

ANNUAL REPORT

2015-2016

बी पी एस सी एल
B P S C L

BOKARO POWER SUPPLY COMPANY (P) LIMITED

पंजीकृत कार्यालय

इस्पात भवन, लोदि रोड, नईदिल्ली-११० ००३

Regd. Office :

Ispat Bhawan, Lodi Road, New Delhi - 110 003

Phone : 011-2436 7481, Fax : 011-2436 7015

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NOTICE

NOTICE IS HEREBY GIVEN THAT the 15th Annual General Meeting of the Members of Bokaro Power Supply Company (Private) Ltd. will be held at 12.30 P. M. on 27th September, 2016 at the Board Room of DVC, Hall No. 3, 3rd Floor, NBCC Tower, Bhikaji Cama Place, New Delhi – 110 066 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statement of the company as at 31st March, 2016 comprising the Balance Sheet as at 31st March, 2016, the statement of Profit & Loss for the year ended on 31st March, 2016, Cash Flow Statement for the year ended 31st March, 2016 and corporate information and the schedule annexed there to together with the Directors' Report, Auditor's Report and Reply to the Auditors Report and Comments of the Comptroller and Auditors General of India on the Financial Statement of the Company for the year ended 31st March, 2016.
2. To appoint a Director in place of Shri C B Dey, who retires by rotation and is eligible for reappointment.
3. To appoint a Director in place of Shri Tej Veer Singh who retires by rotation and is eligible for reappointment.
4. To fix the remuneration of the Auditors of the Company appointed by the Comptroller & Auditor General of India.
5. To declare dividend on the paid up capital of the Company.

SPECIAL BUSINESS :

6. Appointment of Shri Prabal Mukherjee :
To appoint Shri Prabal Mukherjee (DIN 06820451) as a Director and in this regard to consider and if thought fit, to pass, with or without modification, the following resolution as an ordinary Resolution :-
"RESOLVED THAT Shri Prabal Mukherjee (DIN 06820451) who has been nominated by DVC in the BPSCL Board as per Articles of Association and subsequently appointed as an Additional Director [under section 161 of the Companies Act 2013] by the Board of the Company and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company liable to retire by rotation."

7. Appointment of Shri Sushi Kumar Singh :

To appoint Shri Sushi Kumar Singh (DIN 07447572) as a Director and in this regard to consider and if thought fit, to pass, with or without modification, the following resolution as an ordinary Resolution :-

“RESOLVED THAT Shri Sushi Kumar Singh (DIN 07447572) has been nominated by SAIL in the BPSCL Board as per Articles of Association and subsequently appointed as an Additional Director [under section 161 of the Companies Act 2013] by the Board of the Company and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company liable to retire by rotation.”

8. Appointment of Shri R Krishnaswamy :

To appoint Shri R Krishnaswamy (DIN 07571179) as a Director and in this regard to consider and if thought fit, to pass, with or without modification, the following resolution as an ordinary Resolution :-

“RESOLVED THAT Shri R Krishnaswamy (DIN 07571179) who has been nominated by SAIL in the BPSCL Board as per Articles of Association and subsequently appointed as an Additional Director [under section 161 of the Companies Act 2013] by the Board of the Company and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company liable to retire by rotation.”

9. Amendment in the Main Object Clause :

To obtain the approval of the members of the Company for amendment of the main objects of the Company by amendment of the Memorandum of Association and in this regard to consider and if thought fit to pass with or without modification the following resolution as special Resolution and to add the following clause as clause No. A (4) under clause III (Main object) of the Memorandum of Association of the Company and clause no. A(5) under clause A(4) respectively.

“RESOLVED THAT The following be added as clause No. A (4) after clause No. III A (3) of the Memorandum of Association of the company. Clause No. A(4) to carry out the business of Generation, supply and distribution of Solar Power, so as to maintain its existing captive status to the Bokaro Steel Plant.”

“FURTHER RESOLVED THAT The following be added as clause No. A (5) after clause No. III A(4) of the Memorandum of Association of the company. Clause No A(5) to carryout the business of sale of Ash and manufacture and sale of Ash based products including Ash bricks.”

By order of the Board

Sd/-
(N K Mukhopadhyay)
Company Secretary

New Delhi
Dated : 27th September, 2016
Ispat Bhawan, Lodi Road
New Delhi – 110 003.

Note :

1. The relevant Explanatory statement pursuant to section 102(1) of the Companies Act 2013 in respect of business item No. 5 to 9 above is annexed thereto.
2. The register of Members of the Company will remain closed from 26th September, 2016 to 3rd October, 2016 (both days inclusive).

Annexure to the Notice : Explanatory Statement
pursuant to Section 102(1) of the Companies Act 2013.

Item No. 6 on nomination by the Damodar Valley Corporation (DVC) Shri Prabal Mukherjee (DIN 06820451) was appointed as an Additional Director of the Company with effect from 17.02.2016.

In terms of section 161 (1) of the Companies Act 2013. Shri Prabal Mukherjee would hold office up to the date of ensuing Annual General Meeting. Shri Prabal Mukherjee is a Member of Board Committee for Personnel.

Shri Prabal Mukherjee is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act 2013. Save and except, Shri Prabal Mukherjee none of the other Directors, Key managerial personnel of the Company/their relatives are in any way concerned or interested financially or otherwise in the Resolution set out at Item No. 06 of the Notice.

The Board consider it desirable that the Company should continue to avail of his services as a Director and recommends the Resolution for approval of the Shareholders.

Item No. 7 on nomination by the Steel Authorities of India Limited (SAIL) Shri Sushil Kumar Singh (DIN. 07447572) was appointed as an Additional Director of the Company with effect from 17.02.2016.

In terms of section 161 (1) of the Companies Act 2013. Shri Sushil Kumar Singh would hold office up to the date of ensuing Annual General Meeting. Shri Sushil Kumar Singh is a Member of Board Committee for Contract and Tender.

Shri Sushil Kumar Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act 2013. Save and except, Sushil Kumar Singh none of the other Directors, Key managerial personnel of the Company/their relatives are in any way concerned or interested financially or otherwise in the Resolution set out at Item No. 07 of the Notice.

The Board consider it desirable that the Company should continue to avail of his services as a Director and recommends the Resolution for approval of the Shareholders.

Item No. 8 on nomination by the Steel Authorities of India Limited (SAIL) Shri R Krishnaswamy (DIN 07571179) was appointed as an Additional Director of the Company with effect from 24.08.2016.

In terms of section 161 (1) of the Companies Act 2013, Shri R Krishnaswamy would hold office up to the date of ensuing Annual General Meeting. Shri R Krishnaswamy is a Member of Board Committee for Personnel.

Shri R Krishnaswamy is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act 2013. Save and except, Shri R Krishnaswamy none of the other Directors, Key managerial personnel of the Company/their relatives are in any way concerned or interested financially or otherwise in the Resolution set out at Item No. 08 of the Notice.

The Board consider it desirable that the Company should continue to avail of his services as a Director and recommends the Resolution for approval of the Shareholders.

Item No. 9.1 Solar Power :

In line with GOI initiative to develop renewable energy for supplementing ever growing energy requirements, the company intend to diversify in the Solar Power Generation, Transmission and distribution.

Hence the proposal is for amendment of the Main object clause of the Company for venture into the business of Generation, Transmission and distribution of Solar Energy which can be conveniently run along with existing business.

None of the Directors or their relatives are interested in the proposal. The Board recommends the resolution for approval of Shareholders as a Special Resolution set out at Item No. 09 of the Notice

Item No. 9.2 Manufacture and Sell of Bricks :

In view of Environment pollution control, utilisation of ash generated during process of generation of steam and power, has now become a necessity which is also a statutory requirement prescribed by the Environment Pollution Control Board.

To attract new investors for utilisation of ash by making and selling bricks (ash bricks) the Company intends to Venture into the business of manufactures and ash selling of bricks including ash bricks.

None of the Directors or their relatives are interested in the proposal. The Board recommends the resolution for approval of Shareholders as a Special Resolution set out at Item No. 09 of the Notice.

DIRECTORS' REPORT

To
The Members of Bokaro Power Supply Company Private Limited

Your Directors have pleasure in presenting to you the 15th Annual Report of Bokaro Power Supply Company (P) Limited together with the audited financial statements for the financial year 2015-2016.

1. Financial Review

The Financial performance of the company during the year is summarized as follows:

Summarized financial results are given as under (₹. in Lakh)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Sales	94208.04	85819.32
Other Income	2703.14	1976.16
Total Income	96911.18	87795.48
Gross Margin (Profit before depreciation, interest and tax)	10594.11	7853.77
Less : Interest	1924.11	1372.27
Gross Profit (Profit after interest but before depreciation and tax)	8670.00	6481.50
Less : Depreciation	2046.83	1162.19
Profit before Tax	6623.17	5319.31
Prior Period Adjustment	--	--
Income Tax Provision :		
Current Tax	1484.49	1242.18
Earlier Year Tax	126.60	--
MAT Cr. Entitlement	(1484.49)	(1242.18)
Deferred Tax	2331.76	1859.69
Net Profit after tax	4164.81	3459.62
Proposed Dividend	2046.41	1082.24
Tax on Dividend	416.60	226.46

2. Dividend

The Board of Directors is pleased to recommend for distributing dividend @ 8.25 % of paid up capital.

3. Financial Arrangement

In accordance with the Power Purchase Agreement, BPSCL has arranged its working capital for day to day operation including procurement of coal, oil, stores, spares and tools & tackles through cash credit and short term loan from Banks. Internal accruals of the company are also being utilized to supplement the working capital requirement. Cash credit facility has been established with Canara Bank and State Bank of India and Short term loan has been taken from HDFC Bank. Surplus funds have been placed as short term deposit with Banks based on competitive bids.

4. Power Purchase Agreement

Signed by your Company with SAIL for fifteen years initially on 18.09.2001 has been partially amended on 18.01.2002, which has since been further amended on 22.02.2007 and on 30.03.2012 and on commencement of the commercial operation of Unit #9(Boiler 300 TPH & 36 MW BPTG) the process for further amendment of the PPA has been initiated.

5. Power Plant Performance

The past performance for the previous years are given below

Year	Steam Generation Average (T/Hr)	MU
2002 – 2003	1371.00	1377.44
2003 – 2004	1378.20	1416.33
2004 – 2005	1391.94	1358.18
2005 – 2006	1471.26	1398.59
2006 – 2007	1519.93	1536.29
2007-2008	1449.58	1414.31
2008-2009	1399.43	1414.65
2009-2010	1364.46	1523.65
2010-2011	1202.71	1165.28
2011-2012	1087.13	1058.27
2012-2013	1318.51	1450.59
2013-2014	1303.85	1502.31
2014-2015	1324.75	1512.56
2015-2016	1355.80	1716.55
2016-2017 (up to August 2016)	1330.34	692.73

6. Renovation and Modernization

Your Company has initiated certain renovation and modernization activities to bring the equipments and plant to its rated performance/RLA – based R&M Plan for one Boiler has been finalized by your company. NIT was floated & Pre Bid Discussions have been held with the selected parties for Boiler #1. The bids will be opened on 31.10.2016.

6.1 Highlights of the Year 2015 – 2016

1. No reportable accident in the year.
2. BPSCL had achieved record annual power generation at 195.42 MW. The previous record was 175 MW for the year 2006-07.
3. Highest monthly power generation record was achieved in Oct 2015 at 205.59 MW. The previous record was 175.8 MW for Oct 2002
4. BPSCL has significantly reduced the furnace oil consumption. The annual furnace oil consumption for current financial year is 3591 KL against the budgeted quantity of 8000 KL. The previous lowest consumption was 5100 KL (in 2006-07).
5. Solar Panels of 100 KWp are being installed on the roof tops of BPSCL Plant buildings.
6. The Fly Ash Brick Manufacturing Unit is being installed inside BPSCL premises.

