BOKARO POWER SUPPLY COMPANY (P) LTD.

(A Joint Venture of SAIL & DVC)

ANNUAL ACCOUNTS

2016-17

(As per IND AS)

Contains-

**Balance Sheet **
**Statement of Profit & Loss **
Statement of change in Equity
Statement of Cash Flow
Significant accounting Policy
Balance Sheet and Statement of Profit & Loss schedule
** Other notes to Financial Statements**

बोकारो पावर सप्लाई कम्पनी (प्रा) लिमिटेड
(सेल एवं डी.वी.सी. का एक संयुक्त उपक्रम)
हॉल सं.- एम-01, पुराना प्रशासनिक भवन,
इस्पात भवन, बोकारो स्टील सिटी- 827001
दूरभाष: 06542-223747 (का.&प्र.), 240380 (प्र.&ज.)
फैक्स : 06542-247062, 246101 (पावर प्लांट)

बो पा स क लि
B P S C L

CIN: U40300DL2001PTC112074

Bokaro Power Supply Company (P) Ltd.
(A Joint Venture of SAIL & DVC)
Hall No. M-01, Old ADM Building,
Ispat Bhawan, Bokaro Steel City - 827001
Tel: 06542-223747 (P&A), 240380 (P&C)
Fax: 06542-247062, 246101(Power Plant)

BPSCL/CEO/ 3155

Date: 28.06.2017

To
The Deputy Director (HQ)
O/o The Principal Director of Commercial Audit
& Ex-Officio Member, Audit Board,
MECON Building, Ranchi-834002.

Sub: Submission of Annual Accounts for the year ended 2016-17.

Sir,

This has reference to the subject mentioned above. We are hereby submitting the Annual Accounts of Bokaro Power Supply Co. (P) Ltd. for the year ended 2016-17 duly adopted by the Board of BPSCL in its 103rd meeting held on 22nd June 2017 and signed by the Statutory Auditor on 23rd June 2017, along with Audit Report and the Board resolution.

It is requested to kindly commence the Audit for the year ended 2016-17 as early as possible.

Kindly acknowledge the receipt.

Yours faithfully,

28/06/17
(K. Harinarayana)
Chief Executive Officer

Encl: As above

Copy to:
Sr. Resident Audit Officer,
Bokaro Steel Plant,
B.S.City, Bokaro.

INDEPENDENT AUDITORS REPORT

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

Report on Ind AS 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 31st March 2017, the statement of Profit & Loss, (including other comprehensive income), the Statement of cash flows and the statement of changes in Equity 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 "Ind AS financial statement").

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 including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with relevant rules issued there under.

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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financing control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our Audit.

We have taken into account the provision 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 Ind AS financial statements are free from material misstatement.

L. R. SARKAR & CO. Chartered Accountants KOLKATA

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgements, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditors 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 Ind AS 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 Ind AS 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 ₹ 1909.76 Lacs, including ₹ 1235 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; And, hence we suggest that company management must take appropriate measure to properly adjust the same.

In our opinion the impact of above qualification is overstatement of profit by ₹1909.76 Lacs and overstatement of Capital Work In Progress by ₹ 1909.76 Lacs.

Hence, both the overstatements (profit by ₹1909.76 lacs and capital work in progress by ₹1909.76 lacs) as opined in previous year's report, we give our opinion that the impact of both the overstatements should be properly adjusted in the accounts.

Qualified opinion

In our opinion and to the best of our information and according to the explanation given to us, except for the effects of the matter described in the basis for Qualified Opinion above, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS , of the financial position of the company as at 31st March 2017 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

i) We draw attention to clause no. (1), (2), (3), (4) and (5) of note no. 4(a) (Contingent Liability)of Other 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 and 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 ₹ 15362.93 lacs.

L.R. SARKAR & CO. Chartered Accountants KOLKATA

ii) The Company has some pending legal and arbitration cases as detailed in **ANNEXURE - "D"**. We are not in a position to quantify the financial impact of the said detailed cases. We do not modify our opinion in respect of these matters.

Others Matters

The comparative financial information of the company for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules , 2006 audited by the predecessor auditor whose report for the year ended 31st March 2016 and 31st March 2015 dated 1st June 2016 and 31st August 2015 respectively expressed an unmodified opinion on those Financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

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

However, the non- moving, sticky advances remained unadjusted for a considerable time, as detailed in **Annexure-"E"**.

Report on other Legal and Regulatory Requirement

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 sec 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 explanation 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 the explanations given to us, in the **Annexure- "B"** of the Directions issued by Comptroller and Auditors 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 & Loss, the statement of Cash Flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.

L. R. SARKAR & CO. Chartered Accountants

e) On the basis of written representation received from the directors as on 31st March,2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March,2017, 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 our separate report in **Annexure-"C"** ; and

g) 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, in our opinion and to the best of our information and according to the explanation given to us:

i) The company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements- **Annexure-" D"** 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.

iv)The company has provided requisite disclosures in it Ind AS financial statements , as defined in the MCA notification G.S.R 308E dated march30, 2017,as to holdings as well as dealings in Specified Bank Notes during the period from 9 November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

Date: 23/06/2017
Place: Kolkata

L.R. SARKAR & CO. Chartered Accountants KOLKATA

For **L R Sarkar & Co**
Chartered Accountants
(FRN-313030E)

Ipshita Sarkar

CA Ipshita Sarkar (Partner)
Mem. No.-063451

ANNEXURE- "A" to the Auditors Report

Annexure referred to in our report of even date to the members of Bokaro Power Supply Co. (P) Ltd. on the financial statements for the year ended 31st March, 2017.

