to provident and other funds		
(1) Pension fund	138.17	140.58
(2) Provident fund	10.65	8.59
(3) Gratuity fund	8.86	9.94
(4) Leave Encashment	6.56	12.83
(c) Staff welfare expenses	0.72	2.46
Total	**397.19**	**409.50**
Less: Employee cost capitalised	(16.83)	(15.13)
Total employee benefit expense	**380.36**	**394.37**

30 - Finance costs

Amount in Rs. Crore

	Year ended 31.03.2021	Year ended 31.03.2020
(a) Interest cost relating to		
(i) Government bonds	13.00	26.00
(ii) Loan from financial institution	37.43	34.81
(iii) Loan from banks	26.50	6.49
(iv) Rebate to consumers	13.03	12.27
(b) Other borrowing costs	0.05	0.02
Total	**90.01**	**79.59**
Less: Interest capitalised	(18.07)	(7.99)
Total finance costs	**71.94**	**71.60**

31 - Depreciation and Amortisation expense

Amount in Rs. Crore

	Year ended 31.03.2021	Year ended 31.03.2020
(a) Depreciation of plant, property and equipment	281.57	255.39
(b) Amortisation of intangible assets	2.57	2.57
Total Depreciation and Amortisation	**284.14**	**257.96**

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Odisha Power Transmission Corporation Limited

(A Government of Odisha Undertaking)

Regd. Office: Janpath, Bhubaneswar - 751022

CIN : U401020RSGC007553

Notes to the Financial Statements

Amount in Rs. Crore

32 - Other expenses

	Year ended 31.03.2021	Year ended 31.03.2020
Repairs & Maintenance Expenses		
(a) Repairs and maintenance expenses relating to		
(i) Building	11.47	16.36
(ii) Plant and machinery	60.74	66.03
(iii) Lines cables and network assets	26.87	38.84
(iv) Electrical installations	1.73	1.02
(v) Vehicle	0.10	0.08
(vi) Furniture and fixtures	0.01	0.03
(vii) Office equipments	2.99	3.74
Total	**103.91**	**126.10**
Administration & General Expenses		
(a) Power and fuel consumed	1.83	1.86
(b) Hire charges on vehicle	9.62	9.54
(c) Legal and professional fees	1.46	2.26
(d) Rent	4.18	1.78
(e) Watch and ward expenses	2.66	3.18
(f) License and other fees	2.13	2.34
(g) Rates and taxes	0.17	0.14
(h) Insurance charges	0.02	0.03
(i) Fees and subscription	0.09	0.06
(j) Advertisement for tenders	0.45	0.62
(k) Corporate social responsibility expenses	-	0.53
(l) Impairment loss recognised on non-financial assets	0.07	3.87
(m) Impairment loss recognised on PPE	2.54	1.40
(n) Loss on theft/Shortage/Obsolete of material and other	0.34	1.06
(o) Travelling expenses	1.14	2.40
(p) Communication expenses	0.54	0.65
(q) Office maintenance charges	0.86	1.32
(r) Other Losses	4.96	3.09
(s) Writing off of old outstanding balances	6.77	-
(t) PMA/PMC Expenses	10.80	7.01
(u) Auditors remuneration and out-of-pocket expenses	0.11	0.10
(v) Other General expenses	3.63	4.29
(w) Interstate Wheeling Charges	-	0.45
Total	**54.37**	**47.98**
Total other expenses	**158.28**	**174.08**
Less: A&G Cost Capitalised.	(2.57)	(2.54)
Grand Total other expenses	**155.71**	**171.54**

A. K. SABAT & CO. Chartered Accountants Bhubaneswar

Odisha Power Transmission Corporation Limited
(A Government of Odisha Undertaking)
Regd. Office: Janpath, Bhubaneswar - 751022
CIN : U401020RSGC007553

Notes to the Financial Statements

33 - Income taxes

Amount in Rs. Crore

33.1 Income tax recognised in profit or loss

	Year Ended 31.03.2021	Year Ended 31.03.2020
Current tax		
In respect of the current year (Minimum Alternate TAX)	2.16	
	2.16	**-**
Deferred tax		
In respect of the current year		
Deferred tax reclassified from equity to profit or loss	(49.06)	63.95
Adjustments to deferred tax attributable to changes in tax rates	-	-
Write-downs (reversals of previous write-downs) of deferred tax assets	-	-
	-	-
Total income tax expense recognised in the current year	**(49.06)**	**63.95**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Profit before tax	12.34	(80.42)
Income tax (MAT)expense calculated at 17.472% (2019-20: NIL)	2.16	
Effect of Income Tax that is exempt from taxation	-	-
	2.16	-
Adjustments recognised in the current year in relation to the current tax of previous years	(2.43)	-
Income tax expense recognised in profit or loss	(0.27)	-

33.2 Income tax recognised in other comprehensive income

Amount in Rs. Crore

	Year Ended 31.03.2021	Year Ended 31.03.2020
Deferred tax		
Arising on Income and expenses recognised in other comprehensive income		
- Remeasurements of defined benefit obligation	(5.13)	(5.66)
Arising on income and expenes reclassified from equity to profit or loss	-	-
Total income tax recognised in other comprehensive income	(5.13)	(5.66)
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will be reclassified to profit or loss	-	-
Items that will not be reclassified to profit or loss	(5.13)	(5.66)

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Odisha Power Transmission Corporation Limited
(A Government of Odisha Undertaking)
Regd. Office: Janpath, Bhubaneswar - 751022
CIN : U401020RSGC007553

Notes to the financial statements

34-Earnings per share

	Year ended 31.03.2021 Rs. per share	Year ended 31.03.2020 Rs. per share
Basic earnings per share	51.56	(167.87)
Diluted earnings per share	51.56	(136.20)