7 Capacity Additions Proposed:-

7.1 2 x 250 MW Thermal Power Stations at Bokaro Steel City.

Your company initiated 2x250 MW Greenfield Thermal Power Plant Project in the year 2006-07 at an estimated cost of Rs. 3091 Crore. The cost of the Project to be financed 70% through Loan and 30% through Equity, which is to be equally contributed by the promoters SAIL and DVC. Most of the preliminary activities, such as Feasibility report, Detailed project Report, Environmental impact studies, Topographical survey and Geo Technical Investigations had been completed. However, due to fierce resistance from villagers inhabiting the surrounding areas, the work of construction of Boundary Wall around the earmarked site could not be started and the project came to a standstill since 2009. The matter is continuously pursued with the District Administration.

8. Conservation of energy, Technology Absorption, Foreign Exchange Earnings & Outgo.

Many Initiatives to conserve energy have been taken. Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rule 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the Annexure – I to this report.

9. Personnel

The total strength of employees of the company stood at 307 (Executives on Roll -219 and Non-Executives on Roll-88) as on 1st April 2016.

10. Changes in the Board of Directors

1. Shri A Bandyopadhyay, Executive Director (Works), SAIL has resigned from the Board consequent upon his transfer from Bokaro Steel Plant of SAIL w.e.f. 21.01.2016.
2. Shri P Sen Roy, Chairman, BPSCL and Executive Director (Operation), DVC has resigned from the Board consequent upon his retirement from the services of DVC on superannuation w.e.f. 31.01.2016.
3. Shri Ajay Kumar, Executive Director (Finance), SAIL has resigned from the Board consequent upon his retirement from the services of SAIL on superannuation w.e.f. 30.04.2016.

The Board placed on record its deep appreciation for the valuable contribution made and guidance given by Shri P Sen Roy, Chairman, Shri A Bandyopadhyay, Director and Shri Ajay Kumar, Director in the Company.

Appointments :-

1. Shri Manabendra Biswas, Additional Secretary, DVC and Director of the Company as Chairman of the Board, vice Shri P Sen Roy, Ex-Executive Director (Operation), DVC and Ex-Chairman, BPSCL w.e.f. 01.02.2016.
2. Shri Prabal Mukherjee, Executive Director (Operation) DVC as an Additional Director of the Company w.e.f. 17.02.2016.

3. Shri S K Singh, Executive Director (Works), Bokaro Steel Plant, Bokaro as an Additional Director of the Company w.e.f. 17.02.2016.
4. Shri Ramaswamy Krishnaswami, General Manager (F&A) ,CMO, SAIL as an Additional Director of the Company w.e.f. 24.08.2016

11. Directors' Responsibility Statement

In accordance with the provision of Section 134 (3) (c) of the Companies Act 2013 read with section 134(5) of the Company's Act 2013 your Directors' confirm that :-

- a) In the preparation of the Annual Accounts (Financial Statements) for the Financial year ended 31st March 2016 the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- b) That 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 as at the end of the financial year and of the profit or loss of the company for the year under review.
- c) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) That the directors had prepared the Financial Statements for the financial year ended 31st March 2016 on a going concern basis.
- e) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. No. of Board Meeting held during 2015-2016 :- 07

During the Financial Year 2015 – 2016 07 (Seven) meetings of the Board of Directors of the Company was held; the details of which are given in the Annexure :-

Name of the Director	Category of Directorship	No. of Board Meetings attended during 2015-2016	Attendance at last AGM	No. of other Directorships held as on 31.03.2016*	No. of Board Committee (s) as Chairman/ Member as on 31.03.2016**
1. Shri P Sen Roy	Chairman	6/6	1	Nil	Nil
2. Shri A Bandyopadhyay	Director	3/6	0/1	Nil	3/3
3. Shri Tej Veer Singh	Director	5/7	1	1	2/2

4. Shri Ajay Kumar	Director	5/7	1	Nil	3/3
5. Shri Manabendra Biswas	Director/ Chairman	6/6 1/1	1/1	Nil	Nil
6. Shri C B Dey	Director	7/7	1	Nil	5/5
7. Shri Prabal Mukherjee	Director	1/1	0/0	1	2/2

13. Auditors

M/s. M GOENKA & CO, Chartered Accountants were appointed as the Statutory Auditors of your company for the financial year 2015-2016 by the Comptroller & Auditor General of India (C & AG). The Statutory Auditor's Report on the Financial Statements of the company for the year ended 31st March 2016 has been received by the company for circulating the same along with Annual Accounts for the year 2015-2016 and the same is enclosed as Annexure-II. The reply to the Qualification/observation of the Statutory Auditors is enclosed as Annexure - III.

14. Review of Accounts by Comptroller and Auditor General of India

The 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 Company for the Year 2015-2016 are placed as Annexure-IV.

15. Extracts of the Annual Return for the Year 2016:

The Extract of the Annual Return in the Form MGT - 9 as per the provisions of the Companies Act 2013 and Rules prescribed therein is placed Annexure - V

16. Corporate Social Responsibility (CSR)

The Following Projects were undertaken by Your company under CSR for FY'15-16

- 1 BPSCL has started Mobile Medical Unit service in the peripheral villages, through M/s Piramal Swasthya Management & Research Institute . The services have begun from 22nd March'2016.
- 2 A Computer centre & vocational centre were constructed at Asha Lata Viklang Vikas Kendra, Bokaro for specially abled persons, which was funded by BPSCL under the CSR scheme.
- 3 Artificial limbs were distributed to disabled Persons through Bhartiya Vikas Parishad, Bokaro
- 4 Sponsorship of Tuition fees of 05 girl students of ITI, Bokaro .

- 5 Provided 115 tracksuits for players participating in the ' Prantiya Vanvasi Krida Mahotsav, organised by Vanvasi Kalyan Kendra, Bokaro.

During the year the Company has spent ₹. 54.17 Lakh on CSR activities where as minimum required amount to be spend in CSR activity as per section 135 of The Company Act 2013 of ₹.53.92 Lakh (2% of its average net profit of 3 financial years).

18. Details of significant and Material Orders passed by the Regulatory, Court and Tribunal.

No significant and material order has been passed by the regulatory court, tribunals impacting the going concern status and company operation in future.

19. Disclosure under sexual harassment of women at workplace (preventive & Redressal Act, 2013)

The company is committed to provide a safe and congenial working environment to its employees. During the year under review no case of harassment of women employee was reported.

20. Acknowledgement

The Board of Directors acknowledge and wish to place on record their appreciation for the co-operation and support extended by DVC, SAIL and BPSCL employees. The directors would also like to thank statutory authorities, employees and others who have extended their valued co-operation, support and guidance to the company, from time to time. The Board would also like to acknowledge with thanks the co-operation extended by C&AG, the Statutory Auditors and the Bankers of the Company.

for and on behalf of Board of Directors

Sd/-
(Manabendra Biswas)
Chairman

Date: . 27th September 2016.
Place: New Delhi.

Annexure – I**PARTICULARS REQUIRED UNDER THE COMPANIES
(DISCLOSURE OF PARTICULARS IN THE REPORT OF
THE BOARD OF DIRECTORS)****A) CONSERVATION OF ENERGY**

Energy Conservation measures being taken, adopted and implemented in the company.

(a) Energy Conservation Measures taken: -

The list of the energy conservation measures adopted and under consideration are as follows:

Energy Audit : Energy Audit and Energy Surveys for, Boiler and Auxiliaries, and Turbines and Auxiliaries etc were carried out in 2013 & the recommendations have been adopted. The next Energy Audit is scheduled for FY'2016-17 has started in May'2016 and final reports are awaited.

Heat Energy : In FY 15-16, two numbers of old Russian Boiler feed pumps have been replaced with a State of Art pump from M/s KSB. The efficiency of the new pump is 78.5% compared to 60.6% of the old ones. In TG #7, Nozzle segment, rotor seal & diaphragm seal along with complete (6800 nos) of condensor tubes were replaced and deva plate was installed. This has resulted in reduction of specific steam consumption. In Boiler #2, DC Dust Feeder has been changed to AC VFD System .This has resulted in reduced maintenance and increased stability of the Boiler. Static excitation system has been installed in TG #3 and TG #7 to increase the stability of the TG thereby reducing auxiliary Consumption.

Solar Panels of 100 KWp are being installed on the roof tops of BPSCL Plant buildings.

Fuel Oil : Consumption of F.O.in Boilers #1-8 has decreased significantly. The annual furnace oil consumption for FY 15-16 is 3591 KL against the budgeted quantity of 8000 KL.

Lighting : Rectification/Substitution of Conventional lighting, with energy efficient /LED fixtures is being taken up.

b) Additional investment proposal for reduction in Consumption of Energy.

- Side Stream Filtration system
- Energy Efficient devices in lighting
- Diversification into Solar Energy

c) Impact of the measures taken

1. BFP #4 & 6 of TPP side (Russian Make) were replaced by new efficient BFPs of KSB make. As these pumps are more efficient, so the APC has reduced. Also, the availability of the pump and the stability of the plant has also improved.
2. In the capital repair of TG#7, Deva Plate has been installed and the damaged nozzle segment has been replaced. As a result, the problem of high thrust pad temp has been solved. So the machine can run at 60MW load. The condenser tubes of the condenser have been replaced totally. As a result, the condenser vacuum has improved and the machine is running efficiently at full load.
3. After capital repair of Blr #6, it is running at full load with negative furnace draft.

B) TECHNOLOGY ABSORPTION

Efforts are being made for absorption of latest technology in all areas of control system of plant.

C) FOREIGN EXCHANGE EARNINGS

Nil.

D) FOREIGN EXCHANGE OUTGO

\$ 7900 (₹.5,29,224/-)

for and on behalf of Board of Directors

Sd/-
(Manabendra Biswas)
Chairman

Date: 27th September 2016.
Place: New Delhi.

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2016

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

I. REGISTRATION AND OTHER DETAILS :

- (i) CIN : U40300DL2001PTC110274.
- (ii) Registration Date : 07.08.2001.
- (iii) Name of the Company : Bokaro Power Supply Company Private Limited.
- (iv) Category/Sub-Category : Private Company/Limited by shares.
- (v) Address of the Registered Office and contact details : Ispat Bhawan, Lodi Road, New Delhi - 110 003.
- (vi) Whether listed company : No.
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : None.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
	Steam Power	D353 D351	41.59% 58.41%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No.	Name and Address of the Company	CIN/GLN	Holding Subsidiary/ Associate	% of share held	Applicable section
	Nil	Nil	NA	NA	NA

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
A. Promoters									
(1) Indian									
g) Individual/HUF	-								
h) Central Govt.	-								
i) State Govt. (s)	-								
j) Bodies Corp. DVC	12,40,25,000				12,40,25,000				
k) Banks/FI	12,40,25,000				12,40,25,000				
l) Any Other SAIL	12,40,25,000				12,40,25,000				
Sub-total (A) (1) :-									
(2) Foreign									
a) NRIs – Individuals	NA								
b) Other Individuals	-								
c) Bodies Corp.	-								
d) Banks/FI	-								
e) Any Other	-								
Sub-total (A) (2) :-									
Total shareholding of Promoter (A) = (A) (1) + (A) (2)									

B. Public Shareholding	NA	NA	NA	NA	NA	NA	NA	NA	NA
1. Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt(s)									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Fund									
i) Other (specify)									
Sub-total (B) (1) :-									
2. Non-Institutions									
a. Bodies Corp.									
i. Indian									
ii. Overseas									
b) Individuals									
i) Individuals shareholders holding nominal share capital upto Rs. 1 Lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh.									
c) Other (specify)									
Sub-total (B) (2) :-									
Total Public Shareholding (B) = (b) (1) + (B) (2)									
C. Share held by Custodian for GD Rs.& ADRs	NA	NA						NA	NA
Grand Total (A+B+C)									

(ii) Shareholding of Promoters

Sl. No.	Share holder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to the total share	No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to the total share	% change in share holdir during the year
1.	SAIL	12,40,25,000	50%	NIL	12,40,25,000	50%	NIL	
2.	DVC	12,40,25,000	50%	NIL	12,40,25,000	50%	NIL	
	Total							

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

NO CHANGE

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholdings during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity (etc.)				
	At the End of the year				

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholdings during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	NA	NA	NA	NA
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity (etc.))	NA	NA	NA	NA
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholdings during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	For Each of the Directors and KMP				
	At the beginning of the year	NA	NA	NA	NA
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity (etc.))	NA	NA	NA	NA
	At the End of the year	NA	NA	NA	NA

v. INDEBTEDNESS

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

Rs. (in Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial year				
i) Principal Amount	14419.84	5000	-	19419.84
ii) Interest Due but not paid	-	-	-	-
iii) Interest accrued but not due	-	42.47	-	42.47
Total (i+ii+iii)	14419.84	5042.47	-	19462.31
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	216.78	2.98	-	219.75
Net Change	216.78	2.98	-	219.75
Indebtedness at the end of the Financial Year				
i) Principal Amount	14203.06	5000	-	19203.06
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	39.49	-	39.49
Total (i+ii+iii)	14203.06	5039.49	-	19242.55

vi. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹.