(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. As such we are not in a position to report any material discrepancies since 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 explanation given to us, the procedures of physical 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 records under Sub-section (1) of section 148 of the Companies Act, 2013 read with companies (Cost Records & Audits) 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, 2017 for a period of more than six months 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, Sales Tax / Value added Tax, Service Tax, ESI aggregating to ₹ 261.17 lakhs which have not been deposited on account of matters pending before appropriate authorities. The details of the disputed dues as at 31st march, 2017 are mentioned hereunder:

Name of the statute	*Nature of the dispute dues with*	*Amount (in Lacs)*	*Period to which the Amount relates*	*Forum where disputes are pending*
The Income Tax Act, 1961	Income Tax	21.74	2012-13	CIT (A) Delhi
		129.96	2011-12	CIT (A) Delhi
		41.53	2010-11	ITAT Delhi
Sales Tax	VAT / Sales Tax	(429.25)#	2012-13	Joint Commissioner (Appeal)
		(264.09) #	2010-11	Joint Commissioner (Appeal)
Service Tax Act 1944	Service Tax	6.91	2012-13	Service tax Authority
ESI	ESI	61.03	2005-10	Dy. Director, ESI Jharkhand

Remand (Back to AO) order Passed by Appellate Authority.

(VIII) In our opinion according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution, banks. Company has no dues from Government or Debentures 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 (including 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, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

L. R. SARKAR & CO. Chartered Accountants

(XI) The company has no executive directors on its board .

(XII) Provision of clause no. (xii) regarding Nidhi Company is not applicable to the Company.

(XIII) The Company has complied with the provision of section 177 & 188 of the Companies Act 2013. where applicable and details of such transaction with the related parties have been disclosed in the Ind AS financial statement vide clause no. 59 (b) of other notes to financial statement 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. Accordingly, paragraph 3 (xv) of the order is not applicable.

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

Date: 23/06/2017
Place: kolkata

For **L R Sarkar & Co**
Chartered Accountants
(FRN-313030E)

L.R. SARKAR & CO Chartered Accountants KOLKATA

Ipshita Sarkar

CA Ipshita Sarkar (Partner)
Mem. No.-063451

ANNEXURE-"B" to the Auditor's Report

Annexure referred to in our report of even date to the members of Bokaro Power Supply Co (P) Ltd. On the financial statements for the year ended 31st March, 2017

DIRECTION 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 deeds are 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 2x250 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 any 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 and assets received as gifts/ grants(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

Date: 23/06/2017
Place: Kolkata

For **L R Sarkar & Co**
Chartered Accountants
(FRN-313030E)

CA Ipshita Sarkar (Partner)
Mem. No.-06345

ANNEXURE-"C" to the Auditor's Report

Annexure referred to in our report of even date to the members of Bokaro Power Supply Co (P) Ltd. on the financial statements for the year ended 31st March 2017

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 31st March, 2017 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 companies 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.

Auditor's 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 and, both issued by the Institute of Chartered Accountants of India. Those standards and the guidance notes require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial 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 disposition 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 31st March 2017, 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.

Date: 23/06/2017
Place: Kolkata

For L R Sarkar & Co
Chartered Accountants
(FRN-313030E)

L. R. SARKAR & CO. Chartered Accountants KOLKATA

Ipshita Sarkar

CA Ipshita Sarkar (Partner)
Mem. No.-063451

ANNEXURE- "D" to the Auditor's Report

Details of On-Going Court Cases

Sl No.	Case No.	By (Parties)	Petitioner	Brief Description of case	Court Before	Financial Implication	Dates
1.	C.M. No. 13716 of 2010 in W.P. (c) No.7359 of 2006	J.S. Arora Vs. D.V.C. & Others	Shri J.S.Arora	Case filled by 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 BPSCL (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. BPSCL and Others	Shri Sachidanand Singh (F/o Santosh Kr.	Compensation sought following Fatal accident of Mr. Santosh Kr. Mr. Sachidanand) allegedly in BPSCL premises	Hight Court	As per order, Rs.4,37,824/- paid by BPSCL as compensatio Commissioner. However, writ petition field in HC Challanging the order	
3.	Ref. Case No. 2 of 2010	Jharkhand Krantikari Mazdoor Union Vs. Management of BPSCL	JKMU (Gen. Secretary)	Demand to regularise contract labour engaged in various debts	Industrial Tribunal, Ranchi	Case pending Amount not yet Ascertained	18-05-2015, 24-06-2015 27-07-2015