34.1 Basic earnings per share

The Earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows

	Amount in Rs. Crore	
	Year ended 31.03.2021	Year ended 31.03.2020
Profit for the year attributable to Owners of the Company	61.67	(144.37)
Earnings used in the calculation of basic earnings per share	**61.67**	**(144.37)**

	As at 31.03.2021 Quantity in 'crore	As at 31.03.2020 Quantity in 'crore
Weighted average number of equity shares outstanding for the purposes of basic earnings per share	1.20	0.86

34.2 Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows:

	Amount in Rs. Crore	
	Year ended 31.03.2021	Year ended 31.03.2020
Earnings used in the calculation of basic earnings per share	61.67	(144.37)
Interest on non-convertible bonds (after tax at 0%)	-	-
Earnings used in the calculation of diluted earnings per share	61.67	(144.37)
Earnings used in the calculation of diluted earnings per share	61.67	(144.37)

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles with the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

	As at 31.03.2021 Quantity in 'crore	As at 31.03.2020 Quantity in crore
Weighted average number of equity shares used in the calculation of basic earnings per share	1.20	0.86
Shares deemed to be issued for no consideration in respect of :		
Convertible bonds	-	0.20
Weighted average number of equity shares used in the calculation of diluted earnings per share	1.20	1.06

A. K. SABAT & CO. Chartered Accountants Bhubaneswar

Notes to the Financial Statements

35 - Segment information

The Company's principal business is transmission of bulk power across the state of Odisha. However, power system operation carried out as a State Transmission Utility (STU) and State Load Despatch Center (SLDC) business are also treated as two separate reportable segment in accordance with Ind AS 108.

35.1 Business segments which is a reportable segments

a) State Transmission Utility (STU)
b) State Load Despatch Center (SLDC)

35.2 Segment revenues and results

The following is an analysis of the Company's revenue and results from operations by reportable segment

Amount in Rs. Crore

	Year Ended 31.03.2021			Year Ended 31.03.2020		
	SLDC	**STU**	**Total**	**SLDC**	**STU**	**Total**
Revenue						
Revenue From System Operation Charges/ Market operation Charges	13.94	-	13.94	13.45	-	13.45
Revenue From Transmission Charges	-	697.46	697.46	-	671.49	671.49
Total	13.94	697.46	711.40	13.45	671.49	684.94
Other Income	0.01	193.08	193.09	-	130.11	130.11
Total Income (A)	**13.95**	**890.54**	**904.49**	**13.45**	**801.60**	**815.05**
Expenditure						-
Employee Benefit Expenses	7.16	373.20	380.36	6.50	387.87	394.37
Finance costs	0.09	71.85	71.94	0.09	71.51	71.60
Depreciation and amortisation expense	0.79	283.35	284.14	0.57	257.39	257.96
Other expenses	1.83	153.88	155.71	1.78	169.76	171.54
Total Expenditure (B)	**9.87**	**882.28**	**892.15**	**8.94**	**886.53**	**895.47**
Net Income Before Tax (A-B)	**4.08**	**8.26**	**12.34**	**4.51**	**(84.93)**	**(80.42)**

35.3 Segment assets and liabilities

Amount in Rs. Crore

	Year Ended 31.03.2021			Year Ended 31.03.2020		
	SLDC	**STU**	**Total Assets**	**SLDC**	**STU**	**Total Assets**
Segment assets	94.87	8,645.53	**8,740.40**	79.77	7,770.93	**7,850.70**
Segment liabilities	90.05	6,715.74	**6,805.79**	73.99	6,409.01	**6,483.00**

35.4 Other segment information

Amount in Rs. Crore

	Year Ended 31.03.2021			Year Ended 31.03.2020		
	SLDC	**STU**	**Total for operations**	**SLDC**	**STU**	**Total for operations**
Depreciation and amortisation	0.79	283.35	**284.14**	0.51	257.45	**257.96**
Additions to non-current assets	0.15	591.38	**591.53**	1.94	575.42	**577.36**

35.5 Revenue from segments

The following is an analysis of the Company's revenue from continuing operations from its major products and services

Amount in Rs. Crore

	Year Ended 31.03.2021			Year Ended 31.03.2020		
	SLDC	**STU**	**Total**	**SLDC**	**STU**	**Total**
Revenue From Segment	13.94	697.46	711.40	13.45	671.49	684.94

35.6 Geographical information

The Company operates mainly in principal geographical areas-India (country of domicile) and none of its operation are carried out at abroad.

A. K. SABAT & CO. ★ Bhubaneswar ★ Chartered Accountants

Notes to the financial statements

36 - Employee benefit plan

36.1 Defined contribution plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior month's contributions that were not due to be paid until after the end of the reporting

The defined contribution plans operated by the company are as below:

In accordance with Indian law, eligible employees of Odisha Power Transmission Corporation Limited are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary

a) Provident fund:

Company manages PF contributions of employees covered under pensionary and non-pensionary category through PF trust, which invests the funds in permissible securities. Employer and employees contributions in respect of employees covered under NPS are being invested with the fund manager as per PFRDA guidelines.

36.2 Defined benefit plans

a) Gratuity:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to half month pay subject to maximum limit of Rs. 15 lacs. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity fund established as trusts. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation. Gratuity is paid to the remaining employees as per Gratuity Act, 1972 i.e , maximum limit of Rs. 20 lacs. The Company is exposed to actuarial risk and investment risk with respect to this plan.

b) Pension scheme:

All the existing employees who have opted for DCRB scheme, existing pensioner and Family pensioner are covered:-

i. Contingent pension of DCRB Optees: Where the benefit is as per the formula applicable to the Company, Employees mainly superannuation pension which is 50% of basic salary for 25 years of pension able services called basic pension. This basic pension will attract DA relief in line with revision of the same as of Government of Odisha. There is provision for payment of Disablement pension, which will be as per same formula as superannuation pension but paid with immediate effect. On death in service full pension shall be paid for 10 years and 30% of pension shall be paid therafter for the rest of life time of family pensioner.

ii. Vested pension of DCRB pensioner: Pension as per rules detailed in point i. above has been granted on the exit. Thereafter certain rate of future increase in Original pension are also awarded half yearly. Pension in payment consist of aggregate of both.