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961. b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	NA	NA	NA	NA	NA
2.	Stock Option.	NA	NA	NA	NA	NA
3.	Sweat Equity					
4.	Commission - as % of profit others, specify.	NA	NA	NA	NA	NA
5.	Others, please specify	NA	NA	NA	NA	NA
	Total (A)					
	Ceiling as per the Act	NA	NA	NA	NA	NA

B. Remuneration to the Directors:

₹.

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	3. Independent Directors	NA	NA	NA	NA	NA
	<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 					
	Total (1)	NA	NA	NA	NA	NA
	3. Other Non-Executive Directors	NA	NA	NA	NA	NA
	<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission Others, please specify 					
	Total (2)	NA	NA	NA	NA	NA
	Total (B) = (1+2)	NA	NA	NA	NA	NA
	Total Managerial Remuneration					
	Overall ceiling as per the Act					

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

₹.

Sl. No.	Particulars of Remuneration	Key Managerial Personnel Chief Executive Officer/ Chief Executive Officer In-charge/ Company Secretary			
		Tarit Kumar Banerjee Chief Executive Officer In-charge	Subrata Chattopadhyay Chief Executive Officer In-charge	Netal Kisore Mukhopadhyay Company Secretary	Total
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax 1961. c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	13,45,719/-	16,39,875/-	26,02,573/-	55,88,167/-
2.	Stock Option	NA	NA	NA	NA
3.	Sweet Equity	NA	NA	NA	NA
4.	Commission - as % of profit others, specify.	NA	NA	NA	NA
5.	Others, please specify Leave Salary Gratuity	1,64,209/-	2,36,630/-	3,64,511/-	7,65,350/-
	Total	15,09,928/-	18,76,505/-	29,67,084/-	63,53,517/-

VII. PENALTIES/ PUNISHMENT/COMPOUNDING OF OFFENCES None

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

for and on behalf of Board of Directors

Sd/-
(Manabendra Biswas)
Chairman

Date: 27th September, 2016
Place: New Delhi.



INDEPENDENT AUDITORS' REPORT

To The Members of Bokaro Power Supply Co. (P) Ltd.,

Report on the Financial Statements

We have audited the accompanying financial statements of Bokaro Power Supply Co. (P) Ltd. ("The company"), which comprises the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information for the year then ended (hereinafter referred to as "the financial statements").

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the



auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

The company has undertaken construction of 2*250 MW project in the year 2006 and has booked capital work in progress to the tune of Rs.1909.76 Lacs, including Rs.1235 Lacs of BG invoked by CCL on 31st March, 2011, due to non-fulfillment of the condition stipulated in the LOA (Letter of Assurance) for supply of coal to the said project. The status of the said project seems to be stagnant for last few years due to various reasons and there seems to be remote possibility of future revival of the project.

So as per our opinion the impact of above qualification is overstatement of Profit by Rs.1909.76 Lacs and overstatement of Capital Work In Progress by Rs.1909.76 Lacs and EPS of the current year both basic and diluted stands revised at Rs 0.91 per share.

Qualified Opinion

In our opinion and best of our information and according to the explanations given to us, except for the effects of the matter described in the basis for Qualified Opinion above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a). In the case of the Balance Sheet, of the state of affairs of the company as at March 31,2016;
- (b). In the case of the Statement of Profit and Loss, of the profit for the year ended on that date;
- (c). In the case of the cash flow statement, of the cash flows during the year ended on that date.

Emphasis of Matter

- i). We draw attention to Clause no. (i), (ii), (iii), (iv) , (v) and (vi) of Note no. 23 of General Notes on Accounts to the financial statements which describes the



uncertainty related to the outcome of various pending legal cases filed against the company by various parties as also tax related appeal cases filed by the company and its financial impact in the financial statement of the company. The company has treated those demands as disputed and not acknowledged as debt in the books and treated the same as contingent liabilities. The total amount of such pending disputed litigations comes to Rs.2452.56 lacs.

ii). The company has adopted a salary escalation of 7% for Executives and 5% for Non-Executives. Additional 7.5% step up every 10 years starting from 2017 to all employees, and the same has been used by the actuaries to determine actuarial liabilities against gratuity and other employee benefits. However, during our test check we found out the average escalation in salary was around 8.5% for Executives and 8.12% for Non-Executives for the year 2015-16 but we are not in a position to quantify the effect of the same on actuarial liabilities against gratuity and other employee benefits.

iii). The Company has some pending legal and arbitration cases as detailed in **Annexure D**, we are not in a position to quantify the financial effect of the said detailed cases.

Our opinion is not modified in respect of these matters.

Others Matters

Balances under the head Sundry Creditors, Loans & Advances from and to various parties, have not been confirmed in some cases.

Report on other Legal and Regulatory Requirements


1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure-A** a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, in the **Annexure B** on the directions and sub-directions issued by Comptroller and Auditor General of India.
3. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to Annexure C.
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements –(Refer Note Clause no. (i), (ii), (iii), (iv),(v) and (vi) of Note no. 23 of General Notes on Accounts to the financial statements) and our comments made in first paragraph of this report under "**Emphasis of Matter**".
 - ii. The Company did not have any material foreseeable losses on long term contract including derivative contracts.
 - iii. According to the information and explanations given to us the company is not required to transfer any amount to the investor education and protection fund.

Date: 01/06/2016
Place: Bokaro



For M. Goenka & Co.
Chartered Accountants
(FRN : 309134E)

S. Goenka (Partner)
Membership No. 064641



ANNEXURE-A to the Auditor's Report

Annexure referred to in our report of even date to the member of Bokaro Power Supply Co. (p) Ltd on the financial statements for the year ended 31 March 2016.

- (I) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets were not physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physically verification of all the fixed assets at reasonable intervals as such we are not in a position to report any material discrepancies as no verification has been carried out during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title/lease deeds of all the immovable properties not held in the name of the company are as follows:-
- Land measuring 382 acres (approx.) at Bokaro Jharkhand state is on 33 yrs lease from SAIL renewable at a non refundable of Re. 1 per annum .Title / Lease deeds in respect of this land are pending for registration.
 - Land measuring 836 acres (approx.) was given to BPSCL as "right to use" for 2x250 MW project as per letter ref no. **DGMI/c (TA)/2013-203 dated on 10.01.2013.**
- (II) As explained to us, the inventories were physically verified during the year through the Independent Agencies at reasonable intervals. In our opinion and according to the information and explanations given to us, the procedures of physically verification of inventory followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business. The company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (III) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, the clause (iii) (a), (iii) (b) and (iii) (c) of the paragraph 3 of the order are not applicable to the Company.



- (IV) The Company has not granted any loans or made any investment or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013.
- (V) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and provision of section 73 to 76 or any other relevant provision of the Companies Act and the rules framed there under. Therefore the provision of clause (v) of the paragraph 3 & 4 of the order are 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 maintenance of cost record under Sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records & Audit) Rules, 2014 and we are of the opinion that prime facie the prescribed accounts and records have been made and maintained. However we have not made a detailed examination of the records with a view to determining whether they are accurate and complete;
- (VII) (a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales- tax, service tax, custom duty, excise duty, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as on 31st March 2016 for a period of more than six month from the date they became payable.
- (b) According to the records of the Company and explanation given to us, there are disputed dues of Income Tax, Service Tax, and cess aggregating to Rs.1105.56 Lakhs which have not been deposited on account of matters pending before appropriate authorities. The details of the disputed dues as at 31st March, 2016 are mentioned hereunder:

<u>Year</u>	<u>Demand Raised by</u>	<u>Amount (Rs. In Lacs)</u>	<u>Appeal Pending at</u>
2012-13	Sales Tax Deptt.	429.25	Joint Commissioner (Appeal)
2010-11	Sales Tax Deptt.	264.09	Joint Commissioner (Appeal)
2009-10	Sales Tax Deptt.	86.04	Joint Commissioner (Appeal)
2008-09	Sales Tax Deptt.	65.01	Joint Commissioner (Appeal)
2012-13	IT Department	21.74	CIT (A) Delhi
2011-12	IT Department	129.96	CIT (A) Delhi
2010-11	IT Department	41.53	ITAT Delhi



2012-14	Service Tax Deppt.	6.91	Service Tax Authority
2005-10	ESI	61.03	Dy. Director, ESI, Jharkhand.
TOTAL		1105.56	

- (VIII) In our opinion according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks. Company has no due from Government or debenture holders.
- (IX) According to the books and records of the company and as per the information and explanation given to us no further public offer (include debt instrument) was made during the year. Term loans from bank financial institution have been applied for the purpose for which they were obtained.
- (X) According to the information and explanation given to us and as represented by the Management and based on our examination of the books and records of the company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the year.
- (XI) The Company has no executive directors on its board and has not paid any managerial remuneration during the year under review.
- (XII) Provisions of clause no. (xii) regarding Nidhi Company is not applicable to the Company.
- (XIII) The Company has complied with the provision of Sec. 177 & 188 of the Companies Act 2013 w.r.to. Transaction with the related parties, where applicable, details of the transaction with the related parties have been disclosed in the financial statement vide clause no 36 of notes on accounts as required by the applicable accounting standard.
- (XIV) The Company has not made any preferential allotment or private allotment or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.



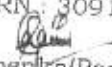
(XV) The Company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013.

(XVI) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Date: 01/06/2016
Place: Bokaro



For M. Goenka & Co.
Chartered Accountants
(FRN: 309134E)


S. Goenka (Partner)
Membership No. 064641



ANNEXURE-B to the Auditor's Report

Annexure referred to in our report of even date to the member of Bokaro Power Supply (p) Ltd on the financial statements for the year ended 31 March 2016.

DIRECTOR OF COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(5) THE COMPANIES ACT, 2013

S. NO	Directions	Reply	Impact on financial statement
1.	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and lease hold land for which title /lease does not available.	Land measuring 382 acres (approx) is on 33 years lease from SAIL at a renewable amount of Re 1/- p.a. Lease deed still pending for registration. There is a right to use for 836 acres of land given to BPSCL for use in 2 x 250 MW project. The above land has some encroachments and the entire possession of the land has not been obtained by BPSCL.	NIL
2.	Where there are any cases of waiver /write off of debts/loans /interest etc., if yes, the reasons there for and the amount involved.	According to the information and explanation given to us, there are no cases of waiver/write off of debts/loans/interest etc.	NIL
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gifts /grant(s) from Government or other authorities.	Yes, Proper records are maintained for inventories lying with Contractors/ third parties. No gift of assets was received from Government or other authorities during the year.	NIL



SUB -DIRECTOR OF COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(5) THE COMPANIES ACT, 2013

S.NO	Sub-Directions	Reply
1	Employees pay and Allowances and other entitlements	
(i)	Examine the percentage escalation in salary assumed by management for computation of actuarial liability against gratuity and other employee benefits and report whether the same was reasonable, and source data provided by the company to the Actuaries for actuarial valuation were correct, complete and valid.	The company has adopted a salary escalation of 7% for Executives and 5% for Non-Executives. Additional 7.5% step up every 10 years starting from 2017 to all employees, and the same has been used by the actuaries to determine actuarial liabilities against gratuity and other employee benefits. However, during our test check we found out the average escalation in salary was around 8.5% for Executives and 8.12% for Non-Executives for the year 2015-16 but we are not in a position to quantify the effect of the same on actuarial liabilities against gratuity and other employee benefits.