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				of BPSCL, alleging camouflage of work of perennial nature as contract work.			
4.	M.J. 4/2010 u/s 33 C(2) of I.D.Act.	Mukund Vs. BPSCL and others	Shri Mukund	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 BPSCL. Case filled by him seeking relief in terms of monetary benefit and reinstatement in job.	Labour Court, B.S. City	Case pending Amount not yet Ascertained	
5.	W.P. (s) no. 595 of 2010	Keshwari Devi Vs. GM (Settlement of Maintenance Allowence)	Mrs. Keshwari Devi	Pentioner Mrs. Keshwari Devi, W/o Mr. P.N Singh (BPSCL Employee) – Seeking grant of 50% retirement benefit as maintenance allowance	High Court, Ranchi	Case pending Amount not yet Ascertained	
6.	Ref. Case no. 41 of 2012	Jharkhand krantikari Mezdoor union Vs. Management of BPSCL	JKMU(Gen. Secretary)	Demand for AWA payment to contract labour w.e.f 01.10.09 as per BSL. (At BPSCL, AWA payment w.e.f 01.10.2011)	CGIT-cum-Labour court,Dhanbad	Rs. 4 Cr. (approx.) subject to court's order/decision.	
7.	M.J 02 of 2012	Kumar Vikram & Ors Vs CEO BPSCL	Kumar Vikram & Ors.	Demand for payment of arrears	Labour Court,B.S City	Case pending Amount not ascertained	

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8.	F.A Case no. 04 of 2013	Inspector of factories, Bokaro Vs. R. Bhargava (Occupier-cum-CEO) and S.K Mitra, Manager-cum-GM (PP)	Inspector of Factories	Case u/s 92 & 96A of the Factories Act,1948	CJM Court,Bokaro	Case pending. Amount not ascertained	
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)	Inspector of Factories	Case u/s 92 of the Factories Act, 1948	CJM Court, Bokaro	Case pending. Amount not ascertained	
10.	F.A Case no. 06 of 2013	Inspector of factories, Bokaro Vs. R. Bhargava (Occupier-cum-CEO) and S.K Mitra, Manager-cum-GM (PP)	Inspector of Factories	Case u/s 92 of the Factories Act,1948	CJM Court, Bokaro	Case pending. Amount not ascertained	
11.	Misc. Case No. 01/2014(*arising out of/relating to Ref. Case No.02/2010)	Jharkhand krantikari Mezdoor union Vs. Management of BPSCL	JKMU (Gen. Secretary)	Application u/s 33A of the Industrial Dispute Act,1947	Industrial Tribunal ,Ranchi	Case pending. Amount not ascertained	
12.	Misc. Case No. 02/2014	Jharkhand krantikari Mezdoor union Vs. Management of BPSCL	JKMU (Gen. Secretary)	Application u/s 33A of the Industrial Dispute Act,1947	Industrial Tribunal ,Ranchi	Case pending. Amount not ascertained	
13.	WP (S) No.4934 to 4938 of 2015	FR RAWANI Vs. SAIL & OTHERS	FR RAWANI	FOR QUASHING HIS SUSPENSION ORDER AND MAKING PAYMENT OF ENTIRE SALARY & OTHER BENEFITS FOR THE PERIOD 20.04.2011 TO 01.03.2013	High Court, Ranchi	-	
14.	WP(S) No. 4934 to 4938 of 2015	RB TIWARY,AN PANDEY & OTHER THREE OFFICER	RB TIWARI, AN PANDEY & OTHER THREE OFFICERS	HAVE DEMANDED PAYMENT OF ARREARS ON ACCOUNT OF WAGE REVISION FOR NON-EXECUTIVE FOR THE PERIOD FROM	High Court, Ranchi	-	

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				01.01.2012 TO 30.03.2012			
15.	WP(C) No. 3357 of 2016	ALSTOM INDIA LIMITED Vs. BPSCL	ALSTOM INDIA LIMITED	ALSTOM has filed a petition against their liability to pay a sum of Rs. 23,21,87,106/-	High Court, Ranchi	Delay in completion of 9th boiler project. (plant)	

Date: 23/06/2017
Place: Kolkata

For **L R Sarkar & Co**
Chartered Accountants
(FRN-313030E)

CA Ipshita Sarkar (Partner)
Mem. No.-063451

ANNEXURE- "E" to the Auditor's Report

Details of unadjusted non - moving/ sticky Advances.

Sl No.	Description Party	Balance outstanding as on 31.03.2017 ₹	Remarks
1	MECON	3,24,494.00	More than 1 year
2	OTIS	4,13,800.00	More than 1 year
3	EC RLY	8,36,252.00	More than 1 year
4	HPCL (Cr. Bal)	40,95,369.66	More than 1 year

Date: 23/06/2017
Place: Kolkata

L.R. SARKAR & CO. Chartered Accountants KOLKATA

For **L R Sarkar & Co**
Chartered Accountants
(FRN-313030E)

Ipshita Sarkar

CA Ipshita Sarkar (Partner)
Mem. No.-063451

22, NORTH RANGE, 1st FLOOR, KOLKATA-700017
TEL : 2281 7867, 2284-5080, M : 94330 86016, E-mail : lrscal@rediffmail.com
B.O. : 180, Co-Operative Colony, Bokaro Steel City, Bokaro.