These plans typically expose the Company to actuarial risks such as actuarial risk, investment risk, interest risk, longetivity risk and salary risk.

i. Actuarial risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the gratuity benefits will be paid earlier than expected.The impact of this will depend on whether the benefits are vested as at there signation date.

ii. Investment risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

iii. Interest risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

iv. Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

v. Longevity risk: The present value of the defined benefit plan liability is calculated by refernce to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

vi. Withdrawals: Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

vii. Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

A. K. SABAT & CO. ★ Chartered Accountants ★ Bhubaneswar

The principal assumptions used for the purposes of the acturial valuations were as follows:

	Valuation as at 31-Mar-21	31-Mar-20
Discount rate(s)	6.97%	6.66%
Expected rate(s) of salary Increase	6.00%	6.66%
Average longevity at retirment age for current beneficiaries of the plan (years)	5	6
Superannuation at age - male	60	60
Superannuation at age - female	60	60
Attrition rate	1.00%	1.00%
Mortality Table	100% of IALM (2006 - 08)	100% of IALM (2006 - 08)

Amounts recognised in statement of profit and loss in respect of these defined benefits plans are as follows:-

	Amount in Rs. Crore	
	Year ended 31.03.2021	Year ended 31.03.2020
Service cost		
Current service cost	121.70	129.78
Net interest expense/(Income)	33.39	29.09
Net actuarial Gain /Loss	-0.47	5.38
Components of defined benefit costs recognised in profit or loss	**154.62**	**164.25**
Contribution for Deputationist	(1.03)	(0.90)
Net Components of defind benefit costs recognised in profit or loss	**153.59**	**163.35**
Remeasurement on the net defined benefit liability:		
Return on the plan assets excluding interest income	(18.33)	(29.51)
Actuarial (Gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (Gains)/losses arising from changes in financial assumptions	(28.72)	77.76
Actuarial (Gains)/losses arising from experience assumptions	61.74	(32.04)
Components of defined benefit costs recognised in other comprehensive income	**14.69**	**16.21**
Total	**168.28**	**179.56**

The current service cost and the net interest expense for the year are included in the "Employee benefits expense" line item in the statement of profit and loss.

The remeasurement of the net defined liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit

	Gratuity (Funded)	Pension (Funded)	Leave Encashment
March 31, 2020			
Present value of funded defined benefit obligation	(119.04)	(2,424.25)	(121.20)
Fair value of plan assets	66.77	1,882.22	109.03
Net liability arising from defined benefit obligation (Funded status)	**(52.27)**	**(542.03)**	**(12.17)**

	Gratuity (Funded)	Pension (Funded)	Leave Encashment
March 31, 2021			
Present value of funded defined benefit obligation	117.76	(2,502.07)	**(121.56)**
Fair value of plan assets	(72.72)	1,967.93	**117.11**
Net liability arising from defined benefit obligation (Funded status)	**45.04**	**(534.14)**	**(4.45)**

A. K. SABAT & CO. ★ Chartered Accountants ★ Bhubaneswar

Movements in the present value of the defined benefit obligations are as follows:

Closing defined benefit obligation as at March 31, 2019	**115.18**	**2,371.39**	**116.37**
ent service cost	7.75	114.39	**7.63**
Interest Cost	6.43	150.25	**7.26**
Remeasurement (gains)/losses	-	-	
I. Actuarial (gains)/losses arising from changes in demographic assumptions	-	-	
II. Actuarial (gains)/losses arising from changes in financial assumptions	12.89	64.87	**22.85**
III. Actuarial (gains)/losses arising from experience assumptions	13.98	(46.02)	**-18.17**
Benefits paid	(37.21)	(230.63)	**-14.75**
Closing defined benefit obligation as at March 31, 2020	**119.02**	**2,424.25**	**121.20**
Current service cost	6.04	108.48	**7.19**
Interest Cost	7.47	161.43	**7.93**
Remeasurement (gains)/losses	-	-	
I. Actuarial (gains)/losses arising from changes in demographic assumptions	-	-	
II. Actuarial (gains)/losses arising from changes in financial assumptions	(3.40)	(25.31)	**-4.49**
III. Actuarial (gains)/losses arising from experience assumptions	12.14	49.60	**4.69**
Benefits paid	(23.53)	(216.38)	**-14.96**
Closing defined benefit obligation as at March 31, 2021	**117.74**	**2,502.07**	**121.56**

Movements in the fair value of the plan assets are as follows:

	Gratuity (Funded)	**Pension (Funded)**	**Leave Encashment (Funded)**
Closing fair value of plan assets as at March 31, 2019	**67.51**	**1,851.15**	**105.93**
Interest income	4.50	123.29	**7.05**
Remeasurement gains/(losses)			
a) Return on plan assets (excluding amounts included in net interest income)	0.47	29.04	**(0.70)**
Contribution from the employer	31.50	109.37	**11.50**
Benefits paid	(37.21)	(230.63)	**(14.75)**
Closing fair value of plan assets as at March 31, 2020	**66.77**	**1,882.22**	**109.03**
Interest income	4.65	131.19	**7.60**
Remeasurement gains/(losses)			
a) Return on plan assets (excluding amounts included in net interest income)	0.83	17.50	**0.68**
Contribution from the employer	24.00	153.40	**14.76**
Benefits paid	(23.53)	(216.38)	**(14.96)**
Closing fair value of plan assets as at March 31, 2021	**72.72**	**1,967.93**	**117.11**

