20th ANNUAL REPORT 2023-24

ODISHA POWER TRANSMISSION CORPORATION LIMITED

(A GOVERNMENT OF ODISHA UNDERTAKING)

20th Annual Report 2023-24

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(A GOVERNMENT OF ODISHA UNDERTAKING)
REGD. OFFICE: OPTCL TECH TOWER, SAHEED NAGAR, BHUBANESWAR-751007
CIN: U40102OR2004SGC007553

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BOARD OF DIRECTORS

As on date of Adjourned AGM dt. 31.01.2025

Sri Bhaskar Sarma, IAS	Chairman-cum-Managing Director
Dr. Satyapriya Rath, IAS	Director
Sri Nihar Ranjan Dash	Director
Sri S. B.K. Pradhan	Director
Sri B.K. Misra	Director
Sri R.N. Nayak	Director
Sri P.K. Pujari	Director
Prof. (Dr.) Mukti K. Mishra	Director
Prof. (Dr.) Meera Viswavandya	Director
Sri Raghunath Pratihari	Director (HRD)
Sri Bhadresh B. Mehta	Director (SLDC)
Sri P. K. Pattanaik	Director (Operation)

Chief Financial Officer
Sri Umesh Kumar Gupta

Company secretary
Sri Prasanta Kumar Das

Statutory Auditors
M/s PAMS & Associates
Chartered Accountants
Bhubaneswar

Cost Auditors
M/s S. Dhal & Co.
Cost Accountants
Bhubaneswar

Secretarial Auditors
M/s Saroj Panda & Co.
Company Secretaries
Bhubaneswar

Bankers
Union Bank of India
Canara Bank
UCO Bank
Axis Bank Ltd.
ICICI Bank Ltd.
HDFC Bank Ltd.
IDBI Bank Ltd.

Registered Office
OPTCL TECH TOWER, SAHEED NAGAR, BHUBANESWAR-751007
CIN: U40102OR2004SGC007553

DIRECTORS' REPORT

Dear Members,
Odisha Power Transmission Corporation Limited,
Bhubaneswar.

The Board of Directors of Odisha Power Transmission Corporation Limited have immense pleasure in presenting the 20th Annual Report for the year 2023-24 along with the audited financial statements for the Financial Year ended 31st March 2024.

FINANCIAL PERFORMANCE:

The summarized financial performance of the Corporation for the year ended on 31st March, 2024 are as under:

	FY 2023-24	FY 2022-23
INCOME		
Revenue from operation	**1048.92**	**1259.88**
Other Income	**249.97**	**260.62**
Total	**1298.89**	**1520.50**
EXPENDITURE		
Administrative & Other expenses	**698.34**	**741.51**
Depreciation	**406.56**	**389.27**
Interest & Finance Charges	**120.96**	**97.64**
Total	**1225.86**	**1228.42**
Profit after depreciation, interest & finance charges	**73.03**	**292.08**
Tax expenses	**251.59**	**236.71**
Net profit / (loss)	**(178.56)**	**55.37**
Other comprehensive income	**(6.76)**	**(48.09)**
Total comprehensive income	**(185.31)**	**7.28**
Earnings per equity share		
Basic	**(81.36)**	**28.49**
Diluted	**(81.36)**	**28.49**

SHARE CAPITAL:

As on 31st March 2024, the Authorized Share Capital of the Company was Rs.3500 crore. During the year 3713100 nos. of equity shares of Rs.1000/- each fully paid up aggregating to Rs.371.31 crore were allotted. With this allotment the total paid up Share Capital of the company stands at Rs.2442.78 crore as on 31st March 2024. The entire shares are held by the Government of Odisha.

DIVIDEND:

Your Directors have not recommended any dividend on equity shares for the financial year 2023-24.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend, the provisions of Section 125 of the Companies Act, 2013 do not apply to the company.

DEPOSITS:

The Corporation has not accepted any deposit during the financial year 2023-24 in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The provisions of Section 186 of the Companies Act, 2013 with respect to loan, guarantee or security is not applicable to the Corporation as it is engaged in providing infrastructural facilities which is exempted under the said section of the Act. However the particulars of loans, guarantees and investments have been suitably disclosed in the financial statements.

OPERATIONAL PERFORMANCE:

The Corporation carried on intra-state transmission business as per license granted by OERC and has registered a total income of Rs.1298.89 crore during the financial year 2023-24 as against Rs.1520.50 crore in the preceding financial year. The total expenditure for FY 2023-24 was Rs.1225.86 crore**.** The Corporation has earned a profit before tax (PBT) of Rs.73.03 crore in FY 2023-24 as against Rs.292.08 crore in the preceding financial year. The main reasons for decrease in profit before tax to the tune of Rs.219.05 crore is due to reduction of tariff rate by 4 paisa per/unit as determined by the OERC. Considering tax expenses of Rs.251.59 crore, the net loss after tax comes to Rs.178.56 crore. The total units of input and output of electricity wheeled in the transmission system was 40938.55MU & 39666.34MU respectively and total units of transmission loss was 1272.21MU, which is 3.11%.

In order to bridge the gap in funding requirement of Terminal benefit Trusts and as per decisions of the management, an amount of Rs.630.83 crore was released to the Trusts during the period April, 2023 to March, 2024 against Rs.628.22 crore payable as on 31.03.2023. Also to rein in interest cost, high cost borrowings from Bank of India, REC and PFC have been pre-paid.

SYSTEM IMPROVEMENT:

OPTCL being the State Transmission Utility (STU) has been mandated for planning, coordination, construction, operation and maintenance of an efficient and economical intra-state transmission system. While discharging its functions, the Corporation has enhanced the transmission network in the State by commissioning new Grid Substations and EHT lines with addition of transformation capacity to cater to the increasing demand by giving reliable and quality power on 24x7 basis. Several measures have been taken to ensure stability of network as well as reduction of transmission loss.

During the period under report (i.e. FY 2023-24 & 2024-25 (till December 2024)), the Corporation has commissioned 557.676 Ckt. Kms. of EHT transmission lines, 1366 MVA transformation capacity addition and 10 more new Grid Substations, the details of which are as follows:

FY 2023-24

SUB -STATIONS / ASSOCIATED LINES COMMISSIONED		Capacity (MVA)	Line Length (Ckt KM)
1	220/33 KV GIS Substation at Kantabada	126	-
2	220/132/33KV Grid S/S at Dhamra, Balimunda with Associated transmission line	400	70.438
3	132/3 3KV Grid S/S at Boriguma with Associated transmission line	20	32.978
4	132/33 KV Grid S/S at Lakhanpur with Associated transmission line	40	38.436
5	132/33 KV Grid S/S at Bhatli with Associated transmission line	80	81.00
6.	132/33 KV Grid S/S at R.Udyagiri	40	-
7.	160MVA Auto Transformer -2 at 220/132/33 KV Grid S/S at Bamra	160	-

INDEPENDENT LINES COMMISSIONED:		Line length (Ckm)
1	132KV Lakhanpur- Budhipadar SC line	6.105
2	132KV Brajarajnagar-MCL (Jurabaga-2) SC line	6.481
3	132KV LILO line to 220/132/33KV Grid S/S at Turumunga from 132KV Palasapanga-Karanjia SC line	62.774
4	132KV Dhamra-Chandbali DC Line	54.746
5	220KV Therubali-Narendrapur LILO line to Aska Grid S/S	85.063

POWER EXTENDED TO RTSS:		Line Length (Ckm)
1	RTSS Palasingi	16.214
2	RTSS Bhawanipatna	2.134
3	RTSS Belpahar	22.586

FY 2024-25 (till December, 24)

SUB-STATIONS / ASSOCIATED LINES COMMISSIONED		Capacity (MVA)	Line Length (Ckm)
1	220/33KV Grid S/S at Balichandrapur, Palei with Associated line	60	1.964
2	220/132/33KV Grid S/S at Turmunga	180	-
3	132/33KV Grid S/S at Brundabahal with Associated line	20	26.81
4	132/33KV GIS Substation at Nayapalli with Associated line	20	6.16
5	20 MVA Transformer -2 at 132/33KV Grid S/S at Nabrangpur.SS	20	-
6	2nd 20 MVA Transformer at 132/33 KV R.Udaygiri Grid S/S	20	-
7	220/132/33KV Kuarnmunda GSS (2nd Auto & 2nd Power Transformer)	200	-

INDEPENDENT LINES COMMISSIONED:		Line length (Ckm)
1	220 KV LILO line from Balimela- Jayanagar CKT-I to Gobindpalli GSS	2.5
2	132KV Chhend Kuarmunda LILO line	1.547
3	132KV Jayanagar Sunabeda ckt2	39.7

OPTCL has undertaken a transmission planning to develop a transmission network for evacuation of power from Floating Solar, Wind Energy, Green Ammonia and Hydrogen Plant, Pumped Storage Plant (PSP) and industrial load requirement of different Industries. This will help in penetration of substantial RE Power in the coming days which can be blended with the thermal power generated in Odisha. There is also a plan to develop the EHV network at the level of 765KV that can also be integrated with the ISTS network in the state which will help in evacuation of surplus power through this network in inter-region network. Additionally, planning is also made with the power requirement for the Year 2036 and 2047.

OPERATION & MAINTAINANCE:

The Transmission infrastructure of OPTCL consisting of Grid Substations, lines and Transformation capacity as on 31.12.2024 are as under:

Voltage Level (KV)	No. of Grid S/S	Circuit Length (kms)	Transformation Capacity (MVA)
400	5	1196.872	3835.00
220	49	6835.48	12672.00
132	118	8607.628	10504.5
132 kV Sw/S	26		--
Total	**198**	**16639.98**	**27011.5**

In the fleet of 198 numbers of substations, there is one no. 400KV, six nos. 220KV and seven nos. 132KV Gas Insulated Substation (GIS) with latest substation automation system are in operation.

The transmission line infrastructure includes several 132KV circuits of high power transfer capable HTLS conductors. The conductors are Aluminum conductor composite core (ACCC) type. Up-gradation of 132KV Mendhasal-Khurdha line & 132KV Chandaka-Ranasinghpur line to high power transfer capable HTLS conductors has been completed. OPTCL has completed the up-gradation of 220KV Rourkela PG-Tarkera DC line with HTLS conductor to maximize the power evacuation capability from ISTS (Inter-State Transmission System) and also to meet n-1 condition. Replacement work of ACSR panther conductor by HTLS conductor for 132KV Joda- Barbil line has also been completed. Order for up-gradation of 132KV Ranasinghpur-Kesura line & 132KV Kesura-Pratapsasan line with HTLS conductors has been placed to meet load growth with reliability and stability in the capital region of Odisha. Recently tender has been floated to upgrade 132KV Cuttack- Jagatsinghpur, 132KV Bidanasi-Choudwar, 132KV Chainpal-Angul and 132KV TTPS-Angul line. OPTCL has also planned for up-gradation of 132KV Katapali-Thuapali-Bargarh line and 220KV Budhipadar - Lapanga-Katapalli line.

In a transmission utility like OPTCL, the asset management system particularly the Operation and Maintenance (O&M) of existing facilities has become exceedingly essential to get utmost return on investment. Since in several cases the costs associated with construction and equipment purchase are fixed, O&M expenditures plays vital role for cost curtailing and potential savings as the equipment steadily age out and gradually deteriorate. The probability of service interruption due to component failure escalates. Improving system quality, reliability and introduction of new advanced technology for reduction of operational and maintenance cost are innermost priority ensuring high reliability as well as compliance to prescribed technical standard for system operation. The following O&M process were followed by OPTCL.

Routine / Preventive Maintenance: This includes inspection of Tower & tower foundation, Earthing, Insulator replacement by hot stick method, Thermo vision scanning & attending Hotspots, Mid span joint replacement, Jumper strengthening / Replacement, Vibration Damper replacement, Stub strengthening, Insulator coating with HVIC (High Voltage Insulator Coating) Paint, Tower painting, GIS monitoring of transmission assets etc. For Substations, Switchyard maintenance, Weed treatment, Thermo-vision scanning & attending Hotspots of Bus bar & equipment clamps, Transformer oil leakage, Equipment cleaning & painting, DC earth fault, Control wiring healthiness, Aux supply to Transformer, Circuit breaker, isolators, Monitoring of the SF6 gas pressure level in all gas compartments, Checking purity of SF6 gas using SF6 gas analyzer kit (GIS) etc. are routine maintenance works.

Similarly predictive or condition based maintenance is driven by present state of the equipment. Under this approach, all major parameters are considered to determine the technical condition with maximum accuracy. The condition monitoring test of equipment and transmission lines are regularly performed at OPTCL. The condition monitoring tests presently carried out in Voltage Transformer/Capacitive Voltage Transformer, Circuit Breakers, Power Transformer, Current Transformer, Dis-Connectors, Transmission lines, Micro Processor Relays & Meters.

Augmentation of Substation Capacity & EHV LINES

The augmentation of installed capacity at existing Grid Substations has been undertaken/ planned with the objective of meeting the projected load growth as well as n-1 and n-1-1 contingency. The projects commissioned during the period under review i.e. FY 2023-24 are as under:

Sub-station	Voltage Category	Trf. Type	Initial Capacity (MVA)	Final Capacity (MVA)	Capacity Addition (MVA)
North					
Barbil	132/33KV	POWER	2x12.5MVA, 132/33KV	2x12.5 + 1x20 MVA, 132/33KV	20
South					
Pottangi	132/33KV	POWER	1x20 MVA, 132/33KV	1x20 + 1x12.5 MVA, 132/33KV	12.5
Muniguda	132/33KV	POWER	1x12.5 MVA, 132/33KV	1x12.5 + 1x20 MVA, 132/33KV	20
West					
Rourkela	132/33KV	POWER	3x35+1x40 MVA, 132/33KV	2x35+2x40 MVA, 132/33KV	5
Central					
Paradeep	220/132/33KV	POWER	2x160 + 1x100 MVA, 220/132KV 2x20 MVA, 132/33KV	2x160 +1x100 MVA, 220/132KV 3x20 MVA, 132/33KV	20
Goda	220/132/33KV	POWER	2x160 MVA, 220/132KV 1x40 MVA	2x160 MVA, 220/132KV 1x40 + 1x20 MVA	20

At 400KV level, OPTCL has installed 125 MVAR bus reactors in Meramundali, Mendhasal & New Duburi 400KV Substations to provide additional reactive compensation. It has helped to compensate excessive reactive power to control excessive system voltage. OPTCL is proposing to install an 80 MVAR bus reactor at 220KV level in Jayanagar Grid S/S.

Conversion of S/C Lines in D/C Towers to D/C Lines:

The following S/C Lines strung in D/C Towers have been planned for conversion to D/C Lines for greater power supply reliability, availability and achieving binary transmission capacity in already existing transmission network.

Sl. No.	Name of EHT Line	Ckt. kms	Status
1	132KV New Bolangir-Sonepur line	53.85	Work completed on July 2024
2	132KV Atri- Banki line	20.90	Tendering process completed. Work order to be issued shortly.
3	132KV Banki- Nuapatna line	21.01	
4	132KV Nimapara- Konark line	20.31	
5	132KV Khariar- Nuapada line	76.43	
6	132KV Khariar- Kantabanji line	32.60	
7	132KV Kendrapada-Pattamundai line	19.10	

Replacement of old conductors in EHT lines

OPTCL is rapidly expanding its power network footprint all over the state, hence the deterioration of transmission assets with time is a bigger challenge. Keeping in view the aging of EHT lines, steps have been taken for the replacement of old conductors with new and upgraded conductors which will enhance the system stability with effective quality power flow and reduced power loss. Renovation of Conductors/Hardware Fittings/Insulators, Earthing and Strengthening of Tower Footings, Painting, Revetments / Retaining Walls have been undertaken during the execution. The replacement of following EHT lines is undergoing in the system effectively.

Sl. No.	Name of EHT Line	Ckt. kms	Status
1	220KV TTPS–Joda Ckt-II	154.00	Completed
2	220KV Meramundali-Bhanjangar Ckt-II	134.00	Completed
3	220KV Bhanjanagar-Therubali Ckt-I	135.00	Under progress
4	132KV TTPS-Duburi Ckt-I	87.00	Completed.
5	132KV Berhampur-Digapahandi	34.00	Completed.
6	132KV Kendrapara-Paradeep Ckt-I & II	35.00	S-O-C : May 2025
7	132KV Angul-Boinda	38.50	Procurement for conductors, insulators, hardware fittings etc. is under process.
8	132KV Chainpal-Choudwar Ckt-II	91.08	
9	132KV Sambalpur-Rairakhol-Boinda	127.00	
10	132KV Rayagada-Akhusingh-Mohana	118.00	
11	132KV Tarkera-Rourkela	3.00	
12	132KV Kuchinda-Bamra-Rajgangpur	98.00	

Low Voltage Mitigation Scheme (LVMS)

Under the Low Voltage Mitigation Scheme (LVMS), OPTCL is constructing the new Grid Substations and Transmission lines at Athamallik, M. Rampur, Agalpur (Rampur), Chitalo to improve voltage profile.

Odisha Transmission System Strengthening Program (OTSSP)

Under Phase-I of the scheme, OPTCL is constructing the following new Grid Sub-stations and Transmission lines to maintain adequate voltage level at 33 KV downstream networks through reduction of line length, to provide N-1 contingency for areas otherwise connected through single source.

Sl. No.	Name of the Project	Status
1.	132/33KV GSS Bijepur (Bargarh)	Work order has been placed and construction work at site has been started.
2.	132/33KV GSS Jharbandh (Bargarh)	
3.	220/33KV GSS Sarasmal (Sonepur)	
4.	220/33KV GSS Nua Betenda (Cuttack)	
5.	220/33KV GSS Khalikote (Ganjam)	
6.	220/33KV GSS Parjang (Dhenkanal)	
7.	220/33KV GSS Hatabasta (Nayagarh)	
8.	132/33KV GSS Raighar (Nabarangapur)	

Similarly under OTSSP Phase-II, the Corporation will construct following new Sub-stations and Transmission lines to supply power to upcoming bulk consumers/ industries/mines so as to cater their enhanced load demands effectively.

Sl. No.	Project Name	Status
1.	220/132/33KV Grid S/S at Chhendipada	Work order placed
2.	400/220KV Grid S/S at Neulapoi	Tendering process has been initiated.
3.	220/33KV Grid S/S at Mundamba	
4.	220/33KV Grid S/S at Plastic Park Paradeep	
5.	220/33KV Grid S/S at Aluminum park Angul	
6.	400/220/33KV Grid S/S at Bhandaripokhari	
7.	220/132KV Grid S/S at Khuntuni (Up-gradation from 132/33 to 220/132)	

Disaster Resilient Power System (DRPS)

Keeping in view the extent of damage to the State Transmission System during natural disasters as well as the inherent impediment associated with the conventional restoration process, it has become imperative to put in place a robust disaster response / resilience mechanism in the transmission system so that the disrupted power supply can be brought back to normalcy within least possible time.

OPTCL has been engaged in building robust emergency and disaster management infrastructures especially after appalling destruction to the transmission assets caused by the super cyclones in recent years. Under the scheme of Disaster Resilient Power System (DRPS) PHASE-I, OPTCL has completed the installation works of 3rd 315 MVA ICT at 400/220/132KV Mendhasal Grid, 132/33KV Khuntuni GIS, 132/33KV Chandbali GIS and induction of 132KV Aska-Digapahandi line & 132KV Chandbali - Dhamara line. Restoration work of 220KV Pandiabil-Samangara Double Circuit line is also completed using wind zone-6 narrow base tower, whose funding has been arranged by State Govt. from Mahanadi Coalfields Ltd. under their CSR activities.

For strengthening the system and for better power availability; OPTCL is opting for transmission structures (both in 132KV & 220KV level) having wind zone-6 resilience in coastal areas which are situated within 60 km distance from state coast line with Bay of Bengal. Construction of proposed 400/220KV Paradeep Grid S/S & associated 220KV lines with these windzone-6 resilient infrastructures is in progress. OPTCL is also using monopole tower structure instead of truss/mess tower structure in 220KV LILO for construction of Balianta Grid S/S for its high wind resilience capability.

Similarly, under DRPS Phase-II scheme, OPTCL is focusing on various cabling work on priority basis that includes 132KV UG cabling of Narendrapur-Berhampur, Mendhasal-Chandaka-B, Samangara-Puri and Arugul-Ranasinghpur. It will catalyse the load growth, availability of power in coastal areas and capital region of the state throughout the year. The Disaster Response Centers with state-of-the-art IT, Communication & Safety Infrastructure have been established at strategic locations to control & co-ordinate all necessary activities to be executed on war-footing basis during the emergency of natural disasters.

Emergency Restoration System

Aftermath of devastation caused by extreme severe cyclonic storm FANI, OPTCL has set up a special Emergency Restoration Division completely dedicated to ERS (Emergency Restoration System) and other emergencies during natural disasters.

OPTCL has three numbers of stores dedicated to ERS activities. It includes stores at Mancheswar, Budhipadar and Chhatrapur. At present, OPTCL possess 25 nos. of ERS towers with T&Ps at different stores and new 18 nos. of ERS towers having compatibility up to 400 KV system voltage have been delivered to Mancheswar ERS store recently. Under this scheme, OPTCL has purchased DG Sets and has asked OEMs to submit cost estimate of different spares/parts of 25 nos. of old ERS towers unavailable at OPTCL end. Additional Jhula men and tower climbers have been employed on contractual basis at different sites in coastal areas for faster deployment and swift power restoration after any natural disasters.

OPTCL has installed spare 20 MVA transformers (at Jayanagar, Chandpur), spare 40 MVA transformers (at New Bolangir, Sambalpur, Narendrapur, Khurdha, Jajpur Road), spare 160 MVA auto transformers (at New Bolangir, Balasore, Chandaka). Installation of spare 315/500MVA ICT at 400KV New Duburi Grid is under progress.

Advanced Metering Infrastructure

All the Grid Interfacing Metering Points of OPTCL's EHT Network are successfully brought under the ambit of AMI. Energy flow through EHT Grid is captured online for all Demand Integration Periods (DIP) of 15 mins each. Necessary Energy operational data is prepared and integrated with Energy Accounting and Settlement System (EASS) of SLDC. Commercial Energy Dashboard is also successfully established.

Automatic Demand Management System

In order to optimize power usage and limit state over-drawl of power from national grid system, Automatic Demand Management System (ADMS) has been implemented in 88 nos. Grid S/Ss across Odisha. ADMS will trip 33KV feeders in 132/33KV Substations when grid frequency drops below set limit (freq. <49.9 Hz), Odisha's power drawl is above set limit. (Pdrawl > 12%), respective DISCOM's load drawl is above set limit (Pdrawl > 12% of schedule or OERC approved share percentage of 150 MW (Odisha Limit, whichever is lower).

Substation Automation System

Presently the Corporation is having 197 nos. of Grid Substations of different capacities including 26 nos. of Switching Stations, out of which 45 nos. have been more than thirty years in service, which need protection enhancement as well as modernization. This can be achieved by integration of SAS (Substation Automation System) to older pre-existing GSS. SAS involves the deployment of Substation and feeder operating functions and applications ranging from SCADA and alarm processing, to integrated Volt-Var control in order to optimize the management of capital assets and enhance operation and maintenance efficiencies with minimal human intervention.

Six nos. of very old substations (Jajpur Road, Kendrapara, Aska, Brajarajnagar, Rayagada, and Sambalpur) has been upgraded to SAS with an estimated cost (Tentative) of Rs.25.00 crore and Rs.6.73 crore has been proposed for expenditure for automation of another 9 nos. of substations i.e. Kesura, Anandpur, Karanjia, Basta, Bhawanipatna, Kuchinda, Arugul, Konark, Shamuka which were commissioned after 2010.

The restoration of substation automation of 400/220/132/33kV Grid Substation Mendhasal involving retrofitting up-gradation/ replacement of old relays with updated technology enabled relays (IEC 61850,PRP enabled) and BCU (Bay Control Unit) based automation with IEC 60870-5-104 Gateway communication protocol over TCP/IP for fiber optics has been completed.

PSDF (Power System Development Fund) is funding for SAS up gradation and Substation Automation of seven numbers of very old 220 kV Grid Substations which includes Balasore, Bidanasi, Budhipadar, Narendrapur, New Bolangir, Katapali, Paradeep. SAS Integration and SCADA implementation work has been completed in Bidanasi & Balasore GSS. In rest 5 nos. of S/S; integration work is in progress.

OPTCL is also financing SAS up-gradation projects in 16 nos. of pre-existing GSS. The automation work has been completed in Grid S/Ss at Dhenkanal, Phulnakhara, Kharagprasad, Chandpur, Jharsuguda, Laxmipur Banki, Puri, Bhubaneswar, Nayagarh, Khurda, Chainpal & Ranasinghpur GSS and in rest of the three Substations the work is expected to be completed by March, 2025.

State Transmission Asset management System (STAMS)

Presently OPTCL is undertaking the business of transmission of electricity in the State with an asset base of 197 nos. of Grid Substations, 16547.90 Ckt-kms and 26896.50MVA Transformer Capacity and is catering to the Peak Demand of the State to the tune of approx. 6,500MW. The STAMS scheme, planned by OPTCL for implementation in two phases, is intended to deliver a fully automated, centrally controlled, fast responsive State Grid allowing greater integration of renewable energy, to meet the mission of the State Govt. for 24x7 reliable, quality, greener & affordable power for all classes of Consumers of the State.

The proposed scheme is as per the advice of Odisha Electricity Regulatory Commission to plan for State Level Asset Management Centre similar to the National Asset Management Centre set up by POWERGRID, which controls and monitors the POWERGRID Substations across the country. Further, this is in line with the vision of the Ministry of Power, GoI for "Modern & Smart National Power Transmission System" as well as the Sustainable Development Goal-7 & its targets.

A Main Control Centre will be established at Chandaka, Backup Control Centre at Lapanga and 4 nos. Regional Control Centres at Chandaka, Lapanga, Balasore & Narendrapur along with installation of requisite IT & Communication infrastructure at 210 nos. of Remote Grid Substations (existing + in-pipeline for commissioning) across the State Transmission System. Integration of 65 nos. of SAS (Substation Automation System) enabled Grid Substations in Phase-I for remote operation. Balance Grid Substations will be covered in STAMS, Phase-II scheme.

Line Asset Monitoring & Patrolling (O-LAMP)

OPTCL is going to implement an APP based Transmission Line monitoring system called OLAMP (OPTCL Line Asset Monitoring & Patrolling) for periodic patrolling of transmission towers and lines. This would facilitate reporting of data related to condition of towers, conductors and corridor of transmission line which can help in timely, reliable maintenance of transmission line and reduce outage; thus increasing the system availability and efficiency.

Automated Fault Analysis System (AFAS) & Remote Accessibility System (RAS)

For quick fault finding and restoration of power supply implementation of AFAS & RAS is in progress in 18 nos. of Grid S/Ss i.e. at Lapanga, Mendhasal, Chandaka-A, Chandaka-B, Infocity-II, Atri, Pratapsasan, Meramundali, New Duburi, Balasore, Bhadrak, Paradeep, Cuttack, Bidanasi, Narendrapur, Duburi (old), Budhipadar & Therubali. This will also help in pin pointing the location and type of faults easily so that timely assessment and quick corrective measures can be taken. Similarly, the Remote Accessibility System will provide access to the remote devices including protection relays, controlled switching relays, condition monitoring devices. It uses Ethernet/TCP/IP protocol for connectivity and communication with remote devices.

The Automated Fault Analysis system shall identify faults, distinguish them from other power system phenomenon (power swings, voltage instability) and evaluate protection relays operation i.e. which protection operated correctly and which did not. The Automated Fault Analysis System shall be a rule based expert system for disturbance analysis and validation of protection system operation. These data include sampled analog voltages and currents. The major benefits of this system broadly are on-time fault analysis, efficient data utilization, verifying the relay setting, monitoring of protection device performance, effective resource utilization etc.

Nitrogen injection type fire prevention & extinguishing system (NIFPES)

OPTCL is committed to fulfil not only electrical power requirement of each corner of the state but also resolved to provide high power quality, voltage stability, reliability, 24x7 power availability with minimum transmission loss. To achieve this OPTCL has been implementing various control and protection schemes for its transmission assets. Transformer is an imminent part of power transmission system. The failure of transformers involves significant financial losses and very adversely affects transmission system availability goal.

For better protection of transformers in Grid Sub-stations, NIFPES is to be implemented by OPTCL. Nitrogen Injection system is a dedicated system for each oil filled transformer. The system shall work on the principle of drain & stir. On activation, it shall drain a pre-determined quantity of oil from the tank top through drain valve to reduce the tank pressure, isolate conservator tank oil and inject nitrogen gas at high pressure from the bottom side of the tank through inlet valves to create stirring action and reduce the temperature of oil below flash point, cover the upper surface of oil with N2 to act like a barrier for air to extinguish the fire. On operation, the quantity of oil removed from the tank shall be such that adequate amount of oil shall remain to cover core coil assembly.

In Phase-I, the executing work order was awarded for retrofitting works in 9 nos. of 315 MVA, 400/220KV ICT and 44 nos. of 160 MVA, 220/132KV Auto Transformers in 28 nos. of different Grid Sub-stations. Retrofitting works have been completed, commissioned and handed over to OPTCL in all 28 nos. of Grid Sub-stations.

Energy Audit

Electrical energy continues to be the most vital factor for the sustenance of human life and enrichment of quality. The demand of electricity is ever increasing day-by-day. Similarly, the cost of electricity generation is rising with increase in the cost of fuel, etc. In the present era of financial constraints, the Energy Audit has become an essential tool which provides the balance between energy supplied and energy billed.

As a strategy for mitigation of Technical Loss in OPTCL transmission system, 2090 nos. of ABT Compliant Open Protocol Audit Energy Meters have been installed at both ends of Transformers & EHT Lines to monitor the various losses occurring in these transmission elements. One Energy Audit Cell has been established for this purpose. Load Flow Data on monthly basis are being collected from the energy meters through OPTCL Intranet. Any discrepancies in respect of metering convention, meter integrity and accuracy class of instrument transformers as identified on the basis of audit data are being sorted out. Remedial measures are being taken to eliminate energy disparities in recordings in the system elements.

Other R&M Activities:

Renovation Works for Grid Substations which cover bus augmentation, replacement of jumpers/insulators/clamps & connectors, switchyard metalling & illumination, improvement of earthing system etc. were carried out during the period under review.

Similarly, the renovation works for EHT Lines covering replacement of conductors/insulators/earth wire, tower earthing, recouping, revetments/retaining walls are being implemented in a phased manner.

Provisions of DG has been made in all important Substations to cater to power requirement of auxiliary equipment during black outs / station supply failure / disasters etc. The ratings of the DG sets have been so selected that they can meet the emergency demand of the Substations including loads of hand tools, part of Switchyard lighting and dewatering pumps etc.

Old / defective / obsolete equipment viz. approximately 18 nos. of Breakers along with 87 nos. of tripping & closing coils, 35 nos. of CTs, 7 nos. of IVT, 77 nos. of LA & 41 nos. of Isolators etc. at different Extra High Volatge level were renovated in FY 2023-24.

More than 55 MT of line & substation materials as well as substation equipment structures, 32 kms of Power cables, 158 kms. of control cables, 1131 nos. of porcelain disc insulators, 520 nos. of Long rod insulators strings, total 43.02 kms. of conductors and 98 nos. of new Apex-100 energy meters have been delivered to field.

Almost all old & obsolete electro-mechanical relays are being replaced with intelligent programmable numeric relays. Recently 70 nos. of numerical relays including distance protection, differential protection, Master trip and REF relays in all operating voltage levels have been replaced. For on-site protection of engineers as well as workers newly procured electrical safety shoes are also distributed.

OPTCL have already installed 2090 nos. of 0.2s accuracy class, ABT Compliant Energy Meters at identified points to meet the requirement for Energy Auditing as well as billing.

To carry out O&M activities timely and effectively, OPTCL has procured 69 nos. of SF6 Circuit Breakers, 541 nos. of CT, 913 nos. of LA, 316 nos. of IVT, 424 nos. of isolators with motorized mechanism box for future substation automation schemes. OPTCL has also procured 350 kms. length of various type of conductors, 6140 nos. of Porcelain disc insulators, 1900 of long rod insulators, 19 set of 220V Plante battery with 15 nos. of battery chargers, 418 kms. of control cables and various H/W fittings etc. in FY 2023-24.

Power System Development Fund

Power System Development Fund (PSDF) has been constituted vide Central Electricity Regulatory Commission (Power System Development Fund) Regulations, 2010 dated 4th June 2010. The Power System Development Fund will be utilized for the following purposes:

- Creating necessary transmission systems of strategic importance based on operational feedback by Load Despatch Centres for relieving congestion in Inter-State Transmission Systems (ISTS) and intra-state system which are incidental to the ISTS.
- Installation of shunt capacitors, series compensators and other reactive energy generators for improvement of voltage profile in the Grid.
- Installation of standard and special protection schemes, pilot and demonstrative projects, and for setting right the discrepancies identified in the protection audits on regional basis.
- Renovation and Modernization (R&M) of transmission and distribution systems for relieving congestion.
- Any other scheme/project in furtherance of the above objectives, such as, conducting technical studies and capacity building, etc.

The projects of OPTCL covered under PSDF funding are: Renovation & Up-gradation of protection System of Substations, Implementation of OPGW based reliable communication at 132KV and above substations, Installation of 125 MVAR Bus Reactor along-with construction of associated bay each at 400KV Grid S/Ss for VAR control & stabilisation of system voltage, Implementation of Automatic Demand Management System (ADMS) in SLDC, Protection Up-gradation and installation of SAS for seven numbers of 220/132/33KV Grid Sub-stations etc.

GOVERNMENT FUNDED SCHEMES:

OPTCL being the State Transmission Utility has been entrusted for implementation and monitoring of many important Transmission and Distribution Infrastructure Development projects funded by the Central/State Government. Some of the important projects are as under:

Odisha Distribution System Strengthening Project (ODSSP): ODSSP is being implemented for construction of new 33/11KV Substations with associated 33KV & 11KV lines under the State Government funded scheme and OPTCL has been declared as Nodal Agency for implementation of the project. The Project is being executed under various phases/packages covering the areas of all Distribution Companies in the state i.e. TPCODL, TPNODL,TPWODL & TPSODL. OPTCL has awarded the contract to different EPC Contractors selected through open tender for construction of 472 nos. of 33/11KV Substations and associated lines. So far 455 nos. of Substations & associated lines have been completed and commercially commissioned. Balance Substations and associated lines will be completed by June, 2025.

Further, as per decisions of the State Government, another 99 nos. of 33/11KV Substations with associated 33KV & 11KV lines and 64 nos. of Independent 33KV lines in five different packages under Phase-IV, ODSSP are being executed with the objective to improve supply voltage at consumer end, minimization of interruption, 24X7 quality & reliable power supply, decrease in technical loss and reduction in feeder length resulting in curtailment of duration of restoring faults in lines. For execution of the project OPTCL has been declared as nodal agency and the concerned the DISCOMs are acting as Project Management Implementation Agency.

State Capital Region Improvement of Power System (SCRIPS): State Capital Region Improvement of Power System Project is a State Government Funded Project which aim to provide 24x7 uninterrupted and reliable power supply to all classes of consumers including public services in the geographical area covered under the Comprehensive Development Plan (CDP) for Bhubaneswar and Cuttack Urban Complex. The Project Scope envisages putting in place the most technologically advanced infrastructure for both Transmission and Distribution System in order to achieve the objective. OPTCL have been designated as the implementing Agency for this Project.