बोकारो पावर सप्लाई कंपनी (प्रा०) लिमिटेड

Bokaro Power Supply Co. (P) Ltd.
DVC Tower, 7th floor, Kolkata - 700 054
Ph. : 033-2355 0111, Max : 033-6607 2737
E-mail : info@bpscl.in

CIN : U40300DL2001PTC112074

BPSCL 103rd Board Meeting Minutes

Extract of the Minutes of the 103rd Meeting of the Board of Directors of Bokaro Power Supply Co. (P) Ltd. held on Thursday, 22nd June, 2017 at 11.30 a.m. at 11th Floor, Board Room, DVC Towers, VIP Road, Kolkata-700 054.

Sl. No. 1354 Item No. 6.3 **Adoption of unaudited financial statements of BPSCL for the year 2016-2017.**

The Board considered the recommendation of the Board Committee for Finance, Accounts and Audit (given in its 19th Meeting held on 15th June, 2017) for approval and adoption of the unaudited Financial Statements for the year 2016-2017 along with the Notes and Schedules. After discussion the Board adopted the following resolutions: -

"**RESOLVED**

I. that the unaudited Financial Statements of the Company for the year ended 31st March, 2017 and Cash Flow Statement forming part thereto along with Significant Accounting Policies and Notes on Accounts etc. be and are hereby approved.

II. that the Balance Sheet as at 31st March, 2017 and Statement of Profit and Loss Account, Statement of Change in Equity, Cash Flow Statement forming part there to, along with Significant Accounting Policies and Notes on Accounts etc. of the Company for the year ended 31st March, 2017 as approved, be signed by the following before sending the same to the Statutory Auditors for their comments thereon and thereafter to the Commercial Audit (C&AC) for their comments thereon.
   i) Shri Pulak Datta, Chairman
   ii) Shri Tej Veer Singh, Director and Board Committee Member for Finance, Accounts & Audit
   iii) Shri C B Dey, Director and Board Committee Member for Finance, Accounts & Audit
   iv) Shri K Harinarayana, Chief Executive Officer of the Company
   v) Shri N K Mukhopadhyay, Company Secretary and Head of Finance,

III. that the Chairman be and is hereby authorized to furnish suitable replies to the comments of Commercial Audit and/or make suitable adjustments in accounting arising out of the comments of Commercial Audit (C&AC) subject to ex-post-facto approval by the Board".

IV. "FURTHER RESOLVED THAT The Board of Directors is pleased to recommend for distributing dividend @ 10% on paid up capital."

CERTIFIED TRUE COPY

NMukhopadhyay
23/06/2017

(N K Mukhopadhyay)
Company Secretary

BOKARO POWER SUPPLY COMPANY (PRIVATE)

BALANCE SHEET AS AT 31[ST] MARCH 2017

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note	31.03.2017	31.03.2016	01.04.2015
ASSETS				
Non-current assets				
a) Property, plant and equipement		-	-	-
b) Capital work in progress	28	3,154.87	2,999.49	3,286.34
c) Other Intangible assets		-	-	-
d) Financial assets				
i) Loans	29	27,081.18	24,145.13	25,016.88
ii) Lease Receivable	30	52,251.55	49,887.71	49,478.67
iii) Other Financial Assets	31	223.92	786.57	113.63
e) Deferred tax asset (net)		670.67	879.77	-
Total non current assets		83,382.19	78,698.67	77,895.52
Current assets				
a) Inventories	32	5,453.88	7,451.03	9,257.55
b) Financial assets				
i) Trade receivable	33	11,403.89	11,242.78	12,818.14
ii) Cash and cash equivalent	34	13,266.87	15,750.16	7,776.05
iii) Loans	35	10,517.33	10,168.54	7,500.29
iv) Lease Receivable	30	2,065.06	1,879.02	1,822.60
c) Other assets	36	306.10	313.50	358.54
Total current assets		43,013.13	46,805.11	39,533.25
Total assets		1,26,395.32	1,25,503.78	1,17,428.77
EQUITY AND LIABILITIES				
Equity				
a) Share capital	37	24,805.00	24,805.00	24,805.00
b) Other equity		52,045.62	46,605.96	37,966.80
Total Equity		76,850.62	71,410.96	62,771.80
Non-current liabilities				
a) Financial liabilities				
i) Long-term borrowings	38	-	171.00	223.60
ii) Other non current financial liabilities	39	1,579.43	527.35	453.61
b) Provisions	40	25,818.94	24,832.59	26,956.84
c) Deferred tax liabilities		-	-	184.77
Total Non-current Liabilities		27,398.37	25,530.94	27,818.82
Current liabilities				
a) Financial liabilities				
i) Short-term Borrowings	41	14,399.94	19,203.06	19,419.84
ii) Trade and other Payables	42	4,594.89	6,533.79	5,088.79
iii) Other current finacial liabilities	43	674.12	225.61	225.42
b) Provisions	44	2,477.38	2,599.42	2,104.10
Total Current Liabilities		22,146.34	28,561.88	26,838.15
TOTAL EQUITY AND LIABILITIES		1,26,395.32	1,25,503.78	1,17,428.77

Significant Accounting Policies (1 to 27)
Balance Sheet & Statement of Profit and Loss Schedules (28 to 50)
Other Notes to Financial Statements (51 to 73)
The above Financial Statement should be read in conjunction with accompanying NOTES