	Gratuity 31-Mar-20	**Pension 31-Mar-20**	**Leave Encashment 31-Mar-20**
Net cumulative unrecognised actuarial gain/(loss) opening	-	-	-
Actuarial gain/(loss) for the year on PBO	(26.88)	(18.86)	-
Actuarial gain/(loss) for the year on the asset	0.47	29.04	-
Unrecognised actuarial gain/(loss) at the end of the year	(26.41)	10.18	-

	Gratuity 31-Mar-21	**Pension 31-Mar-21**	**Leave Encashment 31-Mar-21**
Net cumulative unrecognised actuarial gain/(loss) opening	-	-	-
Actuarial gain/(loss) for the year on PBO	(8.74)	(24.28)	-
Actuarial gain/(loss) for the year on the asset	0.83	17.50	-
Unrecognised actuarial gain/(loss) at the end of the year	(7.90)	(6.79)	-

	Gratuity 31-Mar-20	**Pension 31-Mar-20**	**Leave Encashment 31-Mar-20**
Major Categories of Plan Assets (as a percentage of total plan assets)			
a) Funds Managed by Insurer	100%	100%	100%

	Gratuity 31-Mar-21	**Pension 31-Mar-21**	**Leave Encashment 31-Mar-21**
Major Categories of Plan Assets (as a percentage of total plan assets)			
a) Funds Managed by Insurer	100%	100%	100%

A.K. SABAT & CO. ★Chartered Accountants★ Bhubaneswar

Change in net defined benefit obligation	Gratuity 31-Mar-20	Pension 31-Mar-20	Leave Encashment 31-Mar-20
a) Net defined benefit liability at the start of the period	47.69	520.23	10.44
b) Service cost	7.75	114.39	7.64
c) Net Interest cost/(Income)	1.93	26.96	0.20
d) Re-measurements	26.40	(10.18)	5.39
e) Contribution paid to the fund	(31.50)	(109.37)	(11.50)
f) Benefit paid directly by the enterprise	-	-	-
g) Net Defined benefit liability at the end of the reporting period	**52.27**	**542.03**	**12.17**

Change in net defined benefit obligation	Gratuity 31-Mar-21	Pension 31-Mar-21	Leave Encashment 31-Mar-21
a) Net defined benefit liability at the start of the period	52.27	542.04	12.17
b) Service cost	6.04	108.48	7.19
c) Net Interest cost/(Income)	2.83	30.24	0.33
d) Re-measurements	7.90	6.79	(0.48)
e) Contribution paid to the fund	(24.00)	(153.40)	(14.76)
f) Benefit paid directly by the enterprise	-	-	
g) Net Defined benefit liability at the end of the reporting period	**45.04**	**534.15**	**4.45**

Expected best estimate of expense for the next annual reporting period	Gratuity 31-Mar-20	Pension 31-Mar-20	Leave Encashment 31-Mar-20
a) Service Cost	7.75	114.39	7.63
b) Net Interest cost	1.94	26.97	0.20
c) Expected expense for the next annual reporting period	**9.69**	**141.36**	**7.83**

Expected best estimate of expense for the next annual reporting period	Gratuity 31-Mar-21	Pension 31-Mar-21	Leave Encashment 31-Mar-21
a) Service Cost	6.04	108.48	7.19
b) Net Interest cost	2.83	30.24	0.33
c) Expected expense for the next annual reporting period	**8.87**	**138.72**	**7.52**

Actuarial (Gain)/Loss on Plan Asset	Gratuity 31-Mar-20	Pension 31-Mar-20	Leave Encashment 31-Mar-20
a) Expected Interest Income	4.50	123.29	7.05
b) Actual Income on Plan Asset	4.97	152.33	6.35
c) Actuarial gain/(loss) for the year on Asset	**0.47**	**29.04**	**(0.70)**

Actuarial (Gain)/Loss on Plan Asset	Gratuity 31-Mar-21	Pension 31-Mar-21	Leave Encashment 31-Mar-21
a) Expected Interest Income	4.65	131.19	7.60
b) Actual Income on Plan Asset	5.48	148.69	8.28
c) Actuarial gain/(loss) for the year on Asset	**0.83**	**17.50**	**0.68**

Balance Sheet and Related analyses	Gratuity 31-Mar-20	Pension 31-Mar-20	Leave Encashment 31-Mar-20
a) Present value of the obligation at end	119.04	2,424.26	121.20
b) Fair value of plan assets	66.77	1,882.22	109.03
c) Unfunded liability/provision in the balance sheet	(52.27)	(542.03)	(12.17)
d) Unfunded liability recognised in the balance sheet	(52.27)	(542.03)	(12.17)

Balance Sheet and Related analyses	Gratuity 31-Mar-21	Pension 31-Mar-21	Leave Encashment 31-Mar-21
a) Present value of the obligation at end	117.76	2,502.08	121.56
b) Fair value of plan assets	72.72	1,967.93	117.11
c) Unfunded liability/provision in the balance sheet	(45.02)	(534.15)	(4.45)
d) Unfunded liability recognised in the balance sheet	(45.02)	(534.15)	(4.45)

The fair value of the plan assets for India plan at the end of the reporting period is as follows:-

	Fair value of plan assets as at	
	31-Mar-21	31-Mar-20
Gratuity, Pension & Leave Encashment Trust	2,157.77	2,058.02
Total	**2,157.77**	**2,058.02**

A. K. SABAT & CO. ★ Bhubaneswar ★ Chartered Accountants

36.3 Sensitivity analysis of defined benefit plans

36 3.1 Signficant acturial assumption for determination of defined benefit plan are discount rate, expected salary growth, attrition rate a
n ..ality rate. The sensitivity analysis below have been based on reasonably possible changes of the respective assumptions occuring a
the end of the reporting period while holding all other assumptions constant.