Under this project construction works of 6 nos. of 33/11KV GIS PSS at Unit-8, Badagada, Bapuji Nagar, Kharavel Nagar, Satyanagar-2 & Saheed Nagar have been completed. Badagada GIS PSS has been commissioned on dt. 02.05.2024.

SCB Medical Infrastructure Development Scheme under SCRIPS: Govt. of Odisha have decided to make the SCB Medical College & Hospital, Cuttack into a world class institute. Accordingly, large number of redevelopment programme have been considered to improve the infrastructure with all modern facilities to provide better service to the people of Odisha. OPTCL as a single agency is entrusted with the comprehensive electrical plan and execute the same with an objective to make the Redeveloped SCBMCH campus and adjoining areas free from overhead network and also to ensure high quality of 24x7 reliable power supply to the proposed campus. The scope of works includes Engineering, Supply, Erection, Testing and Commissioning of 2x63MVA 132/33KV GIS Grid Substation, 132KV Bay Extension work at Brajabiharipur Grid & Bidanasi Grid, 132KV UG cabling from Brajabiharipur & Bidanasi Grids to upcoming GIS, 2x12.5 MVA 33/11KV GIS PSS, 33KV and 11KV UG cabling systems for the Development of SCB Medical College & Hospital. The Contract has been awarded to M/s. Sterlite Power Transmission Ltd and the work is under progress.

STATE LOAD DESPATCH CENTRE:

State Load Dispatch Centre (SLDC) is the Apex body to ensure integrated operation of the Power System in the State of Odisha. SLDC is functioning under the ambient of OPTCL as an independent System Operator and ensures integrated operation of the power system in the State. SLDC monitors real time operations for control and dispatch of electricity through secure and economic operation of the State grid in accordance with the Grid Standards and Grid Code and keeps the account of the quantity of electricity transmitted through the State Grid. During the period under review, the major activities of SLDC are as follows:

- Successful monitoring and optimization of State Energy Drawl, following Merit Order Despatch, Real Time market Regulations and stricter guidelines in amended CERC IEGC Regulations, to minimize deviation from ISGS Schedule.
- SLDC has efficiently carried out scheduling for Real Time Market (RTM) and Green Day Ahead Market (GDAM) transactions after their implementation.
- Optimal use of State's Hydro Potential to meet requirements of Irrigation and contingencies by efficient management of the remaining Generation Resources.
- Successfully optimized the State's share of energy drawl from Machhakund Power Station by continuous monitoring at SLDC and Jayanagar Substation through RVDU.
- Successfully carried out reactive power management to reduce penalty arising through reactive energy billing.
- Computation of ATC/TTC for the State Transmission System.
- Preparation of injection / withdrawal data at all nodes up to 132KV corresponding to the all India peak block on monthly basis using the PSSE software for PoC Charge Determination.
- Display of real time power demand and generation data has been successfully accomplished in SLDC web portal.
- 36 nos. of Grid Substations and Solar projects integrated with SCADA for real time monitoring.
- As a smart grid initiative, the automatic tripping of 400KV Bus Reactor at Meramundali, Mendhasal and New Duburi has been implemented and the scheme is operating successfully.
- Automatic Demand Management Scheme (ADMS) has been implemented. The project is working successfully by reducing manual intervention for load management, helping the System Operators to take corrective action during low frequency conditions.
- For enhanced transparency, optimal scheduling & dispatch and credible & dispute-free deviation settlement mechanism SAMAST (Scheduling, Accounting, Metering and Settlement of Transactions in Electricity) is under implementation and the project is likely to be completed by 2025.

INFORMATION TECHNOLOGY:

Information Technology Department of OPTCL actively oversees the central monitoring of IT system, aiming to enhance efficiency and foster transparency in the organization's overall functions. With the technological advancements, OPTCL's IT is poised to evolve into a smarter and more intelligent system in the near future. The establishment of a "Managed IT infrastructure and IT Applications" plays a pivotal role in ensuring heightened performance, increased availability, and swift resolutions to potential issues. The department is engaged in various significant activities to fulfil these objectives. The major activities undertaken by IT Department are as under:

SAP S4/HANA IMPLEMENTATION IN OPTCL & SLDC

OPTCL has strategically decided to implement a new ERP solution based on SAP in view of the limitations posed by the current Oracle EBS solution, attributed to its aging infrastructure and technology. This initiative aims to address the evolving needs of users and enhance overall system capabilities. To facilitate this transition, a tender was floated for selection of a Systems Integrator (SI) to oversee the project. M/s. YASH Technology has been awarded the contract for implementation of SAP S4/HANA throughout OPTCL and SLDC. The project involves the direct procurement of SAP licenses from the original equipment manufacturer (OEM), M/s SAP.

To ensure the seamless execution of this SAP S4/HANA implementation, Module-Wise Core Teams have been formed. These teams consist of Yash Consultants, Functional Experts and IT executives, each dedicated to specific modules critical for OPTCL and SLDC operations as below:

- HCM (Human Capital Management)
- MM (Material Management)
- FICO (Financial & Controlling)
- PS (Project Systems)
- PM (Plant Maintenance)
- QM (Quality Management)
- EHSM (Employee Health Safety Management)
- DMS (Data Management System)
- MDG (Master Data Governance)

The project has progressed through the As-Is phase, providing a comprehensive understanding of the existing system. Additionally, Business Blueprint (BBP) documentation has also been completed, laying the groundwork for the upcoming phases.

Currently, the project is focusing on development activities to bring the envisioned SAP S4/HANA solution to fruition. In the meantime the training cum solution validation session completed with a better understanding and hands-on experience to the end user. Further their feedback is crucial on the same for seamless implementation of the project in OPTCL. This strategic initiative marks a significant step towards modernizing and optimizing OPTCL and SLDC's enterprise resource planning capabilities.

CYBER SECURITY:

OPTCL-IT is proactively engaged in ensuring the cyber security of its operations through a series of activities conducted annually. These activities include Vulnerabilities Assessment Tests, Internal Audits, Surveillance Audits and Cyber Security Awareness Training. The work order towards implementation of Information Security and Management System (ISMS) as per ISO 27001:2022 standard in Information Technology (IT) & Operation Technology (OT) infrastructure of OPTCL was awarded to M/s. KPMG Assurance and Consulting Service LLP on March 2024. The scope of work includes vulnerability assessment and penetration testing of IT infrastructure of OPTCL. For this project, Chandaka SAS substation and Chandaka-B GIS substation are taken into scope as pilot basis. The VAPT audit of website, webmail applications of OPTCL and Primary Data Center of OPTCL have been completed on June 2024. Staying attuned to the evolving cyber security landscape, OPTCL compiles advisories from authoritative bodies such as CERT-In, CERT-GO, and CSK (Cyber Swachhata Kendra). In the realm of Information Security, ISMS Audit has been conducted.

Looking forward, OPTCL is actively involved in the e-tendering process for the procurement of consultancy services. This initiative is geared towards the implementation of the Information Security and Management System (ISMS), with the ultimate goal of achieving ISO 27001:2022 certification across OPTCL, SLDC. This strategic approach underscores OPTCL's commitment to maintain robust cyber security measures and aligning with international standards.

DRONE INSPECTION OF TRANSMISSION ASSETS:

OPTCL has embarked on a transformative initiative to address the challenges associated with traditional methods of inspecting overhead power transmission lines. Leveraging drone technology, the company has undertaken a comprehensive inspection of its infrastructure.

Through drone inspections, OPTCL captures RGB and thermal images/videos of all towers and line spans from various angles. This wealth of visual data is then subjected to a fault detection mechanism through image processing and rigorous analysis. As a result, OPTCL has successfully identified various faults and vulnerable points, allowing for timely preventive actions to be taken.

The key faults and vulnerabilities assessed through this innovative project include:

- Missing, damaged or rusting tower members and cross arms.
- Loose, missing or damaged earth bonds.
- Shaded or damaged insulators.
- Detection of strand breakage.
- Loose connections of earth bonds.
- Mechanical deterioration of hardware fittings.
- Loose connections or carbon build up in jumpers.
- Poor workmanship during the assembly of towers.

The pilot drone project has been completed for two critical lines i.e. 132KV Nimapara-Puri D/C Line and the 220KV Mendhasal-Bidanasi Line.

Looking ahead, OPTCL plans to scale this initiative, with the Pan OPTCL rollout set to cover 48 lines. This comprehensive approach will encompass all 400KV lines and critical 220KV and 132KV lines marking a significant step towards enhancing the reliability and efficiency of power transmission infrastructure.

PRIMARY DATA CENTRE:

The Primary Data Centre (PDC) of OPTCL is a pivotal infrastructure initiative serving OPTCL, SLDC, GRIDCO and also available for use by DISCOMs on a chargeable basis. PDC is designed in adherence to industry-standard III Tier DC architecture, boasting redundant power supply, redundant cooling and compliance with ISO 27001 standards. During the period under review, several activities with technological advances has been implemented in PDC for robust and secure data management. The Initiatives and enhancements are as follows.

- DC infrastructure (Server infrastructure, storage and associated infrastructure) required for the on-going SAP-ERP implementation for OPTCL and SLDC has been scaled-up horizontally and virtually to cater the increasing resource need of the organization.
- Latest Operating System Containerization technology (RedHat Kubernate engine) has been adopted in PDC for the critical server environment for seamless computing-resource management and to built-up a robust environment.
- OPTCL is in the process of complete segregation of the entire DC environment to MZ and DMZ (both logically and physically) for easy management and security heightening.
- Primary Data Centre complied to the ISO 27001-ISMS audit for renewal of the ISO certification.

Apart from the above, the OPTCL PDC Collocation Service Charge for use by DISCOMs /GRIDCO/any other third party has been finalized by the appropriate committee. Accordingly, PDC Collocation Service Charges has been communicated to the DISCOM for the payment to OPTCL. This strategic initiative and continuous enhancement stands as a testament to OPTCL's commitment to robust and secure data management.

WIDE AREA NETWORK (OGS-WAN):

OPTCL boasts a resilient networking system designed to provide its officials throughout Odisha with seamless access to IT services. The infrastructure includes a proprietary fibre optic network (OPGW) spanning 6,369 kms., ensuring uninterrupted and high-speed connectivity.

Specifically, OPGW links have been established for approximately 164 Grid Substations, delivering a bandwidth of 10Mbps, supported by a robust backhaul of 100Mbps. This configuration is strategically engineered to cater to a maximum number of users. Offices beyond this scope are seamlessly connected through hired MPLS links, featuring a bandwidth of 512Kbps and a substantial backhaul of 50Mbps, alongside point-to-point connectivity.

As part of the ongoing efforts to enhance network capabilities, MPLS links with 512Kbps bandwidth have been successfully commissioned at 35 locations, with a 50Mbps backhaul bandwidth implemented at the head office. Additionally, 2Mbps point-to-point links have been established at four locations within the Grid Substations and Offices of OPTCL.

A significant milestone in optimizing network efficiency has been achieved through the OGS-WAN project, encompassing the upgrade of all active network components such as routers and switches. This comprehensive upgrade spans across all locations of OPTCL, reinforcing the organization's commitment to a technologically advanced and resilient networking infrastructure.

In addition to this, the installation of Package B, which includes Data Networking Equipment, IP Intercom System, IP CCTV Surveillance System and Video Conferencing and display systems for the Conference Hall, has been completed for the OPTCL Tech Tower building:

- **24x7 IP CCTV Surveillance System**

  The building is secured with IP CCTV Surveillance System along with Automatic Number Plate Recognition (ANPR) Cameras with software licenses. ANPR is employed at boundary checkpoints and high-security areas to monitor vehicle movements and identify suspicious or unauthorized vehicles inside the campus area of OPTCL Tech Tower.

- **IP Inter-Cum System**

  IP Inter-Cum System is installed in the tech tower building with hybrid end points i.e. both IP and TDM. It also provides support for 100% TDM endpoints. The communication system is a highly secured, encrypted IP supporting hybrid Trunks e.g. Analog CO, Digital Trunks (BRI and PRI), IP Trunks (H.323/SIP)

- **USB Based Audio and Video Conferencing System**

  USB based Audio and Video Conferencing System is installed in all conference rooms in tech tower building having Studio auto-framing 4k USB camera w/dual lens, multi-mic array. Digital pan, tilt, zoom. Power via PoE IEEE 802.3af. Cables: 5m USB A-C, 4.6m LAN. Wall mt brkt.

- **Data Networking Equipment 24 Port Layer 3 Switch:**

  The Tech tower building is networked using Layer 3 Switch Data Networking Equipment supports 10G Base - LX/LH SFP Transceiver module, SMF, 1310nm, 9/125 um single mode fiber type up to 20KM connected between OPTCL Tech Tower buildings to PDC (Primary Data Centre) OPTCL through Underground Micro tunnelling crossing the busiest Janpath road.

- **Indoor Access Point:**

  45 nos. of indoor access points have been installed in all floors of the tech tower building for wi-fi coverage having the following features.

Indoor Access Point: HPE Aruba, MODEL: 505 Access Point radio have minimum 2x2 MIMO with 2 special streams on 5 Ghz. The AP should have Dual Radio 802.11ax access point with OFDMA and Multi-User MIMO (MU-MIMO). Should have peak antenna gain of 4.9dBi in 2.4GHz and 5.7dBi in 5GHz. Access point support Built-in technology that resolves sticky client issues for Wi-Fi 6 and Wi-Fi 5 devices.

GEOGRAPHICAL INFORMATION SYSTEM (GIS)

Under the GIS project, OPTCL has successfully geo-referenced all engineering assets, encompassing the EHT O&M Network. This effort has culminated in the creation of a comprehensive Power Atlas and the GIS project is seamlessly integrated with e-Shakti, enabling the retrieval of real-time asset information.

Further, to facilitate the utilization of the GIS application by field offices, OPTCL is providing the necessary KML/KMZ files for all existing assets. This ensures ready reference and accessibility for field operations. Additionally, OPTCL IT team is actively addressing concerns raised by field offices on a day-to-day basis, providing necessary support and guidance during any operational challenges. This proactive approach reflects OPTCL's commitment to leveraging GIS technology for effective asset management and operational efficiency.

The advantages of GIS enjoyed by OPTCL are broadly as under.

- Access of OPTCL transmission network on Google Earth.
- Report generation as per different queries raised in power sector.
- Preparation of Disaster Management and mitigation.
- Quick gang mobilisation and RoW facilitation.
- Various Asset status through image gallery.
- Forecasting Cyclone / Super-Cyclone path and its impact on OPTCL assets.

TELECOMMUNICATION

OPTCL has its own state of the art Telecommunication network over 6380 KMs optical fibre laid throughout OPTCL transmission network covering Grid Substations and Power Generating stations. The network caters the responsibility of providing 24x7 SCADA solutions along with voice communication from SLDC to all Substations and power generating stations. SCADA provides the platform & data for the background activities of SLDC like real-time operation, report generation, historical data analysis and fault analysis. In addition to the above regular maintenance of SCADA/OPGW and the DC power supply system by Telecom wing, SCADA facility have already been provided to 4 DISCOMS through RVDU for visualization of real time data. The following are ongoing & new projects by Telecom wing.

- Provision of optical fibre based communication through OPGW for providing reliable communication to all Grid Substations with PSDF support have been made good. Stringing of OPGW completed in 2264 Kms. out of 2289 Kms. The work completed on June'2024.
- Commissioning of 78 nos RTUs have been completed replacing of 51 old RTUs and covering 26 new substations. Provision of dual reporting have been made good for the RTUs to report both MCC & BCC.
- Integration of RTUs with OPTCL SCADA System: Integration of RTUs of OPTCL as well as industries, CGPs, IPPs with SLDC SCADA is a regular phenomena for online grid data availability towards fast & smooth grid management. As of now 284 Nos of RTUs have been integrated out of which 196 nos are OPTCL RTU, 63 nos are Private RTU ,25 nos are Solar RTU. Hot Line voice communication (IP Phone) from SLDC to 192 nos. of Grid S/S have been established and are being maintained 24x7 basis.
- Leasing of spare fibre in OPTCL OPGW Network: OPTCL has built a strong back bone of optic fibre communication network through its OPGW laid over 400KV, 220KV & 132KV transmission lines. OPTCL has already laid 6380 KM of OPGW (24F). Presently, OPTCL is earning a revenue of Rs.16 crore per annum by way of leasing out 28700 Ckt KMs. of dark fibre to Powergrid, Tata Communication, Airtel, BSNL,

RAILTEL, WEFE, GTPL KCBPL, Siti Broad Band Services, Vodafone, New moon Telecom, Light storm Telecom. This amount will increase substantially over the years after completion of commissioning of OPGW networks in upcoming projects.

- BharatNet Phase-II: BharatNet is a flagship project of Government of India funded by Universal Service Obligation Fund (USOF), Department of Telecommunications, Govt. of India to provide broadband connectivity (High speed internet) at all Gram Panchayats to enable key services like administration, education, health, banking and agriculture at grass root level. The scope of the project for laying 20393 kms. of ADSS optical fibre cable covering 3065 nos. of GPs/BHQs have been completed with installation of 162 no. of OLTs at respective BSNL exchanges and 3065 no. of ONTs at respective GPs. Now the project is being monitored by OPTCL which is under extended warranty period.
- Govt. of Odisha is proposing a state of the art communication system to fulfill state own communication requirement between State HQ to District HQs by using the dark fibre of OPTCL OPGW Network.

CORPORATE GOVERANCE

OPTCL continues to believe in observing the best corporate governance practices and benchmarking itself against each such practice on an on-going basis. The Corporation being an unlisted wholly owned Govt. of Odisha undertaking is strictly adhering to the principles of Corporate Governance as envisaged in the Companies Act, 2013. OPTCL believes that good governance should entail trusteeship, empowerment and accountability of the management while remaining proactive to the Government policies. Further, as per guidelines prescribed in the Corporate Governance Manual issued by the State Govt., the Corporation has submitted the Corporate Governance Compliance Report to P.E. Deptt., Govt. of Odisha for the year 2023-24.

ENVIRONMENT AND SOCIAL MANAGEMENT:

The activities of OPTCL are non-polluting in nature and their environmental impacts are negligible. However it follows the applicable regulatory requirements and practices environmental and social prudence in all its business activities and attaches highest importance to Environment, Social ecosystem. It always endeavors to protect and conserve environment in areas of its activities from inception to operation stage. At the same time the Corporation is also conscious of the need to conserve natural resources and avoids forest, ecological sensitive areas like Wildlife Sanctuaries/ National Parks and Coastal Regulation Zone areas as far as possible through optimization of route alignment In some cases where involvement of forest area becomes unavoidable, necessary clearance has been obtained under Forest (Conservation) Act, 1980. Compensatory Afforestation has been done on equivalent amount of land where transmission line passes through forest area. The Corporation has taken various initiatives to fulfill its commitment towards the goal of sustainable development. Key initiatives in this regard are designed & installation of Multi-Circuit Towers in lines which have not only conserved the precious Right of Way (RoW) but also substantially reduced felling of trees as well as facilitated conservation of wildlife in ecologically sensitive areas. Similarly, installation of Gas Insulated Substation (GIS), instead of Air Insulated Substation (AIS) particularly in the vicinity of habitation/town areas has substantially minimized land requirement and also helped in conservation of precious land resource.

OPTCL has launched an E-Vehicle Advance Scheme by providing financial assistance for the purchase of electric vehicles. This initiative not only supports employee needs but also aligns with environmental sustainability goals. OPTCL as a responsible corporate citizen always believes that the ultimate goal of the business is not limited to financial profitability, but also includes the much-needed societal welfare which ultimately takes care of the environmental issues involved with its activities.

HUMAN RESOURCE MANAGEMENT

Recruitment and Workforce Development:

OPTCL has consistently prioritized attracting and retaining top talent as part of its commitment to excellence in operational standards. During the period under review, OPTCL has recruited 89 candidates across various disciplines. These recruitments spanned key areas such as Management Trainees (MT) in Electrical, Finance, HRD, Law, and Telecom, as well as Junior Management Trainees (JMT) in Finance and Telecom. Notably, the organization recruited 30 candidates through the Graduate Aptitude Test in Engineering (GATE) for the MT (Electrical) position.

Further, in alignment with OPTCL's strategic workforce planning, ongoing recruitment initiatives for FY 2024-25 has been planned to fill up 172 positions, which includes 89 Executive in Electrical and Civil disciplines and 83 Non-Executive in positions such as Junior Maintenance & Operator Trainee (JMOT), Revenue Inspector, and Amin. These recruitment efforts emphasizes OPTCL's dedication to maintain a diverse and skilled workforce capable of meeting the evolving demands and challenges of the energy sector.

Learning & Development:

OPTCL has a strong focus on continuous learning and development, recognizing that the professional growth of its employees is essential to the organization's success. In FY 2023-24, the Training & Development Branch organized 73 training programs, including 40 external and 33 internal sessions. These programs covered both management development and technical training having specifically emphasis on nominating executives for external training at prestigious institutions such as the Central Board of Irrigation and Power (CBIP), the Rural Electrification Corporation Institute of Power Management & Training (RECIPMT), the Engineering Staff College of India (ESCI) and the Independent Power Producers Association of India (IPPAI). During FY 2023-24, the organization achieved 15593 training man-days, with active participation from 1528 employees, reflecting OPTCL's commitment to building a competent and motivated workforce. More so, from April 2024 to August 2024, OPTCL continued its robust training initiatives with 44 programs (23 external and 21 internal), ensuring that employees are equipped with the latest industry knowledge and skills. The OPTCL Power Training Center (PTC) at Chandaka played a pivotal role in in-house training, organizing a variety of programs including Management Development, Technical Training, Induction sessions and Safety Training. Over the reporting period, the organization achieved 11641 training man-days with active participation from 1133 employees.

The Apprenticeship Trainee program at OPTCL saw significant expansion with 23 students engaged in FY 2023-24 and 202 students in FY 2024-25. This program offers opportunities for both Engineering and Non-Engineering students, covering diverse disciplines such as Electrical, IT, Telecom, HR, Finance, Library Science and Law, providing practical experience to prepare students for their future careers. Similarly, under the Dual System of Training (DST) scheme, OPTCL partnered with four Government ITIs (Industrial Training Institutes) to enroll 66 students in high-employability courses, demonstrating the organization's commitment to skill development and industry collaboration.

Industrial Relations & Labour Welfare:

It has always been the focus of your Corporation for maintaining industrial peace and fostering positive labour relations, which are critical to the uninterrupted functioning of the organization. The timely extension of strike prohibitions under the Essential Services (Maintenance) Act, 1988, has been instrumental in ensuring industrial harmony. Further, in response to longstanding demands from Non-Executive employees, OPTCL undertook a significant restructuring of the Non-Executive cadre with an aim to facilitate career advancement opportunities and provide a clear pathway for professional growth, addressing employee aspirations and improving job satisfaction.

OPTCL's commitment to enhancing employee financial well-being is evident through several key initiatives. The Wage Revision for 2020, completed on August 22, 2024, provided a much-needed salary adjustment for Non-Executive employees. Additionally, the Corporation revised the Housing Rent Allowance (HRA), maintaining rates at 18% and 20%, as applicable. Other financial benefits included an enhanced Woollen Jersey allowance and the provision of festival and special puja advances, reflecting OPTCL's holistic approach to employee welfare. The Corporation also adopted government notifications regarding the enhancement of DA, VDA and payment of minimum wages, covering various categories of employees, including those deployed through outsourcing agencies and contractors. These measures underscore OPTCL's commitment to ensuring fair compensation and benefits for all its workers, including contract and outsourced personnel.

Employee Welfare:

OPTCL's dedication to employee welfare is further exemplified by its comprehensive health insurance schemes. The renewal of the Group Health Insurance Scheme (GHIS) provided coverage for 2,622 employees in FY 2023-24 and

2,764 employees in FY 2024-25. Additionally, the GHIS for retired employees and their spouses was renewed, with 182 subscribers in FY 2023-24 and 305 retirees expressing their willingness to be covered in FY 2024-25. Notably, the premium for the scheme was reduced, making it more affordable for retirees. The Group Personal Accident Insurance Scheme (GPAIS) was also renewed, with coverage amounts increased to Rs.50.00 lakh for Executives and Rs.25.00 lakh for Non-Executives in FY 2024-25. This enhanced coverage ensures that employees and their families are adequately protected in case of unforeseen accidents.

In line with its commitment to employee support, OPTCL introduced the Additional Financial Assistance Scheme, which provides Rs.10 lakh to the family in the event of in-service death of an employee. Under this scheme Rs.60.00 lakh disbursed to six dependent family members in FY 2023-24 and Rs.10 lakh to one dependent family member in the current financial year 2024-25, offering crucial financial aid during difficult times. That apart, the Employees Contributory Financial Assistance Scheme further contributes to the welfare of employees' families by involving contributions from both Executives and Non-Executives. For FY 2023-24, a total of Rs.35 lakh was paid to six dependent family members of deceased employees, showcasing OPTCL's commitment to supporting its workforce. Additionally, a Comprehensive Health Check-up Facility was implemented, with over 200 employees and their dependents availing the service at empanelled hospitals, underscoring OPTCL's focus on preventive healthcare.

Embracing sustainability, the E-Vehicle Advance Scheme was launched, providing financial assistance for the purchase of electric vehicles. The scheme benefited 127 employees in FY 2023-24 with a total of Rs.2.95 crore sanctioned, and 62 employees in FY 2024-25 (April to August) with Rs. 1.48 crores sanctioned. This initiative not only supports employee needs but also aligns with environmental sustainability goals.

Looking ahead, OPTCL plans to continue enhancing employee welfare through various initiatives, including revising funeral expense rules, empanelling more corporate hospitals in additional districts which will be easier for the employees to get the immediate health facility.

Corporate Social Responsibility (CSR):

OPTCL's commitment to Corporate Social Responsibility (CSR) is deeply embedded in its operations, guided by its Corporate Social Responsibility and Sustainability Policy, implemented since 1st March, 2015. The organization focuses on promoting education, vocational training and skill-building as priority activities, contributing to holistic community development. During the reporting period, OPTCL made a significant contribution of Rs.2.46 crore to the Odisha State Disaster Management Authority (OSDMA) - CSR fund which will be treated as an CSR expenditure as notified by the Central Government. This contribution is aimed at strengthening disaster management efforts and enhancing the resilience of vulnerable communities, reflecting OPTCL's commitment to supporting social welfare causes. In addition to the OSDMA contribution, OPTCL has also allocated Rs.50.70 lakhs to support various social welfare initiatives. These include providing free residential coaching to meritorious and economically weaker section (EWS) students, development of health care facility, special skill training under traffic awareness programs, provision for safe drinking water as well as distributing safe and cold drinking water to the public during the summer and religious festivals. These initiatives demonstrate OPTCL's dedication to create a positive and lasting impact on the communities it serves.

Future Goals:

OPTCL remains steadfast in its commitment to further enhancing its HR and CSR initiatives. The organization plans to continue reviewing and revising employee allowances, introducing new welfare schemes and expanding its CSR activities. By aligning these efforts with organizational needs and employee benefits, OPTCL aims to maintain its high standards of workforce development, employee relations, and social responsibility, ensuring sustained growth and positive community impact in the years to come.

Vigilance:

The Corporation is committed for conduct of its affairs of business in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and steadfast to develop a culture where it is safe for all employees to raise concern about any poor or unacceptable practice and any event of misconduct.The Corporation focuses more on Preventive and Pro-active Vigilance, apart from Detective, Predictive and Punitive Vigilance. Aiming at better transparency in working of the organization and to inculcate a sense of Ethics, Integrity and sound Corporate Governance, several steps are being taken for improving the system and vigilance administration. All executives submit their property statement each year as per norm prescribed by the Corporation in line with Govt. of Odisha guidelines. Vigilance Awareness Week was also observed in the organization during the period under report.

Vigil Mechanism Policy:

Pursuant to the provisions of section 177 of the Companies Act, 2013 read with the Companies (Board Meeting and its Powers) Rules, 2014, the Board of Directors of the Corporation have adopted the Vigil Mechanism Policy laying down the principles and standards governing the management of grievances and concerns of employees and directors of the Corporation which shall be overseen by the Audit Committee of the Corporation. The Mechanism enable the employees and the directors of the Company to report their genuine concerns or grievances about the actual and potential violation of the principles and standards set for the operation of the Corporation. Further, the Policy is intended to encourage and enable employees to raise serious concerns within the Corporation prior to seeking resolution outside the Corporation. However this neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

Safety Activities:

- Data base has been developed for maintaining individual earth resistance within 1 ohm to 5 ohm and the earth mat resistance less than 1 ohm in all grids. The line earth resistance has been maintained below 10 ohm. Chemical treatment and new earth pits have been done where any abnormalities found in earth resistance.
- Steps have been taken towards availability of HV/ EHV detector, insulation resistance and earth resistance kits at field units.
- All Grid Substations are maintaining data for fire extinguishers digitally, the status of which are being checked across OPTCL.
- Pre-Employment Preparatory Talk (PEP TALK) and Hazard Identification and Risk Assessment (HIRA) have been made mandatory. Besides, safety pledge before starting of any work for all team members has been made mandatory.
- Safety training has been made mandatory for all electrical employees as sper CEA regulations. Safety training modules and safety workshops etc. are prepared for different target participants and conducted on regular basis.
- e-Audit has been developed considering around 250 audit points for submission of internal safety audit report by grid substations and transmission lines. Similarly, e-LC launched in field levels to make the line clearance procedure more transparent and full-proof.
- Observation of National Safety Week and National Electrical Safety Week for creation of safety awareness among employees.
- Safety Awareness programs conducted through physical and online mode. Inclusion of safety performance in EPAR of employees.
- Training programs on first-aid for all employees has been planned out for the whole year and started in phased manner.
- Safety messages have been circulated among the employees through digital media like bulk messages on mobile and computer platforms.

INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Corporation has constituted an internal complain committee under section 4 of the Sexual Harassment of

Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complain was received by the said committee.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

The Corporation has not entered into any contracts or arrangements with related parties during the year under report. As per Notification dated 5.6.2015 issued by the Ministry of Corporate Affairs, any transactions by a Government Company in respect of contracts and arrangements entered into with any other Government Company is exempted under Section 188 of the Companies Act, 2013. Accordingly, the disclosure of Related Party transactions in form AOC-2 is not applicable.

INTERNAL CONTROL SYSTEMS

Your Corporation is having a comprehensive internal control mechanism in place to verify the accounting and financial management system, adequacy of controls, financial propriety aspects and to provide reasonable assurance regarding reliability of financial reporting and preparation of financial statements in accordance with generally accepted accounting principles. The Corporation has a well-defined delegation of power prescribing the limits for approving financial transactions. The Corporation has established internal control systems that commensurate with size and nature of its operations and also has a dedicated Internal Audit department which carries out audit across business. In line with the provisions of Section 179 read with Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014, experienced external firm of Chartered Accountants/Cost Accountants have been engaged as the Internal Auditors duly approved by the Board of Directors for assessment of financial and non-financial transactions in close co-ordination with Company's own Internal Audit department so as to ensure that all checks and balances are in place and all internal controls/systems are in order. The Audit Committee of the Company meets at regular intervals. The internal audit reports along with significant / material audit findings are placed before the Audit Committee for review, discussion and subsequent action.

RISK MANAGEMENT

OPTCL being a State Transmission Utility as notified by the State Govt. under the Electricity Act, 2003, the element of risk threatening the existence of the Company is minimal. However it is the practice of OPTCL to follow the risk management practices in its entire business process starting from project execution to system operation to manage the uncertainties and complexities associated with Company's business operations and growth objectives. The potential risk involvement relates to its assets & property, operation, regulatory risk, RoW etc. The management review and monitors the key performance parameters and take corrective measures to improve the business process efficiencies and it helps the company to improve strategic decision making within the organization. The management is in the process for formulating a Risk Management Policy.

MEMORANDUM OF UNDERSTANDING

Your Corporation for the 14th successive year has signed the Memorandum of Understanding (MOU) with the Department of Energy, Govt. of Odisha for FY 2023-24 pursuant to the guidelines framed under the Corporate Governance Manual issued by Public Enterprises Department, Govt. of Odisha. OPTCL has also furnished the Corporate Governance Compliance Report for the Financial Year 2023-24 in line with the guidelines of the said manual.

ORDERS, IF ANY, PASSED BY REGULATORS/ COURTS OR TRIBUNALS

During the period under report no orders have been passed by the regulators or courts or tribunals impacting the going concern status and the Company's operation. Further, no case is pending against the Company under the IBC.

AWARDS AND ACCOLADES

During the period under report, the Corporation has received the following awards:

- SKOCH Silver Award in Power & Energy category for implementation of drone based technology for monitoring of transmission corridor.
- Best SLDC (Runner Up) by IPPAI for Year-2024 at 24th Regulator and Policy Makers.

- Best Employer Brand Award by World HRD Congress.
- Platinum winner of the prestigious India Smart Grid Forum (ISGF) Innovation awards under the category "Smart Technology-Electricity Transmission" for the project "Automatic Demand Management Scheme (ADMS) in Odisha Power System".

RIGHT TO INFORMATION

In order to promote transparency and accountability, an appropriate mechanism has been set up across the Corporation in line with Right to Information Act, 2005. The Corporation has nominated Public Information Officers and Appellate Authorities at Corporate, Zonal and other field offices to provide required information to the citizens under the provisions of Act.

Training programs / awareness sessions for the Company's CPIOs/PIOs/Appellate Authorities were organized for sensitization about their role in implementation of the RTI Act. The Company under suo-moto disclosures in compliance under Section 4 (1)(b) of Right to Information Act, 2005 has place large amount of information in public domain on a proactive basis to make the functioning of the Public Authorities more transparent and to reduce the number of RTI applications from individuals.

MANAGERIAL REMUNERATION & PARTICULARS OF EMPLOYEES

Your Corporation being Government Company is exempted to furnish information under Section 197 of the Companies Act, 2013 vide Notification No. GSR-163(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Govt. of India.

MEETINGS OF THE BOARD

During the year under review, eight (8) Board Meetings were held i.e. on 4th May, 2023, 25th July, 2023, 18th September, 2023, 29th September, 2023, 5th December, 2023, 12th February, 2024, 7th March, 2024 and 15th March, 2024. All Board Meetings were held at the Registered Office of the Corporation in Hybrid mode. Meetings were scheduled well in advance and the Notice, detailed Board agenda, management reports and other explanatory notes were circulated to the Directors to enable them to go through the proposals and participate in the discussion for effective decision making at the meetings. The members of the Board had complete access to all information of the Company. In case of urgency, resolutions are passed by circulation as per provisions of section 175 of the Companies Act, 2013. Notice and Agenda papers for the meetings were circulated to the Directors in advance.

SUB-COMMITTEES OF THE BOARD

Audit Committee:

The Audit Committee of OPTCL has been constituted by the Board of Directors since 2006. The terms of reference, role, powers and functions of the Audit Committee have been also approved by the Board covering all matters specified under the Companies Act, 2013 and the guidelines of the Corporate Governance Manual of P.E. Department, Govt. of Odisha. The Audit Committee of OPTCL as on 31 March, 2024 was comprises of Sri B.K.Misra, Dr. Satyapriya Rath, Prof. (Dr.) Meera Viswavandya and Sri B.B.Mehta as members. Head of Finance was a special Invitee to the Audit Committee meetings. During the year under report six Audit Committee meetings were held i.e. on 16th March, 2023, 26th May, 2023, 12th September, 2023, 17th October, 2023 and 12th February, 2024.