22-06-2017

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

(K.Harinarayana)
Chief Executive Officer

(C.B.Dey)
Director

(Tej Veer Singh)
Director

(P. Datta)
Chairman

In terms of our report of even date
for L R SARKAR & CO (FRN:313030E)
(Chartered Accountants)

CA. L Sarkar
Partner
Mem. No.063451

Date: 22/06/17
Place: Kolkata

L. R. SARKAR & CO.
Chartered Accountants
KOLKATA

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31[ST] MARCH 2017

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note	2016-17	2015-16
Revenue from operation (net)	45	87486.56	92385.36
Other Income	46	2585.17	2718.38
Total Revenue		90071.73	95103.74
Expenses			
Cost of material consumed	47	66539.48	65301.61
Employee Benefit Expenses	48	3253.01	4035.06
Finance costs	49	1566.60	1920.90
Depreciation & amortisation expenses		0.00	0.00
Generation /Administration & other expenses	50	10650.88	14855.16
Total Expenses		82008.97	86120.81
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		8062.76	8982.93
Exceptional items			0.00
PROFIT BEFORE TAX		8062.76	8982.93
Tax Expenses:			
Current Tax		1448.00	1484.49
Earlier Year adjustment			126.60
MAT-Credit Entitlement		(1448.00)	(1484.49)
Deferred Tax		209.10	(1064.54)
PROFIT FOR THE PERIOD		7,853.66	9920.87
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability/asset (Actuarial Gain)		49.02	20.84
TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAX)		49.02	20.84
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		7902.68	9941.71
EARNINGS PER EQUITY SHARE			
Equity share of par value Rs. 10 each			
Basic		3.17	4.00
Diluted		3.17	4.00
No. Of shares used in computing earnings per share			
Basic		248050000	248050000
Diluted		248050000	248050000

Significant Accounting Policies (1 to 27)
Balance Sheet & Statement of Profit and Loss Schedules (28 to 50)
Other Notes to Financial Statements (51 to 73)
The above Financial Statement should be read in conjunction with accompanying NOTES.

22-06-2017

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

(K.Harinarayana)
Chief Executive Officer

(C.B.Dey)
Director

(Tej Veer Singh)
Director

(P.Dutta)
Chairman

In terms of our report of even date
for L.R SARKAR & CO (FRN:313030E)
(Chartered Accountants)

CA. L. Sarkar
Partner
Mem. No.063451

Date: 23/06/17
Place: Kolkata

L. R. SARKAR & CO
Chartered Accountants
KOLKATA

Statement of Changes in Equity for the year ended 31st March 2017

A) Equity Share Capital

For the year ended 31st March 2017

(All amounts in INR Lakhs, unless otherwise stated)

Balance at the beginning of the reporting period i.e 01.04.16	Changes in equity share capital during reporting period	Balance at the end of the reporting period 31.03.17
24,805.00	-	24,805.00

For the year ended 31st March 2016

(All amounts in INR Lakhs, unless otherwise stated)

Balance at the beginning of the reporting period i.e 01.04.15	Changes in equity share capital during reporting period	Balance at the end of the reporting period 31.03.16
24,805.00	-	24,805.00

B) Other Equity

For the year ended 31st March 2017

(All amounts in INR Lakhs, unless otherwise stated)

	Reserves & Surplus		Other Comprehensive Income		
Particulars	Retained Earnings	General Reserve	Equity Instruments through other comprehensive income	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Balance as on 01.04.16	46,585.12	-	-	20.84	46,605.96
					-
Profit for the period	7,853.66			49.02	7,902.68
					-
					-
Dividend paid for the year	(2,046.41)				(2,046.41)
					-
Tax on dividend	(416.60)				(416.60)
					-
Balance as on 31.03.17	51,975.76			69.86	52,045.62

For the year ended 31st March 2016

(All amounts in INR Lakhs, unless otherwise stated)

	Reserves & Surplus		Other Comprehensive Income		
Particulars	Retained Earnings	General Reserve	Equity Instruments through other comprehensive income	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Balance as on 01.04.15	37,966.80				37,966.80
					-
Profit for the period	9,920.87			20.84	9,941.71
					-
Dividend paid for the year	(1,082.24)				(1,082.24)
					-
Tax on dividend	(220.32)				(220.32)
					-
Balance as on 31.03.16	46,585.12			20.84	46,605.96

22-07-2017

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

(K.Harinarayana) Chief Executive Officer

(C.B.Dey) Director

(Tejpeer Singh) Director

(P. Datta) Chairman

In terms of our report of even date
for L R SARKAR & CO (FRN:313030E)
(Chartered Accountants)

CA. L Sarkar
Partner
Mem. No.063451

Date: 29/06/17
Place: Kolkata

L. R. SARKAR & CO Chartered Accountants KOLKATA

BOKARO POWER SUPPLY COMPANY (P) LIMITED

Cash Flow Statement for the year ended March 31, 2017

(All amounts in INR Lakhs, unless otherwise stated)