Place: BOKARO
Date: 01/06/2016



For M.Goenka &Co.
Chartered Accountants
FRN 309134E.
Samir Goenka
Samir Goenka
(Partner)
Membership No.-064641



ANNEXURE-C to the Auditor's Report

Annexure referred to in our report of even date to the member of Bokaro Power Supply (p) Ltd on the financial statements for the year ended 31 March 2016.

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

We have audited the internal financial controls over financial reporting of **Bokaro Power Supply Co. (p) Ltd** ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

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

Auditors' Responsibility

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



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, 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 controls 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 transaction and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effects on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion



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



Place: BOKARO
Date: 01/06/2016

For M. Goenka & Co.
Chartered Accountants
FRN 309134E.

Samir Goenka
(Partner)
Membership No.-064641



ANNEXURE-D to the Auditor's Report

Details of On-Going Court Cases


S. No.	Case No.	By (Parties)	Brief Description of Case	Court Before	Financial Implication
1	C.M. No. 13716 of 2010 in W.P. (c) No. 7359 of 2006	J.S. Arora Vs. DVC & Others	Case filed by Shri J.S. Arora, ex-Director-HRD, DVC against termination of his employment at DVC as Director-HRD on completion of probation period and for not being posted as HoD P&A at BPSC (the post offered to him after he was terminated from DVC).	High Court, Delhi	"
2	W.C No. 04 of 2009 (Old WC 17 of 2008)	Sachidanand Vs. BPSC and others	Compensation sought following Fatal accident of Mr. Santosh Kr. Singh, (son of Mr. Sachidanand) allegedly in BPSC premises.	High Court	"
3	Ref. Case No. 2 of 2010	Jharkhand Krantikari Mazdoor Union Vs. Management of BPSC	Demand to regularise contract labour engaged in various depts of BPSC, alleging camouflage of work of perennial nature as contract work	Industrial Tribunal, Ranchi	Case pending. Amount not yet ascertained
4	M.J. 4/ 2010 u/s 33 C(2) of I.D Act	Mukund Vs. BPSC and others	Petitioner working as Contract labour in P& C Deptt. deployed by contractor-UPL, terminated as he was also involved in contract work (as contractor) with BPSC. Case filed by him seeking relief in terms of monetary benefit and reinstatement in job.	Labour Court, B.S. City	56,954/-
5	W.P.(s) No. 59S of 2010	Keshwari Devi Vs. GM, BPSC (Settlement of Maintenance Allowance)	Petitioner Mrs. Keshwari Devi, w/c Mr. P.N. Singh (BPSC Employee)-seeking grant of 50 % retirement benefit as maintenance allowance	High Court, Ranchi	"
6	Ref. Case No. 41 of 2012	Jharkhand Krantikari Mazdoor Union Vs. Management of BPSC	Demand for AWA payment to contract labour w.e.f. 01.10.09 as per BSL. (At BPSC, AWA payment w.e.f. 01.10.2011)	CGIT-cum-Labour Court, Dhanbad	Rs. 4 Cr. (approx.) subject to Court's order/ decision.
7	W.C No. 01 of 2011	Cayatri Devi Vs. M.J. Engg And others	Death of Shri Chandra Bhushan Singh, a contract labour of M/s M.J. Engg (Sub contractor of Siemens Co. Ltd.) on 13th Feb, 2010 allegedly in power plant area.	Labour Court, B.S. City	3,54,651/-



Details of On-Going Court Cases

S. No.	Case No.	By (Parties)	Brief Description of Case	Court Before	Financial Implication
8	M.J. 02 of 2012	Kumar Vikram & Ors. Vs. CEO BPSCL	Demands for payment of arrears	Labour Court, B.S. City	1,12,000/-
9	F.A. Case No. 07 of 2013	Inspector of Factories, Bokaro Vs. R. Bhargava (Occupier cum-CEO) and S.K. Mitra, Manager-cum- GM (PP)	Case u/s 96A of the Factories Act, 1948	CJM Court, Bokaro	"
10	Misc. Case No. 01/2014 (*arising out of / relating to Ref. Case No. 02/2010)	Jharkhand Krantikari Mazdoor Union Vs. Management of BPSCL	Application u/s 33A of the Industrial Disputes Act, 1947	Industrial Tribunal, Ranchi	"
11	Misc. Case No. 02/ 2014*	Jharkhand Krantikari Mazdoor Union Vs. Management of BPSCL	Application u/s 33A of the Industrial Disputes Act, 1947	Industrial Tribunal, Ranchi	"
12	A/E/Case No. 05/2014		Eviction of Qtr No. 3044, Sec - 4/C, B.S City under unauthorized occupation of S.C Sinha, Ex- Deputationist from DVC	High Court, Ranchi	"
13	WP (PIL) 1073 of 2014	Court on its own motion Vs. State Of Jharkhand through Chief Inspector & Others	PIL to coal fired TPPs for complying to NIOH guidelines on safety matters	High Court, Ranchi	"
14	Cr. M.P. No. 1602 of 2014		Challenging the Order taking cognizance dated 18/06/2013 passed in F.A. Case 06/2013	High Court, Ranchi	"
15	Cr. M. P. No. 1594 of 2014		Challenging the Order taking cognizance dated 18/04/2013 passed in F.A. Case No. 04/2013	High Court, Ranchi	"

For M. Goenka & Co.
Chartered Accountants
FRN 309134E.


Samir Goenka
(Partner)

Membership No.-064641



Place: BOKARO
Date: 01/06/2016

BALANCE SHEET AS AT 31ST MARCH 2016

(₹ in Lakh)

Particulars	Note	31.03.2016	31.03.2015
A. EQUITY AND LIABILITIES			
1. Shareholders funds			
a) Share capital	1	24805.00	24805.00
b) Reserves and surplus	2	35786.82	34085.02
Sub-total shareholders Funds		60591.82	58890.02
2. Non-current liabilities			
a) Long-term borrowings	3	171.00	223.60
b) Deferred tax liabilities		2516.55	184.77
c) Other long-term liabilities	4	698.06	382.28
d) Long-term provisions	5	24832.49	26956.86
Sub-total Non-current Liabilities		28218.10	27747.51
3. Current-liabilities			
a) Short-term Borrowings	6	19203.06	19419.84
b) Trade Payables	7	6326.93	5123.63
c) Other current Liabilities	8	220.64	220.45
d) Short-term provisions	9	5326.43	3670.55
Sub-total Current Liabilities		31077.06	28434.47
TOTAL-EQUITY AND LIABILITIES		119886.98	115072.00
B. ASSETS			
1. Non-current assets			
a) Fixed assets			
i) Tangible assets	10	45455.77	46730.23
ii) Intangible assets		0.02	0.02
b) Capital work in progress		2952.21	3286.34
c) Deferred tax assets (Net)		0.00	0.00
d) Long-term loans and advances	11	24661.88	25799.24
Sub-total-Non-current Assets		73069.88	75815.83
2. Current assets			
a) Inventories	12	9031.59	11474.39
b) Trade receivables	13	11242.78	12818.14
c) Cash and Bank Balances	14	16536.73	7889.68
d) Short-term loans and advances	15	8692.43	6715.42
e) Other current assets	16	313.57	358.54
Sub-total-Current Assets		46817.10	39256.17
TOTAL-ASSETS		119886.98	115072.00

SIGNIFICANT ACCOUNTING POLICIES

Other Notes to Financial Statements

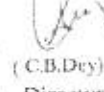
The Notes referred to above form integral part of these financial statements


(N.K. Mukhopadhyay)

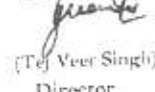
Company Secretary &
HOD Finance & Accounts


(K. Harinarayana)

Chief Executive Officer


(C.B. Dey)

Director


(Tej Veer Singh)

Director


(M. Bhowas)

Chairman

In terms of our report of even date
for M. GOENKA & CO (FRN: 309134E)
(Chartered Accountants)


CA S. GOENKA
Partner
Mem. No. 064641

Date: 01/04/2016
Place: Bokaro



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

(₹ in Lakh)

Particulars	Note	31.03.2016	31.03.2015
Revenue from operation (gross)	17	94888.14	86399.43
Less: Electricity Duty		680.10	580.11
Revenue from operation (net)		94208.04	85819.32
Other Income	18	2703.14	1976.16
Total Revenue		96911.18	87795.48
Expenses			
Fuel	19	65301.61	61974.35
Employee Benefit Expenses	20	4004.24	3443.11
Finance costs	21	1924.11	1372.27
Depreciation & amortisation expenses		2046.83	1162.19
Generation /Administration & other expenses	22	17011.22	14524.25
Total Expenses		90288.01	82476.17
PROFIT BEFORE TAX		6623.17	5319.31
Tax Expenses:			
Current Tax		1484.49	1242.18
Earlier Year adjustment		126.60	0.00
MAT-Credit Entitlement		(1484.49)	(1242.18)
Deferred Tax		2331.76	1859.69
PROFIT FOR THE PERIOD		4164.81	3459.62
EARNINGS PER EQUITY SHARE			
Equity share of par value Rs. 10 each			
Basic		1.68	1.39
Diluted		1.68	1.39
No. Of shares used in computing earnings per share			
Basic		248050000	248050000
Diluted		248050000	248050000

SIGNIFICANT ACCOUNTING POLICIES
Other Notes to Financial Statements

A-Q
1-45

The Notes referred to above form integral part of these financial statements


(N.R. Mukhopadhyay)
Company Secretary &
HOD Finance & Accounts


(K. Harinarayana)
Chief Executive Officer


(C.B. Dey)
Director


(Tej Veer Singh)
Director


(M. Biswas)
Chairman

In terms of our report of even date
for M.GOENKA&CO (FRN:309134E)
(Chartered Accountants)


C.A.S. GOENKA
Partner
Mem. No.0646+1

Date: 01/06/2016
Place: Bokaro




B P S C I


BOKARO POWER SUPPLY COMPANY (P) LIMITED
Cash Flow Statement for the year ended March 31, 2016


(₹ in Lakh)

Particulars	March 31, 2016	March 31, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	6623.17	5319.33
Adjustments for:		
Depreciation and amortisation	2046.83	1162.19
Finance Cost	1924.11	1372.27
Interest Income	(376.08)	(218.80)
Operating Profit before working capital changes	10218.03	7834.99
Changes in Working Capital		
Adjustments for (increase)/decrease in operating assets:		
Inventories	2442.80	(3489.24)
Trade receivables	1575.36	(4234.26)
Short-term loans and advances	(2528.01)	350.24
Long-term loans and advances	(58.63)	(46.71)
Other current assets	44.97	16.06
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	1203.30	(182.56)
Other current liabilities	0.19	(3559.62)
Short-term provisions	252.85	317.29
Long-term provisions	260.78	451.97
	<u>3193.62</u>	<u>(10376.85)</u>
Cash generated from operations	13411.65	(2741.86)
Taxes paid	1522.13	1086.68
	<u>11889.52</u>	<u>(3808.74)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	(772.42)	(43587.74)
Advance against capital goods	334.13	42684.11
Interest received	376.08	218.80
	<u>(62.21)</u>	<u>(664.83)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Repayments of long term borrowings	(52.60)	(180.39)
Proceeds from/Repayment of short-term borrowings	(216.78)	6055.12
Interest paid	(1924.11)	(1372.27)
dividend paid	(1082.24)	(541.12)
dividend tax	(220.32)	(108.19)
Increase in long term liabilities	315.78	86.70
Increase (-)/Decrease (+) in investment in term deposits with more than three months	(124.32)	567.26
	<u>(3304.59)</u>	<u>4507.11</u>
Net cash flow from/(used in) financing activities (C)	<u>(3304.59)</u>	<u>4507.11</u>
Net increase/(decrease) in cash and cash equivalents(A+B+C)	<u>8522.72</u>	<u>33.54</u>
Cash and cash equivalents at the beginning of the year	7164.44	7130.90
Cash and cash equivalents at the end of the year	<u>15687.16</u>	<u>7164.44</u>
	<u>8522.72</u>	<u>33.54</u>