Corporate Social Responsibility (CSR) Committee:

The Companies Act, 2013 mandates constitution of Corporate Social Responsibility Committee. Accordingly, the Board of Directors have constituted the CSR Committee comprising of Functional and Independent Directors which is empowered to look into matters related to CSR activities and sustainability development programmes. The CSR policy of the OPTCL has been formulated in line with the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility policy) Rules, 2014 which has been approved by the Board of Directors of the Company in their 70th meeting held on 27.02.2015. The CSR Committee of OPTCL as on 31 March, 2024 comprises of Sri S.K.Mishra, CMD as Chairman and Sri B.K.Misra, Independent Director, Sri R. Pratihari, Director (HRD) and Sri B.B.Mehta, Director (Operation) as members of the Committee. During FY 2023-24, two meeting of CSR Committee meetings were held i.e. on 12.02.2024 and 14.03.2024.

Nomination and Remuneration Committee:

The Board of Directors have constituted the Nomination and Remuneration Committee in accordance with the provisions of the Companies Act, 2013 and Companies (Meeting of Board and its Power) Rules, 2014. The Ministry of Corporate Affairs (MCA) vide Notification dated 5th June,2015 has exempted Government Companies from the provisions of Section 178 (2) of the Companies Act, 2013 (the Act), which provides for manner of evaluation of performance of Board, its Committees and Directors by Nomination and Remuneration Committee.

BOARD OF DIRECTORS

The changes on the Board of Directors of the Corporation from last AGM to till the date of this report are as under:

Sri Sanjay Kumar Mishra, IRTS continued as the Chairman-cum-Managing Director of the Corporation till he relinquished the charge on 26th August, 2024. Sri Bhaskar Jyoti Sarma, IAS joined as Chairman-cum-Managing Director on 10.11.2024 and continuing as such.

Sri Raghunath Pratihari Director (HRD) and Sri B.B.Mehta, Director (SLDC) continued as whole time functional Directors during the year under report. Sri Prasanta Kumar Pattanaik joined as Director (Operation) of the Corporation on 03.12.2024.

Sri Yudhisthir Nayak, IAS Additional Secretary, P.E. Department and Dr. Satyapriya Rath, IAS, Director (Budget), Finance Department and Sri Saidutta Biplab Kesari Pradhan, Additional Secretary, Deptt. of Energy continued as Government Nominee Directors on the Board of Directors of the Corporation during the year. Sri Nihar Ranjan Dash, Special Secretary, P.E. Department appointed Government Nominee Director on 7.10.2024 in place of Sri Yudhisthir Nayak.

Sri B.K.Misra, Sri R.N.Nayak, Sri P.K.Pujari, Prof. (Dr.) Mukti K. Mishra and Prof. (Dr.) Meera Viswavandya continuing as Independent Director on the Board of Directors of the Corporation.

The Board wishes to place on record its sincere appreciation for the contribution made by Sri Sanjay Kumar Mishra and Sri Yudhistir Nayak during their association with the Corporation.

KEY MANAGERIAL PERSONNEL

During the year under report, Sri S.K.Mishra, IRTS, Chairman-cum-Managing Director, Sri U.K.Gupta, Chief Financial Officer and Sri P.K.Das, Company Secretary were been designated by the Board as Key Managerial Personnel of the Corporation pursuant to the provisions section 203(1) of the Companies Act, 2013. After joining of Bhaskar Jyoti Sarma, IAS as CMD, he has been designated by the Board as Key Managerial Personnel in place of Sri S.K.Mishra, Ex-CMD.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have met the requirements specified under section 149 (6) of the Companies Act, 2013 so far as holding the position of 'Independent Director' and necessary declaration from each Independent Director under Section 149 (7) has been received for the financial year 2023-24.

PERFORMANCE EVALUATION OF DIRECTORS

The requirement of performance evaluation of directors under Section 178(2) of the Companies Act, 2013 has been done away with for Government Companies vide Ministry of Corporate Affairs Notification dated 5th June, 2015. Further, MCA vide its notification dated 5th July,2017 has made an amendment in the Schedule IV of the Act, whereby it has exempted Government Companies from complying with the requirement of performance evaluation by the Independent Directors of non-independent directors and Chairman and performance evaluation of the Independent Directors by the Board. The appointment, tenure and remuneration of Directors is decided by the State Government. Remuneration paid to Functional Directors are as per terms and conditions determined by the State Government. Independent Directors are paid only sitting fee for attending Board / Committee meetings. The Government Nominee Directors on the Board do not draw any remuneration/sitting fee for attending Board /Committee meetings.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Extract of Annual Return in Form MGT-9 for the financial year 2023-24 is attached to this report.

MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF THE REPORT

No material changes and commitments have occurred after the close of the financial year 2023-24 till the date of this Report, which affect the financial position of the Company.

GENERAL

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

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares, sweat equity shares and ESOS to employees of the Company.
- Buy back of securities and Bonus shares.
- Neither MD nor the Whole-time Directors of the Company receive any commission from the Company.
- There was no change in the nature of business of the Company during the Financial Year 2023-24.
- There was no employee during the year drawing remuneration in excess of the ceilings prescribed under Rule-5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

STATUTORY AUDITORS

M/s. PAMS & Associates, Chartered Accountants, Bhubaneswar were appointed as Statutory Auditors of your Corporation by the Comptroller and Auditor General of India for the Financial Year 2023-24. The Statutory Auditors report is annexed hereto. The replies of the management on the comments of the Statutory Auditors as enclosed forms part of this report. No instance of fraud has been reported by the Auditors under section 143(12) of the Companies Act, 2013.

COMMENTS OF C&AG OF INDIA

The Comptroller & Auditor General of India have undertaken supplementary audit on the accounts of the Corporation for the year ended 31st March, 2023. The comments of the C&AG on the Financial Statements of the Corporation for FY 2023-24 are annexed hereto. The replies of the management on the comments of the Comptroller & Auditor General of India as enclosed forms part of this report.

COST AUDITORS

In terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. S.C.Mohanty & Co., Cost Accountants, Bhubaneswar were appointed as Cost Auditors to conduct the audit of cost records of your Company for the financial year 2023-24.

SECRETARIAL AUDITORS

In terms of Section 204 of the Act and Rules framed thereunder, M/s Saroj Panda & Co., Company Secretaries have been appointed as Secretarial Auditors of the Company for FY 2023-24. The report of the Secretarial Auditors is enclosed to this report. The report does not contain any qualification.

INTERNAL AUDITORS:

Your Company appointed Chartered Accountant/Cost Accountants firms as Internal Auditors for FY 2023-24 for carrying out Internal Audit, verification of Fixed Assets, Store and MAS account audit on the recommendations of the Audit Committee in terms of section 138 of the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as per provisions under section 134 (3) (m) of the Companies Act, 2013 will form part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3) (c) and 134(5) of the Companies Act, 2013, your Directors hereby confirm that;

(i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Companies Act, 2013 for safeguarding the assets of the Corporation and for preventing and detecting fraud and other irregularities;

(iv) the Directors had prepared the annual accounts for the financial year ended on 31st March 2024 on a going concern basis;

(v) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

(vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors wish to place on record their deep appreciation for the continuous guidance and co-operation received from the Government of Odisha especially from the Department of Energy, Department of Public Enterprises, Finance Department, P&C Department, OERC, CEA, CERC and other concerned departments/ organizations at the Centre and State level. The Board also extends its sincere appreciation to GRIDCO, OHPC, OPGC and other power sector utilities that have reposed confidence and valued cooperation.

Your Directors express their sincere thanks for the constructive suggestions received from the Comptroller & Auditor General of India, Statutory Auditors, Cost Auditors and Secretarial Auditors during the audit process. The Board also conveys its sincere thanks to various financial institutions/ banks for timely assistance; continued trust and confidence reposed by them on OPTCL.

Your Directors also wish to place on record their appreciation for the untiring efforts and contribution made by the employees of the Corporation at all levels, particularly during the ongoing pandemic situation to ensure its growth, is exemplary and praise worthy.

For & on behalf of the Board

Bhubaneswar

Sd/-

Date: 30.1.2025

CHAIRMAN-CUM-MANAGING DIRECTOR

Replies of the Management on the Revised Comments on the Statutory Auditors on the Financial Statements of Odisha Power Transmission Corporation Limited (OPTCL) for the FY 2023-24.

Sl No	Comments of the Statutory Auditors FY 2023-24	Replies of the Management
	Qualified Opinion	
01	The Company has not carried out any techno-economic assessment for Capital Work-In Progress during the year ended 31 March 2024 and hence identification of impairment loss and provision thereof, if any, has not been made. The same is not in accordance with the notified Ind-AS36 "Impairment of Assets". The consequential impact of adjustment, if any, on the Ind-AS Financial Statements is currently not ascertainable.	Techno economic evaluation of projects are done at the initiation of project as well as on closure of the Projects. Since there is no impairment of ongoing project, assessment of the same is not done for CWIPs at the end of the year.
02	The company has capitalized interest cost of Rs19.38 Crore on Plant Property & Equipment and Capital Work In Progress on time overrun project during the year. This will lead to over capitalization of Property Plant & Equipment and overstatement of profit to that extent, the consequential impact of adjustment, on Depreciation and Amortizations if any, on the Ind-AS Financial Statements is currently not ascertainable.	Capitalization of interest in some time over run projects are done complying with the provision of Ind AS 16 read with Ind AS 23.
03	The correctness of capitalisation of leasehold land and amortization thereof in compliance to Ind-AS116-Leases, could not be commented upon in respect of leasehold lands, as the same is disclosed under Plant Property & Equipment instead of Right to use of Assets. The consequential impact on value of Lease Liability, Right to use of Assets, Depreciation on Right to use of Asset, Prepaid Lease Expenses and Finance Cost (unwinding of Interest), if any, are presently not ascertainable.	Noted
04	The correctness of recognition of revenue from "Deposit" work and supervision services charges in compliance to Ind-AS115- Revenue, could not be commented up on as the details of the deposit work and supervision services charges for the periods are not available. The consequential impact of adjustment, if any, on the Ind-AS Financial Statements is currently not ascertainable.	Deposit received from beneficiaries and other agencies to carryout various work are presented under Account Head 47 Group along with supervision charges received in advance. The revenue towards supervision charges on deposit works is recognized on the basis of percentage of completion of work and accounted for accordingly during the financial year.
05	**LAND & BUILDING** OPTCL is in possession of a land bearing khata number 300, Unit-IX, Bhoi Nagar, Bhubaneswar. It was proposed on 12-07-2023 to construct "SHAKTI BHAWAN" with an estimated cost of Rs.125 crores accordingly the first payment of Rs.3 crore was	Noted

Sl No	Comments of the Statutory Auditors FY 2023-24	Replies of the Management
	released on 15-02-2014 to IDCO. Further it was proposed on 28-06-2014 that NTPC shall have an office in the said building under proposal along with OHPC, OPGC, OPTCL & GRIDCO. For that purpose Rs.3 crore was received from the Government of Odisha and the remaining Rs.122 crore was decided to be paid by the parties involved in proportion of the area of floor to be occupied. Accordingly Rs.113 crore was received by OPTCL from various parties and out of that fund Rs.97.60 crore was paid by OPTCL to IDCO. Although the building was meant to be utilized by OPTCL as well as for the accommodation of other power sector companies like NTPC, OHPC, OPGC & GRIDCO, the Government of Odisha intervened the proposal in the meeting dated 23-11-2022and handed over the physical possession of "SHAKTI BHAWAN" to OCAC which in turn has let out the said building to various IT companies. During the course of our audit we observed that although OPTCL is the owner of the land it is being used by others without any consideration to OPTCL and OPTCL is not generating any revenue. The amount of money paid by Government of Odisha, OPGC, OHPC and OCPL are appearing as liability in the books of OPTCL as on date. Since the building was handed over to OCAC without any lease agreement no amount has been received from OCAC towards rent. In absence of any documentation and consideration since the constructed building is being used by some of the IT companies it is a case of unauthorised use of the land and building which is being encroached by some of the IT companies. Hence we are of an opinion that the funds received from various parties shown under the head "Other Deposit from Customer" amounting to Rs.113.17 Cr and amount paid to IDCO shown as Advance to Supplier and Contractor amounting to Rs.98.97 Cr. needs suitable adjustment in the books of the company since the building has already been completed and used by others. Further over the said land and building OPTCL has already lost its control and possession which needs to be restored soon so that revenue can be generated by OPTCL from the said asset.	

Sl No	Comments of the Statutory Auditors FY 2023-24	Replies of the Management
	In the absence of information, the effect of which can't be quantified, we are unable to comment on the possible impact of the item stated above in our report on the Ind-AS Financial statements of the Company for the year ended on 31st March 2024.	
01	**Emphasis of Matter** Reference invited to Note No 2.24 of Ind-AS Financial Statement regarding recognition of income like delayed payment surcharge & liquidated damage on confirmation basis. Which is a deviation from accrual system of accounting.	As per the accounting policy, Delay Payment Surcharge is not considered as income in the books although it is mentioned in the bill. Similarly LD is not treated as Income rather it is adjusted against the Cost of the Project. Suitable disclosure to this effect has been made in notes to account.
02	Reference invited to Note No 2.25 of Ind-AS Financial Statement regarding recognition expenses like interest payable on infrastructure loans, rebate allowed to distribution Companies on payment basis. Which is a deviation from accrual system of accounting.	As per significant accounting policy the matter has been disclosed suitably.
03	Reference invited to Note No 2.14 of Ind-AS Financial Statement regarding the Accounting Policy on 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 has been 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 for the concerned projects in order to find out proper determination of consumption of materials under weighted average method and valuation of inventory at year-end accordingly.	Noted
04	Property Plant and Equipment, inter alia, includes land pertaining to purchased/ acquired on leasehold / freehold basis through various authorities including Energy & Irrigation Department, OSEB, GRIDCO, the deeds of which are yet to be executed in the name of the Company.	Pursuant to the Govt. of Odisha Notification No.6892 Dtd.09.06.2005 and under the provisions of Odisha Electricity Reforms (Transfer for Transmission and related activities) Schemes 2005 formulated for the purpose of transfer and vesting of transmission undertakings of GRIDCO, all the Transmission Assets, State Load Dispatch Centre Assets, Personnel, Proceedings and related liabilities stood transfer to OPTCL w.e.f.01.04.2005. This includes Land although the title deeds are in the name of OSEB/GRIDCO/Power and Irrigation Department/Energy Department, Govt. of Odisha.

Sl No	Comments of the Statutory Auditors FY 2023-24	Replies of the Management
05	Property Plant and Equipment, situated on the expired/ non-renewed leasehold lands, the Management has not made any provision for the surrender value/ written down value of the aforementioned Property Plant and Equipment, in the anticipation of the ultimate renewal of the leases, the consequential impact of adjustment on Property Plant and Equipment, depreciation and amortization and loss for the year, if any, is presently not ascertainable.	Noted
06	Interest accrued and due on borrowings from financial institutions includes, IBRD Loan amounting to Rs.34.73 Crore (disclosed in Note No 21A- 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. As per the information and explanation given to us, the State Government has not waived the claim of interest on the IBRD loan till March 31, 2024 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.	The IBRD loan interest has not been paid as it has been deferred and not allowed by OERC. However Govt. has been moved for the conversion of the interest amount into equity capital investment of Government in OPTCL
07	Interest accrued and due on borrowings from Central Government amounting to Rs.26.97 Crore 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.21.69 Crore 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.	The interest due to Central Electricity Authority has not been paid due to pending reconciliation of interest amount and loan tenure. However it will be paid once confirmation is received from GOI.
08	Certain statutory dues such as "Income tax deducted at source on salaries (Account Code 44.401)", "Income tax deducted at source on payment to contractors (Account Code 44.924)", "Income tax on other payment (Account Code 44.931)" "Liability for Service Tax (Reverse Charge) (Account Code 44.932)", "Liability for Odisha Sales Tax(WCT) (Account Code 44.938)" and Liability for Odisha Sales Tax(Account Code 44.939)" both debits and credits are pending since long in the books of account without any payment / recovery / adjustment under	Necessary steps are being taken for regularization of these old balances arising out of misclassification of account heads.

<table>
<tr><th>Sl No</th><th>Comments of the Statutory Auditors
FY 2023-24</th><th>Replies of the Management</th></tr>
<tr><td></td><td>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.</td><td></td></tr>
<tr><td>09</td><td>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 is also not held on record and as explained to us, the same is not being obtained.</td><td>Noted.</td></tr>
<tr><td>10</td><td>As per company policy which was duly approved by Audit Committee vide Meeting dtd.21.09.2021 the amounts of security deposit, earnest money and retention money collected is to be kept in the books for 8 years, if any amount is kept for more than 8 years it is supposed to be written back after 8 years.

The last classification regarding this was done by OPTCL in the financial year 2020-21 in which amounts kept for more than 8 years were written back i.e., from the financial year 2012-13.

Further no such classification was done after the financial year 2020-21 which has resulted in rolling of the balances of the financial years 2013-14, 2014-15 and 2015-16. The present balances under the security deposit, earnest money deposit and retention money are-

<table><tr><th>A/C code</th><th>Description</th><th>Amount (in Rs)</th></tr><tr><td>46.1.1</td><td>Security Deposit</td><td>26,86,56,163.95</td></tr><tr><td>46.1.3</td><td>Earnest Money Deposit</td><td>4,44,11,356.37</td></tr><tr><td>46.1.5</td><td>Retention Money</td><td>287,19,54,140.62</td></tr></table>
Further, as per our discussion with the management the concept of retention money was withdrawn from the FY 2017-18 whereas it is noted that there is still an amount of Rs.287,19,54,140.62 is appearing in books as on 31-03-2024.
The management could not provide us the data of such balances for more than 8 Years in SD, EMD and Retention Money. Hence the balances which belongs to the FY 2014-15, 2015-16 and 2016-17 in our opinion needs to be written back in the books of accounts. In the absence of data, we could not quantify the amount of write off or written back and also the impact of the same in books of accounts.</td><td>Noted

Necessary action shall be taken to identify such balances rolling in the books for more than 8 years And writing back of the same on the basis of analysis made on case to case basis.</td></tr>
</table>

Sl No	Comments of the Statutory Auditors FY 2023-24	Replies of the Management
11	**28.9.10- Provision for losses on Sundry Receivable** Under the account code 28.9.10 an amount of Rs.2.07 Crores is rolling in the accounts as provision against receivable since financial year 2013-14. Since this relates to the staff dues which in our opinion has already been settled by now, this account needs to be nullified and the amount needs to be written off from the DDO books of accounts.	Provision made against other receivables amounting to Rs.2.07 Cr. as shown in the books of DDO Head quarter shall be compared with the nature of receivables. If it is found that the said receivables are neither realizable nor adjustable and rolling for more than 8 years then steps shall be taken to write off such receivables with corresponding writing back of provisions by following due departmental procedure.
12	**46.2.20- Inspection fees** Under the account code 46.2.20 i.e., "Amount payable to State Govt.-Inspection Fees" an amount of Rs. 2,81,59,435.00 (Liability) some of which is appearing since long. In the OPTCL accounts another ledger head under the account code 74.4.59 – Inspection fees, is having an amount of Rs.7,08,73,659.75 The Inspection fees is paid to Government when the demand for the same is raised by the Government and the accounting for the same is being made on payment basis. The expenditure as booked in accounts for the same needs to be booked on accrual basis for each of the year and payment for the same needs to be made from the liability which needs to be created for such expenses on a yearly basis. Hence necessary provision needs to be made under this head for proper accounting and the credit balance running since long in the books of accounts should be verified and adjusted in the books of accounts.	Noted.
13	**46.2.21- Amount payable to State Govt. - Lease Rent, Ground Rent & Cess Rent** Under this accounting code for construction division, Jeypore liability was booked towards the expenses for Lease Rent, Ground Rent & Cess Rent up to 31.3.2024 amounting to Rs.41,70,992.00. However, since this is a Statutory Payment, the payment amount needs to be identified or the status of payment may be classified. If this amount is not payable as on date this should be written back or if further liability is required for the same that needs to be provided for in the books till 31-03-2024.	Noted. Necessary adjustment shall be made under the head amount payable to State Govt. towards Lease Rent, Ground Rent & Cess after reviewing the details of provision and payment made thereof.

<table>
<tr><th>Sl No</th><th>Comments of the Statutory Auditors
FY 2023-24</th><th>Replies of the Management</th></tr>
<tr><td>14</td><td>

Code 52.1.10 and 12.1.20: INFRASTRUCTURE LOAN

- The company had accepted Loans from various Parties for upgrading the infrastructure of the transmission lines, sub-stations, transformers and if required to supervise the construction of their EHT lines, associated bays, and anything extra required.
- Under accounting Code 52.1.10 and 52.1.20 the parties have given Deposits/Loans to OPTCL which are based on the Agreement with the Parties, however it was noticed that most of the Agreements are now closed and not renewed. However, the balance funds from various parties are still appearing in the books since long. Since as per the provisions of Companies Act, those liabilities which are kept for more than 1 year needs to be treated as Deposits and not loan appropriate presentation of these amounts in the books of the company needs to be made
- The details of these deposits are as given as below for appropriate presentation in the financial accounts :

<table>
<tr><th>A/C code</th><th>Description</th><th>Amount</th></tr>
<tr><td>52.1.10</td><td>Financial participation by consumer (Infrastructural Loan)- interest bearing</td><td>21,94,62,929.00</td></tr>
<tr><td>52.1.20</td><td>Financial participation by consumer (Infrastructural Loan)- interest free</td><td>74,75,44,235.70</td></tr>
<tr><td></td><td>**Total**</td><td>96,70,07,164.70</td></tr>
</table>

</td><td>

In order to avail Power supply, companies intend to operate in the respective areas involving the transmission lines of OPTCL. Therefore at that time OPTCL was required to strengthen /augment the lines, sub-stations and capacity up gradation of transformers. Since OPTCL was then unable to make capital investment for augmentation and up gradation of transmission lines and substations, therefore OPTCL allowed the beneficiary companies to deposit an amount of Rs. 10 lakh per MW of load on maximum demand basis as interest bearing loan repayable on 60 monthly instalments. As per the terms and conditions of the agreement the refund of the loan was to commence after the company starts availing power. If the company does not avail power for a period of 5 years, the amount outstanding will be forfeited.

At present some company loan amount are repaid on monthly basis or lump sum basis basing on the terms and condition of the agreement. At the time of refund company has to make a supplementary agreement with OPTCL .After availing power supplies, the companies' process the same through Zonal offices for refund of the loan. Different beneficiaries are being refunded from time to time .Hence the amount appearing in the ledger should not be treated as deposit as such.

Rs. 74,75,44,235.70 is appearing against the Head of A/c-52.120 . This amount represents the work executed by M/s Sterlite Energy Ltd. for Restoration of 400 kV DC line from IB to Meramundali in order to avail Power supply to their industry. As per agreement with M/s SEL this will be treated as Interest free Infrastructure Loan and the same will be adjusted against the Wheeling charges payable by thereon transmission of Power. As such the different types of infrastructure loans appearing in Books of accounts will be adjusted in the succeeding years.

</td></tr>
</table>

Sl No	Comments of the Statutory Auditors FY 2023-24	Replies of the Management
15	As per CBDT notification **vide Circular No. 13/2021** dated 30-June-2021 OPTCL needs to deduct TDS on electricity charges U/s 194Q of the Income Tax Act, 1961. However it is observed that OPTCL neither deducted TDS nor deposited the same with the Income Tax Authority. Hence this is a violation of the TDS provisions of the Income Tax Act, 1961. Hence required amount of TDS needs to be deducted from the bills and the same needs to be deposited with the Government with debiting the Party account for recovery of the same.	Noted A Circular to this effect has been issued vide Letter No.206 dtd.31.07.2024.
16	Debtors for Transmission Charges in Inter State PGCIL amounting to Rs.20.23 crore is appearing in the books of the company since long period without reconciling the balance with PGCIL. Hence OPTCL needs to take necessary steps to reconcile the balance with PGCIL. Any difference in such reconciliation needs to be adjusted in the books accordingly.	In the meantime reconciliation with Central Transmission Utility of India Ltd (CTUIL) has been done and the balance receivable as on 31.03.2024 comes to Rs.1,29,50,015.00.
17	It is observed that OPTCL has a practice of identifying the scrap at unit level with their valuation for making relevant disclosure in the annual accounts. Although it has been done the basis of valuation and the aging of the scrap needs to be done for ascertaining the realistic value of scrap. Hence OPTCL needs to prepare a guideline for valuation, ageing of old unsold materials laying at different units.	Noted.
18	In ledger code 55.350: Grant towards cost of capital asset (world bank) an amount of Rs.119.59 crore is laying as opening balance for which Rs.2.13 crore has been charged as depreciation. Further some amount has also been transferred to differed income as per the prevailing accounting policy of the entity. During the course of our audit we observed that the company is currently charging depreciation @5.28% on Rs.40.38 Crore of assets only and for the balance amount of asset amounting to Rs.79.59 cr under this head no depreciation has been charged nor any differed income has been booked since 2004-05 . Hence in our opinion the said asset is overstated by Rs.79.59 Cr in financials which needs to be write off in the books of accounts.	Noted.

Sl No	Comments of the Statutory Auditors FY 2023-24	Replies of the Management
19	It was observed that there is no agreement between Union Bank of India & OPTCL for use of the space in OPTCL premises from the date of inception of the extension counter/ branch in OPTCL Building. In absence of the same OPTCL is not getting any rent from union bank. Hence it is a loss of revenue to OPTCL which need to be addressed and step needs to be taken for realising the rental income from Union Bank of India retrospectively.	Noted. Matter is being perused with bank.
20	OPTCL in its financials has made Provision for doubtful debt since long. The heads of account for which these provisions have been made are appearing as such in the accounts without any movement. The asset as well as the provisions which are being made are required to be revisited and if necessary these should be write off from the books. Some head wise details for such provisions are given as under : a. Gujarat State Electricity Board (GUVNL) Rs. 2.80 Cr b. DAMAN & DIU Rs. 0.76 Cr c. Maharashtra State Electricity Board (MSEDCL) Rs. 0.01 Cr d. Debtors for- Wheeling charges (Intra State) NALCO Rs. 4.75 Cr	Amount receivable from GUVNL, Damon & Due and MSEDCL and provision made thereof rolling since long shall be rectified only after finalization of case with CERC vide Case No.263/TT/2023. In respect of dues receivable from NALCO and provision made thereof steps has been initiated with GRIDCO to resolve the matter.
21	**Old CWIPs**- It was observed that there are numerous projects classified under Capital Work in Progress (CWIP) in the books of accounts of the OPTCL which is being continuing for a long period of time. These prolonged projects indicate significant delays in completion due to the fact that a number of such projects remains unfinished for more than 3 years. Further due to non-availability of documents these projects are also not being capitalised in books of accounts although the work has already been completed. On our verification and from the data provided to us by the OPTCL, total closing CWIP amounting to Rs.2,14,29,922.67 remains unadjusted for more than 4 years. This observation also contains opening CWIP amounting to Rs. 30,79,540 which stands untraceable since 2012-13. The status of these CWIP appearing in the books needs to be ascertained for capitalisation or write off in the books of accounts. It was identified that there are works-in-progresses with a total closing CWIP of Rs.1,21,94,047.76 which is shown under the status of "Not completed" although such works have been in a state of CWIP for more than 3 years.	Noted

Sl No	Comments of the Statutory Auditors FY 2023-24	Replies of the Management
22	**Old unidentified/ unreconciled balance** (a)During the course of our audit it was observed that most of the Internal Auditors have reported that old outstanding, unreconciled and pending for settlement are continuing since long period. In our verification we have observed that there are some balances which are also continuing in HO books for settlement in accounts. In the absence of such complete data it is not possible on our part to comment of the same on the financials of Corporation. (b)Under Account code 46.2.10 an amount of Rs.33.42 Cr. Shown as "Payable to State Government" is running since long without any adjustment. This amount needs to be reconciled and to be adjusted under proper head of accounts. As this amount is lying for more than one year this will be treated as Deposits in accounts as per Companies Act, 2013.	(a)Noted. (b) An amount of Rs. 33.42 cr. shown as payable to State Govt. under A/C head 46.2.10. Out of which Rs.33.40 cr. have been rolling in the books of OPTCL since inception i.e. 01.04.2005. It is understood that the balance relates to Pre-OPTCL period and transferred to OPTCL by virtue of Transfer Scheme Notification.
23	**Unserviceable /Damaged Assets** There are significant number of office assets whose conditions are mentioned as damaged/unserviceable in different units by the Internal Auditor of the respective units. Many assets are found lying which are not usable. The quantification of these assets unit wise and OPTCL as a whole needs to be arrived for determining their value and the provision for Impairment if any needs to be made in the books. Since impairment w.r.t. these assets are not being done in the books of accounts, there is a violation of **Ind-AS 38** on Impairment of assets.	Noted
24	**SOUBHAGYA Scheme / RGGVY Scheme / BGJY Scheme** It was explained to us that all the projects under these above scheme have already been completed and handed over. However, ongoing through the accounts of OPTCL it is seen that there are some unsettled accounts balances related to these schemes which needs to be square off with the closure of the scheme. Due to non-adjustment these in the accounts it is unnecessarily inflating the group head as well as the figures in financials.	Noted
25	**GST RECONCILIATION** The reconciliation of GST Turnover as per books in comparison to GST return is not matching. There is a difference of Rs.94.47 Lacs which is reflected in books of accounts of SLDC but the same is not being reflected in the GST Return.	a) The difference of Rs.94.47 lakhs belongs to the FY 2022-23 which has been reconciled and the reconciliation statement has already been filed.

Sl No	Comments of the Statutory Auditors FY 2023-24	Replies of the Management
	There is also a difference in GST Receivable as per books of accounts for OPTCL as a whole and the GSTR Return for OPTCL and SLDC. The difference in the balance is not yet explained to Audit. Hence a detailed reconciliation in this regard needs to be made and the difference if any needs to be adjusted in the books of accounts.	(b) The difference between GST Receivable as per books of accounts of OPTCL and GSTR comprising of OPTCL and SLDC has also been reconciled for the FY 2022-23.
01	Report on Other Legal and Regulatory Requirements	
(a)	As required by Section 143(3) of the Act, we report that: We have sought and, except for the matters/ effects/ possible effects of the matters described in the Basis for Qualified Opinion, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;	No Comments
(b)	Except for the effects/ possible effects of the matters described in the Basis for Qualified Opinion and Other Matter paragraphs, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.	No Comments
(c)	The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the relevant books of account;	No Comments
(d)	Except for the effects of the matters described in the Basis for Qualified Opinion and Other Matter paragraphs above, in our opinion, the aforesaid Ind-AS Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under;	No Comments
(e)	The matters described in the Basis for Qualified Opinion para above, in our opinion may not have an adverse effect on the functioning of the Company;	No Comments
(f)	As per notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 164(2) of the Companies Act, 2013 is not applicable to the Company;	No Comments
(g)	With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate Report in "Annexure A".	No Comments

Sl No	Comments of the Statutory Auditors FY 2023-24	Replies of the Management
(h)	As per notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Companies Act, 2013 is not applicable to the Company.	No Comments
(i)	With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:	No Comments
i)	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.	No Comments
(ii)	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, on long term contracts including derivative contracts, if any. There are no derivative contracts entered into by the Company.	No Comments
(iii)	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.	No Comments
(iv) (a)	The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;	No Comments
(b)	The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been	No Comments

Sl No	Comments of the Statutory Auditors FY 2023-24	Replies of the Management
	received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;	
(c)	Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.	No Comments
(v)	The Company has not declared or paid any interim or final Dividend during the financial year, hence reporting under Rule 11(f) is not applicable.	No Comments
(vi)	Provision to Rule 3(1) of the Companies (Accounts) Rules,2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable for the Company only w.e.f. 1st April,2023 reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules,2014, we have to report that all the features of Audit Trail are not complied by the Corporation's existing accounting package. As explained to us the corporation is in the process of implementing the SAP package during the FY 2024-25 to nullify such issues relating to Audit Trail.	No Comments
2.	As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.	No Comments
3.	In compliance to directions and sub-directions of Comptroller and Auditor General of India under section 143(5) of the Act, we give in "Annexure C" to this report a statement on the matters specified therein.	No Comments

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)

Annexure A

	Comments of the Statutory Auditor 2022-23	Replies of the Management
	Qualified Opinion According to the information and explanations provided to us following weaknesses have been identified during the course of audit as at 31st March, 2023.	
	Revenue There is inadequate control with respect to recognition and adjustment of income from deposit work and supervision services charges, which need to be strengthened. This could potentially result in materially misstating its revenue, trade receivables, statutory liability (GST) and other related items.	Internal control system in this regard is being strengthened by taking into account all regular bills and PV bills at the time of commissioning and capitalization of assets .The closure of contracts and final BOQ amendments in case of all turnkey contracts are subject to scrutiny and verification by CIAC branch
	Employee Benefits The internal control system in the Company in respect of control over recovery/ adjustment of advances given to the employees, namely house building advance, medical advances, travelling and transfer advances appears to be inadequate needs early recovery / adjustments. This could potentially result in the Company misstating the employee benefits expenses and advances.	Recovery / adjustment of advances given to the employees, namely house building advance, medical advances, travelling and transfer advances etc. are being recovered regularly as per the terms & conditions specified in the sanction letter. In this regard proper Internal Control measures are also followed to avoid discontinuance of recovery / adjustment of loan amount. Proper scrutiny of balance loan remain unadjusted is being monitored at Head Quarter level.
	Property Plant & Equipment The Company did not have an adequate 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.	Necessary guideline has already been issued for early finailsation of PV and amendments at an early stage to facilitate the project closure as far as possible and noted for future.
	Inventory The Company needs to strengthen the internal control system in respect of receipt and issue of materials which may not be recorded promptly and maintenance of inventories and conducting physical verification thereof. This could potentially result in the Company materially misstating the inventory value in Ind-AS Financial Statements.	Noted for future guidance.
	Current Assets and Liabilities The Company did not have adequate internal controls for reconciling and obtaining balance confirmation from sundry debtors, sundry creditors and other parties. This could potentially result in Company materially	Noted The provision / liability against pending bills not paid by 31st March are being considered in the Accounts of OPTCL against all Capital Works, Repair and Maintenance work etc. except PV bill

	Comments of the Statutory Auditor 2022-23	Replies of the Management
	misstating the debtors and creditors in the Ind-AS Financial Statements. The Company's internal control system for creation of appropriate provision for pending bills from suppliers and contractors, were not operating effectively which could potentially result in non-booking of capital as well as revenue expenditure timely.	which is not considered since it is not ascertained and finalized.
	Others The controls over process of reconciling general ledger balance with subsidiary ledger accounts balance needs to be strengthened. This could potentially result in material misstatement of current liabilities and current assets in the Ind-AS Financial Statements.	Noted
	There is inadequate control flagging of Vender as MSME which may not be recorded promptly and in the appropriate period which could potentially result in material misstatement of payable to MSME Vendors.	Noted
	The Company needs to strengthen the process of MIS reporting on a timely and promptly manner. This could potentially result in result in material misstatement of Ind-AS Financial Statements of the Company.	Noted
	The Company has not defined any risk control matrix identifying the key risk areas of particular System. This could result in weak checks and balances and ineffectiveness in operations as well.	Noted
	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, 2023 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.	Noted
	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, 2023 and these material weaknesses do not affect our opinion on the Ind-AS Financial Statements of the Company.	Noted

Annexure-B to the Independent Auditors' Report on Ind AS Financial Statements for the year ended 31st March, 2023 of Odisha Power Transmission Corporation Limited.