36.3.2 Sensitivity analysis

Amount in Rs. Cro

Particulars	As at 31.03.2021				As at 31.03.2020			
	Gratuity (Funded)		Pension (Funded)		Gratuity (Funded)		Pension (Funded)	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrea
Impact on amount due to change in Discount rate (-/+0.5%)	4.86	(5.86)	4.93	(53.39)	4.35	(4.76)	49.16	(51.1
% Change compared to base due to sensitvity [+/(-)%]	-4.31%	4.75%	-2.01%	2.09%	-3.65%	4.00%	-2.03%	2.11
Impact on amount due to change in Salary growth (-/+0.5%)	(2.87)	2.81	(2.50)	25.02	(3.25)	3.31	(25.82)	26.1
% Change compared to base due to sensitvity [+/(-)%]	2.38%	-2.45%	0.99%	-1.01%	2.73%	-2.78%	1.07%	-1.08

Amount in Rs. Cro

Particulars	Leave Encashment (Funded)			
	As at 31.03.2021		As at 31.03.2020	
	Increase	Decrease	Increase	Decreas
Impact on amount due to change in Discount rate (-/+0.5%)	6.29	(7.84)	0.06	(6.97
% Change compared to base due to sensitvity [+/(-)%]	-5.47%	6.08%	-4.92%	5.45%
Impact on amount due to change in Salary growth (-/+0.5%)	(7.81)	6.33	(0.07)	5.70
% Change compared to base due to sensitvity [+/(-)%]	6.06%	-5.51%	5.43%	-4.95%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using projected unit credit method at the end of the reporting period, which is same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the senstivity analysis from prior years.

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pension in payment, rate of increase of pension before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

36.3.3 Maturity Profile of Defined Benefit Obligation

Amount in Rs. Crore

Year	Gratuity	Pension	Leave Encashment
a) 0 to 1 Year	18.20	242.38	11.96
b) 1 to 2 Year	15.00	241.23	11.98
c) 2 to 3 Year	13.28	234.74	11.22
d) 3 to 4 Year	14.61	227.00	12.85
e) 4 to 5 Year	14.36	232.27	13.86
f) 5 to 6 Year	30.54	988.21	30.27
g) 6 Year onwards	188.49	1,986.75	273.65

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Notes to the financial statements

37 - Financial instruments

37.1 Categories of financial instruments

	Amount in Rs. Crore	
	As at 31.03.2021	As at 31.03.2020
Financial assets		
(i) Measured at amortised cost		
(a) Investments		
(b) Cash and bank balances	124.73	124.73
(c) Loans	1,526.37	1,227.59
(d) Trade receivables	23.12	26.25
(e) Other financial assets	146.82	135.89
	96.01	97.72
	1,917.05	**1,612.18**
Financial liabilites		
Measured at amortised cost		
(a) Borrowings	1,357.51	898.90
(b) Trade payables	184.79	268.33
(c) Other financial liabilities	187.16	416.54
	1,729.46	**1,583.77**

37.2 Capital management

a) Risk management: The Company's objectives when managing capital are to:-

- To facilitate the transmission of power in the state of Odisha for its associate DISCOMs;
- safeguard its ability to continue as a going concern; and
- maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and regulatory framework and requirements of financial covenants with creditors/lenders. The Company monitors capital on the basis of requirements of funds and borrows money to manage its capital needs in the future. The Company is not subject to any externally imposed capital requirements. At present the Company has a favorable debt - ratio with debt being very low as compared to equity. The Company includes within long-term debt, interest bearing loans and borrowings and current maturities of long-term debt.

The debt – equity ratio of the Company was as follows :-

	Amount in Rs. Crore	
	As at 31.03.2021	As at 31.03.2020
Long term debt	1,357.51	898.90
Equity	1,571.06	859.77
Long term debt to Equity ratio	0.86	1.05

Under the terms of the major borrowing facilities, the Company is required to comply with the financial covenants. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

b) Dividends management

The Company is operating under a Power Transmission Service Agreement with the DISCOMs and recover the cost of power transmission from the DISCOMs on the basis of OERC traiff regulation. The Company is engaged in transmission power in a rate regulated environment where in OERC regulation regulates the price and have limited circumstances where in there is scope of distribution of dividend. Further, no dividends are being paid by the Company in current financial year.

37.2.1 Earnings Per Share

As stated in the above para for dividend management the company is operating on regulated basis as such the basic and diluted earnings per share varies for all the years. The earnings per share is thus as follows :

	Amount	
	As at 31.03.2021	As at 31.03.2020
(a) Basic earnings per share attributable to the equity holders of the Company (in Rs.)	**51.56**	**(167.87)**
(b) Reconciliation of earnings used in calculating earnings per share		
Total earnings attributable to the equity holders of the company (Rs in Crore)	**61.67**	**(144.37)**
(c) Weighted average number of shares used as the denominator (No. of Shares in Crore)		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (in Crores)	1.20	0.86
Adjustments for calculation of diluted earnings per share	-	-
Total weighted average number of equity shares used as the denominator in calculating basic earnings per share	**1.20**	**0.86**

	Amount	
	As at 31.03.2021	As at 31.03.2020
(a) Diluted earnings per share attributable to the equity holders of the Company (in Rs.)	**51.56**	**(136.20)**
(b) Reconciliation of earnings used in calculating earnings per share		
Total Earnings attributable to the equity holders of the company (Rs in Crores)	**61.67**	**(144.37)**

A. K. SABAT & CO. ★ Bhubaneswar ★ Chartered Accountants

(c) Weighted average number of shares used as the denominator (No. of Shares in Crore)

Weighted average number of equity shares used as the denominator in calculating diluted earnings per share (in Crores)	1.196	0.86
Adjustments for calculation of diluted earnings per share	-	0.20
Total weighted average number of equity shares used as the denominator in calculating diluted earnings per	**1.196**	**1.06**

37.3 Financial risk management

The Company's principal financial liabilities comprise loans and borrowings, trade payables and other payables denominated in Indian rupees. The main purpose of these financial liabilities is to finance the Company's capital investments and operations.