	Particulars	2016-17	2015-16
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Profit before tax	8,062.76	8,982.93
	Adjustments for :		
	Depreciation and amortisation	-	-
	Finance Cost	1,565.60	1,928.98
	Interest Income	(555.36)	(376.08)
	Operating Profit before working capital changes	**9,073.00**	**10,535.83**
	Changes in Working Capital		
	Adjustments for (increase)/decrease in operating assets :		
	Inventories	1,997.15	1,886.52
	Trade receivables	(361.13)	1,575.36
	Short-term loans and advances	(348.79)	(2,668.25)
	Long -term loans and advances	(2,936.06)	871.76
	Other current assets	7.48	44.97
	Deferred tax assets	209.10	(879.77)
	Adjustments for increase/(decrease)in operating liabilities :		
	Trade payables	(886.81)	1,518.74
	Other current liabilities	448.51	0.19
	Deferred tax liabilities	0.00	(184.77)
	Short-term provisions	(71.03)	516.17
	Long -term provisions	986.34	(2124.26)
		(757.23)	**476.65**
	Cash generated from operations	**8315.79**	**11012.49**
	Taxes paid	209.10	(937.94)
	Net cash flow from /(used in) operating activities (A)	**8,106.69**	**11,950.43**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of fixed assets	-	-
	Investment in Financial Assets	(2,549.86)	(465.38)
	Advance against capital goods	(155.38)	266.84
	Interest received	555.36	376.08
	Increase (-)/Decrease(+) in investment in term deposits with more than three months	(1131.36)	(324.32)
	Net cash flow from /(used in) investing activities (B)	**(3281.25)**	**78.22**
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Repayments of long term borrowings	0.00	0.00
	Interest paid	(1565.60)	(1928.98)
	dividend paid	(2046.41)	(1082.24)
	dividend tax	(416.60)	(220.32)
	Increase (+)/Decrease(-) in long term liabilities	(171.00)	(52.60)
	Net cash flow from /(used in) financing activities (C)	**(4199.61)**	**(3284.14)**
	Net increase/(decrease) in cash and cash equivalents(A+B+C)	**625.82**	**8739.51**
	Cash and cash equivalents at the begining of the year	(3515.90)	(12255.40)
	Cash and cash equivalents at the end of the year	**(2890.08)**	**(3515.90)**
		625.82	**8,739.51**

1. The cash flow statement has been prepared under the indirect method as set out in Accounting Standard (Ind AS) 7 Statement of Cash Flows.

2. Reconciliation of cash and cash equivalants as per balance sheet (Rs. ₹in Lakh)

	2016-17	2015-16
Cash and cash equivalants	13266.87	15750.16
Less: Balances with banks on Deposits accounts	1757.01	63.00
(Maturity more than 3 months)		
Net cash & Cash equivalent	11509.86	15687.16
Add Short term borrowings repayable on demand	(14399.94)	(19203.06)
Cash and cash equivalants as per cash flow statement	(2890.08)	(3515.90)

NMukhopadhyay
23-06-2017

(N.K.Mukhopadhyay) Company Secretary & HOD Finance & Accounts	(K.Harinarayana) Chief Executive Officer	(C.B.Dey) Director	(Tej Veer Singh) Director	(P. Dash) Chairman

In terms of our report of even date
for L.R SARKAR & CO (FRN:313030E)
(Chartered Accountants)

CA. I. Sarkar
Partner
Mem No.063451

Date: 23/06/17
Place: Kolkata

L.R. SARKAR & CO.
Chartered Accountants
KOLKATA

A. **Summary of significant accounting policies and other explanatory information to the financial statements for the Year ended 31st March 2017.**

1. **Reporting Entity. (Background)**

Bokaro Power Supply Company Private Limited (BPSCL) ("the Company") 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 w.e.f. 02/09/2014 by 300 Tonne Steam and 36 MW power. The registered office of the Company is situated at Ispat Bhawan, Lodhi Road, New Delhi. 110 003.

2. **Basis of Preparation**

2.1 Statement of Compliance

The financial statements of the Company have been prepared on accrual basis of accounting in accordance with the Indian Accounting Standards (Ind-AS) notified under section 133 of the companies ACT 2013 {Companies (Indian Accounting Standards) Rules 2015}. The Company has uniformly applied the accounting policies during the period presented. These are the Company's first financial statements prepared in accordance with Ind-AS. These are the Company's first Ind-AS financial statements and Ind-AS 101 has been applied.

For all the periods up to and including 31 March 2016, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India, Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies Act, 2013. The Company followed the provisions of Ind- AS 101 in preparing its opening Ind-AS Balance Sheet as of the date of transition, viz., 1st April 2015. Certain Ind-AS accounting policies used in the opening Balance Sheet differed from its Indian GAAP policies applied as at 31st March, 2015 and accordingly the adjustments were made to restate the opening balances as per Ind-AS. The resulting adjustment arose from events and transactions before the date of transition to Ind-AS were recognized directly through retained earnings as at 1st April, 2015 as required by Ind- AS 101.

The financial statements for the year ended 31st March 2017 have been approved by the Board of Directors on 22/06/2017.

2.2 Basis of Measurement

The financial statements are prepared under the historical cost except for the certain assets and liabilities which have been measured at fair value.

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of Lakh unless otherwise stated.

L. R. SARKAR & CO. Chartered Accountants KOLKATA

2.4 Use of Estimates and Management Judgement.

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the 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.

Critical estimates and judgement by management are-

a.) estimate of current tax expenses.
b.) defined benefit obligation.
c.) estimates of Fair value of contingent liabilities.
d.) recognition of revenue
e.) recognition of deferred tax.

3. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given vide no 4 to 22. These accounting policies have been applied consistently to all the periods presented in the financial statements.

4. Property, Plant and Equipment

4.1 Recognition and Measurement

Land

Land held for use is initially recognized at cost. Land also includes land held under finance lease.

Other Tangible Assets

Property, plant and equipment other than land are initially recognised at acquisition cost or construction cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management including trial run expenses net of revenue. Plant & Machinery also include assets held under finance lease. These assets are subsequently measured using the cost model, at cost less accumulated depreciation and impairment losses, if any.

Spares having useful life of more than one year are capitalised under the respective heads as and when available for use.

Profit or loss arising on the disposal of property, plant and equipment are recognised in the statement of profit and loss.

4.2 Subsequent Cost

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company. The carrying amount of the replaced part is derecognised.

L.R. SARKAR & CO. Chartered Accountants KOLKATA

4.3 Depreciation

Depreciation on tangible assets and investment property 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 of the Companies Act, 2013 except in case of Factory Buildings and Plant and Machinery and components thereof where useful life is determined by technical experts. The life assumed by the technical experts is as under:

Asset category	Estimated useful life (in years)
Factory Buildings	30
Plant and Machinery	20

For these classes of assets, based on technical evaluation carried out by technical experts, the Company believes that the useful lives as given above best represent the period over which Company expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

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.

Depreciation on capital spares is provided over the useful life of the spare or remaining useful life of the mother asset whichever is lower.

5. Capital work in progress

Expenses directly attributable to construction of property, plant and equipment 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.

6. Intangible assets

6.1 Recognition and measurement

Intangible Assets

Software which is not an integral part of related hardware, is treated as intangible asset and amortised over a period of five years or its licence period, whichever is less.

Research and development

Development expenditure is capitalized only if it can be measured reliably, the related asset and process are identifiable and controlled by the Company. Other development expenditure is recognized as revenue expenditure as and when incurred.

6.2 Subsequent Cost

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit or loss as and when incurred.

L. R. SARKAR & CO. Chartered Accountants KOLKATA

7. **Impairment of non-financial assets**

The Company reviews the carrying amount of its fixed assets on each Balance Sheet date for the purpose of ascertaining impairment if any, by considering assets of entire one Plant as Cash Generating Unit (CGU). If any such indication exists, the assets recoverable amount is estimated, as higher of the Net Selling Price and the Value in Use. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

8. **Borrowing costs**

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalised as a part of the cost of that asset, during the period of time that is necessary to complete and prepare the asset for its intended use.

Transaction costs in respect of long-term borrowings are amortised over the tenor of respective loans using effective interest method. Other borrowing costs are expensed in the period in which they are incurred.

9. **Inventories**

Raw materials, Stores & Spares and scrap are valued at lower of cost and net realisable value of the items of the respective Plants/Units. 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

10. **Government grants**

Government grants are only recognized if it is sufficiently certain reasonably assured that the assistance grants will be granted received and the conditions attached to the assistance grants are satisfied. Where the Grant relates to an asset value, it is recognized as deferred income, and amortised over the expected useful life of the asset. Other grants are recognized in the statement of comprehensive income concurrent to the expenses to which such grants relate/ are intended to cover.

Where the Company receives non-monetary grants, the asset and the grant are recorded gross at fair amounts and released to the income statement over the expected useful life and pattern of consumption of the benefit of the underlying asset.

L. R. SARKAR & CO. Chartered Accountants KOLKATA

11. Foreign currency transactions

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement and re-measurement of monetary items denominated in foreign currency are recognised in the Statement of Profit and Loss at period-end exchange rates. (i.e. closing Balance Sheet date)

The Company opted for accounting the exchange differences 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 29thDecember 2011), will continue in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at 31stMarch 2016. Accordingly, exchange differences (including arising out of forward exchange contracts) relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.

Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

12. Employee benefits

Defined contribution plan

A defined contribution plan is a plan under which the Company pays fixed contributions. Contributions towards Provident Funds are charged to the Statement of Profit or Loss of the period when the contributions to the Funds are due.

Defined benefit plan

The defined benefit plans are the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefits remains with the Company.

The provisions/ liabilities towards gratuity, accrued leave, long term service awards and retirement gifts, post-retirement medical and settlement benefits are made annually through valuations by an independent actuary using the projected unit credit method. Actuarial gains and losses are included in statement of profit or loss or other comprehensive income of the year.

Short term employee benefits

Short term benefits comprise of employee costs such as salaries, bonus, ex-gratia, short-term compensated absences are accrued in the year in which the associated services are rendered by employees of the Company.

13. Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Amount Disclosed in revenue are net of sales return, trade allowances, rebates and VAT's.

Income from financial assets

Income from financial assets is recognized based on the internal rate of return to provide a constant periodic rate of return on the net investment outstanding over the period of the contract or as per the terms of the contract.

Interest income

Interest income is reported on an accrual basis using the effective interest method.