Referred to in paragraph 2 under the heading of 'Report on Other Legal and Regulatory *Requirements' of our Report of even date)*

<table>
<tr><th>Sl No</th><th>Comments of the Statutory Auditor</th><th>Replies of the Management</th></tr>
<tr><td>01.

(i)

(a)</td><td>To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

In respect of the Company's Property, Plant and Equipment and Intangible Assets:

The Company is maintaining proper records showing full particulars, including quantitative details and situation of its property, plant & equipment's including intangible assets except for land for which complete records are not available with land section.</td><td>All Land records and land deeds of various places are available at Land Section of OPTCL Hqrs. office and in some cases at field units</td></tr>
<tr><td>(b)</td><td>As informed to us by the Company management and explanations given to us, these Property, Plant and Equipment 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</td><td>No Comments.</td></tr>
<tr><td></td><td>Based on our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company to the extent verified except for the following Lands.
<table>
<tr><th>Description of property</th><th>Gross carrying value (in Rs.)</th><th>Held in name of</th><th>Whether promoter, director or their relative or employee</th><th>Period held – indicate range, where appropriate</th><th>Reason for not being held in name of company* *also indicate if in dispute</th></tr>
<tr><td>Ac.22.420 Land in mouza-Chainpal, Angul</td><td>38,27,920</td><td>OSEB</td><td>No</td><td>Since inception</td><td rowspan="4">In compliance to the provisions of the Electricity Act,2003 Govt. of Odisha vide NotificationNo.6892 dated 09.06.2005 made a Transfer Scheme. 2005 for the purpose of transfer and vesting of the transmission undertakings of GRIDCO in favour of Odisha Power Transmission</td></tr>
<tr><td>Ac.12.700 Land in mouza-Birabahanpur, Angul</td><td>7,91,062</td><td>Energy & Irrigation Department</td><td>No</td><td>Since inception</td></tr>
<tr><td>Ac.35.600 Land in mouza-Joragadia, Angul</td><td>15,57,386</td><td>Energy & Irrigation Department</td><td>No</td><td>Since inception</td></tr>
<tr><td>Ac.28.380 Land in mouza-Nuahata, Angul</td><td>16,14,128</td><td>Energy & Irrigation Department</td><td>No</td><td>Since inception</td></tr>
</table></td><td></td></tr>
</table>

Sl No	Comments of the Statutory Auditor	Replies of the Management

Ac.3.400 Land in mouza-Angul Town, Angul	49,300	OSEB	No	Since inception	Corporation Limited, a wholly owned Undertaking of the State Govt. Pursuant to the aforesaid Notification, the transfer of transmission Assets, State Load Despatch Centre, Assets, Personnel, Proceedings and related liabilities stood transferred to M/s. Odisha Power Transmission Corporation Limited w.e.f. 1st April 2005.
Ac.28.460 Land in mouza-Ganeswarpur, Balasore	7,07,800	GRIDCO	No	Since inception	
Ac.6.840 Land in mouza-Baunsamukha, Balasore	11,94,600	GRIDCO	No	Since inception	
Ac.0.910 Land in mouza-Baunsamukha, Balasore			No	Since inception	
Ac.9.930 Land in mouza-Nandika, Balasore	9,56,834	GRIDCO	No	Since inception	
Ac.18.130 Land in mouza-Samaraipur, Bhadrak	70,913	OSEB	No	Since inception	
Ac.14.498 Land in mouza-Larkipalli, Bolangir	21,53,314	OSEB	No	Since inception	
Ac.10.000 Land in mouza-Patnagarh, Bolangir	7,57,500	GRIDCO	No	Since inception	
Ac.10.276 Land in mouza-Badambadi, Cuttack		OSEB	No	Since inception	
Ac.21.840 Land in mouza-Nuapada, Cuttack	32,58,244	GRIDCO	No	Since inception	
Ac.3.680 Land in mouza - Kanhupura, Dhenkanal	1,10,400	OSEB	No	Since inception	
Ac.0.820 Land in mouza - Mohana, Gajapati		OSEB	No	Since inception	
Ac.4.270 Land in mouza - Kanteikoli, Gajapati	5,000	OSEB	No	Since inception	
Ac.16.349 Land in mouza-Sankarpur, Ganjam	86,865	OSEB	No	Since inception	
Ac.3.085 Land in mouza - Badpada, Ganjam	10,726	OSEB	No	Since inception	
Ac.18.115 Land in mouza-Badpada, Ganjam	80,667	OSEB	No	Since inception	
Ac.5.580 Land in mouza - Baragaon, Ganjam	53,010	OSEB	No	Since inception	
Ac.1.700 Land in mouza - Baragaon, Ganjam	14,45,000	GRIDCO	No	Since inception	

Sl No	Comments of the Statutory Auditor	Replies of the Management

Ac.72.000 Land in mouza-Chunabelari, Jagatsinghpur	5,47,751	OSEB	No	Since inception	
Ac.11.070 Land in mouza-Nimadihi, Jagatsinghpur	73,838	OSEB	No	Since inception	
Ac.50.720 Land in mouza-Sobra, Jajpur	25,500	OSEB	No	Since inception	
Ac.0.090 Land in mouza - Kusunpur, Jajpur		OSEB	No	Since inception	
Ac.1.120 Land in mouza - Kusunpur, Jajpur		OSEB	No	Since inception	
Ac.3.410 Land in m ouza-Sarbahal, Jharsuguda		OSEB	No	Since inception	
Ac.8.100 Land in mouza - Sarasmal, Jharsuguda		OSEB	No	Since inception	
Ac.10.540 Land in mouza-Kosoti, Kendrapara	95,452	Electric Department	No	Since inception	
Ac.6.540 Land in mouza - Beltal, Kendrapara	10,64,761	Energy Department	No	Since inception	
Ac.7.263 Land in mouza - Beneikala Unit-I, Keonjhar	13,426	OSEB	No	Since inception	
Ac.17.670 Land in mouza-Joda Unit-II, Keonjhar	68,279	OSEB	No	Since inception	
Ac.2.758 Land in mouza - Nalda, Keonjhar	26,900	OSEB	No	Since inception	
Ac.0.675 Land in mouza - Unit-11 Saheednagar, BBSR, Khordha	1,75,904	OSEB	No	Since inception	
Ac.10.223 Land in mouza-Akhuapokhar, Khordha	12,92,940	OSEB	No	Since inception	
Ac.9.438 Land in mouza - Mendhasal, BBSR, Khordha	31,73,818	Energy Department	No	Since inception	
Ac.10.000 Land in mouza- Kaki, Koraput		OSEB	No	Since inception	
Ac.24.870 Land in mouza-Jayanagar, Koraput	6,16,776	OSEB	No	Since inception	
Ac.17.770 Land in mouza-Jayanagar, Koraput	16,994	Energy & Irrigation Department	No	Since inception	
Ac.10.950 Land in mouza-Sarubali, Mayurbhanja	24,70,070	GRIDCO	No	Since inception	
Ac.16.500 Land in mouza-Hemachandrapur, Mayurbhanja	29,92,313	GRIDCO	No	Since inception	

<table>
<tr><th>Sl No</th><th>Comments of the Statutory Auditor</th><th>Replies of the Management</th></tr>
<tr><td></td><td>
<table>
<tr><td>Ac.19.200 Land in mouza-Asanabani, Mayurbhanja</td><td>67,890</td><td>OSEB</td><td>No</td><td>Since inception</td></tr>
<tr><td>Ac.11.620 Land in mouza-Jemadeipur, Nayagarh</td><td>6,84,800</td><td>OSEB</td><td>No</td><td>Since inception</td></tr>
<tr><td>Ac.5.500 Land in mouza - Raghunath Prasad, Nayagarh</td><td></td><td>OSEB</td><td>No</td><td>Since inception</td></tr>
<tr><td>Ac.100.000 Land in mouza-Siliput, Rayagada</td><td>1,26,500</td><td>OSEB</td><td>No</td><td>Since inception</td></tr>
<tr><td>Ac.4.100 Land in mouza - Rayagada Nagar, Rayagada</td><td></td><td>Energy Department</td><td>No</td><td>Since inception</td></tr>
<tr><td>Ac.3.120 Land in mouza - Jayaramguda , Rayagada</td><td></td><td>OSEB</td><td>No</td><td>Since inception</td></tr>
<tr><td>Ac.4.940 Land in mouza - Akhusigh , Rayagada</td><td>30,125</td><td>GRIDCO</td><td>No</td><td>Since inception</td></tr>
<tr><td>Ac.10.580 Land in mouza-Sonepur Town , Subarnpur</td><td>8,07,386</td><td>GRIDCO</td><td>No</td><td>Since inception</td></tr>
<tr><td>Ac.15.770 Land in mouza-Chitabhanga, Sundargarh</td><td>27,63,851</td><td>GRIDCO</td><td>No</td><td>Since inception</td></tr>
</table>
</td><td></td></tr>
<tr><td>(d)</td><td>The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.</td><td>No Comment</td></tr>
<tr><td>(e)</td><td>No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.</td><td>No Comment</td></tr>
<tr><td>(ii) (a)</td><td>Physical verification of Inventory has been conducted by the management every year through external auditors CA / CMA Firms. As per policy of the company discrepancy more than 10% in-aggregate for each class of inventory were adjusted in the books of accounts. As explained to us there are no such discrepancies noticed on physical verification of inventories more than 10% in-aggregate for each class of inventory have been noticed during the year.</td><td>No Comment

No Comment</td></tr>
<tr><td>(b)</td><td>The Company has not been sanctioned any working capital limits, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.</td><td>No Comment</td></tr>
<tr><td>(iii)</td><td>The Company has not made any investment in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year,</td><td></td></tr>
</table>

Sl No	Comments of the Statutory Auditor	Replies of the Management
	and hence reporting under clause 3(iii)(a), (b), (c), (d), (e) & (f) of the Order is not applicable. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.	No Comment
(iv)	According to the information and explanations given to us, the Company has not made any loans, investments, guarantees, and security under the provisions of section 185 and 186 of the Companies Act, 2013.	No Comment
(v)	The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, additional reporting under clause 3(v) of the Order is not applicable.	No Comment
(vi)	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. We have not, however made a detailed examination of the statements and records with a view to determine whether they are accurate and complete.	Prescribed records under Cost Records & Audit Rules, 2014 are maintained by OPTCL and Audited by Cost Auditors u/s Section 148(3) of the Companies Act, 2013.
(vii)	**In respect of statutory dues:**	
(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 Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it 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, 2023 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	These are only old balances lying in the Books of Account. There is no dispute 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 6 months from the date then became payable
(b)	Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:	

<table>
<tr><th>Sl No</th><th>Comments of the Statutory Auditor</th><th>Replies of the Management</th></tr>
<tr><td></td><td>
<table>
<tr><th>Name of the Statues</th><th>Nature of the Dues</th><th>Period to which the amount relates</th><th>Amount (Rs In Crore)</th><th>Forum where dispute is pending</th></tr>
<tr><td>Finance Act,1994</td><td>Service Tax</td><td>F.Y. 2006 - 07 to 2009-10</td><td>2.22</td><td>CESTA Tribunal , Kolkata</td></tr>
<tr><td>Finance Act,1994</td><td>Service Tax</td><td>For the F.Y.2010 -11</td><td>0.24</td><td>CESTA Tribunal , Kolkata</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income Tax</td><td>Assessment Year 2010-11</td><td>2.06</td><td>C.I.T. (Appeal), Bhubaneswar</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income Tax</td><td>Assessment Year 2014-15</td><td>15.90</td><td>C.I.T. (Appeal), Bhubaneswar</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income Tax</td><td>Assessment Year 2017-18</td><td>0.53</td><td>C.I.T. (Appeal), Bhubaneswar</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income Tax</td><td>Assessment Year 2021-22</td><td>2.58</td><td>Assessing Authority</td></tr>
<tr><td>Odisha VAT Act, 2004</td><td>VAT</td><td>Financial Year 2009-10 to 2013-14</td><td>0.01</td><td>Sales Tax Tribunal, Odisha</td></tr>
<tr><td>CST Act, (Orissa) Rules, 1957</td><td>CST</td><td>Financial Year 2009-10 to 2013-14</td><td>0.60</td><td>Sales Tax Tribunal, Odisha</td></tr>
<tr><td>Orissa Entry Tax Act, 1999</td><td>Entry Tax</td><td>Financial Year 2009-10 to 2013-14</td><td>5.29</td><td>Sales Tax Tribunal, Odisha</td></tr>
</table>
</td><td>No Comments.</td></tr>
<tr><td>viii)</td><td>Based on our examination of books of accounts and according to the information and explanations given to us, in our opinion, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).</td><td>No Comments.</td></tr>
<tr><td>ix)</td><td>According to the records of the Company examined by us and the information and explanation given to us, Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

Further, 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.
<table>
<tr><th>Sr. No.</th><th>Name of Institution</th><th>Amount of Default (In Rs. Crore)</th><th>Nature of Default</th><th>Period of Default</th></tr>
<tr><td>1.</td><td>Central Electricity Authority</td><td>26.97</td><td>Interest</td><td>Not Available</td></tr>
<tr><td>2.</td><td>IBRD Loan</td><td>34.73</td><td>Interest</td><td>Not Available</td></tr>
</table>
</td><td>The amount due to Central Electricity Authority has not been paid due to the pending confirmation and calculation details from their end. In case of IBRD loans the interest amount is not paid as it has been deferred and not allowed by OERC.</td></tr>
</table>

Sl No	Comments of the Statutory Auditor	Replies of the Management
b)	According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.	No Comment
c)	In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.	No Comment
d)	According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Ind-AS Financial Statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.	No Comment
e)	On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.	No Comment
f)	According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.	No Comment
(X)	a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.	No Comment
	During the year, the Company has issued equity shares to Govt of Odisha amounting to Rs.184.76 Crore comprising of 18, 47,600 No of Equity Shares of Rs.1000/- each as preferential allotment.	No Comment
(xi) a)	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, 2023.	No Comment
b)	No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.	No Comment
c)	We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.	No Comment

Sl No	Comments of the Statutory Auditor	Replies of the Management
(xii)	The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.	No Comment
(xiii)	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. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind-AS Financial Statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.	No Comment
(xiv)	a) In our opinion the Company's internal audit system needs to be improve and strengthened commensurate with the size and the nature of its business. b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.	No Comment
(xv)	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.	No Comment
xvi) a)	In our opinion, 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)(a), (b) and (c) of the Order is not applicable.	No Comment
b)	In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.	No Comment
xvii)	The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.	No Comment
xviii)	There has been no resignation of the statutory auditors of the Company during the year.	No Comment
xix)	On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and	No Comment

Sl No	Comments of the Statutory Auditor	Replies of the Management
	Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.	No Comment
(xx)	The provisions of Section 135 with respect to Corporate Social Responsibility (CSR) of the Companies Act, 2013 are not applicable to the Company since the average profit for last 3 year is negative.	No Comment
a)	There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.	No Comment
b)	In respect of ongoing projects, the Company has no unspent Corporate Social Responsibility (CSR) amount as at as at the Balance Sheet date out of the amounts that was required to be spent during the year.	No Comment
xxi)	The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.	No Comment

Annexure- C to the Independent Auditors' Report of Odisha Power Transmission Corporation Limited.

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

Report on the directions under section 143(5) of the Companies Act'2013 by C&AG

On the basis of our examination of books and records and according to the information and explanations given to us by the management of the Company, we report that:

Sl No	Directions	Auditor's Comments
I	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	No the company doesn't have system in place to process all the accounting transactions through IT system. The IT system is used for recording of accounting transaction and preparation of general ledger and trial balance only. The processing of transactions are done manually. There are differences in account balance as per the General ledger and balance maintained as per Subsidiary Ledgers have been qualified in our Independent Auditors' Report.
II	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	As informed by the management and based on the record examined there are no such restructuring of an existing loan or cases of waiver/ write off of debts/loans/interest etc. by lender to the Company
III	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	As informed by the management and based on the record examined the treatment of Government grant has been done properly.

Report on the sub-directions under section 143(5) of the Companies Act'2013 by C&AG

On the basis of our examination of books and records and according to the information and explanations given to us by the management of the Company in respect of Additional Directions on Specific Sector, issued under Section 143(5) of Companies Act, 2013, we report that:

<table>
<tr><th>Sl No</th><th>Directions</th><th>Reply</th></tr>
<tr><td>01</td><td>Adequacy of steps to prevent 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.</td><td>As explained to us Land acquired by the Company is bounded with Boundary to prevent encroachment. As per information and explanations given to us, the following lands which are encroached:
<table>
<tr><th>Sl No.</th><th>Name of District</th><th>Land Encroached (Acre)</th><th>Free hold / Lease hold</th></tr>
<tr><td>1</td><td>Khurda</td><td>Some portion of 7.30 Acre</td><td>Lease hold</td></tr>
<tr><td>2</td><td>Koraput</td><td>2.86 Acre</td><td>Lease hold</td></tr>
<tr><td>3</td><td>Nawarangpur</td><td>Some portion of 15.79 Acre</td><td>Free hold</td></tr>
</table>
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.</td></tr>
<tr><td>02</td><td>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.</td><td>Yes. Settlement of dues is done expeditiously and in a transparent manner as per the approval of District Compensatory Committee (DCCC). No deviation is noticed.</td></tr>
<tr><td>03</td><td>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.</td><td>Yes, except in case of recognition of revenue from deposit work and supervision services charges in compliance to Ind-AS 115- Revenue. The same is reported in our Qualified Opinion paragraph.</td></tr>
<tr><td>04</td><td>How much cost has been incurred on abandoned projects and out of this how much cost has been written off?</td><td>The company has incurred Rs.30.59 Crore up to 31/03/2022 on the various abandoned and suspended projects. No amount has been written off as at 31st March, 2022.
Further in respect of Abandoned Project the company made provision of Rs.5.29 Crore up to 31/03/2022.</td></tr>
<tr><td>05</td><td>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.</td><td>As explained to us by the management, the 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.</td></tr>
<tr><td>06</td><td>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?</td><td>Transmission loss during the year 2021-22 is 3.22% against the approved OERC norm of 3.00%.</td></tr>
<tr><td>07</td><td>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.</td><td>Yes, however there are delay in some cases in respect of refund / adjustment of amount received against the construction work from Other Agencies. Company may consider reconciliation of such amounts and refund the excess amounts if any expeditiously.</td></tr>
</table>

REPLIES OF THE MANAGEMENT ON THE COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT ,2013 ON THE FINANCIAL STATEMENTS OF ODISHA POWER TRANSMISSION CORPORATION LIMITED FOR THE FY 2023-24.

Sl No	Comments of C&AG	Replies of the Management
A1	**Comments on Profitability** **Statement of Profit and Loss** **Depreciation and amortization expenses: Rs.406.56 crore (Note-30)**	
(a)	Part 'B' of Schedule II of the Companies Act, 2013 states that the useful life or residual value of any specific asset, as notified for accounting purpose by Regulatory Authority constituted under an Act of Parliament or by the Central Government shall be applied in calculating the depreciation to be provided for such asset irrespective of the requirements of this Schedule. Accordingly, OPTCL from April 2013 has been following Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014 which allows to depreciate an asset up to 90 percent of the original book value. However, OPTCL charged depreciation on some asset exceeding 90 percent of the original book value violating the OERC Regulation. As a result, the above head is overstated by Rs.4.17 crore with corresponding understatement of 'Property' plant and equipment (Note-5). This has also resulted in overstatement of loss for the period by Rs.4.17 crore.	OPTCL is preparing its account as per IND AS from the F.Y. 2016-17. The value adopted for PPE at the time of conversion was considered on deemed cost basis which has been permitted in IND AS. (Gross Block Less – Accumulated Depreciation). Accordingly the depreciation has been charged in the accounts.
(b)	OPTCL in contradiction top Ind-As 16 (Property, Plant & Equipment) capitalized and charged depreciation on the cost of seven transformers in three grid Sub-Stations Bamra, Dhamra and Kuanrmunda from back dates when grid-substations were energized without the transformers, instead of from the date when the transformers were energized and available for use. As Ind AS stated that each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately, the transformer should have been capitalized from the date of its energisation and depreciation charged accordingly. Capitalizing and charging depreciation on these seven transformers from back dates has resulted in overstatement of the above head by Rs.1.21crore with corresponding overstatement of loss for the period. This has also resulted in overstatement of 'Property' plant and equipment (Note – 5) by Rs.6.94 crore and understatement of capital work-in-progress (Note-6) by Rs.8.15 crore.	The cost of transformer bay including cost of equipment, erection charges and civil works are a composite asset of the Grid Substation. Since it is a composite contract the cost of each component is not easily ascertainable. In absence of the component cost; since the majority of the asset of Grid Substation being operational the full amount has been capitalized.
(c)	OPTCL entered into an agreement (December 2008) with PGCIL for consultancy services for turnkey execution of six sub-stations by engaging third party contractor. As per the agreement the cost of litigation/arbitration and liability arising out of the award thereof related to third party dispute would be borne by OPTCL. Accordingly, OPTCL paid an amount of Rs.15.16 crore to PGCIL as per the arbitral award arising out of dispute between PGCIL and	Noted Necessary rectification entry shall be provided in the 2024-25 Accounts

Sl No	Comments of C&AG	Replies of the Management
	third party contractor. PGCIL has challenged the said before Hon'ble High Court of Delhi which was pending till date. Since the arbitral award in question was disputed, the payment of awarded amount should have been booked as "Security Deposit" instead of capitalizing the same. The capitalization of the disputed amount has resulted in understatement of Security Deposit (Other Financial Assets – Note 10) by Rs.15.16 crore and overstatement of property, plant & equipment (Note-5) by Rs.10.56 crore and overstatement of depreciation and amortization expenses (Note-30) and loss for the period by Rs.4.60 crore each.	
A2	**Statement of Profit and Loss** **Expenses:** **Other Expenses: ₹179.81 crore (Note -31)** The above is understated by Rs.17.58 crore due to non-booking of the expense relating refund to Madhya Pradesh Power Management Company Limited (MPPMCL) and other beneficiaries towards excess wheeling charges and short-term open access charges received by OPTCL which was admitted by the Company before Central Electricity Regulatory Commission (CERC). Out of this amount the Company has paid Rs.10 crore to MPPMCL and booked the same under 'advance to suppliers and contractors' instead of charging to profit and loss account. This has resulted in understatement of other expenses (Note-31) and loss for the period by Rs.17.58 crore each. This has resulted in overstatement of 'advance to supplier and contractors' (Other assets – Note 12) by Rs.10 crore and understatement of provisions (current liabilities – Note 22) by Rs.7.58 crore. Further, treating the admitted amount of refund as contingent liability instead of charging to profit and loss account has resulted in overstatement of contingent liability by Rs.17.58 crore.	The litigation with Madhya Pradesh Power Management Company Limited (MPPMCL) towards refund of excess wheeling and short-term open access charges is still on. As per the direction of Central Electricity Regulatory Commission (CERC) OPTCL has made an interim payment of Rs 10.00 Cores pending settlement of litigation and shown it as 'Advance to Suppliers and contractors' On receipt of the final order necessary account for the same shall be made .
A 3	**Comment on Profitability** **Statement of Profit and Loss** **Other Income: ₹ 249.97 crore (Note-27)** The above doesn't include Rs.1.30 crore receivable for the last quarter of 2023-24 from different parties towards leasing of optical and fiber space inside grid sub-station. This has resulted in understatement of the above head by Rs.1.30 crore with corresponding understatement of trade receivable (Note-14) and overstatement of loss for the period.	Noted. Necessary entry shall be passed in 2024-25 Accounts.
A 4	**Comments on Financial Position** **Assets** **Non-Current Assets** **Capital Work-in-Progress:1720.16 crore (Note-6)** The above includes Rs.59.66 crore advance paid to the contractors for construction of nine sub-stations and line works in three construction division (Cuttack, Angul and Jharsuguda) of OPTCL. Booking of advance under capital work-in-progress (CWIP) has resulted in overstatement of CWIP by Rs.59.66 crore with corresponding understatement of advance to supplier and contractor (Note-12).	Noted. Necessary rectification entry shall be passed in 2024-25Accounts.

Annexure to Director's Report

DISCLOSURE REQUIRED UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT 2013 READ WITH RULE8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

[A] CONSERVATION OF ENERGY

Odisha Power Transmission Corporation Limited is committed to implement energy conservation, energy efficient and loss reduction measures in each of its action and geared up to meet its target as per the various initiatives taken up by the State Government.

Right from the planning stage, to the execution stage and throughout the O&M period efforts has been made by OPTCL for conservation of energy in all its projects. The Corporation is constantly on the process to strengthen the system by adding Grid Substations and transmission lines which will ultimately lead to conservation of energy through loss reduction. Before finalizing the transmission schemes, various alternatives/ technologies for power transfer are examined for selection of transmission system keeping in view lower losses criteria. As such, OPTCL always adopts higher voltage levels in its transmission systems for bulk power transfer across the State which result in lower losses in the system.

As a strategy for mitigation of Technical Loss in OPTCL transmission system, 2216 nos. of ABT Compliant Open Protocol Energy Meters have been installed at both ends of Transformers & EHT Lines to monitor the various losses occurring in these transmission elements. Load Flow Data on monthly basis are being collected from the energy meters through OPTCL Intranet. Any discrepancies in respect of metering convention, meter integrity and accuracy class of instrument transformers as identified on the basis of audit data are being sorted out. Remedial measures are being taken to eliminate energy disparities in recordings in the system elements.

For compensation of reactive power drawls by DISCOMs and consequent improvement of voltage profile in the command areas, 33KV Shunt Capacitor Banks have been installed at important Grid Substations.

Conversion of 132KV transmission lines to 220KV and higher class and laying of more 220KV and 400KV lines, wherever possible and techno commercially viable.

Transmission capacity enhancement by installation of additional transformers and up-gradation of transformers at different sub-stations with associated bays for system improvement.

Phasing out of old / defective / obsolete equipment viz. Breaker, CT, PT, CVT, LA, Battery & Charger etc. is being carried out as per the 5-yearly Business Plan. Almost all old & obsolete relays have already been replaced with intelligent programmable numeric relays.

Replacement of old electrical equipment with new energy efficient equipment. OPTCL has initiated Energy Conservation measures through procurement of Star Rated Air-Conditioners and replacement of conventional switchyard lighting system with LEDs.

The energy conservation measures are taken by OPTCL at every step for developing an efficient and low-loss transmission network.

[B] RESEARCH & DEVELOPMENT:

The Corporation always endeavor for improvements in transmission system so as to enhance its capabilities for design and engineering of state-of-the-art transmission system. OPTCL has employed modern Survey techniques for selection of route, optimization of length and realistic estimation of BoQ for transmission lines.

Steps have been initiated for setting up of NABL accredited laboratory for Testing and calibration and simulation of Faults. Testing of Transformer Oils along with EHV equipment such as CT, PT, Breakers etc can be carried out centrally at Bhubaneswar that can save time for OPTCL. This can further assist other utilities for carrying out such activities.

Steps have been initiated for setting up of NABL accredited laboratory for Testing and calibration and simulation of Faults. Testing of Transformer Oils along with EHV equipment such as CT, PT, Breakers etc can be carried out centrally at Bhubaneswar that can save time for OPTCL. This can further assist other utilities for carrying out such activities.

Management has been emphasized to select technology that can be specific to Odisha state in terms of geographical terrain, Forest diversion, Disaster etc. Accordingly solutions such as UG Cabling, Multi circuit Towers, GIS substations, Mono pole Towers are preferred for integration.

In order to strengthen the technical solution freezing, improving existing system through renovation and adopting resilient solution keeping the state geographic terrain and weather condition, OPTCL has initiated following

Four zonal offices formed administratively for undertaking operation and construction activities in close coordination and resolving issues for faster execution.

Procurement activities are strengthen further with formation of Engineering and Quality Cell at HQRs. It is focusing on bridging technical gap between existing solution and latest proven emerging technologies.

Business Development Cell has been created for redressing the statutory issues in Forest, NH etc. for faster resolution.

Corporate Monitoring Cell has been constituted for periodical progress in project execution and appraisal to management for expeditious completion through regular reviews.

[C] TECHNOLOGY ABSORPTION

World is emerging with technological solutions which enables utilities in achieving their key performance indicators and keep pace with the challenging targets set for sustainability and environment friendly with Carbon Net Zero compliances. Few emerging technologies as follows have put OPTCL edge ahead in the growth of its performance, network stability and operational improvement.

(I) System Improvement technologies adopted/being adopted in OPTCL in the last financial years are

SAS (Substation Automation System) improves protection and control and minimizes cable fault.

STAMS (State Transmission Asset Management System) shall ensure for centralized Operation of all Substations from a centralized control center with online diagnostics and efficient asset monitoring.

ADMS (Automatic Demand Management System) enhances Grid security and system reliability and stability with remote disconnection of loads at the time of system contingencies.

SAMAST (Scheduling, Accounting, Metering and Settlement of Transactions in Electricity) is going to be an integrated and single platform for managing various process like open access approvals, bill generation, reporting etc. to minimize the time delay and improve overall efficiency.

PMU Based Wide Area Monitoring shall be effective in Forensic analysis of faults/Disturbance analysis / determining the exact instant of fault and fault clearing time.

SPS (Special Protection Scheme) is implemented in OPTCL to take special action in response to the system disturbances like cascading outages, voltage or frequency instability.

D3 Portal (Document, Drawing and Design) is a digital initiative of OPTCL to collect, process and store all documents and drawings online relating to construction and projects and track the approval process in real-time.

GIS (Geographical Information System) mapping of Towers and substations, periodical Thermovision scanning helps in maintaining the healthiness of Transmission line with minimized breakdown.

Drone based mapping and line patrolling for detail study of Tower conditions and vegetation on power corridor at important and remote unapproachable Transmission line increases the uptime of power transmission along the corridor.

SANJOG (System Studies And New Joining to OPTCL Grids) It is an online portal to takes care of processes starting from Feasibility study to system study for new beneficiaries.

(II) Infrastructure Development Initiatives undertaken by OPTCL as follows

Digital Substation with the use of Fibre optical cables improves faster system operation and accuracy in measurement. Data storage and data analytics can be easily implemented.

Hybrid Substation is a compact switchgear with reduced space and effective installation time. It require minimal maintenance.

HTLS Conductor, having a higher current carrying capacity facilitate higher load growth and with lower thermal expansion coefficient and higher UTS (Ultimate tensile Strength) they are good solution for long span crossing requirements

Low Loss Conductor is reducing transmission losses by 10 ~ 25 % with Higher current carrying capacity.

765 KV Transmission System is being introduced in OPTCL by setting up a Substation at Paradip vicinity for catering to the upcoming industrial needs of the state. The Ring System is envisaged with other upcoming 765KV substations at Duburi, Kolabira and Gopalpur.

400 KV Ring System is being undertaken by OPTCL with addition of proposed 400KV Grids at Gopalpur, Therubali, Neulopoi, Joda and Erasama.

[D] FOREIGN EXCHANGE EARNING AND OUTGO DURING 2019-20:

Earning in Foreign Currency: Nil

Foreign Exchange Outgo : Nil

ODISHA POWER TRANSMISSION CORPORATION LIMITED

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSBILITY (CSR) ACTIVITIES OF OPTCL FOR THE FY 2023-24.

1. Brief outline on CSR Policy of the Company.

The Corporate Social Responsibility Policy of the OPTCL has been formulated in line with the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 which was approved by the Board of Directors of OPTCL in their 70th meeting held on 27.02.2015. The policy prescribes the following thrust areas in order of priority:

(a) Strengthening skill building and imparting vocational training/need based training to improve employability of school/college drop outs and ITIs in different trades in designated institutions as laid down in the policy on priority basis to meet the sectoral needs.

(b) Setting up of Micro Grids in villages along with livelihood options.

(c) Skill building with livelihood option by women SHGs. Within the priority areas of CSR, the Corporation intends to undertake the following activities in particular:

(a) Eradication of extreme poverty and hunger

(b) Promoting meaningful education, vocational training & skill building

(c) Health care support in child and maternal health

(d) Support environmental sustainability

(e) Slum area development,

(f) Provide appropriate assistance and humanitarian relief during or in the aftermath of natural calamities/disasters,

(g) Measures to promote nationally recognized sports,

(h) Provide assistance to recognized institutions of persons with disabilities, Promotion of art & culture.

From 2014-15 onwards, the Corporation is mandated to spend at least two percent of the average net profit made during the three immediately preceding financial years under different heads as stipulated under Schedule VII of the Companies Act, 2013. The detailed CSR Policy as approved by the Board, is placed at OPTCL's website.

2. Composition of CSR Committee:

The Corporate Social Responsibility (CSR) committee of the Board comprises of the following Directors:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sri Sanjay Kumar Mishra, IRTS	CMD & Chairperson of the Committee	Two (12.02.2024 & 14.03.2024)	Two
2.	Sri B. K. Misra	Independent Director		Two
3.	Sri B. B. Mehta	Director (SLDC)		Two
4.	Sri Raghunath Pratihari	Director (HRD)		Two

3. The Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company i.e.www.optcl.co.in.

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, is not applicable to the Corporation.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year: NA

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	NA	Nil	Nil
2			
	Total		

Average net profit of the company as per section 135(5): Rs.143.25 Crore

7. (a) Two percent of average net profit of the company as per section 135(5): Rs.2.86 crore

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 2.86 crore

8. (a) CSR amount spent for the financial year: Rs. 2,97,28,590/-

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
2,97,28,590.00	Nil	NA	NA	Nil	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	NA	NA	NA	NA		NA	Nil	Nil	Nil	NA	NA	NA
2.												
	Total											

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year: NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	CONTRIBUTION TO ODISHA STATE DISASTER MANAGEMENT AUTHORITY (OSDMA)	DISASTER RELIEF	Yes	ALL OVER ODISHA		24650000	No	OSDMA	NA
2.	FREE RESIDENTIAL COACHING TO MERITORIUOS AND EWS STUDENTS	PROMOTION OF EDUCATION	Yes	ALL OVER ODISHA		859000	Yes	NA	NA
3.	PAID TO JAGADGURU KRIPALU YOGA TRUST(JKYT) TOWARDS CONSTRUCTION OF HOSPITAL BUILDING	PROMOTING HEALTH CARE	Yes	BANARA, CUTTACK, ODISHA		4000000	No	JAGADGURU KRIPALU YOGA TRUST(JKYT)	CSR00009292
4.	TRAFFIC AWARNESS PROGRAMME AT BHADRAK	PROMOTION OF EDUCATION	Yes	BHADRAK, ODISHA		105000	Yes	NA	NA
5.	WATER SUPPLY SYSTEM AT BERHAMPUR	SANITATION & MAKING AVAILABLE SAFE DRINKING WATER	Yes	BERHAMPUR, GANJAM, ODISHA		84590	Yes	NA	NA
6.	DISTRIBUTION OF SAFE & COLD DRINKING WATER TO PUBLIC DURING SUMMER TO PREVENT THEMSELVES FROM SUN STROKE	PREVENTIVE HEALTH CARE	Yes	BHUBANESWAR, KHURDA, ODISHA		30000	Yes	NA	NA
	Total					29728590			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 2,97,28,590/-

(g) Excess amount for set off: Rs.11,28,590/-

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	2,86,00,000.00
(ii)	Total amount spent for the Financial Year	2,97,28,590.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	11,28,590.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	11,28,590.00

9. (a) Details of Unspent CSR amount for the preceding three financial years: NA

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	NA	Nil	Nil	NA	Nil	NA	Nil
2.							
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1	NA	NA	NA	NA	Nil	Nil	Nil	NA
2								
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NA

(Asset-wise details).