The Company's principal financial assets include loans and advances, trade and other receivables, and cash and cash equivalents that are generated from its operations.

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.

Risk	Measurement	Management
Credit Risk	Ageing analysis	Diversification of bank deposits and investment in Government securities
Liquidity Risk	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – interest rate	Sensitivity analysis	Monitoring of interest rates. Unhedged.

37.3.1 Financial Risk management framework

Managing director and chief financial officer of the Company evaluates and manages the uncertainties in the Company. They conduct meetings committee meets at regular intervals involving other high level officers of the company and provides updates to the Audit Committee/Board.

The management of financial risks by the Company is summarized below:-

a) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities on account of trade receivable balances on transmission of electricity to DISCOMs and other Public Sector Companies (PSC), which is based on tariff rate approved by OERC, loans and advances and from its financing activities due to deposits with banks and financial institutions and other financial instruments.

Credit Risk Management:

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due as per the terms of relevant contract. This definition of default is determined considering the business environment in which the Company operates and other macro-economic factors.
Assets are written-off after the prior approval of board of directors, when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in the statement of profit and loss.

I. Trade Receivables

The Company primarily engaged in providing services relating to transmission of power to DISCOMs and other public sector companies within the State of Odisha under Transmission Service Agreement. Currently, the entire transmission system is owned by OPTCL and included in the Company's Property, plant and equipment and revenues generated from the same is being presented in revenue from operations as "Transmission Charges". No interest is to be charged even when the amount is overdue for more than credit period. The average credit period for transmission services to the customers is of 30 days from the date of billing which is considered as collection period. Considering above factors, management believes that there is no credit risk in case of its current trade receivables.

Other trade receivables are due majorly from public sector entities which have sufficient capacity to meet the obligations, hence management believes that there is no significant credit risk involved.

Disclosure regarding major parties in trade receivables and aging of trade receivables is given in Note no. 15 to the financial statements.

II. Cash and cash equivalents

The Company held cash and cash equivalents of Rs. 1216.66 Crores (March 31, 2020: Rs. 966.42 Crores). The cash and cash equivalents are held with scheduled banks and do not have any significant credit risk.

III. Deposits with banks and financial institutions

The Company held deposits with banks and financial institutions of Rs. 309.76 Crores (March 31, 2020: Rs. 261.17 Crores). Term deposits are placed with scheduled banks and do not have any significant credit risk.

IV. Investments

The Company holds investment of Rs. 124.73 Crores (March 31, 2020: Rs. 124.73 Crores) These investments are majorly in Government securities which are qouted Government bonds and as such the Company does not expect any significant change in the value of its investments and has not experienced any impairment losses in respect of these investments.

V. Loans and advances

The Company has given loans to employees which are recovered through deduction from salary payable to employees and are secured against the security of house or motor vechile. These loans are not exposed to the risk of default and are not considered for expected credit loss.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

B. Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	Amount in Rs. Crore	
	As at 31.03.2021	As at 31.03.2020
Non-current investments	119.73	124.73
Non-current loans	15.60	17.99
Other non-current financial assets	14.09	12.93
Current investments	5.00	-
Trade receivables	146.82	135.89
Cash and cash equivalents	1,216.61	966.42
Deposits with banks and financial institutions	309.76	261.17
Current loans	7.52	8.26
Other current financial assets	81.92	84.79
Total	**1,917.05**	**1,612.18**

C. Allowance for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. At initial recognition, financial assets are considered as having negligible credit risk and the risk has not increased from initial recognition. Therefore, no further allowance for expected credit loss is required to be made under lifetime expected credit loss model.

(b) Financial assets for which loss allowance is measured using life time expected credit losses

The Company has customers who are state government utilities with capacity to meet the obligations and therefore the risk of default is negligible. Further, management believes that the unimpaired amounts that are 6 months past due date are still collectible in full. Considering the above factors and the prevalent regulations, the trade receivables continue to have a negligible credit risk on initial recognition and thereafter on each reporting date.

(c) Ageing analysis of trade receivables

The ageing analysis for trade receivables is given in Note no. 15 to the financial assets.

(d) Reconciliation of impairment loss provisions

Based on historic default rates, the Company believes that no impairment allowance is necessary in respect of any assets as the amounts are insignificant.

37.3.2 Liquidity Risk

Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the Company's liquidity position comprising the undrawn borrowing facilities and cash and cash equivalents on the basis of expected cash flows and matching the maturity profiles of financial assets and liabilities.

The Company depends on both internal and external sources of liquidity to provide working capital and to fund capital expenditure.

The Company's capital management is intended to optimize the cost of power transmission by facilitating the meeting of its long-term and short-term goals. Its capital structure consists of net debt and total equity.

i) Financial arrangement

The Company has access to financing facilities as described below which has been remaining unused in its entirety at the end of the reporting period. The Company expects to meet its other obligation from operating cash flows and proceeds of maturity of financial assets.