(N.K. Mukhopadhyay)
Company Secretary &
HOD Finance & Accounts

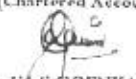

(N. Harinarayana)
Chief Executive Officer


(C.B. Dey)
Director


(Tej Veer Singh)
Director


(M. Das)
Chairman

In terms of our report of even date
for M.GOENKA & CO (FRN 100133E)
(Chartered Accountants)


C.A.S. GOENKA
Partner
Mem. No. 064641
Date: 01/06/2016
Place: Bokaro



SIGNIFICANT ACCOUNTING POLICIES AND NOTES

TO FINANCIAL STATEMENTS

Corporate Information

Bokaro Power Supply Company Private Limited (BPSCCL) came into existence on 18.09.2001 under Companies Act 1956 as a part of SAIL Business Reconstruction and Restructuring Plan and with intent to strengthen its core business activity (i.e steel manufacturing). SAIL has assigned its entire business as a going concern pertaining to the captive power plant of 302 MW Capacity with steam generation 1880 T/hr. of BSL by the Deed of transfer and Assignment of business. As per the Deeds of transfer and Assignment of business entered into with SAIL, the company has taken over the entire business and undertakings of SAIL's captive power plant(CPP) & Thermal power plant located at Bokaro for a total consideration of Rs. 560 crores w.e.f 18/09/2001 as compiled and agreed by both companies and parties. Company has further extended its capacity by capitalisation of Unit no 9 wef 02/09/2014 by 300 Tonne Steam and 36 MW power.

Significant Accounting Policies

A. Basis of Accounting

The financial statements are prepared under the historical cost convention on accrual basis of accounting, in accordance with the generally accepted accounting principles in India, and the provisions of the companies Act, 2013, including accounting standards notified thereunder.

B. Use of Estimates

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

C. Fixed Assets

Fixed assets are stated at cost of acquisition less depreciation.

Cost includes all identifiable expenditure including trial-run expenses, net of revenue.

Intangible assets are stated at their cost of acquisition less accumulated Depreciation

In the case of assets put to use, 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.

D. Capital Work in Progress

Administration and general overhead expenses attributable to construction of fixed assets incurred till they are ready for their intended use are identified and allocated on a systematic basis to the cost of related assets.

Deposit works/ cost plus contracts are accounted for on the basis of statements of account received from the contractors.

Unsettled liabilities for price variation/ exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts

E. Borrowing Costs

Borrowing costs attributable to the acquisition or construction of a qualifying assets are capitalised as part of the cost of that asset. Other borrowing costs are recognised as expense in the period in which these are incurred.



F. Depreciation

Depreciation is provided on straight line method, considering residual value of 5% of the cost of the asset, over the useful lives of the assets, as specified in Schedule II to the Companies Act, 2013 except for Plant and Machineries whose estimated useful life are determined based on internal technical parameters/ assessment and supported by external technical advice. However, where the historical cost of a depreciable asset undergoes a change, the depreciation on the revised unamortised depreciable amount is provided over the residual useful life of the asset. Depreciation on addition, deletion during the year is provided on pro-rata basis with reference to the month of addition/ deletion. Assets costing up to Rs. 5000/- are fully depreciated in the year in which they are put to use.

G. Investments

Long Term investments are carried at cost.

H. Inventories

Raw materials, stores & spares and scrap are valued at lower of cost and net realisable value. In case of identified obsolete/ surplus/ non-moving items, necessary provision is made and charged to revenue.

The basis of determining cost is:

Raw materials - Periodical weighted average cost

Stores & Spares - Moving weighted average cost

Materials in transit - at cost

I. Foreign currency transactions

The Company had opted for accounting the exchange-differences are arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard- 11 notified by Government of India on 31st March, 2009 (as amended on 29th December 2011). Accordingly, exchange differences (including arising out of forward exchange contracts) relating to long terms monetary items, arising during the year, in so far as they related to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.

J. Employees' Benefit

Contributions towards Provident Funds are charged to the Statement of Profit and Loss of the period when the contributions to the Funds are due. The provisions/ liabilities towards gratuity, accrued leave, long term service awards, post-retirement medical and settlement benefits, future payments to the disabled employees/ legal heirs of deceased employees under the Employees' Family Benefit Scheme, are made based on the actuarial valuation as at the end of the year and charged to the statement of Profit and Loss after considering along with actuarial gains/ losses.

K. Adjustments pertaining to earlier years and prepaid expenses

Income / expenditure relating to prior period and prepaid expenses, which do not exceed Rs. 10 lakhs in each case, are treated as income/ expenditure of current year.

L. Revenue recognition

Sale of power and steam is accounted for as per power and steam purchase agreement entered into SAIL.

M. Claims for Liquidated Damages/ Price Escalation

Claims for liquidated damages are accounted for as and when these are deducted and/ or considered recoverable by the Company. These are adjusted to the capital cost or recognised in Statement of Profit and Loss, as the case may be, on final settlement. Suppliers/ Contractors' claims for price escalation are accounted for, to the extent such claims are accepted by the Company.



N. Income Taxes

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

O. Deferred Tax

The deferred tax on timing differences between book profit and taxable profit for the year is accounted for applying the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is a reasonable certainty that the assets can be realised in future.

P. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognised because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligation or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of Contingent Liabilities in Financial Statements.

Q. Cash Flow Statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statement'.

Notes (Forming Part of the Balance Sheet)

1. SHARE CAPITAL

Particulars	March 31,2016		March 31,2015	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
Authorised				
Equity Shares of Rs. 10 each	1200000000	120000.00	1200000000	120000.00
Issued ,subscribed and fully paid up				
Equity Shares of Rs. 10 each fully paid up	248050000	24805.00	248050000	24805.00
Total	248050000	24805.00	248050000	24805.00

16,80,50,000 equity shares of ₹10 each were allotted as fully paid up for consideration other than cash.

(a) Reconciliation of Number of equity shares

Particulars	March 31,2016		March 31,2015	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
At the beginning of the year	248050000	24805.00	248050000	24805.00
At the end of the year	248050000	24805.00	248050000	24805.00



(b) Rights, preference and restrictions attached to shares

Equity Shares: The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion to their shareholding.

(c) Shares held by associates

Particulars	March 31, 2016		March 31, 2015	
	Number of shares	% of Holding	Number of shares	% of Holding
Steel Authority of India Limited	124025000	50.00	124025000	50.00
Damodar Valley Corporation	124025000	50.00	124025000	50.00

2. RESERVES AND SURPLUS

(₹ in Lakh)

Particulars	March 31, 2016	March 31, 2015
General reserve		
Balance as at the beginning of the year	34085.02	31934.10
Add: Transferred from surplus balance in the statement of Profit & Loss	4164.81	3459.62
Balance as at the end of the year	38249.83	35393.72
Less:		
Proposed Final dividend	2046.41	1082.24
Tax on dividends	416.60	226.46
TOTAL	35786.82	34085.02

3. LONG TERM BORROWINGS

(₹ in Lakh)

Particulars	March 31, 2016	March 31, 2015
Secured		
Term Loans From Banks	0.00	0.00
Unsecured		
Working capital loan from SAIL/BSL	171.00	223.60
TOTAL	171.00	223.60

a. Working capital loan from Steel Authority of India Limited in the form of stores & spares carrying interest @ 6.75% p.a.

4. OTHER LONG- TERM LIABILITIES

(₹ in Lakh)

Particulars	March 31, 2016	March 31, 2015
TRADE PAYABLES:		
Security Deposits	689.38	373.60
Gratuity & Provident fund of deceased employees	7.31	7.31
Contractors Account -ESI	1.37	1.37
TOTAL	698.06	382.28

5. LONG- TERM PROVISIONS

(₹ in Lakh)

Particulars	March 31, 2016	March 31, 2015
Provisions for employee benefits	3395.65	3202.16
Provisions for others	21436.84	23754.70
TOTAL	24832.49	26956.86



6. SHORT -TERM BORROWINGS			(₹ in Lakh)
Particulars	March 31,2016	March 31,2015	
Secured :			
Loans repayable on demand from banks			
Cash Credit with Canara (Secured against hypothecation of Stocks and book debts.)	12195.03	14419.84	
Cash Credit with SBI (Secured against hypothecation of Stocks and book debts.)	2008.03	0.00	
Other short term borrowings from bank	5000.00	5000.00	
TOTAL	19203.06	19419.84	
7. TRADE PAYABLES			(₹ in Lakh)
Particulars	March 31,2016	March 31,2015	
Payable to contractors & suppliers	5273.25	3941.43	
Security Deposit	147.64	345.38	
Payable to others	0.19	12.01	
Accrued Salary	905.85	824.81	
TOTAL	6326.93	5123.63	
8. OTHER CURRENT LIABILITIES			(₹ in Lakh)
Particulars	March 31,2016	March 31,2015	
Interest accrued but not due on borrowings	39.49	42.47	
Statutory deduction including withholding Tax	101.31	97.14	
Other deductions	79.84	80.84	
TOTAL	220.64	220.45	
9. Short Term Provisions			(₹ in Lakh)
Particulars	March 31,2016	March 31,2015	
Provisions for Employee Benefits			
LTSA & RG	0.63	0.30	
Gratuity	138.61	71.87	
Leave Salary	86.96	77.27	
PRMB	28.55	21.76	
Settlement cost	2.78	1.59	
	257.53	172.79	
Provision for Income tax	1484.79	1242.19	
Provision for others	1112.36	944.28	
Provision for proposed dividend	2046.41	1082.24	
Provision for dividend tax	425.34	229.06	
	5068.90	3497.76	
TOTAL	5326.43	3670.55	



10 (A) TANGIBLE FIXED ASSETS:

Sl.No	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		Opening Balance 01.04.15	Addition during the period	Adjustments	Closing Balance on 31.03.16	Opening Balance 01.04.15	Depreciation during period	Adjustments	Closing Balance on 31.03.16	as on 31.03.16	as on 31.03.15
1	LAND:										
	Leasehold										
	Road (RCC)	84.24	(0.00)		84.24	33.41	4.95		38.36	45.88	50.83
	Road(Carpeted)	16.60	(0.00)		16.60	1.84	3.15		4.99	11.61	14.76
2	BUILDING:										
	Main Plant	9,345.88	-		9,345.88	8,878.57	0.00		8,878.57	487.31	487.31
	Factory Building	8,820.35	46.03		8,866.38	148.58	280.16		428.74	8,437.64	8,671.77
	Office (Corporate Office)	10.00			10.00	3.97	0.35		4.32	5.68	6.03
3	PLANT & MACHINERY:										
	1111 Plant & Machinery	91,375.72	705.96		92,081.68	46,007.93	1,729.49		47,737.36	36,345.36	37,368.90
	2222 Plant & Machinery	1,164.15			1,164.15	39.40	(0.00)		39.40	1.93	1.92
	3333 Plant & Machinery	58.15			58.15	55.95	7.64		62.85	35.52	43.16
	4444 Plant & Machinery	92.23	8.75		100.98	1.37	1.37		1.37	67.90	71.45
	5555 Plant & Machinery	55.78	8.44	(0.60)	63.62	42.03	3.96	(0.11)	45.88	17.74	13.75
4	OFFICE EQUIPMENT:										
	FURNITURE & FIXTURE (H.P.)	30.73	1.42		32.15	26.55	4.05		31.20	10.94	14.18
	PERSONAL COMPUTER (H.P.)	8.58	2.50	(1.48)	9.59	5.39	0.58	(1.32)	4.64	4.95	3.19
	CARPET, CURTAIN, CLOTH (H.P.)	1.68	2.95	(0.88)	3.75	1.63	0.46	(0.86)	1.26	2.82	0.32
	TOTAL	102106.91	773.59	(3.78)	102876.72	55376.68	2046.83	(2.59)	57420.95	45455.77	46730.21
	Previous Year	58230.18	43567.65		102106.91	54214.81	1162.19	(0.11)	55376.68	46730.23	4324.65
	Capital work in progress									2952.21	3286.34