(a) Date of creation or acquisition of the capital asset(s): NA

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

Sd/-
(B. K. Misra)
Independent Director &
Member, CSR Committee.

Sd/-
(Sanjay Kumar Mishra, IRTS)
CMD & Chairperson,
CSR Committee.

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Odisha Power Transmission Corporation Limited
Janpath, Bhubaneswar, Khurda, Odish-751022.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Odisha Power Transmission Corporation Limited (hereinafter called 'the Company') for the financial year ended 31st March, 2024. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Odisha Power Transmission Corporation Limited for the financial year ended on 31st March, 2024, according to the provisions of:

(i) The Companies Act, 2013 (the Act), and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under; *(Not applicable during the period under report)*

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; *(Not applicable during the period under report)*

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act'):-

a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;(Being an unlisted Public Company not applicable during the Audit Period);

b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;(Being an unlisted Public Company not applicable during the Audit Period);

c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;(Being an unlisted Public Company Not applicable during the Audit Period);

d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Being an unlisted Public Company Not applicable during the Audit Period);

e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Being an unlisted Public Company not applicable during the Audit Period);

f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Being an unlisted Public Company not applicable during the Audit Period);

g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;(Being an unlisted Public Company not applicable during the Audit Period);

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Being an unlisted Public Company not applicable during the Audit Period);

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Being an unlisted Public Company not applicable during the Audit Period);

(vi) Apart from the other statutory laws applicable to the day-to-day business of the Company, following are the industry specific laws which are also applicable to the Company:

1. The Electricity Act 2003 and relevant rules framed there under.

2. The Energy Conservation Act, 2001

3. The rules, regulations and applicable order(s) under Central and State Electricity Regulatory Commissions/Authority.

We have also examined compliance with the applicable clauses of Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India (ICSI).

During the period under review, as per the explanations and clarifications given to us by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above*;*

We further report that :

For all the Board meetings, adequate notice was given to all Directors. Agenda and detailed notes on agenda were sent at least 7 days in advance and the Company has a system for seeking and obtaining further information and clarifications on the agenda items placed before the meetings for the meaningful participation at the meetings. However, for a few Board meeting agenda were circulated at shorter period of time *but the meetings were held with Independent Directors being present;*

We further report that for all the Audit Committee meetings, *the notice, agenda and notes on agenda were circulated before 7 days and the meetings were held with independent directors being present;*

We further report that, the Cost Auditors were appointed within the time specified in Rule 6 of the Companies (Cost Records and Audit) Rules, 2014;

We further report that, the Audit Committee of the Board of Directors has been constituted as per the provisions of section 178 of the Act;

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

IMPORTANT EVENTS

In pursuance of the Corporate Governance Manual for State PSUs, issued by the Department of Public Enterprise, Government of Odisha, the Corporation has submitted the Corporate Governance Compliance Report to the Government of Odisha.

Pursuant to the guidelines prescribed under Corporate Governance Manuals issued by P.E. Deptt. Government of Odisha, the Company has been signing the Memorandum of Understanding (MOU) with the Deptt. of Energy, Government of Odisha every year from the Financial Year 2011-12 onwards. The MOU specifies the targets to be achieved during the current financial year against each performance criteria under the Static Parameters and Dynamic Parameters. The Static Parameters includes Turnover, Gross Margin, Net Profit and other financial performance indicators. The Dynamic Parameters includes Project Implementation both in terms of financial progress and execution of transmission lines, transformation capacity additions, transmission loss reduction, system availability, etc.

The MOU shall be evaluated at the end of the year to assess the performance of the Corporations.

We further report that;

During the period under review, the company has taken following action, which has a major bearing on the status and affairs of the Company:

1. The Authorized Capital of the Company was enhanced from 2500 Cr. to 3500 cr. In the 19th AGM held on 29.09.2023. Equity shares total of 3713110 nos. of Rs. 1000/- each against total amount of Rs. 371.311 Crores received from Govt. of Odisha during 2023-24,were allotted in favour of Hon'ble Governor of Odisha, on right

issue basis vide Board resolutions passed on various dates such as 25.07.2023, 09.11.2023, 07.03.2024 & 28.03.2024 and had filed Pas-3 with ROC, Accordingly, the paid up capital of the Company has rose to Rs 2442.77 Crores from Rs. 2071.46 Crores as on 31.03.2024.

2. Further, During the year, one Nominee Share held by U.K. Pati, Ex-Director (Operation) was transferred in the name of Sri B.B. Mehta, Director (SLDC) w.e.f. 18.09.2023.

3. And during the year, another one Nominee Share held by Samir Kumar Swain, Ex-Director (Finance) was transferred in the name of Sri J.K. Senapati, ED w.e.f. 05.12.2023.

4. Sri U.K.Pati ceased to be the Director (Operation) w.e.f. 31.05.2023 on attaining the age of superannuation.

5. Sri Saidutta Biplab K. Pradhan, Addl. Secretary, Energy Deptt. was appointed as a Non-functional Director in place of Smt. Lipsa Das on the Board of Directors of OPTCL on 13.09.2023.

6. Sri P.K.Pujari Ex-Chairperson, CERC was appointed as an Independent Director in place of Sri S.K.Das on the Board of Directors of the Company on 16.09.2023.

7. Sri Samir Kumar Swain resigned from the post of Director (Finance), OPTCL and has been relieved from the service w.e.f. 31.10.2023.

8. M/s. S. Dhal & Co., Cost Accountants were appointed as Cost Auditors of OPTCL for the Financial Year 2023-24 within one hundred and eighty (180) days from the commencement of Financial Year i.e. on 25.07.2023 (in 137th Board Meeting) as per recommendation of the Audit Committee in its 67th meeting held on 26.05.2023. CRA-2 was filed on 10.08.2023 and the remuneration payable to the Cost Auditors was ratified by the members of the Company in 19thAGM held on 29.09.2023. CRA-4 was filed before due date i.e. on 25.10.2023,along with Cost Audit Report (CRA-3) for FY 2022-23 as an attachment.

9. Internal Auditors of OPTCL for FY 2023-24 were appointed in 138th Board Meeting of OPTCL held on 18.09.2023 and MGT-14 was filed on 07.10.2023.

10. PAMS & Associates, Chartered Accountants were appointed as the Statutory Auditors of OPTCL for FY 2023-24 by CAG on 22.09.2023. Consent of the Auditor was received on 03.10.2023 & ADT-1 was filed on 20.10.2023. The Shareholders of the Company in the AGM held on 29.09.2023, authorized the Board of Directors of the Company to fix remuneration of the Statutory Auditors appointed by CAG.

11. In compliance to the provisions of section 177 of the Companies Act, 2013 read with relevant Rules framed there under, OPTCL having borrowed funds from Banks and Financial Institutions in excess of Rs.50 crore, has adopted Vigil Mechanism Policy in its 140thBoard Meeting held on 05.12.2023.

12. During FY 2023-24, the registered office of the Company was shifted from its OPTCL Building, Janpath, Bhubaneswar, Khurda, Odisha-751022 to its own new Building situated at OPTCL TECH Tower, Janpath, Saheed Nagar, Bhubaneswar, Khurda, Odisha- 751007. The resolution for shifting was approved in the 141st Board Meeting held on 12.02.2024. E-form INC-22 was filed with the Ministry of Corporate Affairs/ Registrar of Companies Odisha as per provisions of the Companies Act, 2013.

13. During the year two CSR Committee meetings were held on 12.02.2024 & 14.03.2024. The CSR obligation of the Corporation for FY 2023-24 was Rs. 2.86 Crores and CSR amount spent for the financial year was Rs. 2,97,28,590/-. It is reported that, the excess amount spent for Rs.11,28,590/- shall be carried forward for set off in the succeeding year.

14. The Financial Statements of the Corporation for FY 2022-23 were approved by the Board in its 139th meeting, held on 29.09.2023. Directors' Report, Secretarial Audit Report and Replies of the Management on the Comments made by Statutory Auditors and C&AG of India on the Financial Statements of OPTCL for the Financial Year 2022-23 were approved by the board in its 141st meeting held on 12.02.2024.

15. The Annual General Meeting of the Company was held on 30.09.2023 and adjourned to 20.02.2024 for adoption the Annual accounts for the Financial Year 2022-23. Form AOC-4(XBRL) was filed to this effect on 05.03.2024 and the Annual Return in Form MGT-7 was filed on 21.11.2023.

Sd/-

Place : BHUBANESWAR

Date : 26.12.2024

Name of PCS : SAROJ KUMAR PANDA
C. P. No. : 3699
UDIN : F005071F003495681

(This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report)

Annexure A

To

The Members,
Odisha Power Transmission Corporation Limited
Janpath, Bhubaneswar,
Khurda, Odisha-751022.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed by the Company provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : BHUBANESWAR
Date : 26.12.2024

Sd/-
Name of PCS : SAROJ KUMAR PANDA
C. P. No. : 3699
UDIN : F005071F003495681

REVISED INDEPENDENT AUDITOR'S REPORT

To The Members of
ODISHA POWER TRANSMISSION CORPORATION LIMITED
Report on the Audit of the Ind-AS Financial Statements

Qualified Opinion

We have audited the Ind-AS Financial Statements of Odisha Power Transmission Corporation Limited (herein after referred to as "Company"), which comprise the comprise the Balance Sheet as at 31st March, 2024, 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, 2024, the Profit/Loss and total Comprehensive Loss, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Qualified Opinion

1. The Company has not carried out any techno-economic assessment for Capital Work-In Progress during the year ended 31 March 2024 and hence identification of impairment loss and provision thereof, if any, has not been made. The same is not in accordance with the notified Ind-AS36 "Impairment of Assets". The consequential impact of adjustment, if any, on the Ind-AS Financial Statements is currently not ascertainable.
2. The company has capitalised interest cost of Rs19.38 Crore on Plant Property & Equipment and Capital Work In Progress on time overrun project during the year. This will lead to over capitalization of Property Plant & Equipment and overstatement of profit to that extent, the consequential impact of adjustment, on Depreciation and Amortizations if any, on the Ind-AS Financial Statements is currently not ascertainable.
3. The correctness of capitalisation of leasehold land and amortization thereof in compliance to Ind-AS116- Leases, could not be commented upon in respect of leasehold lands, as the same is disclosed under Plant Property & Equipment instead of Right to use of Assets. The consequential impact on value of Lease Liability, Right to use of Assets, Depreciation on Right to use of Asset, Prepaid Lease Expenses and Finance Cost (unwinding of Interest), if any, are presently not ascertainable.
4. The correctness of recognition of revenue from "Deposit" work and supervision services charges in compliance to Ind-AS115- Revenue, could not be commented up on as the details of the deposit work and supervision services charges for the periods are not available. The consequential impact of adjustment, if any, on the Ind-AS Financial Statements is currently not ascertainable.
5. <u>LAND & BUILDING</u>

   OPTCL is in possession of a land bearing khata number 300, Unit-IX, Bhoi Nagar, Bhubaneswar. It was proposed on 12-07-2023 to construct "SHAKTI BHAWAN" with an estimated cost of Rs.125 crores accordingly the first payment of Rs.3 crore was released on 15-02-2014 to IDCO. Further it was proposed on 28-06-2014 that NTPC shall have an office in the said building under proposal along with OHPC, OPGC, OPTCL & GRIDCO.

   For that purpose Rs.3 crore was received from the Government of Odisha and the remaining Rs.122 crore was decided to be paid by the parties involved in proportion of the area of floor to be occupied. Accordingly Rs.113 crore was received by OPTCL from various parties and out of that fund Rs.97.60 crore was paid by OPTCL to IDCO.

Although the building was meant to be utilized by OPTCL as well as for the accommodation of other power sector companies like NTPC, OHPC, OPGC & GRIDCO, the Government of Odisha intervened the proposal in the meeting dated 23-11-2022and handed over the physical possession of “SHAKTI BHAWAN” to OCAC which in turn has let out the said building to various IT companies.

During the course of our audit we observed that although OPTCL is the owner of the land it is being used by others without any consideration to OPTCL and OPTCL is not generating any revenue.

The amount of money paid by Government of Odisha, OPGC, OHPC and OCPL are appearing as liability in the books of OPTCL as on date. Since the building was handed over to OCAC without any lease agreement no amount has been received from OCAC towards rent. In absence of any documentation and consideration since the constructed building is being used by some of the IT companies it is a case of unauthorised use of the land and building which is being encroached by some of the IT companies.

Hence we are of an opinion that the funds received from various parties shown under the head “Other Deposit from Customer” amounting to Rs.113.17 Cr and amount paid to IDCO shown as Advance to Supplier and Contractor amounting to Rs.98.97 Cr. needs suitable adjustment in the books of the company since the building has already been completed and used by others. Further over the said land and building OPTCL has already lost its control and possession which needs to be restored soon so that revenue can be generated by OPTCL from the said asset.

In the absence of information, the effect of which can't be quantified, we are unable to comment on the possible impact of the item stated above in our report on the Ind-AS Financial statements of the Company for the year ended on 31st March 2024.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the Ind-AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

1. Reference invited to Note No 2.24 of Ind-AS Financial Statement regarding recognition of income like delayed payment surcharge & liquidated damage on confirmation basis. Which is a deviation from accrual system of accounting.

2. Reference invited to Note No 2.25 of Ind-AS Financial Statement regarding recognition expenses like interest payable on infrastructure loans, rebate allowed to distribution Companies on payment basis. Which is a deviation from accrual system of accounting.

3. Reference invited to Note No 2.14 of Ind-AS Financial Statement regarding the Accounting Policy on 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 has been 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 for the concerned projects in order to find out proper determination of consumption of materials under weighted average method and valuation of inventory at year-end accordingly.

4. Property Plant and Equipment, inter alia, includes land pertaining to purchased/ acquired on leasehold / freehold basis through various authorities including Energy & Irrigation Department, OSEB, GRIDCO, the deeds of which are yet to be executed in the name of the Company.

5. Property Plant and Equipment, situated on the expired/ non-renewed leasehold lands, the Management has not made any provision for the surrender value/ written down value of the aforementioned Property Plant and

Equipment, in the anticipation of the ultimate renewal of the leases, the consequential impact of adjustment on Property Plant and Equipment, depreciation and amortization and loss for the year, if any, is presently not ascertainable.

6. Interest accrued and due on borrowings from financial institutions includes, IBRD Loan amounting to Rs.34.73 Crore (disclosed in Note No 21A- 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. As per the information and explanation given to us, the State Government has not waived the claim of interest on the IBRD loan till March 31, 2024 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.

7. Interest accrued and due on borrowings from Central Government amounting to Rs.26.97 Crore 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.21.69 Crore 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.

8. Certain statutory dues such as "Income tax deducted at source on salaries (Account Code 44.401)", "Income tax deducted at source on payment to contractors (Account Code 44.924)", "Income tax on other payment (Account Code 44.931)" "Liability for Service Tax (Reverse Charge) (Account Code 44.932)", "Liability for Odisha Sales Tax(WCT) (Account Code 44.938)" and Liability for Odisha Sales Tax(Account Code 44.939)" both debits and credits are pending since long in the books of account without any payment / recovery / adjustment 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.

9. 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 is also not held on record and as explained to us, the same is not being obtained.

10. As per company policy which was duly approved by Audit Committee vide Meeting dtd.21.09.2021 the amounts of security deposit, earnest money and retention money collected is to be kept in the books for 8 years, if any amount is kept for more than 8 years it is supposed to be written back after 8 years.

    The last classification regarding this was done by OPTCL in the financial year 2020-21 in which amounts kept for more than 8 years were written back i.e., from the financial year 2012-13.

    Further no such classification was done after the financial year 2020-21 which has resulted in rolling of the balances of the financial years 2013-14, 2014-15 and 2015-16. The present balances under the security deposit, earnest money deposit and retention money are-

A/C code	Description	Amount
46.1.1	Security Deposit	26,86,56,163.95
46.1.3	Earnest Money Deposit	4,44,11,356.37
46.1.5	Retention Money	287,19,54,140.62

- Further, as per our discussion with the management the concept of retention money was withdrawn from the FY 2017-18 whereas it is noted that there is still an amount of Rs.287,19,54,140.62 is appearing in books as on 31-03-2024.
- The management could not provide us the data of such balances for more than 8 Years in SD, EMD and Retention Money. Hence the balances which belongs to the FY 2014-15, 2015-16 and 2016-17 in our opinion needs to be written back in the books of accounts. In the absence of data, we could not quantify the amount of write off or written back and also the impact of the same in books of accounts.

11. **28.9.10- Provision for losses on Sundry Receivable**

Under the account code 28.9.10 an amount of Rs.2.07 Crores is rolling in the accounts as provision against receivable since financial year 2013-14. Since this relates to the staff dues which in our opinion has already been settled by now, this account needs to be nullified and the amount needs to be written off from the DDO books of accounts.

12. **46.2.20- Inspection fees**

Under the account code 46.2.20 i.e., “Amount payable to State Govt. - Inspection Fees” an amount of Rs. 2,81,59,435.00 (Liability) some of which is appearing since long.

In the OPTCL accounts another ledger head under the account code 74.4.59 – Inspection fees, is having an amount of Rs.7,08,73,659.75

The Inspection fees is paid to Government when the demand for the same is raised by the Government and the accounting for the same is being made on payment basis. The expenditure as booked in accounts for the same needs to be booked on accrual basis for each of the year and payment for the same needs to be made from the liability which needs to be created for such expenses on a yearly basis. Hence necessary provision needs to be made under this head for proper accounting and the credit balance running since long in the books of accounts should be verified and adjusted in the books of accounts.

13. **46.2.21- Amount payable to State Govt. - Lease Rent, Ground Rent & Cess Rent**

Under this accounting code for construction division, Jeypore liability was booked towards the expenses for **Lease Rent, Ground Rent & Cess Rent** up to 31.3.2024 amounting to Rs.41,70,992.00. However, since this is a Statutory Payment, the payment amount needs to be identified or the status of payment may be classified. If this amount is not payable as on date this should be written back or if further liability is required for the same that needs to be provided for in the books till 31-03-2024.

14. **Code 52.1.10 and 52.1.20 : INFRASTRUCTURE LOAN**

- The company had accepted Loans from various Parties for upgrading the infrastructure of the transmission lines, sub-stations, transformers and if required to supervise the construction of their EHT lines, associated bays, and anything extra required.
- Under accounting Code 52.1.10 and 52.1.20 the parties have given Deposits/Loans to OPTCL which are based on the Agreement with the Parties, however it was noticed that most of the Agreements are now closed and not renewed. However, the balance funds from various parties are still appearing in the books since long. Since as per the provisions of Companies Act, those liabilities which are kept for more than 1 year needs to be treated as Deposits and not loan appropriate presentation of these amounts in the books of the company needs to be made

The details of these deposits are as given as below for appropriate presentation in the financial accounts :

A/C code	Description	Amount
52.1.10	Financial participation by consumer (Infrastructural Loan)- interest bearing	21,94,62,929.00
52.1.20	Financial participation by consumer (Infrastructural Loan)- interest free	74,75,44,235.70
	Total	96,70,07,164.70

15. As per CBDT notification vide Circular No. 13/2021 dated 30-June-2021 OPTCL needs to deduct TDS on electricity charges U/s 194Q of the Income Tax Act, 1961. However it is observed that OPTCL neither deducted TDS nor deposited the same with the Income Tax Authority. Hence this is a violation of the TDS provisions of the Income Tax Act, 1961. Hence required amount of TDS needs to be deducted from the bills and the same needs to be deposited with the Government with debiting the Party account for recovery of the same.

16. Debtors for Transmission Charges in Inter State PGCIL amounting to Rs.20.23 crore is appearing in the books of the company since long period without reconciling the balance with PGCIL. Hence OPTCL needs

take necessary steps to reconcile the balance with PGCIL. Any difference in such reconciliation needs to be adjusted in the books accordingly.

17. It is observed that OPTCL has a practice of identifying the scrap at unit level with their valuation for making relevant disclosure in the annual accounts. Although it has been done the basis of valuation and the aging of the scrap needs to be done for ascertaining the realistic value of scrap. Hence OPTCL needs to prepare a guideline for valuation, ageing of old unsold materials laying at different units.

18. In ledger code 55.350: Grant towards cost of capital asset (world bank) an amount of Rs.119.59 crore is laying as opening balance for which Rs.2.13 crore has been charged as depreciation. Further some amount has also been transferred to differed income as per the prevailing accounting policy of the entity.

    During the course of our audit we observed that the company is currently charging depreciation @5.28% on Rs.40.38 Crore of assets only and for the balance amount of asset amounting to Rs.79.59 cr under this head no depreciation has been charged nor any differed income has been booked since 2004-05 . Hence in our opinion the said asset is overstated by Rs.79.59 Cr in financials which needs to be write off in the books of accounts.

19. It was observed that there is no agreement between Union Bank of India & OPTCL for use of the space in OPTCL premises from the date of inception of the extension counter/ branch in OPTCL Building. In absence of the same OPTCL is not getting any rent from union bank. Hence it is a loss of revenue to OPTCL which need to be addressed and step needs to be taken for realising the rental income from Union Bank of India retrospectively.

20. OPTCL in its financials has made Provision for doubtful debt since long. The heads of account for which these provisions have been made are appearing as such in the accounts without any movement. The asset as well as the provisions which are being made are required to be revisited and if necessary these should be write off from the books. Some head wise details for such provisions are given as under :

    a. Gujarat State Electricity Board (GUVNL) Rs. 2.80 Cr

    b. DAMAN & DIU Rs. 0.76 Cr

    c. Maharashtra State Electricity Board (MSEDCL) Rs. 0.01 Cr

    d. Debtors for- Wheeling charges (Intra State) NALCO Rs. 4.75 Cr

21. **Old CWIPs**- It was observed that there are numerous projects classified under Capital Work in Progress (CWIP) in the books of accounts of the OPTCL which is being continuing for a long period of time. These prolonged projects indicate significant delays in completion due to the fact that a number of such projects remains unfinished for more than 3 years. Further due to non-availability of documents these projects are also not being capitalised in books of accounts although the work has already been completed.

    On our verification and from the data provided to us by the OPTCL, total closing CWIP amounting to Rs.2,14,29,922.67 remains unadjusted for more than 4 years. This observation also contains opening CWIP amounting to Rs. 30,79,540 which stands untraceable since 2012-13. The status of these CWIP appearing in the books needs to be ascertained for capitalisation or write off in the books of accounts.

    It was identified that there are works-in-progresses with a total closing CWIP of Rs.1,21,94,047.76 which is shown under the status of "Not completed" although such works have been in a state of CWIP for more than 3 years.

22. **Old unidentified/ unreconciled balance**

    (a) During the course of our audit it was observed that most of the Internal Auditors have reported that old outstanding, unreconciled and pending for settlement are continuing since long period. In our verification we have observed that there are some balances which are also continuing in HO books for settlement in accounts. In the absence of such complete data it is not possible on our part to comment of the same on the financials of Corporation.

(b) Under Account code 46.2.10 an amount of Rs.33.42 Cr. Shown as "Payable to State Government" is running since long without any adjustment. This amount needs to be reconciled and to be adjusted under proper head of accounts. As this amount is lying for more than one year this will be treated as Deposits in accounts as per Companies Act, 2013.

23. **Unserviceable /Damaged Assets**

There are significant number of office assets whose conditions are mentioned as damaged/unserviceable in different units by the Internal Auditor of the respective units. Many assets are found lying which are not usable. The quantification of these assets unit wise and OPTCL as a whole needs to be arrived for determining their value and the provision for Impairment if any needs to be made in the books. Since impairment w.r.t. these assets are not being done in the books of accounts, there is a violation of Ind-AS 38 on Impairment of assets.

24. **SOUBHAGYA Scheme / RGGVY Scheme / BGJY Scheme**

It was explained to us that all the projects under these above scheme have already been completed and handed over. However, ongoing through the accounts of OPTCL it is seen that there are some unsettled accounts balances related to these schemes which needs to be square off with the closure of the scheme. Due to non-adjustment these in the accounts it is unnecessarily inflating the group head as well as the figures in financials.

25. **GST RECONCILIATION**

The reconciliation of GST Turnover as per books in comparison to GST return is not matching. There is a difference of Rs.94.47 Lacs which is reflected in books of accounts of SLDC but the same is not being reflected in the GST Return.

There is also a difference in GST Receivable as per books of accounts for OPTCL as a whole and the GSTR Return for OPTCL and SLDC. The difference in the balance is not yet explained to Audit. Hence a detailed reconciliation in this regard needs to be made and the difference if any needs to be adjusted in the books of accounts.

Our Report is not modified in respect of these matters.

Information Other than the Ind-AS 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 Board's 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.

When we read the reports stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Ind-AS Financial Statements.

The Company's Board of Directors/Company management is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind-AS Financial Statements that give a true and fair view of the financial position, financial performance in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of 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, 29 including the disclosures, and whether the Ind-AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind-AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind-AS

Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind-AS Financial Statements.

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

a) We have sought and, except for the matters/ effects/ possible effects of the matters described in the Basis for Qualified Opinion, 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/ possible effects of the matters described in the Basis for Qualified Opinion and Other Matter paragraphs, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the relevant books of account;

d) Except for the effects of the matters described in the Basis for Qualified Opinion and Other Matter paragraphs above, in our opinion, the aforesaid Ind-AS Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under;

e) The matters described in the Basis for Qualified Opinion para above, in our opinion may not have an adverse effect on the functioning of the Company;

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

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate Report in "Annexure A".

h) As per notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Companies Act, 2013 is not applicable to the Company.

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

I. The Company has disclosed the impact of pending litigations on its financial position in its 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.

ii. 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, on long term contracts including derivative contracts, if any. There are no derivative contracts entered into by the Company.

iii. 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.

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any interim or final Dividend during the financial year, hence reporting under Rule 11(f) is not applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable for the Company only w.e.f. 1st April, 2023. In compliance to our reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, we have to report that all the features of Audit Trail are not complied by the Corporation's existing accounting software package. As explained to us the corporation is in the process of implementing the SAP package during the FY 2024-25 to nullify such issues relating to Audit Trail.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

3. In compliance to directions and sub - directions of Comptroller and Auditor General of India under section 143(5) of the Act, we give in "Annexure C" to this report a statement on the matters specified therein.

Place: Bhubaneswar
Date : 27/09/2024

For PAMS & Associates
Chartered Accountants.

Sd/-
(CA Satyajit Mishra)
Partner
Membership No. 057293
UDIN : 24057293BKAUSC1681

Annexure "A" to the Independent Auditors' Report on Ind-AS Financial Statements for the year ended 31st March, 2024 of Odisha Power Transmission Corporation Limited.

(Referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory *Requirements' of our Report of even date)*

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

We have audited the internal controls over financial reporting of Odisha Power Transmission Corporation Limited (herein after referred to as "Company"), as of 31st March, 2024 in conjunction with our audit of the Ind-AS Financial Statements of the Circle for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Control over Financial Reporting (the "Guidance Note") and the standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and 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 aspects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Control 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, projection of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations provided to us following weaknesses have been identified during the course of audit as at 31st March, 2024.

Revenue

There is inadequate control with respect to recognition and adjustment of income from deposit work and supervision services charges, which need to be strengthened. This could potentially result in materially misstating its revenue, trade receivables, statutory liability (GST) and other related items.

Inventory

The Company needs to strengthen the internal control system in respect of receipt and issue of materials which may not be recorded promptly and maintenance of inventories and conducting physical verification thereof. This could potentially result in the Company materially misstating the inventory value in Ind-AS Financial Statements.

Current Assets and Liabilities

The Company has not obtained balance confirmation from sundry debtors, sundry creditors and other parties in most of the cases. This could potentially result in Company's misstatement of debtors and creditors in the Ind-AS Financial Statements.

The Company's internal control system for creation of appropriate provision for pending bills from suppliers and contractors, were not operating effectively which could potentially result in non-booking of capital as well as revenue expenditure timely.

Others

The controls over process of reconciling general ledger balance with subsidiary ledger accounts balance needs to be strengthened. This could potentially result in material misstatement of current liabilities and current assets in the Ind-AS Financial Statements.

The Company hasn't flagged the Vendor as MSME in a effective and timely manner which may potentially result in material misstatement of payable to MSME Vendors.

The Company needs to strengthen the process of MIS reporting on a timely and promptly manner. This could potentially result in result in material misstatement of Ind-AS Financial Statements of the Company.

The Company has not defined any risk control matrix identifying the key risk areas of particular System. This could result in weak checks and balances and ineffectiveness in operations as well.

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, 2024 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, 2024 and these material weaknesses do not affect our opinion on the Ind-AS Financial Statements of the Company.

Place: Bhubaneswar
Date : 27/09/2024

For PAMS & Associates
Chartered Accountants.
Sd/-
(CA Satyajit Mishra)
Partner
Membership No. 057293
UDIN : 24057293BKAUSC1681

Annexure-B to the Independent Auditors' Report on Ind-AS Financial Statements for the year ended 31st March, 2024 of Odisha Power Transmission Corporation Limited.

(Referred to in paragraph 2 under the heading of 'Report on Other Legal and Regulatory Requirements' of our Report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its property, plant & equipment's including intangible assets except for land for which complete records are not available with land section.

b) As informed to us by the Company management and explanations given to us, these Property, Plant and Equipment 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

c) Based on our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company to the extent verified except for the following Lands:

Description of Item of Property	Gross Carrying Value(In Rs)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / Director or Employee of Promoter / Director	Property held since which date	Reason for not being held in the name of the company* *also indicate if in dispute
Ac.22.420 Land in mouza-Chainpal, Angul	38,27,920.00	OSEB	No	Since inception	In compliance to the provisions of the Electricity Act,2003 Govt. of Odisha vide Notification No.6892 dated 09.06.2005 made a Transfer Scheme. 2005 for the purpose of transfer and vesting of the transmission undertakings of GRIDCO in favour of Odisha Power Transmission Corporation Limited, a wholly owned Undertaking of the State Govt. Pursuant to the aforesaid Notification, the transfer of transmission Assets, State Load Despatch Centre, Assets, Personnel, Proceedings and related liabilities stood transferred to M/s. Odisha Power Transmission Corporation Limited w.e.f1st April 2005.
Ac.12.700 Land in mouza-Birabahanpur, Angul	7,91,062.00	Power & Irrigation Department	No	Since inception	
Ac.35.600 Land in mouza-Joragadia, Angul	15,57,386.00	Power & Irrigation Department	No	Since inception	
Ac.28.380 Land in mouza-Nuahata, Angul	16,14,128.00	Power & Irrigation Department	No	Since inception	
Ac.3.400 Land in mouza-Angul Town, Angul	49,300.00	OSEB	No	Since inception	
Ac.28.460 Land in mouza-Ganeswarpur, Balasore	7,07,800.00	GRIDCO	No	Since inception	
Ac.6.840 Land in mouza-Baunsamukha, Balasore	11,94,600	GRIDCO	No	Since inception	
Ac.0.910 Land in mouza-Baunsamukha, Balasore			No	Since inception	
Ac.9.930 Land in mouza-Nandika, Balasore	9,56,834.00	GRIDCO	No	Since inception	
Ac.18.130 Land in mouza-Samaraipur, Bhadrak	70,913.00	OSEB	No	Since inception	

Ac.14.498 Land in mouza-Larkipalli, Bolangir	21,53,314.00	OSEB	No	Since inception	
Ac.10.000 Land in mouza-Patnagarh, Bolangir	7,57,500.00	GRIDCO	No	Since inception	
Ac.3.680 Land in mouza-Kanhupura, Dhenkanal	1,10,400.00	OSEB	No	Since inception	
Ac.0.820 Land in mouza-Mohana, Gajapati		OSEB	No	Since inception	
Ac.4.270 Land in mouza-Kanteikoli, Gajapati	5,000.00	OSEB	No	Since inception	
Ac.16.349 Land in Mouza- Sankarpur, Ganjam		OSEB	No	Since inception	
Ac.3.085 Land in mouza-Badpada, Ganjam	10,726.00	OSEB	No	Since inception	
Ac.18.115 Land in mouza-Badpada, Ganjam	80,666.75	OSEB	No	Since inception	
Ac.5.580 Land in mouza-Baragaon, Ganjam	53,010.00	OSEB	No	Since inception	
Ac.1.700 Land in mouza-Baragaon, Ganjam	14,45,000.00	GRIDCO	No	Since inception	
Ac.1.850 Land in mouza-Kalapuri, Ganjam		OSEB	No	Since inception	
Ac.2.067 Land in mouza-Goilundi, Ganjam	29,250.00	OSEB	No	Since inception	
Ac.6.435 Land in mouza-Khadasingh, Ganjam	1,95,300.00	OSEB	No	Since inception	
Ac.72.000 Land in mouza-Chunabelari, Jagatsinghpur	5,47,751.00	OSEB	No	Since inception	
Ac.11.070 Land in mouza-Nimadihi, Jagatsinghpur	73,838.00	OSEB	No	Since inception	
Ac.0.150 Land in mouza-Paradeepgarh, Jagatsinghpur		Electric Department	No	Since inception	
Ac.50.720 Land in mouza-Sobra, Jajpur	25,500.00	OSEB	No	Since inception	
Ac.0.090 Land in mouza-Kusunpur, Jajpur		OSEB	No	Since inception	
Ac.1.120 Land in mouza-Kusunpur, Jajpur		OSEB	No	Since inception	
Ac.3.410 Land in mouza-Sarbahal Unit No.-7, Jharsuguda		OSEB	No	Since inception	
Ac.8.100 Land in mouza-Ektali Unit No.-1, Jharsuguda		OSEB	No	Since inception	
Ac.10.540 Land in mouza-Kosoti, Kendrapara	95,451.85	Electric Department	No	Since inception	
Ac.6.540 Land in mouza-Beltal, Kendrapara	10,64,761.00	Dept. of Energy	No	Since inception	

Ac.6.540 Land in mouza-Beltal, Kendrapara	10,64,761.00	Dept. of Energy	No	Since inception	
Ac.7.263 Land in mouza-Beneikala Unit-I, Keonjhar	13,425.75	OSEB	No	Since inception	
Ac.17.670 Land in mouza-Joda Unit-II, Keonjhar	68,279.32	OSEB	No	Since inception	
Ac.2.758 Land in mouza-Nalda, Keonjhar	26,900.00	OSEB	No	Since inception	
Ac.0.675 Land in mouza- Unit-11 Saheednagar, BBSR, Khordha	1,75,904.26	OSEB	No	Since inception	
Ac.9.484 Land in mouza- Akhuapokhar, Khordha	12,92,940.00	OSEB	No	Since inception	
Ac.9.438 Land in mouza- Mendhasal, BBSR, Khordha	31,73,818.00	Dept. of Energy	No	Since inception	
Ac.24.870 Land in mouza- Jayanagar, Koraput	6,16,776.00	OSEB	No	Since inception	
Ac.17.770 Land in mouza- Jayanagar, Koraput	16,994.00	Power & Irrigation Department	No	Since inception	
Ac.10.950 Land in mouza- Sarubali, Mayurbhanja	24,70,070.00	GRIDCO	No	Since inception	
Ac.16.500 Land in mouza-Hemachandrapur, Mayurbhanja	29,92,313.00	GRIDCO	No	Since inception	
Ac.19.200 Land in mouza- Asanabani, Mayurbhanja	67,889.58	OSEB	No	Since inception	
Ac.11.620 Land in mouza- Jemadeipur, Nayagarh	6,84,800.00	OSEB	No	Since inception	
Ac.5.500 Land in mouza- Raghunath Prasad, Nayagarh		OSEB	No	Since inception	
Ac.100.000 Land in mouza- Siliput, Rayagada	1,26,500.00	OSEB	No	Since inception	
Ac.4.100 Land in mouza- Rayagada Nagar, Rayagada		Electrical Department	No	Since inception	
Ac.3.120 Land in mouza-Jayaramguda , Rayagada		OSEB	No	Since inception	
Ac.4.940 Land in mouza-Akhusigh , Rayagada	30,125.00	OSEB	No	Since inception	
Ac.15.770 Land in mouza-Chitabhanga, Sundargarh	27,63,851.00	GRIDCO	No	Since inception	

d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii)a) Physical verification of Inventory has been conducted by the management every year through external auditors CA / CMA Firms. As per policy of the company discrepancy more than 10% in-aggregate for each class of inventory were adjusted in the books of accounts. As explained to us there are no such discrepancies noticed on physical verification of inventories more than 10% in-aggregate for each class of inventory have been noticed during the year.

b) The Company has not been sanctioned any working capital limits, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii) The Company has not made any investment in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, and hence reporting under clause 3(iii)(a), (b), (c), (d), (e) & (f) of the Order is not applicable. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

iv) According to the information and explanations given to us, the Company has not made any loans, investments, guarantees, and security under the provisions of section 185 and 186 of the Companies Act, 2013.

v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, additional reporting under clause 3(v) of the Order is not applicable.

vi) 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. We have not, however made a detailed examination of the statements and records with a view to determine whether they are accurate and complete

vii) In respect of statutory dues:

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 Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it 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, 2024 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) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of the Statues	Nature of the Dues	Period to which the amount relates	Amount (Rs In Crore)	Forum where dispute is pending
Finance Act,1994	Service Tax	F.Y. 2006 -07 to 2009-10	2.22	CESTA Tribunal , Kolkata
Finance Act,1994	Service Tax	For the F.Y.2010-11	0.24	CESTA Tribunal , Kolkata
Income Tax Act, 1961	Income Tax	Assessment Year 2010-11	2.06	C.I.T. (Appeal), Bhubaneswar
Income Tax Act, 1961	Income Tax	Assessment Year 2014-15	15.90	C.I.T. (Appeal), Bhubaneswar
Income Tax Act, 1961	Income Tax	Assessment Year 2017-18	0.53	C.I.T. (Appeal), Bhubaneswar
Income Tax Act, 1961	Income Tax	Assessment Year 2021-22	2.58	C.I.T. (Appeal), Bhubaneswar
Odisha VAT Act, 2004	VAT	Financial Year 2009-10 to 2013-14	0.01	Sales Tax Tribunal, Odisha
CST Act, (Orissa) Rules,1957	CST	Financial Year 2009-10 to 2013-14	0.60	Sales Tax Tribunal, Odisha
Orissa Entry Tax Act, 1999	Entry Tax	Financial Year 2009-10 to 2013-14	5.29	Sales Tax Tribunal, Odisha

viii) Based on our examination of books of accounts and according to the information and explanations given to us, in our opinion, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) a) According to the records of the Company examined by us and the information and explanation given to us, Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

Further, 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.