	Amount in Rs. Crore	
	As at 31.03.2021	As at 31.03.2020
Secured bank overdraft facility :		
- amount used	-	-
- amount unused	25.00	25.00
	25.00	**25.00**

ii) Maturities of financial liabilities

The following table details the Company's expected maturity for its non-derivative financial assets with agreed repayment periods. The table has been drawn based on the undiscounted contractual maturities of financial assets including interest that will be earned on those assets. the inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Expected maturity for Non-derivative financial assets

	Amount in Rs. Crore				
	Less than 1 Year	1-5 years	5+ years	Total	Carrying Amount
31-Mar-21					
Non-interest bearing					
a) Trade receivables	146.82	0	0	**146.82**	146.82
b) Loans	23.12	0	0	**23.12**	23.12
c) Other financial assets	96.01	0	0	**96.01**	96.01
31-Mar-20					
Non-interest bearing					
a) Trade receivables	135.89	-	-	**135.89**	135.89
b) Loans	13.99	6.25	6.01	**26.25**	26.25
c) Other financial assets	79.26	18.46	-	**97.72**	97.72

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn based on the undiscounted cashflows of financial liabilities based on the earliest date on which the Company can be required to pay. The table include both interest and principal cashflows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Expected maturity for Non-derivative financial liabilities

	Less than 1 year	1-5 years	5+ years	Total	Carrying Amount
					Amount in Rs. Crore
31-Mar-21					
a) Borrowings	-	603.27	754.24	**1,357.51**	**1,357.51**
b) Trade payables	184.79	0	0	**184.79**	**184.79**
c) Other financial liabilities	102.27	84.89	0	**187.16**	**187.16**
31-Mar-20					
a) Borrowings	898.90	-	-	**898.90**	**898.90**
b) Trade payables	268.33	-	-	**268.33**	**268.33**
c) Other financial liabilities	338.23	78.31	-	**416.54**	**416.54**

37.3.3 Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk comprises three types of risk:

i) Foreign currency risk

The Company is not exposed to foreign currency risk since all of its financial assets and financial liabilities are denominated in INR.

Sensitivity analysis

Since the company is not exposed to foreign currency risk no sensitivity analysis of the same could be done.

ii) Interest rate risk

The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company manages the interest rate risks by maintaining a debt portfolio comprising a mix of fixed and floating rate borrowings in INR.

At the reporting date, the interest rate profile of the Company's variable interest rate-bearing financial instruments is as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
	Amount in Rs. Crore	
Long Term Debt with floating rate of interest		
- Domestic	753.16	428.82
- Foreign	-	-
Sub Total	**753.16**	**428.82**
Long Term Debt with fixed rate of interest		
- Domestic	508.56	365.53
- Foreign	-	-
Sub Total	**508.56**	**365.53**
Total Long Term Debt	1,261.72	794.35
% of Floating Interest Rate Debt to Total Long Term Debt	59.69%	53.98%
Sensitivity impact on Interest cost effecting Profit and loss of the Company for +/-10% change in interest rate (Rs. In Crore)	-	-

Note:- Previous year figures have been regrouped/ re-arranged wherever necessary.

iii) Other price risk

The Company's exposure to equity securities price risk arises from investments held by the Company in listed securities and classified in the balance sheet as at fair value through profit or loss. However, at the reporting date since it does not holds quoted securities. Accordingly, Company is not exposed to significant market price risk.

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Odisha Power Transmission Company Limited
Notes to the financial statements

38 - Related party transactions

A) Promoter — **Nil**
B) Subsidiaries — **Nil**
C) Joint Ventures

Name of Entity	Place of Business	Proportion of Ownership Interest 31.03.2021	31.03.2020
Kalinga Vidyut Prasaran Nigam Private Limited	India	0%	50%

D) Key Managerial Personnel:

i) Key Managerial Personnel designated by the company
Sri Sanjeev Singh, Managing Director
Sri R.C. Mishra, CFO
Sri P.K. Das, Company Secretary

ii) Whole-time Directors
Sri S.K Swain, Director (Finance)
Sri U.K. Pati, Director (Operation)
Sri R. Pratihari, Director (HR)
Sri R.L. Panda, Director (Project)
Sri B.B. Mehta, Director (SLDC)

iii) Other Related Parties

Name of Entity	Place of Business	Nature of Relationshi
Gridco Pension Trust Fund	India	Post-Retirement benefit
OSEB EPF Trustee Board	India	Post-Retirement benefit
Gridco Gratuity Trust Fund	India	Post-Retirement benefit
Gridco Rehabilitation Trust	India	Post-Retirement benefit
OPTCL Leave Encashment Benefit Trust	India	Post-Retirement benefit

E)Govt Related Entities

The Company is a fully owned State Govt enterprise and has been declared as the State Transmission Utility. The Company has purchased capital items and others from other govt entities during the course of its operation which are procured through open tendering at arms length price. Apart from the above some project management services and others are also procured from govt companies and agencies through tendering process at prevailing market price. These are not significant considering the total transaction of the business.

Outstanding balances of different Trusts	As on 31.03.2021	As on 31.03.2020
		Amount in Rs. Crore
Gridco Pension Trust Fund	674.66	682.55
OSEB EPF Trustee Board	1.05	0.97
Gridco Gratuity Trust	42.31	49.54
Gridco Rehabilitation Trust	-	-
OPTCL Leave Encashment Benefit Trust	27.27	34.94

* negative figure represents receivable

Contribution to different Trusts during the year	For the Year 2020-21	For the Year 2019-20
		Amount in Rs. Crore
Gridco Pension Trust Fund	153.49	109.37
Gridco Gratuity Trust	24.00	31.49
OPTCL Leave Encashment Benefit Trust	14.81	11.43

38.1 Compensation of Key Management personnel

The remuneration of directors and other members of key management personnel during the year are as follows:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
		Amount in Rs. Crore
Short-term benefits		
Salaries	1.96	0.64
Loans & Advances	-	-
Total	**1.96**	**0.64**