(E) INTANGIBLE FIXED ASSETS :

Sl.No	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		Opening Balance 01.04.15	Addition during the period	Adjustments	Closing Balance on 31.03.16	Opening Balance 01.04.15	Depreciation during period	Adjustments	Closing Balance on 31.03.16	As on 31.03.16	As on 31.03.15
	COMPUTER SOFTWARE	0.41			0.41	0.38			0.38	0.02	0.02
	Previous Year	0.41			0.41	0.38			0.38	0.02	0.02
	Capital Work in Progress includes Rs. 1235 Lakh of BG invoked for 2x250 MW project in 2010-11										



11 Long-Term Loans and Advances		(₹ in Lakh)	
Particulars	March 31,2016	March 31,2015	
Capital Advances-Secured, considered good	0.00	0.00	
Security Deposits-Unsecured	36.55	36.55	
ADVANCE TO BPSCL ESBF ACCOUNT	0.10	0.10	
Other Loans and Advances			
Advance Income Tax	20331.95	22752.31	
Advance Fringe Benefit Tax	43.28	43.28	
MAT-Credit Entitlement	2726.67	1242.18	
Claims recoverable from IT Deptt.	583.56	583.56	
TDS on interest on Investment	517.79	777.90	
Loan and Advances to employees	421.88	363.36	
	24661.88	25799.24	
TOTAL	24661.88	25799.24	

12 Inventories *		(₹ in Lakh)	
Particulars	March 31,2016	March 31,2015	
Raw Materials:			
Coal	3435.53	2606.61	
Coal Freight	0.00	235.02	
Coal In Transit	160.14	1009.71	
Furnace Oil	603.35	1221.84	
	4199.02	5073.18	
Stores & Spares			
Stores & spares (Imported)	1309.41	2627.16	
Stores & Spares	3042.19	3250.85	
Stores & spares -Transit	344.53	314.68	
Stock at site	136.44	208.52	
	4832.57	6401.21	
TOTAL	9031.59	11474.39	

* Valued as per accounting policy c (i) & (ii)

13. Trade Receivables		(₹ in Lakh)	
Particulars	March 31,2016	March 31,2015	
Receivables outstanding for a period exceeding six months	0.00	1293.67	
Others			
(Unsecured , considered good)	11242.78	11524.47	
TOTAL	11242.78	12818.14	

14. Cash and Bank Balances		(₹ in Lakh)	
Particulars	March 31,2016	March 31,2015	
CASH AND CASH EQUIVALENTS:			
Balances with banks:			
On Current Accounts	13275.09	4938.66	
On Deposit Accounts	2412.02	2225.78	
(Maturity less than 3 months)	15687.11	7164.44	
Cash on hand (IMPREST ACCOUNT)	0.05	0.00	
OTHER BANK BALANCES :			
Balances with banks on Deposits accounts	63.00	611.61	
(Maturity more than 3 months but less than one year)			
Balances with banks on Deposits accounts	786.57	113.63	
(Maturity more than one years)	849.57	725.24	
TOTAL	16536.73	7889.68	



15. Short Term Loans and Advances		(₹ in Lakh)	
Particulars	March 31,2016	March 31,2015	
Loans and Advances to Related parties Others- Unsecured,considered good unless otherwise stated			
Loans and advances to employees	97.14	90.98	
Prepaid Expenses	175.26	163.41	
Advance to contractors	5.87	0.17	
Advances to suppliers	5787.35	2882.96	
Employees P.F. Contribution	0.00	0.00	
Balances with Govt. Authorities :			
Advance Income Tax	1484.79	1033.00	
TDS on interest on Investment	31.11	33.88	
Vat credit receivable	1305.37	1710.03	
Service Tax	5.54	0.99	
Advance Sales Tax	<u>800.00</u>	<u>800.00</u>	
	9692.43	6715.42	
TOTAL	9692.43	6715.42	

16. Other Current Assets		(₹ in Lakh)	
Particulars	March 31,2016	March 31,2015	
Interest Accrued but not due on Fixed Deposit	195.59	240.90	
Interest Accrued but not due on CLTD	19.42	19.08	
Electricity Duty-Reimbursable	<u>98.56</u>	<u>98.56</u>	
	313.57	358.54	
TOTAL	313.57	358.54	

Notes (Forming Part of the Statement of Profit & Loss)

17. Revenue from Operation		(₹ in Lakh)	
Particulars	March 31,2016	March 31,2015	
Energy sales (including electricity duty)	94888.14	86399.43	
TOTAL	94888.14	86399.43	

18. Other Income		(₹ in Lakh)	
Particulars	March 31,2016	March 31,2015	
Interest from employees	28.85	26.96	
Interest on Normative working capital	2283.62	1677.60	
Misc. Income	8.76	52.80	
Liability written back	5.83	0.00	
Interest from Banks	<u>376.08</u>	<u>218.80</u>	
	2703.14	1976.16	
Deduct: capitalised	<u>0.00</u>	<u>0.00</u>	
	2703.14	1976.16	
TOTAL	2703.14	1976.16	

19. Fuel		(₹ in Lakh)	
Particulars	March 31,2016	March 31,2015	
Coal	64024.15	58281.80	
Furnace Oil	<u>1277.46</u>	<u>3692.55</u>	
	65301.61	61974.35	
TOTAL	65301.61	61974.35	

20. Employee Benefit Expenses		(₹ in Lakh)	
Particulars	March 31,2016	March 31,2015	
Salaries & wages	2734.53	2344.30	
Contribution to provident and other funds	383.43	304.66	
Staff Welfare Expenses	<u>886.28</u>	<u>794.15</u>	
	4004.24	3443.11	
TOTAL	4004.24	3443.11	

		(₹ in Lakh)	
21. Finance Cost		March 31,2016	March 31,2015
	Particulars		
Interest Expenses			
	On short Term Working Capital Loan-SAIL	15.09	56.81
	On Short Term Loan-HDFC BANK	472.44	290.68
	On working Capital Loan-CC A/C	1436.59	1024.78
		1924.12	1372.27
	TOTAL	1924.12	1372.27

		(₹ in Lakh)	
22. Generation/Administration & other expenses		March 31,2016	March 31,2015
	Particulars		
	Repair & Maintenance	5938.38	4821.20
	Administrative Expenses	450.82	379.24
	Corporate social responsibility	54.17	84.92
	Stores & Spares Consumption	6700.68	5922.47
	Water charges	1886.80	1784.30
	Ash Pond charges	1161.95	898.47
	Insurance	161.13	104.88
	Rates & Taxes	22.31	15.15
	Prior Period Adjustment	0.00	0.00
	Provision for stock non-moving	67.25	3.26
	Miscellaneous Expenses	567.72	510.36
		17011.21	14524.25
	TOTAL	17011.21	14524.25

Other Notes to Financial statements

23. Contingent Liabilities :

- (a) Claims against the Company not acknowledged as debt
- (i) Claims against the Company by M/S Ramakant Singh of ₹ 9.47 Crore including interest ₹4.53 Crore. (BPSCIL has raised claim of ₹6.63 crore on M/s Ramakant Singh vide Risk Purchase Clause for violating in terms of contract.M/s Rama Kant singh lodged counter claim of ₹4.94 crore plus interest @18% p.a. Previously dispute was referred to the High Court and judgement was given in our favour.Now arbitration is in process.

(ii) Demand raised by Sales Tax Deptt. for

Financial Year	Amount (₹ in lakh)
2012-13	429.25
2010-11	264.09
2009-10	86.04
2008-09	65.01

*Company has filed appeals against these demands before Joint Commissioner (Appeal).

(iii) Demand raised by IT department for

Assessment Year	Amount (₹ in lakh)	Forum where disputes are pending
2012-13	21.74	Appeal lying in before CIT(A) Delhi
2011-12	129.96	Appeal lying in before CIT(A) Delhi
2010-11	41.53	ITAT Delhi

- (iv) Demand raised by Service Tax Authority of Rs. 6.91 Lakhs.Representation has been filed to the Department.

- (v) Demand raised by ESI of Rs. 81.03 Lakhs

- (vi) Legal Case filed by Jharkhand Krantikari Mazdoor Union for demand of AWA Payment to contract Labours. Approx Liability is around Rs. 4 Crore.

- (vii) Contractors have lodged extra claim due to delay in commissioning of 9th boiler project and for re-furbishment which at this stage is not quantifiable,hence not included in contingent liability

- (b) Guarantees: Nil

- (c) Other money for which the company is contingently liable: Nil



24. Capital and other commitments
Estimated amount of contract remaining to be executed on capital account Unit No. 9 (net of advances) ₹ 173.03 Lakhs (PY- ₹ 264.60 Lakhs) & 2x250 (net of advances) ₹2916.36 lakhs (PY- ₹ 2916.36 lakh).

25. Procurement of Coal/ Oil

Particulars	2015-16		2014-15	
	Qty.(MT)	Amount (₹ in lakh)	Qty.(MT)	Amount (₹ in lakh)
Coal (BPSCCL)	1748544.27	58457.67	1811476.49	56780.38
Coal (BSL)	149760.00	5896.77	141440.00	4983.21
Particulars	2014-15		2014-15	
	Qty.(KL)	Amount (₹ in lakh)	Qty.(KL)	Amount (₹ in lakh)
Furnace Oil (BPSCCL)	2933.87	664.66		
Furnace Oil (BSL)			14538.7	5842.81

26. Fixed Deposit of ₹ 2243.63 Lakhs (Prev. Yr. ₹ 2134.94 Lakhs) earmarked for Gratuity and Leave Salary are not used by the company for operational purpose. During the F.Y. 2014-15 interest accrued on this Fixed Deposit was adjusted with provision for Gratuity & Leave Salary, but during F.Y. 2015-16 the same accounting policy was discontinued and entire provision of current year for Gratuity & Leave Salary is Debited to P&L Accounts as per actuarial report & corresponding interest income was booked in P&L Accounts.

The net effect of change of Accounting Policy are:-

- i) Expenses on account of Gratuity & Leave Salary increase by 175.00 Lakhs.
ii) Other Income increases by Rs. 175.00 Lakhs

27. In the opinion of the Management, the realizable value of the current assets, loan and advances shall not be less than the values at which these are stated in the account.

28. Licensed Capacity, Installed capacity, generation

	2015-16	2014-15
i) Licensed Capacity	Not applicable	Not applicable
ii) Installed capacity	338 MWH	338 MWH
iii) Generation of power	1716.66 MU	1512.56 MU
iv) Sales of power	1401.75 MU	1195.65 MU

29. Expenditure incurred in foreign currency
Foreign Travel Expenses
- | | 2015-16 | 2015-16 | 2014-15 | 2014-15 |
|--|---------|------------|---------|------------|
| | \$7,900 | ₹ 5,29,224 | \$9,200 | ₹ 5,11,494 |

30. Particulars of Directors remuneration : NIL

31. Segment Reporting

- (a) The company's principal Business is generation of Power/Steam and sale of bulk Power and Steam to SAIL. Hence there is no other business segment.
(b) The company has only one power station located within the country and therefore geographical segments are not applicable.