Sl. No.	Name of Instit ution	Amount of Default (Rs. In Crore)	Nature of Default	Period of Default
1.	Central Electricity Authority	26.97	Interest	Not Available
2.	IBRD Loan	34.73	Interest	Not Available

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Ind-AS Financial Statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x) a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) During the year, the Company has issued equity shares to Govt of Odisha amounting to Rs.371.31 Crore comprising of 37,13,110 No of Equity Shares of Rs.1000/- each as preferential allotment.

xi)a) 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, 2024.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.

xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii) 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.

The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind-AS Financial Statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv)a) In our opinion the Company's internal audit system needs to be improve and strengthened commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv) 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.

xvi) a) In our opinion, 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)(a), (b) and (c) of the Order is not applicable.

b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors of the Company during the year.

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our understanding of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) In respect to Corporate Social Responsibility :

According to the information and explanations given to us, there has been no unspent amount in respect of other than ongoing projects during the year and

a) According to the information and explanations given to us, there has been no unspent amount in respect of ongoing projects during the year.

xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Ind-AS Financial Statements. Accordingly, no comment in respect of the said clause has been included in the report.

Place: Bhubaneswar
Date : 27/09/2024

For PAMS & Associates
Chartered Accountants.

Sd/-
(CA Satyajit Mishra)
Partner
Membership No. 057293
UDIN : 24057293BKAUSC1681

Annexure- C to the Independent Auditors' Report of Odisha Power Transmission Corporation Limited.

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

Report on the directions under section 143(5) of the Companies Act'2013 by C&AG

On the basis of our examination of books and records and according to the information and explanations given to us by the management of the Company, we report that:

Sl No	Directions	Auditor's Comments
I.	Whether the company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold and for which title / lease deeds are not available?	Yes, in Most of the cases title/lease deed is in favour of the Corporation. However in some cases the title deeds of immovable properties are not held in the name of the Company due to the following reason. *" In compliance to the provisions of the Electricity Act,2003 Govt. of Odisha vide NotificationNo.6892 dated 09.06.2005 made a Transfer Scheme. 2005 for the purpose of transfer and vesting of the transmission undertakings of GRIDCO in favour of Odisha Power Transmission Corporation Limited, a wholly owned Undertaking of the State Govt. Pursuant to the aforesaid Notification, the transfer of transmission Assets, State Load Despatch Centre, Assets, Personnel, Proceedings and related liabilities stood transferred to M/s. Odisha Power Transmission Corporation Limited w.e.f. 1st April 2005."* The detail list freehold and leasehold land for which lease/title deeds are not available is enclosed herewith as **Annexure-1** to this report.
II.	Whether there are any cases of waiver/write off debts / loans / interest etc. If yes, the reasons there for and amount involved.	No such cases found during the FY 2023-24.
III.	Whether proper records are maintained for inventories lying with third parties and assets received as gift / grant (s) from the Government or other authorities.	As ascertained from the management, there is no inventory lying with the third parties.

Report on the sub-directions under section 143(5) of the Companies Act'2013 by C&AG

On the basis of our examination of books and records and according to the information and explanations given to us by the management of the Company 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 prevent 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 Land acquired by the Company is bounded with Boundary wall to prevent encroachment. As per information and explanations given to us, the following lands which are encroached:

<table>
<tr><th>Sl No</th><th>Directions</th><th>Reply</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><th>Sl No.</th><th>Name of District</th><th>Land Encroached (Acre)</th><th>Free hold / Lease hold</th></tr>
<tr><td>1</td><td>Khurda (Bhubanpur)</td><td>Some portion of 7.30 Acre</td><td>Lease hold</td></tr>
<tr><td>2</td><td>Koraput (Kaki)</td><td>2.86 Acre</td><td>Lease hold</td></tr>
<tr><td>3</td><td>Nawarangpur (Tentulikhunti)</td><td>Some portion of 15.79 Acre</td><td>Free hold</td></tr>
<tr><td>4</td><td>Bolangir (Larkipali)</td><td>14.498 (0.047 encroached)</td><td>Lease hold</td></tr>
<tr><td>5</td><td>Rayagada (Seriguda)</td><td>3.814 (some portion of 3.814 encroached)</td><td>Lease hold</td></tr>
<tr><td>6</td><td>Sundergarh (Tarkera)</td><td>50.036 (some portion of 50.036 encroached)</td><td>Lease Hold</td></tr>
<tr><td>7</td><td>Mayurbhanj (Asanabani)</td><td>19.200 (0.570 encroached)</td><td>Lease Hold</td></tr>
<tr><td>8</td><td>Gajapati (Kanteikoli)</td><td>7.855 (2.765 encroached)</td><td>Lease Hold</td></tr>
<tr><td>9</td><td>Khurdha (Balianta)</td><td>Some portion of Ac. 7.30 Acre</td><td>Lease Hold</td></tr>
<tr><td>10</td><td>Jajpur (Gobarghati)</td><td>Some portion of Ac. 79.62 Acre</td><td>Lease Hold</td></tr>
<tr><td>11</td><td>Khurdha (Bhoi Nagar)</td><td>0.518 (0.01 encroached)</td><td>Lease Hold</td></tr>
<tr><td>12</td><td>Kandhamal (Kendupadar)</td><td>Some portion of Ac. 35.762 Acre</td><td>Acquisition</td></tr>
<tr><td>13</td><td>Dhenkanal (Kanhupura)</td><td>3.680 (0.220 encroached)</td><td>Leasehold</td></tr>
<tr><td>14</td><td>Koraput (Kakat)</td><td>10.00 (2.860 encroached)</td><td>Leasehold</td></tr>
<tr><td>15</td><td>Keonjhar (Joda, Unit-II)</td><td>22.170 (4.50 encroached)</td><td>Acquisition</td></tr>
<tr><td>16</td><td>Ganjam (Adipur)</td><td>15.896 (15.896 encroached)</td><td>Purchased</td></tr>
<tr><td>17</td><td>Jajpur (Barabati)</td><td>2.370 (0.470 encroached)</td><td>Acquisition</td></tr>
</table>
No land is declared surplus as the 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.</td></tr>
<tr><td>02</td><td>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.</td><td>Yes. Settlement of dues are being done expeditiously and in a transparent manner as per the approval of District Compensatory Committee (DCCC). No deviation for the same was noticed.</td></tr>
</table>

Sl No	Directions	Reply
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, except for the cases of recognition of revenue from deposit work and supervision services charges which are not in compliance to Ind-AS115- Revenue and the same is reported in our Qualified Opinion paragraph already.
04	How much cost has been incurred on abandoned projects and out of this how much cost has been written off ?	The company has incurred Rs.6.69 Crore up to 31/03/2024 on the various abandoned and suspended projects. No amount has been written off as at 31st March, 2024. Further in respect of Abandoned Project the company has made adequate provision up to 31/03/2024.
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.	As explained to us by the management, the 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 except for power evacuation constraint at HHEP, Burla and evacuation constraints for drawl of Odisha share power from Machkund Hydro Electric Project. to Sambalpur.
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 during the year 2023-24 was
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	Yes, however there are delay in some cases in respect of refund / adjustment of amount received against the construction work from other agencies. The Company needs to do proper reconciliation of such amounts and refund the excess amounts if any expeditiously.

Place: Bhubaneswar
Date : 27/09/2024

For PAMS & Associates
Chartered Accountants.

Sd/-
(CA Satyajit Mishra)
Partner
Membership No. 057293
UDIN : 24057293BKAUSC1681

Annexure-I

List of title deeds of immovable properties are not held in the name of the Company

Description of Item of Property	Gross Carrying Value(In Rs)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / Director or Employee of Promoter / Director	Property held since which date	Reason for not being held in the name of the company* *also indicate if in dispute
Ac.22.420 Land in mouza-Chainpal, Angul	38,27,920.00	OSEB	No	Since inception	In compliance to the provisions of the Electricity Act,2003 Govt. of Odisha vide NotificationNo.6892 dated 09.06.2005 made a Transfer Scheme. 2005 for the purpose of transfer and vesting of the transmission undertakings of GRIDCO in favour of Odisha Power Transmission Corporation Limited, a wholly owned Undertaking of the State Govt. Pursuant to the aforesaid Notification, the transfer of transmission Assets, State Load Despatch Centre, Assets, Personnel, Proceedings and related liabilities stood transferred to M/s. Odisha Power Transmission Corporation Limited w.e.f1st April 2005.
Ac.12.700 Land in mouza-Birabahanpur, Angul	7,91,062.00	Power & Irrigation Department	No	Since inception	
Ac.35.600 Land in mouza-Joragadia, Angul	15,57,386.00	Power & Irrigation Department	No	Since inception	
Ac.28.380 Land in mouza Nuahata, Angul -	16,14,128.00	Power & Irrigation Department	No	Since inception	
Ac.3.400 Land in mouza-Angul Town, Angul	49,300.00	OSEB	No	Since inception	
Ac.28.460 Land in mouza-Ganeswarpur, Balasore	7,07,800.00	GRIDCO	No	Since inception	
Ac.6.840 Land in mouza-Baunsamukha, Balasore	11,94,600	GRIDCO	No	Since inception	
Ac.0.910 Land in mouza-Baunsamukha, Balasore			No	Since inception	
Ac.9.930 Land in mouza-Nandika, Balasore	9,56,834.00	GRIDCO	No	Since inception	
Ac.18.130 Land in mouza-Samaraipur, Bhadrak	70,913.00	OSEB	No	Since inception	
Ac.14.498 Land in mouza-Larkipalli, Bolangir	21,53,314.00	OSEB	No	Since inception	
Ac.10.000 Land in mouza-Patnagarh, Bolangir	7,57,500.00	GRIDCO	No	Since inception	
Ac.3.680 Land in mouza-Kanhupura, Dhenkanal	1,10,400.00	OSEB	No	Since inception	
Ac.0.820 Land in mouza-Mohana, Gajapati		OSEB	No	Since inception	
Ac.4.270 Land in mouza-Kanteikoli, Gajapati	5,000.00	OSEB	No	Since inception	
Ac.16.349 Land in Mouza- Sankarpur, Ganjam		OSEB	No	Since inception	
Ac.3.085 Land in mouza-Badpada, Ganjam	10,726.00	OSEB	No	Since inception	

Ac.18.115 Land in mouza-Badpada, Ganjam	80,666.75	OSEB	No	Since inception	
Ac.5.580 Land in mouza-Baragaon, Ganjam	53,010.00	OSEB	No	Since inception	
Ac.1.700 Land in mouza-Baragaon, Ganjam	14,45,000.00	GRIDCO	No	Since inception	
Ac.1.850 Land in mouza-Kalapuri, Ganjam		OSEB	No	Since inception	
Ac.2.067 Land in mouza-Goilundi, Ganjam	29,250.00	OSEB	No	Since inception	
Ac.6.435 Land in mouza-Khadasingh, Ganjam	1,95,300.00	OSEB	No	Since inception	
Ac.72.000 Land in mouza-Chunabelari, Jagatsinghpur	5,47,751.00	OSEB	No	Since inception	
Ac.11.070 Land in mouza-Nimadihi, Jagatsinghpur	73,838.00	OSEB	No	Since inception	
Ac.0.150 Land in mouza-Paradeepgarh, Jagatsinghpur		Electric Department	No	Since inception	
Ac.50.720 Land in mouza-Sobra, Jajpur	25,500.00	OSEB	No	Since inception	
Ac.0.090 Land in mouza-Kusunpur, Jajpur		OSEB	No	Since inception	
Ac.1.120 Land in mouza-Kusunpur, Jajpur		OSEB	No	Since inception	
Ac.3.410 Land in mouza-Sarbahal Unit No.-7, Jharsuguda		OSEB	No	Since inception	
Ac.8.100 Land in mouza-Ektali Unit No.-1, Jharsuguda		OSEB	No	Since inception	
Ac.10.540 Land in mouza-Kosoti, Kendrapara	95,451.85	Electric Department	No	Since inception	
Ac.6.540 Land in mouza-Beltal, Kendrapara	10,64,761.00	Dept. of Energy	No	Since inception	
Ac.7.263 Land in mouza-Beneikala Unit-I, Keonjhar	13,425.75	OSEB	No	Since inception	
Ac.17.670 Land in mouza-Joda Unit-II, Keonjhar	68,279.32	OSEB	No	Since inception	
Ac.2.758 Land in mouza-Nalda, Keonjhar	26,900.00	OSEB	No	Since inception	
Ac.0.675 Land in mouza- Unit-11 Saheednagar, BBSR, Khordha	1,75,904.26	OSEB	No	Since inception	
Ac.9.484 Land in mouza- Akhuapokhar, Khordha	12,92,940.00	OSEB	No	Since inception	
Ac.9.438 Land in mouza- Mendhasal, BBSR, Khordha	31,73,818.00	Dept. of Energy	No	Since inception	

Ac.24.870 Land in mouza- Jayanagar, Koraput	6,16,776.00	OSEB	No	Since inception	
Ac.17.770 Land in mouza- Jayanagar, Koraput	16,994.00	Power & Irrigation Department	No	Since inception	
Ac.10.950 Land in mouza- Sarubali, Mayurbhanja	24,70,070.00	GRIDCO	No	Since inception	
Ac.16.500 Land in mouza- Hemachandrapur, Mayurbhanja	29,92,313.00	GRIDCO	No	Since inception	
Ac.19.200 Land in mouza- Asanabani, Mayurbhanja	67,889.58	OSEB	No	Since inception	
Ac.11.620 Land in mouza- Jemadeipur, Nayagarh	6,84,800.00	OSEB	No	Since inception	
Ac.5.500 Land in mouza- Raghunath Prasad, Nayagarh		OSEB	No	Since inception	
Ac.100.000 Land in mouza- Siliput, Rayagada	1,26,500.00	OSEB	No	Since inception	
Ac.4.100 Land in mouza- Rayagada Nagar, Rayagada		Electrical Department	No	Since inception	
Ac.3.120 Land in mouza-Jayaramguda , Rayagada		OSEB	No	Since inception	
Ac.4.940 Land in mouza-Akhusigh , Rayagada	30,125.00	OSEB	No	Since inception	
Ac.15.770 Land in mouza-Chitabhanga, Sundargarh	27,63,851.00	GRIDCO	No	Since inception	

Balance Sheet as at March 31, 2024

Amount in Rs. Crore

	Notes	As at 31.03.2024	As at 31.03.2023
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	5	5,264.29	5,130.02
(b) Capital work-in-progress	6	1,720.16	1,599.87
(c) Intangible assets	7	2.09	4.61
(d) Intangible assets under development	7	1.70	-
(d) Financial assets			
(i) Investments	8	73.28	99.73
(ii) Loans	9	9.66	10.57
(iii) Other financial assets	10	23.58	24.84
(e) Deferred tax assets	11	-	-
(f) Other non-current assets	12	156.67	180.90
Total non-current assets		**7,251.43**	**7,050.54**
(2) Current assets			
(a) Inventories	13	227.34	188.59
(b) Financial assets			
(i) Investments	8	51.45	15.00
(ii) Trade receivables	14	118.61	136.13
(iii) Cash and cash equivalents	15	1,581.01	1,781.56
(iv) Bank balances other than (iii) above	16	711.31	800.40
(v) Loans	9	6.48	6.58
(vi) Other financial assets	10	215.50	189.30
(c) Current tax assets	17	63.82	58.66
(d) Other current assets	12	65.24	3.15
Total current assets		**3,040.76**	**3,179.37**
Total assets		**10,292.19**	**10,229.91**
Equity and liabilities			
(1) Equity			
(a) Equity share capital	18	2,442.78	2,071.47
(b) Other equity	19	216.08	575.86
Total equity		**2,658.86**	**2,647.33**
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	1,877.19	1,693.52
(ii) Other financial liabilities	21	84.87	104.67
(b) Provisions	22	-	174.30
(c) Deferred income	23	1,730.09	1,594.19
(d) Deferred Tax Liabilities	11	397.65	166.63
(e) Other non-current liabilities	24	2,323.40	2,202.12
Total non-current liabilities		**6,413.20**	**5,935.43**

(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	225.69	136.38
(ii) Trade payables			
Total outstanding dues of Micro Enterprises and Small Enterprises	25	-	-
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	25	130.47	146.61
(iii) Other financial liabilities	21	65.88	68.47
(b) Deferred income	23	427.45	554.60
(c) Other current liabilities	24	179.61	296.93
(d) Provisions	22	191.03	444.16
Total current liabilities		**1220.13**	**1647.15**
Total liabilities		**7,633.33**	**7582.58**
Total equity and liabilities		**10,292.19**	**10,229.91**

The accompanying notes (1 to 44) form an integral part of the financial statements Subject to our report of even date

for PAMS & Associates,
Chartered Accountants.
FRN:316079E

Sd/-
(Bhadresh Bachubhai Mehta)
Director (SLDC)
DIN-08772051

Sd/-
(Sanjay Kumar Mishra, IRTS)
Chairman Cum Managing Director
DIN-09313483

Sd/-
(CA Satyajit Mishra)
Partner
Membership No. 057293
Date: 19.08.2024
UDIN: 24057293BKAUSC1681

Sd/-
(Umesh Kumar Gupta)
Chief Financial Officer

Sd/-
(Prasanta Kumar Das)
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2024

Amount in Rs. Crore

		Notes	Year ended 31.03.2024	Year ended 31.03.2023
I	Revenue from operations	26	1,048.92	1,259.88
II	Other income	27	249.97	260.62
III	**Total revenue (I + II)**		**1,298.89**	**1,520.50**
IV	**Expenses**			
	(a) Employee benefits expense	28	502.19	567.60
	(b) Finance costs	29	137.30	115.66
	(c) Depreciation and amortisation expense	30	406.56	389.27
	(d) Other expenses	31	179.81	155.89
	Total expenses (IV)		**1,225.86**	**1,228.42**
V	**Profit Before Tax (III - IV)**		**73.03**	**292.08**
VI	**Tax expense**			
	(1) Current Tax (MAT)	32	11.29	39.52
	Tax for earlier years	32	5.65	-
	(2) Deferred tax	32	234.65	197.19
	Total tax expense (VI)		**251.59**	**236.71**
VII	**Profit/(Loss) after Tax (V - VI)**		**(178.56)**	**55.37**
VIII	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement gains / (losses) on defined benefit plans	35	(10.39)	(73.92)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	32	3.63	25.83
	Total other comprehensive income for the year (VIII)		**(6.76)**	**(48.09)**
IX	**Total comprehensive income for the year (VII+VIII)**		**(185.31)**	**7.28**
X	**Earnings per equity share:**			
	(1) Basic	33	(81.36)	28.49
	(2) Diluted	33	(81.36)	28.49

The accompanying notes (1 to 44) form an integral part of the financial statements Subject to our report of even date

for PAMS & Associates,
Chartered Accountants.
FRN:316079E

Sd/-
(Bhadresh Bachubhai Mehta)
Director (SLDC)
DIN-08772051

Sd/-
(Sanjay Kumar Mishra, IRTS)
Chairman Cum Managing Director
DIN-09313483

Sd/-
(CA Satyajit Mishra)
Partner
Membership No. 057293
Date: 19.08.2024
UDIN: 24057293BKAUSC1681

Sd/-
(Umesh Kumar Gupta)
Chief Financial Officer

Sd/-
(Prasanta Kumar Das)
Company Secretary

Cash Flow Statement

	Year ended 31.03.2024	Year ended 31.03.2023
A. Cash flows from operating activities		
Profit for the period	**(178.56)**	**55.37**
Adjustments for:		
Income tax expense recognised in profit or loss	251.59	236.71
Finance costs recognised in profit or loss	137.30	115.66
Interest income recognised in profit or loss	(75.87)	(62.28)
Deferred Income recognised in profit or loss	(112.36)	(99.96)
Net (gain) / loss on disposal of property, plant and equiptment	(1.51)	(35.32)
Impairment loss recognised on non-financial assets	(2.67)	(3.45)
Inventories of stores, spares written off	1.02	1.07
Depreciation of plant, property and equipment	403.99	386.70
Amortisation of intangible assets	2.57	2.57
	425.50	**597.07**
Movements in working capital:		
(Increase) / decrease in inventories	(37.10)	(4.58)
(Increase) / decrease in trade receivables	17.52	16.69
(Increase) / decrease in loans and other financial asset	(23.93)	(105.81)
(Increase) / decrease in other assets	(37.86)	(13.30)
Increase / (decrease) in trade payables	(16.14)	(49.38)
Increase / (decrease) in other financial liabilities	(22.39)	(32.74)
Increase / (decrease) in other liabilities	3.96	588.91
Increase / (decrease) in provisions	(434.19)	(223.04)
Cash (used in) / generated from operations	**(124.63)**	**773.82**
Income taxes paid	**(25.73)**	**(59.82)**
Net cash (used in) / generated by operating activities	**(150.36)**	**714.00**
B. Cash flows from investing activities		
Payments to acquire financial assets	(10.00)	10.00
Payement towards term deposits	89.09	(258.84)
Interest received from banks and others	89.11	73.77
Payments for property, plant and equipments	(683.62)	(579.65)
Proceeds from disposal of property, plant and equipments	26.60	49.31
Payments for intangible assets	(1.77)	-
Net cash (used in) / generated by investing activities	**(490.59)**	**(705.41)**
C. Cash flows from financing activities		
Proceeds from issue of equity instrument of the company	183.61	330.46
Proceeds from borrowings	272.98	(79.76)
Finance cost paid	(137.30)	(115.66)
Increase / (decrease) in deferred revenue	121.11	235.25
Net cash (used in) / generated by financing activities	**440.40**	**370.29**
Net increase or (decrease) in cash or cash equivalents	**(200.55)**	**378.88**
Cash and cash equivalents at the beginning of the year	**1,781.56**	**1,402.68**
Cash and cash equivalents at the end of the year	**1,581.01**	**1,781.56**

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 PAMS & Associates,
Chartered Accountants.
FRN:316079E

Sd/-
(CA Satyajit Mishra)
Partner
Membership No. 057293
Date: 19.08.2024
UDIN: 24057293BKAUSC1681

Sd/-
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Sd/-
(Umesh Kumar Gupta)
Chief Financial Officer

Sd/-
(Sanjay Kumar Mishra, IRTS)
Chairman Cum Managing Director
DIN-09313483

Sd/-
(Prasanta Kumar Das)
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31,2023

A. Equity Share Capital

1. Current Reporting Period (FY 2023-24)

Amount in Rs. Crore

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
2,071.47	-	2,071.47	371.31	2,442.78

2. Previous Reporting Period (FY 2022-23)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,886.71	-	1,886.71	184.76	2,071.47

B. Other Equity

Amount in Rs. Crore

			Reserves and surplus									
				Other Reserves				Retained earnings				
	Share capital pending allotment	Equity component of compound financial instruments	Capital reserves	Corporate Social Responsibility Reserve	Contingency reserve fund	SLDC development fund	Staff welfare fund	Profit and loss	Other Comprehensive Income	Interim Dividend	Others	Total
(1) Current Reporting Period Balance at the beginning of the current reporting period i.e as on 01.04.2023	**145.70**	**-**	**279.44**	**-**	**124.73**	**89.68**	**-**	**98.20**	**(203.89)**	**42.00**	**-**	**575.86**
Share Capital Issued	(145.70)											
Changes in accounting policy or prior period errors												-
Restated balance at the beginning of the current reporting												-
Total Comprehensive Income for the current year												-
Received in Current Year												-
Dividends										(42.00)		(42.00)
Transfer from retained earnings						(0.63)		(178.56)	(6.76)			(185.94)
Interest received from investment						13.24						13.24
Transfer from SLDC Devlopment Fund								0.63				0.63
Balance at the end of the current reporting period i.e as on 31.03.2024	**-**	**-**	**279.44**	**-**	**124.73**	**102.29**	**-**	**(79.72)**	**(210.65)**	**-**	**-**	**216.08**
(1) Current Reporting Period Balance at the beginning of the current reporting period i.e as on 01.04.2022	**-**	**-**	**279.44**	**-**	**124.73**	**78.19**	**-**	**84.83**	**(155.80)**	**-**	**-**	**411.41**
Changes in accounting policy or prior period errors												-
Restated balance at the beginning of the current reporting												-
Total Comprehensive Income for the current year												-
Received in Current Year	145.7											145.70
Dividends								(42.00)		42.00		-
Transfer from retained earnings								55.37	(48.09)			7.28
Interest received from investment												-
Transfer to SLDC Devlopment Fund						11.49						11.49
Balance at the end of the current reporting period i.e as on 31.03.2023	**145.70**	**-**	**279.44**	**-**	**124.73**	**89.68**	**-**	**98.20**	**(203.89)**	**42.00**	**-**	**575.86**

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.

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

ii) It is held primarily for the purpose of trading; or

iii) It is due to be settled within twelve months after the reporting period; or

iv) 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 whichever is higher to be treated as material.”

The value of errors and omissions is construed to be material for restating the opening balances of assets and liabilities and equity for the earliest prior period presented, if the sum total effect of earlier period income/expenses exceeds 03% (Three) of Total Income or Rs.30.00 Crore whichever is higher.

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 necessary adjustment in the year of final settlement. Capitalisation from Capital work in progress (CWIP) is being done only after receipt of Technical Certificate from the respective field officers in line with Ind AS.

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. Subsequent costs relating to day to day servicing of the item are not recognised in the carrying amount of an 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 No.6035 dated 21.06.2006.

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.

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 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 re-measurement 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 re-measured 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 re-measured 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.

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.

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. Re-measurement 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 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 **and liquidated damages** 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.

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.

Expenses like demand for Ground rent / Cess are accounted for on receipt of demand from appropriate authorities.

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

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 obligation 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.

vi) Exceptional Items

Exceptional items are items of income and expenses arises from ordinary activities but of such size, nature or incidence whose disclosure is felt necessary for better explanation of the performance of the Company.

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:

Balance Sheet:

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.

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 PAMS & Associates,
Chartered Accountants.
FRN:316079E

Sd/-
(Bhadresh Bachubhai Mehta)
Director (SLDC)
DIN-08772051

Sd/-
(Sanjay Kumar Mishra, IRTS)
Chairman Cum Managing Director
DIN-09313483

Sd/-
(CA Satyajit Mishra)
Partner
Membership No. 057293
Date: 19.08.2024
UDIN: 24057293BKAUSC1681

Sd/-
(Umesh Kumar Gupta)
Chief Financial Officer

Sd/-
(Prasanta Kumar Das)
Company Secretary

Notes to the Financial Statements

Amount in Rs. Crore

5 - Property, Plant and Equipment

FY 2023-24

PARTICULARS	Gross Block					Depreciation					Net Block	
	As on 01.04.2023	Addition during the Year	Deletions during the Year	Adjustment during the Year	As on 31.03.2024	As on 01.04.2023	Addition during the Year	Deletions during the Year	Adjustment during the Year	As on 31.03.2024	As on 31.03.2024	As on 31.03.2023
Freehold land	54.94	2.55	-	-	57.49	-	-	-	-	-	57.49	54.94
Leasehold land	54.15	1.24	-	-	55.39	12.31	1.92	-	(0.11)	14.12	41.27	41.84
Buildings	136.37	57.75	-	-	194.12	32.17	6.48	-	0.10	38.75	155.37	104.20
Electrical installation	11.83	1.59	-	1.32	14.74	2.83	0.81	-	-	3.64	11.10	9.00
Other civil works	106.58	17.29	-	-	123.87	14.16	4.11	-	(0.01)	18.26	105.61	92.42
Plant & Machinery	4,489.99	304.91	(14.34)	9.27	4,789.83	1,221.99	260.51	-	(3.38)	1,479.12	3,310.71	3,268.00
Lines and cables	2,161.87	157.80	(10.71)	(10.59)	2,298.37	665.09	117.43	-	3.35	785.87	1,512.50	1,496.78
Vehicles	1.00	0.31	-	-	1.31	0.56	0.11	-	-	0.67	0.64	0.44
Furnitureand fixtures	8.03	1.01	-	-	9.04	2.74	0.56	-	0.01	3.31	5.73	5.29
Office equipment	91.44	18.86	(0.04)	-	110.26	34.33	12.07	-	(0.01)	46.39	63.87	57.11
TOTAL	7,116.20	563.31	(25.09)	-	7,654.42	1,986.18	404.00	-	(0.05)	2,390.13	5,264.29	5,130.02

PARTICULARS	Gross Block					Depreciation					Net Block	
	As on 01.04.2022	Addition during the Year	Deletions during the Year	Adjustment during the Year	As on 31.03.2023	As on 01.04.2022	Addition during the Year	Deletions during the Year	Adjustment during the Year	As on 31.03.2023	As on 31.03.2023	As on 31.03.2022
Freehold land	54.94	-	-	-	54.94	-	-	-	-	-	54.94	54.94
Leasehold land	54.03	1.12	(1.00)	-	54.15	10.29	2.02	-	-	12.31	41.84	43.74
Buildings	121.00	13.46	-	1.91	136.37	26.63	5.29	-	0.25	32.17	104.20	94.37
Electrical installation	10.42	1.48	(0.07)	-	11.83	2.15	0.70	-	(0.02)	2.83	9.00	8.27
Other civil works	88.45	15.86	-	2.27	106.58	10.57	3.29	-	0.30	14.16	92.42	77.88
Plant & Machinery	3,948.78	551.33	(10.12)	-	4,489.99	972.75	249.92	-	(0.68)	1,221.99	3,268.00	2,976.03
Lines and cables	2,011.04	153.48	(2.66)	0.01	2,161.87	552.07	113.01	-	0.01	665.09	1,496.78	1,458.97
Vehicles	1.03	-	(0.03)	-	1.00	0.51	0.09	-	(0.04)	0.56	0.44	0.52
Furnitureand fixtures	7.10	0.79	-	0.14	8.03	2.24	0.48	-	0.02	2.74	5.29	4.86
Office equipment	77.91	13.51	(0.11)	0.13	91.44	22.53	11.89	-	(0.09)	34.33	57.11	55.38
TOTAL	6,374.70	751.03	(13.99)	4.46	7,116.20	1,599.74	386.69	-	(0.25)	1,986.18	5,130.02	4,774.96

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.

Notes to the financial statements

Deposit Work Assets included in PPE are as under :

	Freehold land	Leasehold land	Buildings	Electrical installation	Other civil works	Plant and machinery	Lines and cables	Vehicles	Furniture and fixtures	Office equipment	Total
Cost or deemed cost											
Balance as at 31.03.2024	**6.29**	**5.63**	**12.90**	**3.95**	**6.64**	**1,136.15**	**873.25**	**-**	**0.58**	**8.56**	**2,053.95**
(i) Grant Asset	**0.27**	3.32	4.44	2.28	0.05	553.83	384.74	-	0.16	8.03	**957.12**
(ii) Other than Grant Asset	**6.02**	2.31	8.46	1.67	6.59	582.32	488.51	-	0.42	0.53	**1,096.83**
Balance as at 31.03.2023	**6.29**	**5.63**	**8.18**	**3.95**	**5.94**	**1,056.28**	**755.01**	**-**	**0.52**	**6.06**	**1,847.86**
(i) Grant Asset	0.27	3.32	-	2.28	0.05	486.02	300.94		0.10	5.53	798.51
(ii) Other than Grant Asset	6.02	2.31	8.18	1.67	5.89	570.26	454.07		0.42	0.53	1,049.35
Accumulated Depreciation and Impairment											
Balance as at 31.03.2024	-	0.90	2.11	1.24	0.81	353.41	217.18	-	0.21	4.03	**579.89**
(i) Grant Asset	-	0.48	0.07	0.89	0.01	124.38	73.85	-	0.03	3.73	**203.44**
(ii) Other than Grant Asset	-	0.42	2.04	0.35	0.80	229.03	143.33		0.18	0.30	**376.45**
Balance as at 31.03.2023	**-**	**0.72**	**1.75**	**1.00**	**0.58**	**290.65**	**171.15**	**-**	**0.17**	**2.87**	**468.89**
(i) Grant Asset	-	0.37	-	0.75	0.01	94.74	54.33		0.02	2.62	**152.84**
(ii) Other than Grant Asset	-	0.35	1.75	0.25	0.57	195.91	116.82		0.15	0.25	**316.05**
Carrying Amount											
Balance as at 31.03.2024	**6.29**	**4.73**	**10.79**	**2.71**	**5.83**	**782.74**	**656.07**	**-**	**0.37**	**4.53**	**1,474.06**
(i) Grant Asset	0.27	2.84	4.37	1.39	0.04	429.45	310.89	-	0.13	4.30	753.68
(ii) Other than Grant Asset	6.02	1.89	6.42	1.32	5.79	353.29	345.18	-	0.24	0.23	720.38
Balance as at 31.03.2023	**6.29**	**4.91**	**6.43**	**2.95**	**5.36**	**765.63**	**583.86**	**-**	**0.35**	**3.19**	**1,378.97**
(i) Grant Asset	0.27	2.95	-	1.53	0.04	391.28	246.61	-	0.08	2.91	645.67
(ii) Other than Grant Asset	6.02	1.96	6.43	1.42	5.32	374.35	337.25	-	0.27	0.28	733.30

List of Lands not Held in the name of the Company as on 31.03.2024

Sl. NO.	Nature of PPE	Title Deeds held in the name of	No of Title Deeds	Area (In Acre)
1	Land	Energy & Irrigation Department	9	125.22
2	Land	OSEB	33	474.31
3	Land	GRIDCO	9	101.06
		Total	51	700.59

The above Lands were transferred vide NotificationNo.6892 dated 09.06.2005 of Govt. of Odisha for the purpose of transfer and vesting of the transmission undertakings of GRIDCO in favour of Odisha Power Transmisson Corporation Limited, a wholly owned Undertaking of the State Govt. w.e.f 1st April2005. Out of the 51 nos of title deeds the value is available for 41 nos of titles deeds and for the remaining title deeds no value is available.