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Odisha Power Transmission Corporation Limited
(A Government of Odisha Undertaking)
Regd. Office: Janpath, Bhubaneswar - 751022
CIN : U401020RSGC007553

Notes to the financial statements

39 - Contingent liabilities

		Amount in Rs. Crore	
		As at 31.03.2021	As at 31.03.202
39.1 Contingent liabilities			
a)	Claims against the Company not acknowledged as debts	374.52	314.39
b)	Claim against Service tax for the F.Y. 2006-07 to 2010-11 and for F.Y. 2014-15	5.22	5.22
c)	Claim demand against Income Tax for the A.Y. 2010-11, 2011-12, 2013-14 and 2014-15	22.46	13.65
d)	Claim u/s 9 (c) of the Orissa Entry Tax, 2005	5.28	5.28
e)	Claim u/s 12(3)(f) of the CST (O) Rule, 1957	0.60	0.60
		408.08	339.14

39.02. Explantory notes relating to contingent liabilities

39.02.01. Demand from various statutory authorities towards income tax, sales tax, service tax, entry tax and other government levies. The Company is contesting the demand at appellate authorities. It is expected that the ultimate outcome of these proceedings will be in favour of the Company and will not have any material adverse effect on the Company's financial position and results of operation.

39.02.02 Claims of contractors for supply of materials/services pending with arbitration/courts those have arisen in the ordinary course of business. The Company reasonably expect that these legal actions when ultimately concluded and determined will be in favour of the Company and will not have material adverse effect on the Company's results of operation or financial position.

39.02.03 An amount of Rs.27.22 crore excess received (as per CERC order) as wheeling charges from MPPTCL is shown as contigent liability pending dispute with GRIDCO.

40 - Commitments

	Amount in Rs. Crore	
	As at 31.03.2021	As at 31.03.2020
a) Estimated amount of Contracts remaining to be executed on capital account and not provided for	1,490.56	1,914.33
	1,490.56	**1,914.33**

Note: The capital commitments do not include commitments of DISCOM related project and BBNL Project.

41. Expenditure on Corporate social reponsibility:

a. No amount is required to be spent by the Company during the year March 31, 2021. However, Rs. 46,672 has been spent during the year 2020-21. (March 31, 2020 Rs. 0.53 Crores)

b. Amount spent during the year ended March 31, 2020 (figures in brackets represents amount for the previous year)

Amount in Rs. Crore

Particulars	Paid (A)	Yet to be Paid (B)	Total (A)+(B)
(i) Construction/Acquisition of any asset	-	-	-
	(0.22)	-	(0.22)
(ii) On purposes other than (i) above	-	-	-
	(0.11)	(0.20)	(0.31)
Total	**-**	**-**	-
	(0.33)	**(0.20)**	(0.53)

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

Odisha Power Transmission Corporation Limited
(A Government of Odisha Undertaking)
Regd. Office: Janpath, Bhubaneswar - 751022
CIN : U401020RSGC007553

Notes to the Financial Statement

42 Write Off & Write Back of Old and unreconciled Balances

Based on Report of an outside agency (A firm of Chartered Accountants) the Company has written off / written back old balances appearing since past several years amounting to Rs.6.77 Crore and Rs.21.46 Crore respectively. The party wise details of these balances were not available. The same were unreconciled since prior to incorporation of OPTCL and certain initial years of operation which have been duly approved by the Board of Directors of the Company.

Amount in Rs. Crore

Particulars	Amount written Off (Disclosed under Note No-32)	Amount Written Back (Disclosed Under Note No-	Net Write Back
For Pre OPTCL Period i.e. up to 31.03.2005	5.38	15.57	10.19
Post OPTCL Period up to the F.Y 2012-13 (More than 08 Years)	1.39	5.89	4.50
	6.77	21.46	14.69

Accordingly net credit to Profit & Loss Accounts has been Rs. 14.69 Crores as detailed above.

43 Uncertainty relating to the global health pandemic on COVID-19

In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these financial statements including economic forecasts. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets and the operational efficiency is not going to be affected.

The Company has prepared the financial statements on the going concern basis and on the basis of its assessment believes that the probability of the occurrence of forecasted transactions is not impacted by COVID-19. The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk.

The impact of COVID-19 remains uncertain and may be different from what we have estimated as of the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

44 Option of Section 115BAA of the Income Tax Act, 1961

Pursuant to introduction of Section 115BAA under the Taxation Laws (Amendment) Act, 2019, Company has an irreversible option of shifting to a lower tax rate along with consequent reduction in certain tax incentives including additional depreciation and lapse of the accumulated MAT credit. The Company has not yet exercised this option after evaluating the same and continues to recognize the taxes on income (current and deferred tax) for the Financial Year ended 31st March, 2021 as per the earlier provisions. The Company has a MAT credit entitlement of ₹ 35.81 crore as of 31st March, 2021 which has not been recognised in the Books of Account in absence of reasonable certainty of availing the same within the stipulated period. The tax calculated on the basis of MAT as per earlier provisions has been recognised as provision for taxation. However the Company has an option to switch over to Section 115BAA at the time of filling of Income Tax Return(ITR) i.e by 15.02.2022 the extended due date of filling ITR for the Company as of date for the FY 2020-21(AY 2021-22)

45 Previous Year Figures have been regrouped /rearranged wherever necessary.

for A.K. Sabat & Co.,
Chartered Accountants.
FRN:321012E

(Samir Kumar Swain)
Director(Finance)

(Sanjay Kumar Mishra)
Managing Director

(CA B.R. Mohanty)
Partner
Membership No. 057266
Date: 01.12.2021

A.K. SABAT & CO. Bhubaneswar Chartered Accountants

(R.C.Mishra)
Chief Financial Officer

(P.K.Das)
Company Secretary