32. Value of stores/spares consumed

Particulars	(₹ in Lakh)		(₹ in Lakh)	
		(%)		(%)
	2015-16		2014-15	
Indigenous	4890.02		5454.14	
Imported	1810.67		468.33	
Percentage of indigenous items		72.98		92.09
Percentage of Imported items		27.02		7.91
TOTAL		100.00		100.00

33. Value of Imports during period (Calculated on CIF Basis)

Particulars	(₹ in Lakh)	
	2015-16	2014-15
Components & spare parts	254.42	697.77
Raw materials	NIL	NIL
Capital Goods	NIL	NIL
TOTAL	254.42	697.77

34. Land measuring 382 acres (apprx.) at Bokaro Jharkhand state is on 33 years lease from SAIL renewable at a non refundable premium of Rs. 1 per annum. Title/Lease deeds in respect of this land are pending for registration. In addition, 836 acres (Approx.) land was given to BPSCCL as 'right to use' for use in 2x250 MW Projects.

35. As per requirement of section 22 of the Micro Small, Medium Enterprises Development Act 2006 the company has normally made payments in the due time and there are no claims from parties for the interest on overdue payments during the financial year 2014-15. There are no parties whose outstanding are for more than 45 days

36. Related Party disclosure

(i) Steel Authority of India Limited (SAIL)-50% voting right in the Board. As per Power Purchase agreement entered with SAIL, entire power and steam generated by the company is sold to SAIL/Bokaro Steel Plant on the basis of Cost Plus Contract.

	2015-16	2014-15
SALE OF STEAM & POWER (₹ in Lakh)	94888.14	86399.43
Purchase From SAIL/Bokaro Steel Plant (₹ in Lakh)		
	2015-16	2014-15
Purchase of coal	5,896.77	4,983.21
Purchase of Furnace Oil	-	5,842.81
Purchase of Water	1,886.80	1,784.30
Sulphuric acid	445.53	341.97
Stores and spares on loan basis	1,829.75	1,200.03
Stores and spares	171.00	223.60

(ii) Damodar Valley Corporation (DVC)-50% voting right in the Board as well as control of the Management.

(iii) Dividend paid during the year of ₹ 541.12 Lakhs each to Steel Authority of India Limited and Damodar Valley Corporation.

	2015-16	2014-15
(iv) Information relating to remuneration paid to Chief Executive Officer (₹ in Lakh)		
i) Salary	29.86	21.92
ii) Leave Salary	1.86	1.80
iii) Gratuity	2.15	2.08

37. Employee Benefits :

(i) The Company has adopted Accounting Standard 15 (revised 2005) on "Employee Benefits" notified under the companies Act 2013.

(ii) Contribution to provident Funds and Gratuity Funds Amount of ₹ 383.43 Lakh (Prev. Year: ₹ 304.66 Lakh) is recognised as an expenses and included in "Employees Remuneration & Benefits"(Refer Note No. 20) in the statement of profit & loss.

(iii) Defined benefit plans:

	(₹ in Lakh)					
	Gratuity	Leave	PRMB	Settlement	LTSA & RG	Total
A. Net Assets / (Liability) Recognised Balance Sheet - 31st March 2015						
1 Present value of defined benefit obligation	1014.49	1181.73	225.71	20.11	5.54	2447.58
2 Fair Value of Plan Assets	0.00	0.00	0.00	0.00	0.00	0.00
3 Funded Status (surplus/deficit)	(1014.49)	(1181.73)	(225.71)	(20.11)	(5.54)	(2447.58)
4 Unrecognised past service costs	0.00	0.00	0.00	0.00	0.00	0.00
5 Net Asset/Liability recognised in the Balance sheet	(1014.49)	(1181.73)	(225.71)	(20.11)	(5.54)	(2447.58)
B. Current/Non Current Liability-31 st March 2015						
1 Current Liability	(71.87)	(77.27)	(21.76)	(1.59)	(0.30)	(172.79)
2 Non Current Asset/(Liability)	(942.62)	(1104.46)	(203.95)	(18.52)	(5.24)	(2274.79)
3 Net Asset/(Liability) as at 31 st March 2015	(1014.49)	(1181.73)	(225.71)	(20.11)	(5.54)	(2447.58)
Assumptions at 31 st March 2015						
Discount Rate	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%



(₹ in Lakh)

Disclosure of employer expenses for the year ended 31 st March 2016

Components of Employer Expenses		Gratuity	Leave	PRMB	Settlement	L TSA & RG	Total
1	Current Service Costs (including risk premiums for fully insured benefits)	38.37	107.08	3.47	1.18	0.42	150.52
2	Interest Cost	74.95	69.06	16.5	1.47	0.40	182.42
3	Expected Return on Plan Assets	0.00	0.00	0.00	0.00	0.00	0.00
4	Curtailment Cost/(Credit)	0.00	0.00	0.00	0.00	0.00	0.00
5	Settlement Cost/(Credit)	0.00	0.00	0.00	0.00	0.00	0.00
6	Past Service Cost	0.00	0.00	0.00	0.00	0.00	0.00
7	Actuarial Losses/(Gains)	9.01	(39.61)	8.77	0.19	0.80	(20.84)
8	Total employer expense recognised in P&L	122.37	156.53	28.74	2.84	1.62	312.1

Assumptions at 31st March 2015

Discount Rate	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%
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(₹ in Lakh)

A. Net Assets/(Liability) Recognised in Balance Sheet 31 st March 2016

Net Assets/(Liability) Recognised in Balance Sheet 31 st March 2016		Gratuity	Leave	PRMB	Settlement	L TSA & RG	Total
1	Present Value of Defined Benefit Obligation	1030.65	1258.46	226.2	20.44	6.31	2542.06
2	Fair value of Plan Assets	0.00	0.00	0.00	0.00	0.00	0.00
3	Funded Surplus/(Surplus/Deficit)	(1030.65)	(1258.46)	(226.20)	(20.44)	(6.31)	(2542.06)
4	Unrecognised Past service cost	0.00	0.00	0.00	0.00	0.00	0.00
5	Net Assets/(Liability) recognised in Balance Sheet	(1030.65)	(1258.46)	(226.20)	(20.44)	(6.31)	(2542.06)

B. Current/Non-Current Liability-31st March 2016

1	Current Liability	(139.61)	(86.86)	(28.56)	(2.78)	(0.63)	(257.53)
2	Non-Current Asset/(Liability)	(892.04)	(1171.50)	(197.65)	(17.66)	(5.66)	(2284.53)
3	Net Asset/(Liability) as at 31 st March 2016	(1030.65)	(1258.46)	(226.20)	(20.44)	(6.31)	(2542.06)

Assumptions at 31 st March 2016

Discount Rate	7.90%	7.90%	7.90%	7.90%	7.90%	7.90%
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(₹ in Lakh)

Change in obligation and assets over the year ended 31 st March 2016

Change in obligation and assets over the year ended 31 st March 2016		Gratuity	Leave	PRMB	Settlement	L TSA & RG	Total
1	DBO at beginning of the period	1014.49	1181.73	225.71	20.11	5.54	2447.58
2	Service Cost	38.37	107.06	3.47	1.18	0.42	150.52
3	Interest cost	74.95	69.06	16.5	1.47	0.40	182.42
4	Curtailment Cost/(Credit)	0.00	0.00	0.00	0.00	0.00	0.00
5	Settlement cost/(Credit)	0.00	0.00	0.00	0.00	0.00	0.00
6	Plan Amendments cost/(Credit)	0.00	0.00	0.00	0.00	0.00	0.00
7	Acquisitions Cost/(credit)	0.00	0.00	0.00	0.00	0.00	0.00
8	Actuarial Losses/(Gains)	9.01	(39.61)	8.77	0.19	0.80	(20.84)
9	Benefit Payments	(106.21)	(79.80)	(28.25)	(2.51)	(0.85)	(217.62)
10	DBO at the end of the period	1030.65	1258.46	226.2	20.44	6.31	2542.06
Change in Fair Value of Assets							
1	Fair Value of Plan Assets at the beginning of the period	0.00	0.00	0.00	0.00	0.00	0.00
2	Acquisition adjustment	0.00	0.00	0.00	0.00	0.00	0.00
3	Expected return on plan assets	0.00	0.00	0.00	0.00	0.00	0.00
4	Actual company contributions	106.21	79.80	28.25	2.51	0.85	217.62
5	Actuarial Gain/(Loss)	0.00	0.00	0.00	0.00	0.00	0.00
6	Benefit Payments	(106.21)	(79.80)	(28.25)	(2.51)	(0.85)	(217.62)
7	Fair Value of plan assets at the end of the period	0.00	0.00	0.00	0.00	0.00	0.00

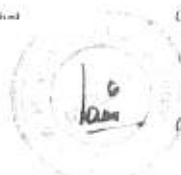
Assumptions at 31 st March 2016

Discount Rate	7.90%	7.90%	7.90%	7.90%	7.90%	7.90%
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(₹ in Lakh)

Reconciliation of Net Assets/Liability recognised in Balance Sheet for the year ended 31 st March 2016

Reconciliation of Net Assets/Liability recognised in Balance Sheet for the year ended 31 st March 2016		Gratuity	Leave	PRMB	Settlement	L TSA & RG	Total
1	Net Asset/(Liability) at beginning of period	(1014.49)	(1181.73)	(225.71)	(20.11)	(5.54)	(2447.58)
2	Employer (Expense)/Credit	(122.37)	(156.53)	(28.74)	(2.84)	(1.62)	(312.10)
3	Employer Contributions	106.21	79.80	28.25	2.51	0.85	217.62
4	Acquisitions/Business Combinations	0.00	0.00	0.00	0.00	0.00	0.00
5	Net Asset/(Liability) at end of period	(1030.65)	(1258.46)	(226.20)	(20.44)	(6.31)	(2542.05)