Notes to the Financial Statements

6 - Capital work-in-progress

Amount in Rs. Crore

PARTICULARS	FY 2023-24					FY 2022-23				
	As on 01.04.2023	Additions	Other adjustments	Capitalised during the year	As on 31.03.2024	As on 01.04.2022	Additions	Other adjustments	Capitalised during the year	As on 31.03.2023
Building	**30.55**	24.75	(0.74)	(55.38)	**(0.82)**	**23.51**	23.37	-	(16.33)	**30.55**
Electrical installation	**2.05**	0.43		(2.40)	**0.08**	**0.09**	2.51	-	(0.55)	**2.05**
Other civil works	**19.24**	15.21		(10.57)	**23.88**	**18.98**	7.15	-	(6.89)	**19.24**
Other office equipment	**7.95**	4.36		(3.54)	**8.77**	**1.64**	4.12	4.90	(2.71)	**7.95**
Plant and machinery	**1,350.57**	351.36	(0.01)	(379.75)	**1,322.17**	**1,559.68**	330.98	(0.34)	(539.75)	**1,350.57**
Lines and cables	**189.51**	238.00	(1.81)	(59.62)	**366.08**	**167.35**	144.23	(0.79)	(121.28)	**189.51**
TOTAL	**1,599.87**	**634.11**	**(2.56)**	**(511.26)**	**1,720.16**	**1771.25**	**512.36**	**3.77**	**(687.51)**	**1,599.87**

1. The Cost of Capital Expenditure includes an amount of Rs. 14.90 Cr (Previous Year Rs. 16.40 Cr) towards employee cost, Rs. 2.68 Cr (Previous Year Rs. 3.67 Cr) towards A&G cost and Rs. 19.38 Cr (Previous Year Rs. 22.55 Cr) towards Interest respectively.
2. CWIP relating to Discom Project and BBNL Project amounting to Rs. 4236.39 Cr (Previous Year Rs. 5029.43 Cr) has not been included in the above notes.

Capital Work-In-Progress

Ageing Schedule

FY 2023-24

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	499.00	273.10	206.28	742.98	**1,721.36**
Projects temporarily Suspended/Abandoned	0.57	0.31	-	5.81	**6.69**
Provisions on Abandoned Projects	-0.57	-	-	(7.32)	**(7.89)**

FY 2022-23

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	353.14	259.34	358.94	623.33	**1,594.75**
Projects temporarily Suspended/Abandoned	0.46	0.90	4.66	6.99	**13.01**
Provisions on Abandoned Projects	-	-	-	(7.89)	**(7.89)**

Notes to the Financial Statements

7 (I)- Intangible assets

Amount in Rs. Crore

FY 2023-24

PARTICULARS	Gross Block				Depreciation				Net Block	
	As on 01.04.2023	Addition during the period	Adjustment during the period	As on 31.03.2024	As on 01.04.2023	Addition during the Year	Adjustment during the period	As on 31.03.2024	As on 31.03.2024	As on 31.03.2023
Computer Software	17.42	0.07	-	17.49	12.81	2.59	-	15.40	2.09	4.61
TOTAL	**17.42**	**0.07**	**-**	**17.49**	**12.81**	**2.59**	**-**	**15.40**	**2.09**	**4.61**

FY 2022-23

PARTICULARS	Gross Block				Depreciation				Net Block	
	As on 01.04.2022	Addition during the period	Adjustment during the period	As on 31.03.2023	As on 01.04.2022	Addition during the Year	Adjustment during the period	As on 31.03.2023	As on 31.03.2023	As on 31.03.2022
Computer Software	17.42	-	-	17.42	10.24	2.57	-	12.81	4.61	7.18
TOTAL	**17.42**	**-**	**-**	**17.42**	**10.24**	**2.57**	**-**	**12.81**	**4.61**	**7.18**

Deposit Work Asset included in above Rs. 1.34 Cr (Gross Asset value Rs. 10.69 Crore, Accumulated Depreciation Rs. 9.35 Crore), Previous Year Rs. 2.95 Cr (Gross Asset Value Rs. 10.69 Crore, Accumulated Depreciation Rs. 7.74 Crore)

7 (II) - Intangible assets under development

PARTICULARS	FY 2023-24					FY 2022-23				
	As on 01.04.2023	Additions	Other adjustments	Capitalised during the year	As on 01.04.2024	As on 01.04.2022	Additions	Other adjustments	Capitalised during the year	As on 01.04.2023
Intangible assets under development	-	1.70	-	-	**1.70**	-	-	-	-	-
TOTAL	**-**	**1.70**	**-**	**-**	**1.70**	**-**	**-**	**-**	**-**	**-**

Notes to the Financial Statements

8 - Investments

I. Other investments

Non-current

Quoted investments

Amount in Rs. Crore

Investments in Government securities (Face value Rs. 10,000/each)	As at 31.03.2024 Quantity Units	As at 31.03.2024 Amount Rs. in crores	As at 31.03.2024 Market Value Rs. in crores	As at 31.03.2023 Quantity Units	As at 31.03.2023 Amount Rs. in crores	As at 31.03.2023 Market Value Rs. in crores
9.64% kerala SDL -2024	-	-	-	1,062.00	1.06	1.09
9.65% Nagaland SDL-2024	-	-	-	1,300.00	1.30	1.33
9.63% Punjab SDL-2024	-	-	-	1,625.00	1.63	1.66
9.63% Himachal Pradesh SDL-2024	-	-	-	2,500.00	2.50	2.56
9.63% Rajasthan-2024	-	-	-	2,500.00	2.50	2.56
9.22% Chhattisgarh SDL-2024	-	-	-	5,000.00	5.00	5.10
9.23% Himanchal Pradesh SDL -2024	-	-	-	2,000.00	2.00	2.04
9.23% Maharastra SDL-2024	-	-	-	4,080.00	4.08	4.16
9.21% Punjab SDL-2024	-	-	-	3,434.00	3.43	3.50
9.21% Rajasthan SDL-2024	-	-	-	5,000.00	5.00	5.10
9.24% Tamil Nadu SDL-2024	-	-	-	5,000.00	5.00	5.10
9.11% Rajasthan SDL-2024	-	-	-	5,000.00	5.00	5.09
9.05% Goa SDL-2024	-	-	-	1,951.00	1.95	1.99
9.03% Rajasthan -2024	-	-	-	5,000.00	5.00	5.10
9.03% Kerala SDL -2024	-	-	-	3,000.00	3.00	3.06
8.72% Kerala SDL -2024	-	-	-	3,000.00	3.00	3.06
8.21% Goa SDL-2025	2,000.00	2.00	2.02	2,000.00	2.00	2.03
8.22% Nagaland SDL -2025	500.00	0.50	0.51	500.00	0.50	0.51
8.25% Odisha SDL-2025	5,000.00	5.00	5.07	5,000.00	5.00	5.09
7.64% West Bengal SDL-2027	10,173.00	10.17	10.24	10,173.00	10.17	10.21
7.30% PN SDL-2027	1,500.00	1.50	1.50	1,500.00	1.50	1.49
7.26% AS SDL 09-08-2027	5,000.00	5.00	4.98	5,000.00	5.00	4.95
8.13% CG SDL-2028	5,000.00	5.00	5.13	5,000.00	5.00	5.12
8.39% UPSDL- 2029	10,000.00	10.00	10.43	10,000.00	10.00	10.40
8.39% BRSDL- 2029	4,106.00	4.11	4.28	4,106.00	4.11	4.27
6.33% AS SDL- 2026-29	5,000.00	5.00	4.88	5,000.00	5.00	4.81
7.50% HARYANA SGS-2030	3,000.00	3.00	3.02	-	-	-
7.56% RAJASTHAN SGS-2033	10,257.00	10.26	10.35	-	-	-
7.47% ANDHRA SGS-2037	4,743.00	4.74	4.79	-	-	-
7.49% UTTAR PRADESH SGS- 2034	7,000.00	7.00	7.05	-	-	-
Total - Investments in Government securities	**73,279.00**	**73.28**	**74.22**	**99,731.00**	**99.73**	**101.35**
Total - Other Non-Current Investments	**73,279.00**	**73.28**	**74.22**	**99,731.00**	**99.73**	**101.35**

Notes to the Financial Statements

Current

Quoted investments						
8.51% Punjab SDL - 2023	-	-	-	5,000.00	5.00	5.00
8.49% Haryana SDL - 2023	-	-	-	3,000.00	3.00	3.00
9.69% Jharkhand SDL - 2024	-	-	-	5,000.00	5.00	5.09
9.38% Himachal Pradesh SDL - 2024	-	-	-	2,000.00	2.00	2.03
9.64% KERELA SDL-2024	1,062.00	1.06	1.06	-	-	-
9.65% NAGALAND SDL-2024	1,300.00	1.30	1.30	-	-	-
9.63% PUNJAB SDL- 2024	1,625.00	1.63	1.63	-	-	-
9.63% HIMACHAL PRADESH SDL-2024	2,500.00	2.50	2.50	-	-	-
9.63% RAJASTHAN -2024	2,500.00	2.50	2.50	-	-	-
9.22% CHATISGARG SDL-2024	5,000.00	5.00	5.01	-	-	-
9.23% HIMACHAL PRADESH SDL-2014	2,000.00	2.00	2.00	-	-	-
9.22% MAHARASTRA SDL-2014	4,080.00	4.08	4.09	-	-	-
9.21% PUNJAB SDL-2024	3,434.00	3.43	3.44	-	-	-
9.21% RAJASTHAN SDL-2024	5,000.00	5.00	5.01	-	-	-
9.24% TAMIL NADU SDL-2024	5,000.00	5.00	5.01	-	-	-
9.11% RAJASTHAN SDL-2024	5,000.00	5.00	5.02	-	-	-
9.05% GOA SDL-2024	1,951.00	1.95	1.96	-	-	-
9.03% RAJASTHAN SDL-2024	5,000.00	5.00	5.03	-	-	-
9.03% KELALA SDL- 2024	3,000.00	3.00	3.02	-	-	-
8.72% KELALA SDL- 2024	3,000.00	3.00	3.03	-	-	-
Total - Current Investments	**51,452.00**	**51.45**	**51.62**	**15,000.00**	**15.00**	**15.13**
Total Investment	**1,24,731.00**	**124.73**	**125.85**	**1,14,731.00**	**114.73**	**116.48**

Notes to the Financial Statements

Amount in Rs. Crore

9 - Loans

A. Non-current	As at 31.03.2024	As at 31.03.2023
(a) Loans to employees		
Considered good-Secured	-	-
Considered good-Unsecured	9.66	10.57
Having significant increase in credit risk	0.08	0.08
Less: Credit Impaired	(0.08)	(0.08)
Total non-current loans	**9.66**	**10.57**

B. Current	As at 31.03.2024	As at 31.03.2023
(a) Loans to employees		
Considered good-Secured	-	-
Considered good-Unsecured	6.48	6.58
Having significant increase in credit risk	-	-
Less: Credit Impaired	-	-
Less: Allowance for bad and doubtful loans		
Total current loans	**6.48**	**6.58**

10 - Other financial assets

A. Non current	As at 31.03.2024	As at 31.03.2023
(a) Security Deposit	4.48	3.43
(b) Security deposits with public utilities	4.72	3.89
(c) Interest accrued but not due		
i) on staff loans and others	9.14	10.78
(d) Receivable from Government	2.04	4.47
(e) Amount recoverable from employees/ex-employees	0.04	0.80
(f) Other receivables	3.16	1.47
Total other non-current financial assets	**23.58**	**24.84**

B. Current	As at 31.03.2024	As at 31.03.2023
(a) Interest accrued but not due		
i) on term deposits	39.80	35.24
ii) on non-current investment	2.70	-
iii) on staff loans and others	3.70	2.89
(b) Receivable from Government	0.85	0.17
(c) Amount recoverable from employees/ex-employees	0.76	0.05
(d) Advances with Government Authorities	0.61	-
(e) Other receivables	170.93	154.80
Less: Allowance for bad and doubtful other non-current assets	(3.85)	(3.85)
Total other current financial assets	**215.50**	**189.30**

Notes to the Financial Statements

Amount in Rs. Crore

11 - Deferred tax liabilities

	As at 31.03.2024	As at 31.03.2023
Deferred tax liabilities	479.95	448.99
Deferred tax assets	82.30	282.36
MAT credit receivable	-	-
	397.65	**166.63**

2023-24	Opening Balance as at 01.04.2023	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance as at 31.03.2024
Deferred tax liabilties relating to:				
Property, plant and equipment	(448.99)	(30.96)		(479.95)
FVTPL financial assets				
Deferred tax liabilties	**(448.99)**	**(30.96)**	**-**	**(479.95)**
Deferred tax assets in relation to:				
Provision for compensated absences and other employee benefits	0.91	0.29		1.20
Provision for defined benefit obligation	215.21	(153.28)	3.63	65.56
Others	66.24	(50.69)		15.55
Deferred tax assets	**282.36**	**(203.69)**	**3.63**	**82.30**
MAT credit receivable				
Deferred tax (liabilities) / assets (net)	**(166.63)**	**(234.65)**	**3.63**	**(397.65)**

2022-23	Opening Balance as at 01.04.2022	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance as at 31.03.2023
Deferred tax liabilties relating to:				
Property, plant and equipment	(406.23)	(42.76)		(448.99)
FVTPL financial assets				
Deferred tax liabilties	**(406.23)**	**(42.76)**	**-**	**(448.99)**
Deferred tax assets in relation to:				
Provision for compensated absences and other employee benefits	4.86	(3.95)		0.91
Provision for defined benefit obligation	271.05	(81.67)	25.83	215.21
Others	135.04	(68.80)		66.24
Deferred tax assets	**410.95**	**(154.42)**	**25.83**	**282.36**
MAT credit receivable				
Deferred tax (liabilities) / assets (net)	**4.73**	**(197.19)**	**25.83**	**(166.63)**

12- Other Assets

Amount in Rs. Crore

A. Non-current	As at 31.3.2024	As at 31.3.2023
(a) Captial Advance		
Unsecured, considered good	156.64	180.02
Unsecured, considered doubtful	-	-
(b) Advances other than Capital Advances		
Unsecured, considered good	0.03	0.88
Unsecured, considered doubtful	-	-
Gross other non-current assets	**156.67**	**180.90**

Notes to the financial statements

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	**156.67**	**180.90**
Classification of other non-current assets:		
Secured, considered good		
Unsecured, considered good	156.68	180.90
Doubtful	-	-
Gross other non-current assets	**156.68**	**180.90**

B. Current	**As at 31.3.2024**	**As at 31.3.2023**
(a) Advance to suppliers and contractors		
Unsecured, considered good	65.24	0.01
Unsecured, considered doubtful	-	-
(b) Prepaid expenses (Unsecured, considered good)	0.01	3.15
Gross other current assets	**65.25**	**3.16**
Less: Allowance for bad and doubtful other current assets		
(a) Advance to suppliers and contractors	(0.01)	(0.01)
Total allowance for bad and doubtful other current assets	**(0.01)**	**(0.01)**
Total other current assets	**65.24**	**3.15**

Notes to the Financial Statements

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

Amount in Rs. Crore

	As at 31.03.2024	**As at 31.03.2023**
(a) Stores and spares	217.58	176.89
(1) Cost	227.34	188.54
(2) Less: Provisions	(9.76)	(11.65)
(b) Other material	9.76	11.70
(1) Cost	14.80	16.14
(2) Less: Provisions	(5.04)	(4.44)
Total inventories	**227.34**	**188.59**

Notes:

14.1 The cost of inventories recognised as expenses includes Rs. 89.22 crore for the year ended March 31, 2024 (for the year ended March 31, 2023: Rs. 70.25crore).

14 - Trade receivables

Amount in Rs. Crore

Current	**As at 31.03.2024**	**As at 31.03.2023**
(a) Considered good-Secured	-	-
(b) Considered good-Unsecured	118.61	136.13
(c) Having significant increase in credit risk	8.32	8.32
Less: Credit Impaired	(8.32)	(8.32)
Net trade receivables	**118.61**	**136.13**

Notes to the financial statements

Notes:

14.1 Trade receivable

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.125.78 crores as at March 31, 2024, Rs.2.27 crores is due from LTOA Customers within the State of Odisha, Rs.1.29 crores is due from PGCIL and others for transmission of power and generally the collection against these receivables is made within a eriod 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.

Trade Receivable

Ageing Schedule

FY 2023-24

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivable- Consedered good	87.08				37.57	124.65
(ii) Undisputed Trade Receivable- which have significant increase in credit risk						-
iii) Undisputed Trade Receivables – credit impaired						-
(iv) Disputed Trade Receivable- Consedered good					8.32	8.32
(v) Disputed Trade Receivable- which have significant increase in credit risk	1.62	0.66				2.28
(vi) Disputed Trade Receivables – credit impaired						-

FY 2022-23

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivable- Consedered good	89.85	3.82	9.66	9.66	19.25	132.24
(ii) Undisputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivable- Consedered good	-	-	-	-	8.32	8.32
(v) Disputed Trade Receivable- which have significant increase in credit risk	3.27	0.20	0.42	-	-	3.89
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Notes to the Financial Statements

Amount in Rs. Crore

15 - Cash and cash equivalents

	As at 31.03.2024	As at 31.03.2023
(a) Balances with banks		
(1) Balance with scheduled banks		
-For OPTCL	514.30	528.99
-For DISCOM and Other Projects	1,054.27	1,250.86
(b) Cheque in hand	12.27	1.60
(c) Cash on hand	0.17	0.11
Gross cash and cash equivalents	**1,581.01**	**1,781.56**
(a) Provision against theft	-	-
Total cash and cash equivalents	**1,581.01**	**1,781.56**

16 - Bank balances other than cash and cash equivalents

	As at 31.03.2024	As at 31.03.2023
(a) Balances with banks		
(1) Balance with scheduled banks		
(i) In deposit account with maturity between 3-12 months (OPTCL)	711.31	700.40
(ii) In deposit account with maturity between 3-12 months (DISCOMS)	-	100.00
Total bank balances other than cash and cash equivalents	**711.31**	**800.40**

17 - Tax assets

Current	As at 31.03.2024	As at 31.03.2023
(a) TDS receivable and advance tax	75.11	134.45
(b) Less: Provision for Taxation	11.29	75.79
Net Tax Asset	**63.82**	**58.66**

Amount in Rs. Crore

18 - Share Capital

	As at 31.03.2024	As at 31.03.2023
Equity share capital		
Equity share capital	2,442.78	2,071.47
	2,442.78	**2,071.47**
Authorised share capital:		
35,000,000 fully paid-up equity shares of Rs. 1,000 each (As at 31.03.2023 25,000,000 fully paid-up equity shares of Rs. 1,000 each)	3,500.00	2,500.00
	2,500.00	**2,500.00**
Issued and subscribed capital comprises:		
2,44,27,790 fully paid-up equity shares of Rs. 1,000 each (As at 31.03.2023 2,07,14,680 fully paid-up equity shares of Rs. 1,000 each)	2,442.78	2,071.47
	2,442.78	**2,071.47**

Notes to the Financial Statements

18.1 Fully paid equity shares

	Number of shares	Amount in Rs. Crores
Balance as at 31.03.2022	**1,88,67,080**	**1,886.71**
Issue of shares	18,47,600	184.76
Balance as at 31.03.2023	**2,07,14,680**	**2,071.47**
Issue of shares	37,13,110	371.31
Balance as at 31.03.2024	**2,44,27,790**	**2,442.78**

During the year 37,13,110 shares are issued for cash

18.2 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.

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

	As at 31.03.2024		As at 31.03.2023	
	No. of shares held	**% of holding of shares**	**No. of shares held**	**% of holding of shares**
Fully paid equity shares				
Government of Odisha	2,44,27,783.00	99.99%	2,07,14,673	99.99%
Others*	7.00	0.01%	7	0.01%
Total	**2,44,27,790**	**100.00%**	**2,07,14,680**	**100.00%**

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

19 - Other equity

Amount in Rs. Crore

	As at 31.03.2024	As at 31.03.2023
(a) Equity component of compound financial instruments	-	-
(b) Capital reserves	279.44	279.44
(c) Retained earnings		
(i) Corporate social responsibility reserves	-	-
(ii) Contingency reserve fund	124.73	124.73
(iii) SLDC development fund	102.29	89.68
(iv) Profit and loss	(79.72)	98.20
(v) Other Comprehensive Income	(210.65)	(203.89)
(vi) Share Capital Pending Allotment	-	145.70
(vii) Intermi Dividend	-	42.00
Total	**216.08**	**575.86**

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 of 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 Bank FIs for asset creation & funding of R&D Projects, if any, relating to Odisha Power System with the necessary approval of the Commission.

Notes to the Financial Statements

Amount in Rs. Crore

20 - Borrowings

A. Non current	As at 31.03.2024	As at 31.03.2023
a. Unsecured - at amortised cost		
(i) Loan from Govt. of Odisha (JICA) (Refer note (i) below)	442.72	483.38
(ii) Loan from others		
Infrastructure Loan from Industries (Refer note (ii) below)	96.70	96.70
b. Secured - at amortised cost		
Loan from banks (Refer note (iii) (a) and (b) below)	1,337.77	1,027.16
from financial Institutions (Refer note (iv) (a) below)	-	86.28
Total Non-current Borrowings	**1,877.19**	**1,693.52**

B. Current	As at 31.03.2024	As at 31.03.2023
a. Unsecured - at amortised cost		
(i) Loan from Govt. of Odisha (JICA) (Refer note (i) below)	42.15	43.62
(ii) Loan from others		
Infrastructure Loan from Industries (Refer note (ii) below)	-	1.36
b. Secured - at amortised cost		
Loan from banks (Refer note (iii) (a) and (b) below)	97.26	77.02
from financial Institutions (Refer note (iv) (a) below)	86.28	14.38
Total Current Borrowings	**225.69**	**136.38**

20.1 Summary of Borrowings arrangements

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

The total funded loan sanctioned by Govt. of Odisha (JICA) of INR ₹1146.68 Crore for specified capital project which will be repaid along with interest half yearly in 14 years after the grace period of 6 years from the date of signing of the loan amount. The outstanding balance as on 31.03.2024 is Rs. 484.86 Cr. (includes Rs. 42.15 crore as current) (as at 31.03.2023 is Rs. 527.01 Cr. includes Rs. 43.62 crore as current)

(ii) Infrastructure loans:

The Company is also engaged in establishing grid substation and 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 31.03.2024 amounts to Rs. 96.76 crores (as at 31.03.2023 amounts to Rs. 98.06 crores).

(iii) Secured term loan from bank include term-loan from The Bank advanced a secured term Loan of Rs. 596 crores for specified capital project and which is to be repaid along with stipulated base rate of interest and repayable within a period of

(a) Union Bank of India I & II

The Bank advanced a secured term Loan of Rs. 560 crores(Loan-I) and Rs. 607.12 (Loan-II) Crore 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 31.03.2024 being Rs. 984.18 Cr. (includes Rs 97.26 cr as current) (As at 31.03.2023 is Rs. 930.50 Cr includes Rs. 77.02 Cr as current).

(b) UCO BANK

The Bank advanced a secured term Loan of Rs. 468.29crore 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 31.03.2024 being Rs. 450.85 crore (As at 31.03.2023 being Rs. 137.67 Crore)"

(iv) 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.86.28 Cr (includes Rs 86.28 cr as current)at 31.03.2024 against security [Rs. 100.67 crores (includes Rs. 14.38 cr current) as at 31.03.2023]"

Notes to the Financial Statements

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

As at March 31, 2023

Amount in Rs. Crore

Particulars	Amount outstanding	Terms of repayment	Rate of interest
(i) Loan form financial institutions			
Term loans-REC Ltd	86.28	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 8.81% to 10.50% per annum.
(ii) Loan from bank			
Term Loan from Union Bank of India-I	385.49	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.
Term Loan from Union Bank of India-II	598.68	Principal to be repaid in 144 equal monthly instalments (Rs 4.22 crores in 144 instalments) commencing after 3 years from 1st disbursement.	The rate of interest is variable rate and accordingly reset yearly basis every time the MCLR is reset by the Bank.
UCO Bank	450.85	Principal to be repaid in 144 equal monthly instalments (Rs 3.25 crores in 144 instalments) commencing after 3 years from 1st disbursement.	The rate of interest is variable rate and accordingly reset yearly basis every time the MCLR is reset by the Bank.
(iii)Japan International Co-operative Agency (Jica)	484.86	TThe total JICA funderd loan loan sanctioned was INR ₹1146.68 Crore by the State Govt on back to back basis for specified capital project and which will be repaid along with interest half yearly 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	96.70	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. 21.95 cr on simple interest @ 6% p.a. subject to fulfilling the terms and conditions of the agreement and the rest are interst free.

Notes to the Financial Statements

Amount in Rs. Crore

21 - Other financial liabilities
(Classified at amortised cost)

A. Non current	As at 31.03.2024	As at 31.03.2023
(a) Interest accrued and due on borrowings		
(i) IBRD Loan	34.73	34.73
(ii) Central Government Loan	26.97	26.97
(iii) Govt. Of Odisha (JICA)	17.01	18.49
(b) Others		
(i) Payable to State Govt.against Central Plan Assistance	6.16	24.48
(ii) Payables to others	-	-
Total other non-current financial liabilities	**84.87**	**104.67**

B. Current	As at 31.03.2024	As at 31.03.2023
(a) Interest accrued but not due on borrowings	9.74	10.25
(b) Other payables	56.14	58.22
Total other current financial liabilities	**65.88**	**68.47**

Notes:

21.1 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 - Provisions

A. Non-current	As at 31.03.2024	As at 31.03.2023
(a) Provision for employee benefits		
(1) Retirement benefits obligations		
(i) Pension obligation	-	184.06
(ii) Gratuity obligation	-	(12.35)
(2) Other long-term employee benefits		
(i) Compensated absences	-	2.59
Total non current provisions	**-**	**174.30**

B. Current	As at 31.03.2024	As at 31.03.2023
(a) Provision for employee benefits		
(1) Retirement benefits obligations		
(i) Pension obligation	199.68	444.16
(ii) Gratuity obligation	(12.07)	-
(2) Other short-term employee benefits		
(i) Compensated absences	3.42	-
Total current provisions	**191.03**	**444.16**

Notes to the Financial Statements

Amount in Rs. Crore

23 - Deferred income

A. Non-current	As at 31.03.2024	As at 31.03.2023
(a) Grants for Property, Plant and Equipment	1,100.37	1,075.48
(b) Deposits against deposit work assets	629.72	518.71
Total non current deferred income	**1,730.09**	**1,594.19**

B. Current	As at 31.03.2024	As at 31.03.2023
(a) Grants for Property, Plant and Equipment	270.85	276.90
(b) Deposits against deposit work assets	156.60	277.70
Total current deferred income	**427.45**	**554.60**

23.1 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.

24 - Other liabilities

A. Non-current	As at 31.03.2024	As at 31.03.2023
(i) Deposit received from vendors	49.01	26.65
(ii) Deposit against Works	969.99	1,026.93
(iii) Deposits from suppliers/contractors:		
(a) Security deposit	16.07	22.63
(b) Earnest money deposit	2.42	1.82
(c) Retention money	174.07	145.73
(iv) Deposits relating to DISCOM assets	999.93	882.62
(v) Deposits relating to BBNL Projects	111.91	95.74
Total other non-current liabilities	**2,323.40**	**2,202.12**

24.1 Liability relating to Discom Project Rs. 4236.39 Cr (Previous Year Rs. 4570.94 Cr) and BBNL Project Rs. 0.00 Cr (Previous Year Rs. 458.50 Cr) has not been included in the above notes as the same has not been consedered in CWIP being the Asset created for DISCOMs with specified funding from Govt.

B. Current	As at 31.03.2024	As at 31.03.2023
(i) Deposit received from vendors	19.01	40.45
(ii) Deposits from suppliers/contractors:		
(a) Security deposit	10.80	7.07
(b) Earnest money deposit	2.02	1.22
(c) Retention money	113.12	216.43
(iii) Statutory dues	34.66	31.76
Total other current liabilities	**179.61**	**296.93**

Notes to the Financial Statements

25 - Trade payables

Amount in Rs. Crore

A. Current	As at 31.03.2024	As at 31.03.2023
(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	51.23	80.78
(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	53.90	45.89
(iii) Creditors for accrued wages and salaries	25.34	19.94
Total current trade payables	**130.47**	**146.61**

Notes:

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

25.2 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.

Trade Paybles
Ageing Schedule

FY 2023-24

Particulars	Outstanding for following periods from due date of payment#				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME					-
(i) Others	130.47				130.47
(iii) Disputed Dues- MSME					-

FY 2022-23

Particulars	Outstanding for following periods from due date of payment#				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-
(i) Others	146.61	-	-	-	146.61
(iii) Disputed Dues- MSME	-	-	-	-	-

26 - Revenue from operations

Amount in Rs. Crore

	Year ended 31.03.2024	Year ended 31.03.2023
(a) Transmission charges		
i. Long-term open access charges	873.35	953.15
ii. Short-term open access charges	162.84	295.03
(b) Other operating revenue		
i. System operation charges	9.99	9.24
ii. Market operation charges	2.50	2.31
iii. Scheduling charges	-	-
iv. Registration fees	0.01	-
v. Application fees	0.23	0.15
Total revenue from operations	**1,048.92**	**1,259.88**

Notes to the Financial Statements

27 - Other income

Amount in Rs. Crore

	Year ended 31.03.2024	Year ended 31.03.2023
(a) Interest income from		
- Bank deposits	74.34	59.57
- Loans to employees and suppliers	1.53	1.36
- Interest on income tax refund	-	1.35
(b) Deferred Income	112.36	99.96
(c) Sale of Scrap	1.51	35.32
(d) Excess Provision written back	18.08	15.97
(e) Supervision charges/ Implementing Agency Charges	22.10	31.08
(f) Other miscellaneous income	20.05	16.01
Total other income	**249.97**	**260.62**

28 - Employee benefits expense

Amount in Rs. Crore

	Year ended 31.03.2024	Year ended 31.03.2023
(a) Salaries and wages, including bonus		
(1) Salaries (Basic+DA)	233.59	221.25
(2) House Rent Allowance	23.97	28.14
(3) Other Allowance	10.08	9.85
(4) Bonus	0.01	0.02
(5) Stipend	10.13	10.34
(6) Out Sourced Employee	3.66	2.71
(7) Ex-Gratia	7.32	5.70
(8) Others	2.60	1.96
(b) Contribution to provident and other funds		
(1) Pension fund	165.77	257.48
(2) Provident fund	22.32	18.16
(3) Gratuity fund	11.66	12.63
(4) Leave Encashment	14.79	15.24
(c) Staff welfare expenses	11.19	0.52
Total	**517.09**	**584.00**
Less: Employee cost capitalised	(14.90)	(16.40)
Total employee benefit expense	**502.19**	**567.60**

29 - Finance costs

Amount in Rs. Crore

	Year ended 31.03.2024	Year ended 31.03.2023
(a) Interest cost relating to		
(i) Government bonds	-	-
(ii) Loan from financial institution	34.24	41.36
(iii) Loan from banks	106.07	78.81
(iv) Rebate to consumers	16.34	18.02
(b) Other borrowing costs	0.03	0.02
Total	**156.68**	**138.21**
Less: Interest capitalised	(19.38)	(22.55)
Total finance costs	**137.30**	**115.66**

Notes to the Financial Statements

30 - Depreciation and Amortisation expense

Amount in Rs. Crore

	Year ended 31.03.2024	Year ended 31.03.2023
(a) Depreciation of plant, property and equipment	403.99	386.70
(b) Amortisation of intangible assets	2.57	2.57
Total Depreciation and Amortisation	**406.56**	**389.27**

31 - Other expenses

Amount in Rs. Crore

	Year ended 31.03.2024	Year ended 31.03.2023
(A) Repairs & Maintenance Expenses		
(i) Building	12.78	8.60
(ii) Plant and machinery	76.51	75.07
(iii) Lines cables and network assets	28.14	23.24
(iv) Electrical installations	9.07	1.76
(v) Vehicle	0.06	0.11
(vi) Furniture and fixtures	0.03	0.02
(vii) Office equipments	5.02	5.84
Total	**131.61**	**114.64**
(B) Administration & General Expenses		
(a) Power and fuel consumed	3.87	3.82
(b) Hire charges on vehicle	12.33	10.95
(c) Legal and professional fees	2.98	1.93
(d) Rent	3.53	3.28
(e) Watch and ward expenses	3.64	3.22
(f) License and other fees	2.50	2.06
(g) Rates and taxes	0.23	0.27
(h) Insurance charges	0.02	0.02
(i) Fees and subscription	0.08	0.05
(j) Advertisement for tenders	0.11	0.27
(k) Corporate Social Responsibility expenses	2.97	0.39
(l) Impairment loss recognised on non-financial assets	0.01	0.21
(m) Impairment loss recognised on PPE	-	0.01
(n) Loss on theft/Shortage/Obsolete of material and others	1.02	1.07
(o) Travelling expenses	2.35	2.12
(p) Communication expenses	0.59	0.68
(q) Office maintenance charges	1.06	0.83
(r) Other Losses	1.58	6.33
(s) Donations	3.00	-
(t) Auditors remuneration and out-of-pocket expenses	0.13	0.15
(u) Other General expenses	8.89	7.26
Total	**50.88**	**44.92**
Total other expenses	**182.49**	**159.56**
Less: A&G Cost Capitalised.	(2.68)	(3.67)
Grand Total other expenses	**179.81**	**155.89**

Notes to the Financial Statements

32 - Income taxes

32.1 Income tax recognised in profit or loss

	Year Ended 31.03.2024	Year Ended 31.03.2023
Current tax		
In respect of the current year (Minimum Alternate TAX)	11.29	39.52
In respect of the earlier year	5.65	-
	16.94	**39.52**
Deferred tax		
In respect of the current year	234.65	197.19
Deferred tax reclassified from equity to profit or loss		
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	**234.65**	**197.19**

During the year 2023-24,The current tax (MAT u/s 115JB) amounting to Rs.11.29 Crores (FY 2022-23 Rs.39.52 Crores) has been recognized. Further The Deferred Tax Expenses for Rs. 234.65 Crores (FY 2022-23 Deferred Tax Expenses Rs.197.19 Crores) has been recognized as expenditure during 2023-24. The Deferred Tax expenses increased by Rs 37.46 Crores (Rs 234.65-197.19 Crores). It is due to reduction of un-absorbed depreciation by Rs.69.72 Crores and reduction of provision towards terminal benefit liability payable to Trusts by Rs 427.43 Crores (Rs 618.46-191.03 Crores).