Experience History						
Gratuity						
	31-Mar-12	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16	
1	Defined Benefit Obligation at end of the period	(1035.26)	(1044.74)	(929.86)	(1014.49)	(1030.65)
2	Plan Assets at end of the period	0.00	0.00	0.00	0.00	0.00
3	Funded Status	(1035.26)	(1044.74)	(929.86)	(1014.49)	(1030.65)
4	Experience Gain/(Loss) adjustments on plan liabilities	(36.32)	(78.62)	(9.05)	13.26	(16.08)
5	Experience Gain/(Loss) adjustments on plan assets	N/A	N/A	N/A	0.00	0.00
6	Actuarial Gain/(Loss) due to change on assumptions	33.55	(34.54)	63.41	(88.37)	7.07
Leave salary						
	31-Mar-12	31-Mar-13	01-Apr-14	01-Apr-15	31-Mar-16	
1	Defined Benefit Obligation at end of the period	(839.94)	(954.52)	(986.89)	(1181.73)	(1256.46)
2	Plan Assets at end of the period	0.00	0.00	0.00	0.00	0.00
3	Funded Status	(839.94)	(954.52)	(986.89)	(1181.73)	(1256.46)
4	Experience Gain/(Loss) adjustments on plan liabilities	(41.16)	(76.32)	(16.74)	50.60	26.60
5	Experience Gain/(Loss) adjustments on plan assets	0.00	0.00	0.00	0.00	0.00
6	Actuarial Gain/(Loss) due to change on assumptions	37.77	(44.54)	35.51	(148.47)	13.01
Post Retirement Medical Benefit						
	31-Mar-12	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16	
1	Defined Benefit Obligation at end of the period	(129.79)	(227.62)	(147.75)	(225.71)	(226.20)
2	Plan Assets at end of the period	0.00	0.00	0.00	0.00	0.00
3	Funded Status	(129.79)	(227.62)	(147.75)	(225.71)	(226.20)
4	Experience Gain/(Loss) adjustments on plan liabilities	(39.72)	(86.23)	61.65	(48.23)	(11.72)
5	Experience Gain/(Loss) adjustments on plan assets	N/A	N/A	0.00	0.00	0.00
6	Actuarial Gain/(Loss) due to change on assumptions	10.63	(16.95)	24.34	(36.83)	2.95
Settlement Cost						
	31-Mar-12	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16	
1	Defined Benefit Obligation at end of the period	(22.25)	(20.74)	(18.47)	(20.11)	(20.44)
2	Plan Assets at end of the period	0.00	0.00	0.00	0.00	0.00
3	Funded Status	(22.25)	(20.74)	(18.47)	(20.11)	(20.44)
4	Experience Gain/(Loss) adjustments on plan liabilities	3.08	0.05	0.25	(1.14)	(0.31)
5	Experience Gain/(Loss) adjustments on plan assets	N/A	N/A	0.00	0.00	0.00
6	Actuarial Gain/(Loss) due to change on assumptions	0.64	(0.56)	1.23	(1.45)	0.12
Long Term Service Award & Retirement Gift						
	31-Mar-12	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16	
1	Defined Benefit Obligation at end of the period	(4.88)	(5.73)	(5.01)	(5.54)	(6.31)
2	Plan Assets at end of the period	0.00	0.00	0.00	0.00	0.00
3	Funded Status	(4.88)	(5.73)	(5.01)	(5.54)	(6.31)
4	Experience Gain/(Loss) adjustments on plan liabilities	(0.41)	(1.76)	(0.05)	(0.19)	(0.84)
5	Experience Gain/(Loss) adjustments on plan assets	N/A	N/A	N/A	N/A	N/A
6	Actuarial Gain/(Loss) due to change on assumptions	0.17	0.22	0.39	(0.47)	0.04

Actuarial Assumptions

SL.NO.	Descriptions	As on 31 st March,2016	As on 31 st March,2015
1)	Discount Rate (Per annum)	7.90%	7.80%
2)	Expected Return on Assets	N/A	N/A
3)	Salary Escalation	Executive 7% & Non-Executives-6% p.a. Additional 7.5% step up every 10 years starting from 2017 to all employees	Executive 7% & Non-Executives-5% p.a. Additional 7.5% step up every 10 years starting from 2017 to all employees
4)	Mortality Rate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate
5)	Withdrawal Rate	Executive and Non-Executives- 0.10% to 0.50% depending upon the age	Executive and Non-Executives- 0.10% to 0.50% depending upon the age

38. Payment to auditors comprises of:		(₹ in Lakh)	
	2015-16	2014-15	
Statutory Auditors			
Audit Fees	1.03	0.78	
Tax Audit Fees	0.23	0.20	
Out of pocket expenses	0.25	0.25	
TOTAL	1.51	1.23	



39. Disclosure as per Accounting standard-20 on "Earnings per share "

Particulars	2015-16	2014-15
Profit after tax, prior period adjustment & tax adjust as per Statement of Profit & Loss A/cs (Rs. in Lakhs) (a)	4164.81	3459.62
No. Of Equity share of Rs. 10 each outstanding (b)	2480,50,000.00	2480,50,000.00
Effect of potential Equity Shares on Advance for shares outstanding (C)	0.00	0.00
Weighted average number of equity shares in computing diluted earnings per share (b+c)=(d)	2480,50,000.00	2480,50,000.00
Earnings per share:		
Basic [(a)/(b)] (in Rs.)	1.68	1.39
Diluted[(a)/(d)](in Rs.)	1.68	1.39

40. Deferred Tax(Assets)/Liability (Net)

(₹ in Lakh)
2015-16 2014-15

Deferred Tax Assets/ Liability included in the Balance Sheet comprises of
Deferred Tax Assets :

Gratuity	(356.69)	(351.09)
Leave Salary	(435.53)	(408.97)
Post Retirement Medical & Settlement Benefits	(78.28)	(78.11)
Settlement Benefit	(7.07)	(6.96)
Long Term service Award	(2.18)	(1.92)
Un-Absorbed Depreciation	<u>(873.32)</u>	<u>(2143.75)</u>
	<u>(1753.07)</u>	<u>(2990.80)</u>
Deferred Tax Asset/Liability :		
Depreciation	4269.62	3175.57
Net Deferred Tax Assets/Liabilities	2516.55	184.77

41. 50 % & 70% provision is made on stores and spares belonging to BPSCL which have not been moved since last 5 years & 10 years respectively , however no provision is made on stores and spares of erstwhile depot no.58 of BSL which have been transferred to BPSCL on Loan basis. A committee consisting of members from SAIL & BPSCL was formed to review the status of material lying in the above mentioned depot.

42. Since the inception of power plant, ash from ash pond has been excavated and stacked around the ash pond, which has been given rise to mounds over a vast area. These heaps of ash which have been resulted for more than 35 years have developed vegetation over them and no pollution is caused by these ashes. Still there are some mounds of ash which are causing environmental pollution as no greenary has developed in these part. It has been planned to cover these mounds with clay, so that these ash do not get eroded and cause airpollution. For claying of these existing non-greenary ash heaps, expected expenditure of Rs. 15 lakh have been provided in the accounts

43. CORPORATE SOCIAL RESPONSIBILITY :

As per section 135 of the companies Act, 2013 effective from 1st April'2014 the company is required to spend, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years in accordance with its CSR policy. The amount of two percent of average net profits of previous three years ending 31st march 2015 comes out to Rs. 53.92 lakh for the FY 2015-16. The company has spent an amount of Rs. 54.17 lakh on CSR during the year which included in Generation administration & other expenses as detailed below.

(₹ in Lakh)

Particulars	Amount
A. Amount required to be spend during 2015-16	53.92
B. Amount spend on CSR	54.17
C. Shortfall Amount	Nil

44. During the year company changed its accounting policies with respect to valuation of inventries. The company applies peridical weighted average cost for valuation of fuels like Coal and Furnace Oil as earlier it was done on First In First Out basis and for stores & spares Company now applies moving weighted average cost, whereas earlier it was value on weighted average cost.

The Company believes that the new policy is preferable as it more closely alligns the Accounting for these transaction with the present cost of inventories.

The impact of these voluntary change in Accounting Policy on financial statement are as follows:


(a) Inventories: increase in value of inventories as on 31.03.2016 by Rs. 110.73 lakhs.

(b) Fuel and Other cost: Decrease in value of cost during 2015-16 by Rs. 110.73 lakhs.

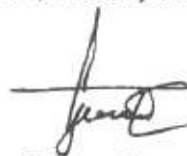



45. Consequent to the notification under the Companies Act, 2013, the financial statements for the year ended 31 st March, 2016 have been prepared under the revised Schedule III . Accordingly, the previous years figures have been re-arranged/re-grouped/re-cast, wherever necessary.


(N.K. Mukhopadhyay)
Company Secretary & HOD
Finance & Accounts

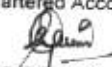

(K. Harinarayana)
Chief Executive Officer


(C.B. Dey)
Director


(Tej Veer Singh)
Director


(M. Biswas)
Chairman

In terms of our report of even date
for M. GOENKA & CO (FRN:309134E)
(Chartered Accountants)


C.A.S. GOENKA
Partner
Merh. No.064641

Date: 01/06/2016
Place: Bokaro



Statutory Auditors' Qualified Opinion	Management's Reply
<p>The company has undertaken construction of 2*250 MW project in the year 2006 and has booked capital work in progress to the tune of Rs.1909.76 Lacs, including Rs1235 Lacs of BG invoked by CCL on 31st March, 2011, due to non-fulfilment of the condition stipulated in the LOA (Letter of Assurance) for supply of coal to the said project. The status of the said project seems to be stagnant for last few years due to various reasons and there seems to be remote possibility of future revival of the project.</p> <p>So as per our opinion the impact of above qualification is overstatement of Profit by Rs.1909.76 Lacs and overstatement of Capital Work In Progress by Rs.1909.76 Lacs and EPS of the current year both basic and diluted stands revised at Rs 0.91 per share.</p>	<p>Implementation of 2x250 MW Power Plant Project by BPSCL is in process. After getting Right to use of 836 acre land by the BSL Management vide letter dated: 10.01.2013 for implementation of the 2X250MW Project steps have also been taken to construct the boundary wall around the earmarked land.</p> <p>Management has been pursuing the matter with district administration on regular basis for construction of Boundary Wall on the land earmarked for the said Project. The construction work was also about to commence with the help of district administration on two occasions i.e. on 04/08/2014 and 24/09/2014.</p> <p>District administration has assured that the matter will be settled down in the very near future and the project will commence as far as construction work is concerned.</p> <p>Once the Boundary wall is constructed the company will proceed for obtaining Environmental clearance from M.O.E.F (State level clearance already obtained) and will proceed with the Project and restoration of the FSA(for which environmental clearance is required).</p> <p style="text-align: right;">(Manabendra Biswas) Chairman</p>

Statutory Auditors' Qualified Opinion	Management's Reply
<p>The company has adopted a salary escalation of 7% for Executives and 5% for Non-Executives. Additional 7.5% step up every 10 years starting from 2017 to all employees, and the same has been used by the actuaries to determine actuarial liabilities against gratuity and other employee benefits. However, during our test check we found out the average escalation in salary was around 8.5% for Executives and 8.12% for Non-Executives for the year 2015-16 but we are not in a position to quantify the effect of the same on actuarial liabilities against gratuity and other employee benefits.</p>	<p>The observation of the Statutory Auditor has been noted. The Salary escalation has estimated considering 7% for Executives and 6% for Non-Executives considering the respective annual Increment of their basic pay. Additional 7.5% step up every 10 years starting from 2017 to all employees, and the same has been used by the actuaries to determine actuarial liabilities against gratuity and other employee benefits. However due to inflation and increasing DA during FY 2015-16 the gross rate of increase as observed by the statutory auditors was more. This being a purely projection (guesstimate) some variations are not unwarranted at actual. The difference is not material / significant in respect of total cost. However, the position will be further reviewed during the current FY 2016-2017 and necessary effect/adjustment will be made in the account of 2016-2017.</p> <p style="text-align: right;">(Manabendra Biswas) Chairman</p>



प्रधान निदेशक, वाणिज्यिक लेखा परीक्षा एवं पदेन सदस्य, लेखा
परीक्षा बोर्ड का कार्यालय, मेकन भवन, राँची - 834 002

OFFICE OF THE
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD
MECON BUILDING, RANCHI-834 002

PH. - 2480343, 2480003, 2482212, 2482184
Fax No. - 0651-2480285



No. HQ-I/Annual Accounts/BPSCL/496/2015-16/378

Dated: 25/07/2016

To

The Chairman
Bokaro Power Supply Company (P) Limited
DVC Tower, 7th Floor
Kolkata - 700054.

Sub: Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements of Bokaro Power Supply Company (P) Limited for the year ended 31 March 2016.

Sir,

I am to forward herewith the comments of the Comptroller and Auditor General of India under 143(6)(b) of the Companies Act, 2013 on the financial statements of Bokaro Power Supply Company (P) Limited for the year ended 31 March 2016.

The receipt of the letter may please be acknowledged.

Yours faithfully,

(Sushil K Jaiswal)

Principal Director of Commercial Audit
Ranchi

Encl: As above.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF BOKARO POWER SUPPLY COMPANY (P)
LIMITED FOR THE YEAR ENDED 31 MARCH 2016

The preparation of financial statements of Bokaro Power Supply Company (P) Limited for the year ended 31 March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 01 June 2016.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of Bokaro Power Supply Company (P) Limited for the year ended 31 March 2016. 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. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

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



(Sushil Kumar Jaiswal)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board, Ranchi.

Place: Ranchi
Date: 25 July 2016