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

Profit before tax	73.03	292.08
Income tax (MAT)expense calculated at 17.472% (2022-23:17.472%)	11.29	39.52
Effect of Income Tax that is exempt from taxation		
	11.29	39.52
Adjustments recognised in the current year in relation to the current tax of previous years	5.65	-
Deffered Tax in respect of current year	234.65	197.19
Income tax expense recognised in profit or loss	**251.59**	**236.71**

32.2 Income tax recognised in other comprehensive income

	Year Ended 31.03.2024	Year Ended 31.03.2023
<u>Deferred tax</u>		
Arising on Income and expenses recognised in other comprehensive income		
- Remeasurements of defined benefit obligation	(3.63)	(25.83)
Arising on income and expenes reclassified from equity to profit or loss		
Total income tax recognised in other comprehensive income	(3.63)	(25.83)
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	(3.63)	(25.83)

Notes to the financial statements

33-Earnings per share

	Year ended 31.03.2024 Rs. per share	Year ended 31.03.2023 Rs. per share
Basic earnings per share	(81.36)	28.49
Diluted earnings per share	(81.36)	28.49

33.1 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

	Year ended 31.03.2024	Year ended 31.03.2023
Profit for the year attributable to Owners of the Company	(178.56)	55.37
Earnings used in the calculation of basic earnings per share	**(178.56)**	**55.37**

	As at 31.03.2024 Quantity in Nos.	As at 31.03.2023 Quantity in Nos.
Weighted average number of equity shares outstanding for the purposes of basic earnings per share	2,19,46,963.03	1,94,39,076.71

33.2 Diluted earnings per share

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

	Year ended 31.03.2024	Year ended 31.03.2023
Earnings used in the calculation of basic earnings per share	(178.56)	55.37
Interest on non-convertible bonds (after tax at 0%)	-	-
Earnings used in the calculation of diluted earnings per share	(178.56)	55.37
Earnings used in the calculation of diluted earnings per share	(178.56)	55.37

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 31.03.2024 Quantity in Nos.	As at 31.03.2023 Quantity in Nos.
Weighted average number of equity shares used in the calculation of basic earnings per share	2,19,46,963.03	1,94,39,076.71
Shares deemed to be issued for no consideration in respect of :		
Convertible bonds		
Weighted average number of equity shares used in the calculation of diluted earnings per share	2,19,46,963.03	1,94,39,076.71

34 - 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.

34.1 Business segments which is a reportable segments

a) State Transmission Utility (STU)

b) State Load Despatch Center (SLDC)

34.2 Segment revenues and results

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

Notes to the financial statements

Amount in Rs. Crore

	Year Ended 31.03.2024			Year Ended 31.03.2023		
	SLDC	STU	Total	SLDC	STU	Total
Revenue						
Revenue From System Operation Charges/ Market operation Charges	12.49	-	12.49	11.55	-	11.55
Revenue From Transmission Charges	-	1,036.43	1,036.43	-	1,248.33	1,248.33
Total	12.49	1,036.43	1,048.92	11.55	1,248.33	1,259.88
Other Income	0.38	249.59	249.97	0.25	260.37	260.62
Total Income (A)	**12.87**	**1,286.02**	**1,298.89**	**11.80**	**1,508.70**	**1,520.50**
Expenditure						
Employee Benefit Expenses	9.57	492.62	502.19	9.48	558.12	567.60
Finance costs	0.12	137.18	137.30	0.11	115.55	115.66
Depreciation and amortisation expense	0.87	405.69	406.56	1.11	388.16	389.27
Other expenses	2.14	177.67	179.81	1.91	153.98	155.89
Total Expenditure (B)	**12.70**	**1,213.16**	**1,225.86**	**12.61**	**1,215.81**	**1,228.42**
Net Income Before Tax (A-B)	**0.17**	**72.86**	**73.03**	**(0.81)**	**292.89**	**292.08**

34.3 Segment assets and liabilities

Amount in Rs. Crore

	Year Ended 31.03.2024			Year Ended 31.03.2023		
	SLDC	STU	Total Assets	SLDC	STU	Total Assets
Segment assets	167.13	10,125.06	**10,292.19**	121.45	10,108.46	**10,229.91**
Segment liabilities	120.75	7,512.58	**7,633.33**	107.71	7,474.87	**7,582.58**

34.4 Other segment information

Amount in Rs. Crore

	Year Ended 31.03.2024			Year Ended 31.03.2023		
	SLDC	STU	Total for operations	SLDC	STU	Total for operations
Depreciation and amortisation	0.87	405.69	**406.56**	1.11	388.16	**389.27**
Additions to non-current assets	0.12	563.19	**563.31**	2.57	199.63	**202.20**

34.5 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 31.03.2024			Year Ended 31.03.2023		
	SLDC	STU	Total	SLDC	STU	Total
Revenue From Segment	12.49	1,036.43	1,048.92	11.55	1,248.33	1,259.88

34.6 Geographical information

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

35 - Employee benefit plan

35.1 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 period.The total cost charged to statement of profit and loss in March 31, 2020 amounted to Rs. 8.59 crores (March 31, 2019: Rs. 8.56 crores).

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 (currently 12% of employees' salary).

Notes to the financial statements

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.

35.2 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.

iii. Vested pension of DCRB Family pensioner: On death in service widow pension is paid at 50% of pay subject to a minimum of Rs. 8,300/- for 10 years or 65 years of age for employee, had he been alive whichever is earlier and 30% thereafter as long as the widow is alive and remained unmarried. On death after retirement man's pension for 7 years or 65 years of age for pensioner had he been alive whichever is earlier and 30% of last drawn pay by pensioner will be paid to widow.

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.

Notes to the financial statements

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.

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

	Valuation as at 31-Mar-24	**Valuation as at 31-Mar-23**
Discount rate(s)		
Expected rate(s) of salary increase	6.97%	7.37%
	6.00%	6.00%
Average longevity at retirment age for current beneficiaries of the plan (years)		
Superannuation at age - male	4.25	5
Superannuation at age - female	60	60
Attrition rate	60	60
Mortality Table	1.00%	1.00%
	100% of IALM (2012-15)	**100% of IALM (2012-14)**

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

Amount in Rs. Crore

	Year ended 31.03.2024	**Year ended 31.03.2023**
Service cost		
Current service cost	161.06	241.92
Net interest expense/(Income)	22.41	33.40
Net actuarial Gain /Loss	9.75	8.45
Components of defined benefit costs recognised in profit or loss	**193.22**	**283.77**
Contribution for Deputationist	-	-
Net Components of defind benefit costs recognised in profit or loss	**193.22**	**283.77**
Remeasurement on the net defined benefit liability:		
Return on the plan assets excluding interest income	10.26	(53.90)
Actuarial (Gains)/losses arising from changes in demographic assumptions	12.44	-
Actuarial (Gains)/losses arising from changes in financial assumptions	14.66	(37.19)
Actuarial (Gains)/losses arising from experience assumptions	3.29	70.42
Components of defined benefit costs recognised in other comprehensive income	**40.65**	**(20.67)**
Total	**233.87**	**263.10**

Notes to the financial statements

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 plans is as follows:

March 31, 2023	**Gratuity (Funded)**	**Pension (Funded)**	**Leave Encashment**
Present value of funded defined benefit obligation	117.76	2,925.73	139.05
Fair value of plan assets	(125.91)	(2,438.02)	(159.30)
Net liability arising from defined benefit obligation (Funded status)	**(8.15)**	**487.71**	**(20.25)**
March 31, 2024	**Gratuity (Funded)**	**Pension (Funded)**	**Leave Encashment**
Present value of funded defined benefit obligation	117.67	3,040.82	153.98
Fair value of plan assets	(126.80)	(2,981.65)	(173.39)
Net liability arising from defined benefit obligation (Funded status)	**(9.13)**	**59.17**	**(19.41)**

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

Closing defined benefit obligation as at March 31, 2022	**115.26**	**2,660.51**	**127.21**
Current service cost	10.42	223.21	8.29
Interest Cost	7.71	184.04	8.70
Remeasurement (gains)/losses			
I. Actuarial (gains)/losses arising from changes in demographic assumptions	1.49	33.48	2.21
II. Actuarial (gains)/losses arising from changes in financial assumptions	(1.16)	61.52	6.64
III. Actuarial (gains)/losses arising from experience assumptions	(17.44)	-237.04	-14.00
Benefits paid			
Closing defined benefit obligation as at March 31, 2023	**116.28**	**2,925.72**	**139.05**
Current service cost	13.15	140.47	7.44
Interest Cost	7.50	195.48	9.24
Remeasurement (gains)/losses			
I. Actuarial (gains)/losses arising from changes in demographic assumptions	(0.42)	12.84	0.01
II. Actuarial (gains)/losses arising from changes in financial assumptions	3.47	5.69	5.50
III. Actuarial (gains)/losses arising from experience assumptions	(4.98)	2.70	5.57
Benefits paid	(17.32)	(242.10)	(12.85)
Closing defined benefit obligation as at March 31, 2024	**117.68**	**3,040.80**	**153.96**

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, 2022	**76.29**	**2,061.56**	**136.11**

Notes to the financial statements

	Gratuity (Funded)	Pension (Funded)	Leave Encashment (Funded)
Interest income	5.52	149.26	9.85
Remeasurement gains/(losses)			
a) Return on plan assets (excluding amounts included in net interest income)	1.31	20.08	0.41
Contribution from the employer	60.21	444.16	26.92
Benefits paid	(17.44)	(237.04)	(14.00)
Closing fair value of plan assets as at March 31, 2023	**125.89**	**2,438.02**	**159.29**
Interest income	8.78	169.93	11.10
Remeasurement gains/(losses)			
a) Return on plan assets (excluding amounts included in net interest income)	(0.07)	8.97	1.34
Contribution from the employer	9.50	606.83	14.50
Benefits paid	(17.32)	(242.10)	(12.85)
Closing fair value of plan assets as at March 31, 2024	**126.78**	**2,981.65**	**173.38**

	Gratuity 31-Mar-23	Pension 31-Mar-23	Leave Encashment 31-Mar-23
Net cumulative unrecognised actuarial gain/(loss) opening			
Actuarial gain/(loss) for the year on PBO	(0.33)	(94.99)	-
Actuarial gain/(loss) for the year on the asset	1.31	20.08	-
Unrecognised actuarial gain/(loss) at the end of the year	0.98	(74.91)	-

	Gratuity 31-Mar-24	Pension 31-Mar-24	Leave Encashment 31-Mar-24
Net cumulative unrecognised actuarial gain/(loss) opening	1.93	(21.24)	
Actuarial gain/(loss) for the year on PBO	(0.07)	8.97	
Actuarial gain/(loss) for the year on the asset	1.86	(12.27)	
Unrecognised actuarial gain/(loss) at the end of the year			

Major Categories of Plan Assets (as a percentage of total plan assets)	Gratuity 31-Mar-23	Pension 31-Mar-23	Leave Encashment 31-Mar-23
a) Funds Managed by Insurer	100%	100%	100%

Major Categories of Plan Assets (as a percentage of total plan assets)	Gratuity 31-Mar-24	Pension 31-Mar-24	Leave Encashment 31-Mar-24
a) Funds Managed by Insurer	100%	100%	100%

Change in net defined benefit obligation	Gratuity 31-Mar-23	Pension 31-Mar-23	Leave Encashment 31-Mar-23
a) Net defined benefit liability at the start of the period	38.98	598.96	(9.97)
b) Service cost	10.42	223.21	8.29
c) Net Interest cost/(Income)	2.19	34.78	1.15
d) Re-measurements	(0.99)	74.91	-
e) Contribution paid to the fund	(60.21)	(444.16)	26.92
f) Benefit paid directly by the enterprise	-	-	-
g) Net Defined benefit liability at the end of the reporting period	**(9.61)**	**487.70**	**26.39**

Notes to the financial statements

Change in net defined benefit obligation	Gratuity 31-Mar-24	Pension 31-Mar-24	Leave Encashment 31-Mar-24
a) Net defined benefit liability at the start of the period	(9.62)	487.71	20.24
b) Service cost	13.14	140.47	7.44
c) Net Interest cost/(Income)	(1.28)	25.56	(1.86)
d) Re-measurements	(1.87)	12.26	-
e) Contribution paid to the fund	(9.50)	(606.83)	(14.50)
f) Benefit paid directly by the enterprise			
g) Net Defined benefit liability at the end of the reporting period	**(9.13)**	**59.17**	**11.32**

Expected best estimate of expense for the next annual reporting period	Gratuity 31-Mar-23	Pension 31-Mar-23	Leave Encashment 31-Mar-23
a) Service Cost	**10.42**	**223.21**	**8.29**
b) Net Interest cost	**2.19**	**34.78**	**0.33**
c) Expected expense for the next annual reporting period	**12.61**	**257.99**	**8.62**

Expected best estimate of expense for the next annual reporting period	Gratuity 31-Mar-24	Pension 31-Mar-24	Leave Encashment 31-Mar-24
a) Service Cost	13.15	140.47	7.44
b) Net Interest cost	(1.24)	25.56	(1.86)
c) Expected expense for the next annual reporting period	**11.91**	**166.03**	**5.58**

Actuarial (Gain)/Loss on Plan Asset	Gratuity 31-Mar-23	Pension 31-Mar-23	Leave Encashment 31-Mar-23
a) Expected Interest Income	**5.52**	**149.26**	**9.85**
b) Actual Income on Plan Asset	**6.83**	**169.34**	**10.26**
c) Actuarial gain/(loss) for the year on Asset	**1.31**	**20.08**	**0.41**

Actuarial (Gain)/Loss on Plan Asset	Gratuity 31-Mar-24	Pension 31-Mar-24	Leave Encashment 31-Mar-24
a) Expected Interest Income	8.78	169.30	11.10
b) Actual Income on Plan Asset	8.71	178.28	12.44
c) Actuarial gain/(loss) for the year on Asset	**(0.07)**	**8.98**	**1.34**

Balance Sheet and Related analyses	Gratuity 31-Mar-23	Pension 31-Mar-23	Leave Encashment 31-Mar-23
a) Present value of the obligation at end	116.28	2,925.73	139.06
b) Fair value of plan assets	125.91	2,438.02	159.93
c) Unfunded liability/provision in the balance sheet	9.63	(487.71)	20.87
d) Unfunded liability recognised in the balance sheet	9.63	(487.71)	20.87

Balance Sheet and Related analyses	Gratuity 31-Mar-24	Pension 31-Mar-24	Leave Encashment 31-Mar-24
a) Present value of the obligation at end	117.67	3,040.82	153.98
b) Fair value of plan assets	126.8	2,981.65	173.39
c) Unfunded liability/provision in the balance sheet	9.13	(59.17)	19.41
d) Unfunded liability recognised in the balance sheet	9.13	(59.18)	19.41

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-24	**31-Mar-23**
Gratuity, Pension & Leave Encashment Trust	3,281.83	2,723.23
Total	**3,281.83**	**2,723.23**

Notes to the financial statements

35.3 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 and mortality rate. The sensitivity analysis below have been based on reasonably possible changes of the respective assumptions occuring at the end of the reporting period while holding all other assumptions constant.

35.3.2 Sensitivity analysis

Amount in Rs. Crore

Particulars	As at 31.03.2024				As at 31.03.2023			
	Gratuity (Funded)		Pension (Funded)		Gratuity (Funded)		Pension (Funded)	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Impact on amount due to change in Discount rate (-/+0.5%)	(5.33)	5.91	(1.65)	1.71	(4.75)	5.25	(1.77)	1.83
% Change compared to base due to sensitvity [+/(-)%]	2.26%	-2.31%	0.63%	-0.65%	2.11%	-2.14%	0.74%	-0.76%
Impact on amount due to change in Salary growth (-/+0.5%)	(0.03)	(0.03)	0.01	(0.01)	(0.03)	(0.03)	0.01	(0.01)
% Change compared to base due to sensitvity [+/(-)%]	0.06%	-0.06%	0.04%	-0.04%	-0.09%	-0.09%	0.04%	-0.04%

Amount in Rs. Crore

Particulars					Leave Encashment (Funded)			
					As at 31.03.2024		As at 31.03.2023	
					Increase	Decrease	Increase	Decrease
Impact on amount due to change in Discount rate (-/+0.5%)					(6.46)	7.20	(5.90)	6.55
% Change compared to base due to sensitvity [+/(-)%]					7.17%	-6.49%	6.54%	-5.93%
Impact on amount due to change in Salary growth (-/+0.5%)					0.01	(0.01)	0.01	(0.01)
% Change compared to base due to sensitvity [+/(-)%]					0.04%	-0.04%	0.01%	-0.01%

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.

35.3.3 Maturity Profile of Defined Benefit Obligation

Amount in Rs. Crore

Year	Gratuity	Pension	Leave Encashment
a) 0 to 1 Year	17.73	279.62	16.44
b) 1 to 2 Year	15.86	249.81	16.15
c) 2 to 3 Year	11.45	236.44	11.23
d) 3 to 4 Year	9.64	224.77	9.42
e) 4 to 5 Year	7.83	207.55	7.92
f) 5 to 6 Year	20.14	850.04	23.13
g) 6 Year onwards	260.82	1,206.27	437.43

Notes to the financial statements

36 - Financial instruments

36.1 Categories of financial instruments

Amount in Rs. Crore

	As at 31.03.2024	As at 31.03.2023
Financial assets		
(i) Measured at amortised cost		
(a) Investments	124.73	114.73
(b) Cash and bank balances	2,292.32	2,581.96
(c) Loans	16.14	17.15
(d) Trade receivables	118.61	136.13
(e) Other financial assets	239.08	214.14
	2,790.88	**3,064.11**
Financial liabilites		
Measured at amortised cost		
(a) Borrowings	2,102.88	1,829.90
(b) Trade payables	130.47	146.61
(c) Other financial liabilities	150.75	173.14
	2,384.10	**2,149.65**

36.2 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;
- Mafeguard 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 31.03.2024	As at 31.03.2023
Long term debt	2,102.88	1,829.90
Equity	2,442.78	2,071.47
Long term debt to Equity ratio	0.86	0.88

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, 2024 and March 31, 2023.

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.

Notes to the financial statements

36.2.1 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 31.03.2024	**As at 31.03.2023**
a) Basic earnings per share attributable to the equity holders of the Company (in Rs.)		
b) Reconciliation of earnings used in calculating earnings per share	**(81.36)**	**28.49**
Total earnings attributable to the equity holders of the company (Rs in Crore)		
c) Weighted average number of shares used as the denominator (No. of Shares in Crore)	**(178.56)**	**55.37**
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (in nos)	2,19,46,963.03	1,94,39,076.71
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	**2,19,46,963.03**	**1,94,39,076.71**

	As at 31.03.2024	**As at 31.03.2023**
(a) Diluted earnings per share attributable to the equity holders of the Company (in Rs.)	**(81.36)**	**28.49**
(b) Reconciliation of earnings used in calculating earnings per share	**(178.56)**	**55.37**
Total Earnings attributable to the equity holders of the company (Rs in Crores)		
(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 nos)	2,19,46,963.03	1,94,39,076.71
Adjustments for calculation of diluted earnings per share	-	-
Total weighted average number of equity shares used as the denominator in calculating diluted earnings per share	**21946963.03**	**19439076.71**

36.3 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.

Notes to the financial statements

36.3.1 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. 14 to the financial statements.

II. Cash and cash equivalents

The Company held cash and cash equivalents of Rs.1581.01 Crores (March 31, 2023: Rs. 1781.56 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.711.31 Crores (March 31, 2023: Rs. 800.40 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, 2023: Rs. 114.73 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.

Notes to the financial statements

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.

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	As at 31.03.2024	As at 31.03.2023
Non-current investments	73.28	99.73
Non-current loans	9.66	10.57
Other non-current financial assets	23.58	24.84
Current investments	51.45	15.00
Trade receivables	118.61	136.13
Cash and cash equivalents	1,581.01	1,781.56
Deposits with banks and financial institutions	711.31	800.40
Current loans	6.48	6.58
Other current financial assets	215.50	189.30
Total	**2,790.88**	**3,064.11**

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. 14 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.

36.3.2 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.

Notes to the financial statements

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.

	As at 31.03.2024	As at 31.03.2024
Secured bank overdraft facility :		
- amount used	-	-
- amount unused	-	22.50
	-	22.50

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

	Less than 1 Year	1-5 years	5+ years	Total	Carrying Amount
31-Mar-24					
Non-interest bearing					
a) Trade receivables	118.61	-	-	118.61	118.61
b) Loans	16.14	-	-	16.14	16.14
c) Other financial assets	239.08	-	-	239.08	239.08
31-Mar-23					
Non-interest bearing					
a) Trade receivables	136.13	-	-	136.13	136.13
b) Loans	17.15	-	-	17.15	17.15
c) Other financial assets	214.14	-	-	214.14	214.14

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.

Expected maturity for Non-derivative financial liabilities

	Less than 1 year	1-5 years	5+ years	Total	Carrying Amount
31-Mar-24					
a) Borrowings	227.05	898.95	976.88	2,102.88	2,102.88
b) Trade payables	130.47			130.47	130.47
c) Other financial liabilities	150.75			150.75	150.75

Notes to the financial statements

31-Mar-23					
a) Borrowings	136.39	704.56	988.96	1,829.91	1,829.91
b) Trade payables	146.61	-	-	146.61	146.61
c) Other financial liabilities	173.14	-	-	173.14	173.14

36.3.3 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 31.03.2024**	**As at 31.03.2023**
Long Term Debt with floating rate of interest		
- Domestic	1,521.31	1,204.84
- Foreign	-	-
Sub Total	**1,521.31**	**1,204.84**
Long Term Debt with fixed rate of interest		
- Domestic	484.87	527.00
- Foreign	-	-
Sub Total	**484.87**	**527.00**
Total Long Term Debt	**2,006.18**	**1,731.81**
% of Floating Interest Rate Debt to Total Long Term Debt	**75.83%**	**69.57%**

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.

37 - Related party transactions

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

Notes to the financial statements

D) Key Managerial Personnel:

i) Key Managerial Personnel designated by the company

Sri Sanjay Kumar Mishra,Chairman Cum Managing Director

Sri Umesh Kumar Gupta, CFO

Sri P.K. Das, Company Secretary

ii) Whole-time Directors

Sri R. Pratihari, Director (HR)

Sri B.B. Mehta, Director (SLDC)

iii) Other Related Parties

Name of Entity	Place of Business	Nature of Relationship
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.

Notes to the financial statements

Amount in Rs. Crore

Outstanding balances of different Trusts	As on 31.03.2024	As on 31.03.2023
Gridco Pension Trust Fund	199.68	628.22
OSEB EPF Trustee Board	4.17	1.65
Gridco Gratuity Trust	(12.07)	(12.35)
Gridco Rehabilitation Trust	-	-
OPTCL Leave Encashment Benefit Trust	3.42	2.59

* negative figure represents receivable

Amount in Rs. Crore

Contribution to different Trusts during the year	For the Year 2023-24	For the Year 2022-23
Gridco Pension Trust Fund	199.68	444.16
Gridco Gratuity Trust	(12.07)	-
OPTCL Leave Encashment Benefit Trust	3.42	-

37.1 Compensation of Key Management personnel

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

Amount in Rs. Crore

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Short-term benefits		
Salaries	1.70	3.03
Loans & Advances	-	-
Total	**1.70**	**3.03**

Notes to the financial statements

38 - Contingent liabilities

38.1 Contingent liabilities	Amount in Rs. Crore As at 31.03.2024	As at 31.03.2023
a) Claims against the Company not acknowledged as debts [Refer note 39.02.02 below]	413.91	391.56
b) Claim against Service tax for the F.Y. 2006-07 to 2010-11 and for F.Y. 2014-15	2.46	2.47
c) Claim demand against Income Tax for the A.Y. 2010-11, 2011-12, 2013-14 and 2014-15	23.36	23.36
d) Claim u/s 9 (c) of the Orissa Entry Tax, 2005 (01.04.2009-	5.28	5.28
e) Claim u/s 12(3)(f) of the CST (O) Rule, 1957 01.04.2009-	0.60	0.60
	445.61	423.27

38.2 Explantory notes relating to contingent liabilities

38.02.01. 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.

38.02.02 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.

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

39 - Commitments

	Amount in Rs. Crore As at 31.03.2024	As at 31.03.2023
a) Estimated amount of Contracts remaining to be executed on capital account and not provided for	1,044.71	1,139.12
	1,044.71	1,139.12

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

40. Expenditure on Corporate social reponsibility:

a. Gross amount required to be spent by the Company during the year March 31,2024 : Rs. 2.97 Crores (March 31, 2023 Rs.0.39 Cr)

b. Details with regard to CSR activities.

	2023-24	2022-23
(I) Amount required to be spent	**2.87**	**0.38**
(ii) Amount of expenditure incurred,	**2.97**	**0.39**
(iii) Shortfall at the end of the year,	-	-
(iv) Total of previous years shortfall,	-	-
(vi) Nature of CSR activities- Contribution for Disaster Management etc.	-	-
(vii) Details of related party transactions,	-	-
(viii) Movements in the provision	-	-

40.1. Details of related party transactions	For the year ended 31.03.2024	For the year ended 31.03.2023
(i) Contribution during the year	**Nil**	**Nil**
(ii) Payable as at the year end	**Nil**	**Nil**

Notes to the financial statements

41- Ratios

		2023-24	2022-23	Variance %	Reasons
a) Current Ratio,	Current Assets/ Current liability	2.49	1.93	0.29	
(b) Debt-Equity Ratio,	Long Term Debt / Share holeder's Equity	0.77	0.82	(0.06)	
(c) Debt Service Coverage Ratio,	Earnings available for debt services/ Interest+Installment	0.66	1.38	(0.52)	
(d) Return on Equity Ratio,	Net Profit after pref dividend/ Equity Shareholders Fund	(0.07)	0.03	(3.73)	
(e) Inventory turnover ratio,	Cost of goods sold/ Average Inventory	-	-	-	
(f) Trade Receivables turnover ratio,	Credit sales/ Average Collection Period	8.84	9.25	(0.04)	
(g) Trade payables turnover ratio,	Annual credit purachase/ Average Payble period	-	-	-	
(h) Net capital turnover ratio,	Sales/ Net Assets	0.14	0.18	(0.19)	
(i) Net profit ratio,	Net Profit/ Sales * 100	(13.75)	3.64	(4.77)	
(j) Return on Capital employed,	EBIT/ Capital Employed *100	2.32	4.75	(0.51)	
(k) Return on investment.	Profit/ Investment * 100	(1.97)	0.65	(4.05)	

a. Current Assets as per Balance Sheet

b. Total Debt: Long term borrowings (including current maturity of Long term borrowings, short term borrowings and inetrest accrued on the debts)

c. Total Equity taken as Equity Share Capital

d. For the purpose of computation scheduled principal repayment of long term borrowings does not include pre payemnt of borrowings

e. Capital employed : Total Assets less current Liabilities

f. Working Capital: Current Assets and Current Liability figures are consedered from Balance Sheet

42- 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, 2024 as per the earlier provisions. The Company has a MAT credit entitlement of ₹ 77.75 crore as of 31st March, 2024 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) for the FY 2022-23 (AY 2023-24).

Notes to the financial statements

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I. Relationship with Struck off Companies

During the year there no transactions / relationship with Struckoff Companies. There is no outstanding payable to Struck off Company as on 31st March 2024

II. Disclosure under Benami Transactions (Prohibition) Act, 1988 (as amended in 2016)

No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

III. Disclosure Regarding unrecorded Income Under Income Tax Act, 1961

There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961

IV. Disclosure Regarding Crypto Currency or Virtual Currency

There were no transactions involving Crypto currency or Virtual currency during the year.

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

for PAMS & Associates,
Chartered Accountants.
FRN:316079E

Sd/-
(Bhadresh Bachubhai Mehta)
Director (SLDC)
DIN-08772051

Sd/-
(Sanjay Kumar Mishra, IRTS)
Chairman Cum Managing Director
DIN-09313483

Sd/-
(CA Satyajit Mishra)
Partner
Membership No. 057293
Date:19.08.2024
UDIN: 24057293BKAUSC1681

Sd/-
(Umesh Kumar Gupta)
Chief Financial Officer

Sd/-
(Prasanta Kumar Das)
Company Secretary

OFFICE OF THE ACCOUNTANT GENERAL (AUDIT-II)
ODISHA, BHUBANESWAR

AMG-I(V)/Accts/OPTCL/2023-24/IR No. 10/2024-25/543 Date: 11.12.2024

To,

The Chairman-cum-Managing Director,

Odisha Power Transmission Corporation Limited,

Bhubaneswar-751007

Sub: Comments of the Comptroller & Auditor General of India Under Section 143(6)(b) of the Companies Act, 2013 on the accounts of Odisha Power Transmission Corporation Limited for the year 2023-24.

Sir,

I am to enclose herewith comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of Odisha Power Transmission Corporation Limited for the year 2023-24.

Three copies of the Annual Reports placed before the Annual General Meeting of the Company may please be furnished to this office indicating the date of the meeting.

Sd/-

Deputy Accountant General/AMG-I

Keshari Nagar, Bhubaneswar - 751001, Tel.: 0674-2390880, Fax: 0674-2390880
Email: agauorissa2@cag.gov.in

Annexure-I

Comments of the Comptroller and Auditor General of India under Section 143 (6) (b) of the Companies Act, 2013 on the Financial Statements of The Odisha Power Transmission Corporation Limited for the year ended 31 March 2024.

The preparation of financial statements of The Odisha Power Transmission Corporation Limited (OPTCL) for the year ended 31 March 2024 in accordance with financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act, is responsible for expressing opinion on the financial statements under Section 143 of the Act, based on independent audit in accordance with the Standards on Auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 19 August 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143 (6) (a) of the Act of the financial statements of OPTCL for the year ended 31 March 2024. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143 (6) (b) of the Act. which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

A1. Comment on Profitability

Statement of Profit and Loss

Depreciation and amortization expenses: ₹ 406.56 crore (Note-30)

(a) Part 'B' of Schedule II of the Companies Act, 2013 states that the useful life or residual value of any specific asset, as notified for accounting purposes by a Regulatory Authority constituted under an Act of Parliament or by the Central Government shall be applied in calculating the depreciation to be provided for such asset irrespective of the requirements of this Schedule. Accordingly, OPTCL from April 2013 has been following Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014 which allows to depreciate an asset up to 90 per cent of the original book value. However, OPTCL charged depreciation on some assets exceeding 90 per cent of the original book value violating the OERC Regulation. As a result, the above head is overstated by ₹ 4.17 crore with corresponding understatement of 'property, plant and equipment' (Note-5). This has also resulted in overstatement of loss for the period by ₹ 4.17 crore.

(b) OPTCL in contradiction to Ind-AS 16 (Property, Plant and Equipment) capitalized and charged depreciation on the cost of seven transformers in three grid sub-stations Bamra, Dhamra and Kuanrmunda from back dates when the grid-substations were energized without the transformers.

instead of from the date when the transformers were energized and available for use. As Ind-AS state that each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately, the transformers should have been capitalized from the date of its energisation and depreciation charged accordingly. Capitalising and charging depreciation on these seven transformers from back dates has resulted in overstatement of the above head by ₹ 1.21 crore with corresponding overstatement of loss for the period. This has also resulted in overstatement of 'property, plant and equipment' (Note-5) by ₹ 6.94 crore and understatement of capital work-in-progress (Note-6) by ₹ 8.15 crore.

(c) OPTCL entered into an agreement (December 2008) with PGCIL for consultancy services for turnkey execution of six sub-stations by engaging third party contractor. As per the agreement the cost of litigation/arbitration and liability arising out of the award thereof related to third party dispute would be borne by OPTCL. Accordingly, OPTCL paid an amount of ₹ 15.16 crore to PGCIL as per the arbitral award arising out of dispute between PGCIL and the third-party contractor. PGCIL has challenged the said arbitral award before Hon'ble High Court of Delhi which was pending till date. Since the arbitral award in question was disputed, the payment of awarded amount should have been booked as 'Security Deposit' instead of capitalizing the same. The capitalization of the disputed amount has resulted in understatement of 'Security Deposit' (Other financial assets - Note 10) by ₹15.16 crore and overstatement of property, plant and equipment (Note-5) by ₹ 10.56 crore and overstatement of 'depreciation and amortization expenses (Note-30) and 'loss for the period' by ₹ 4.60 crore each.

A2. Statement of Profit and Loss

Expenses

Other Expenses: ₹ 179.81 crore (Note-31)

The above is understated by ₹ 17.58 crore due to non-booking of the expenses relating refund to Madhya Pradesh Power Management Company Limited (MPPMCL) and other beneficiaries towards excess wheeling charges and short-term open access charges received by OPTCL which was admitted by the Company before Central Electricity Regulatory Commission (CERC). Out of this amount the Company has paid 10 crore to MPPMCL and booked the same under 'advance to suppliers and contractors' instead of charging to profit and loss account. This has resulted in understatement of *other expenses' (Note-31) and loss for the period by ₹ 17.58 crore each. This has also resulted in overstatement of 'advance to suppliers and contractors' (Other assets - Note 12) by ₹ 10 crore and understatement of provisions (current liabilities - Note 22) by ₹ 7.58 crore. Further, treating the admitted amount of refund as contingent liability instead of charging to profit and loss account has resulted in overstatement of contingent liability by ₹ 17.58 crore.

A3. Comment on Profitability

Statement of Profit and Loss

Other Income: ₹ 249.97 crore (Note-27)

The above doesn't include ₹ 1.30 crore receivable for the last quarter of 2023-24 from different parties towards leasing of optical fiber and space inside grid sub-stations. This has resulted in understatement of the above head by ₹ 1.30 crore with corresponding understatement of trade receivable (Note-14) and overstatement of loss for the period.

B4. Comment on Financial Position

Assets

Non-current assets

Capital work-in-progress: ₹ 1720.16 crore (Note-6)

The above includes ₹ 59.66 crore advance paid to the contractors for construction of nine sub-stations and line works in three construction divisions (Cuttack, Angul and Jharsuguda) of OPTCL. Booking of advances under capital work-in-progress (CWIP) has resulted in overstatement of CWIP by ₹ 59.66 crore with corresponding understatement of advance to supplier and contractors (Note-12).

Place: Bhubaneswar
Date: 11.12.2024

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

-Sd-
PRINCIPAL ACCOUNTANT GENERAL

OPTCL
Lifeline of Odisha

ODISHA POWER TRANSMISSION CORPORATION LIMITED

(A GOVERNMENT OF ODISHA UNDERTAKING)

REGD. OFFICE: OPTCL TECH TOWER, SAHEED NAGAR, BHUBANESWAR-751007