L.R. SARKAR & CO. Chartered Accountants KOLKATA

Income from Finance Lease

Revenue arises from the supply of power and stream as per power and stream purchase agreement entered into with SAIL. It is measured as the fair value of consideration received or receivable, excluding electricity duty. Gross consideration received or receivable is bifurcated into lease receivable and other actual cost reimbursable. Lease receivable is further bifurcated into interest component and principal component based on the internal rate of return to provide a constant periodic rate of return on the net investment outstanding over the period of the contract or as per the terms of the contract. Interest component has been transferred to statement of profit and loss and principal component is transferred to net investment in lease (deduction from net investment in lease).

14. Claims for liquidated damages and price escalation

Claims for liquidated damages are accounted for as and when these are 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.

Suppliers' and Contractors' claims for price escalation are accounted for to the extent such claims are accepted by the Company.

15. Leased assets

Company as a lessee

Finance leases

Finance leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Operating leases

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

Company as a lessor

Finance leases

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.

Operating leases

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

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16. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation.

17. Provisions, Contingent Liabilities and Contingent Assets

Provisions and contingent liabilities

A Provision is recognised when the Company has present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are discounted to their present value, where the time value of money is material.

When some or all of the economic benefits required to settle, a provision is expected to be recovered from a third party, the receivable is recognised as a separate asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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 obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

In cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no Provision is recognised or disclosure is made.

Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognised though are disclosed, where an inflow of economic benefits is probable.

18. Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income (OCI) or directly in equity.
Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income tax relating to items recognised outside statement of profit and loss is recognised either in OCI or in equity.

Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised either in OCI or in equity.

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19. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term highly liquid investments (original maturity less than 1 year) that are readily convertible into cash and subject to an insignificant risk of changes in value.

20. Equity and Reserves

Share Capital represents the nominal value of shares that have been issued. Share premium includes any premiums received on issue of Share Capital. Any transaction costs associated with the issuing of shares are deducted from share premium account, net of any related income tax benefits.

Other components of equity include the following:

- Re-measurement of defined benefit liability comprises the actuarial gain or loss from changes in demographic and financial assumptions.
- Other transactions recorded directly in Other Comprehensive Income.
- Retained earnings include all current and prior period retained profits.

21. Financial instruments

Recognition, initial measurement and de-recognition

Financial assets and financial liabilities are recognised and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- amortised cost
- financial assets at fair value through profit or loss (FVTPL)
- financial assets at fair value through other comprehensive income (FVOCI)

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date.

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Amortised cost

A financial asset is measured at amortised cost using effective interest rates if both of the following conditions are met:

a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that are either do not meet the criteria for amortised cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at FVOCI

FVOCI financial assets are either debt instruments that are managed under hold to collect and sell business model or are non-trading equity instruments that are designated to this category.

FVOCI financial assets are measured at fair value. Gains and losses are recognized in other comprehensive income, except for interest and dividend income, impairment losses and foreign exchange differences on monetary assets, which are recognized in statement of profit or loss.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognized in profit or loss. All derivative financial instruments are accounted for at FVTPL.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive.

Trade receivables

The Company applies approach permitted by Indian Accounting Standards (Ind AS) 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition.

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22. Significant judgements in applying accounting policies

22.1 Classification of leases

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

22.2 Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

23. Dividends

Dividends payable to a company shareholders are recognised as changes in equity in the period in which they are approved by the shareholders meeting and the Board of Directors respectively.

24. Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities & equity for the earliest prior period presented, are restated.

25. Cash Flow Statement

The cash flow statement has been prepared under the indirect method as set out in Accounting Standard (Ind AS) 7 Statement of Cash Flows.

26. Current and Non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

Expected to be realized or intended to be sold or consumed in normal operating cycle;

- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

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27. Key sources of estimation uncertainty

Estimates and assumptions that have significant effect on recognition and measurement of assets, liabilities, income and expenses are as detailed below. Actual results may be substantially different.

27.1 Useful life of Property, Plant and Equipment

The Company reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain plant and equipment.

27.2 Inventories

The Company estimates the cost of inventories taking into account the most reliable evidence, such as cost of materials and overheads considered attributable to the production of such inventories including actual cost of production, etc. Management also estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

27.3 Defined Benefit Obligation (DBO)

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

27.4 Fair value measurements

The Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

27.5 Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

27.6 Leases not in legal form of lease

Significant judgment is required to apply lease accounting rules under Appendix C to Ind AS 17 'Determining whether an arrangement contains a lease. In assessing the applicability to arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria under Appendix C to IndAS 17.

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27.7 Recent accounting pronouncements

Standards issued but not yet effective-

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the company from April 1, 2017.

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

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B. Balance Sheet Schedule:

28 **Capital work in progress**

(₹ in Lakh)

Particulars	March 31,2017		March 31,2016		April 01,2015	
CAPITAL WORK IN PROGRESS 9TH BLR	1,091.54		1,010.53		1,298.63	
CAPITAL WORK IN PROGRESS 2X250	1,909.76		1,909.76		1,909.76	
CAPITAL WORK IN PROGRESS -OTHERS	149.79		79.21		77.95	
CAPITAL WORK IN PROGRESS- SOLAR POWER	1.78		-		-	
		3,154.87		2,999.49		3,286.34
TOTAL		**3,154.87**		**2,999.49**		**3,286.34**

*Capital Work in Progress includes Rs. 1235 Lakh of IDC involved for 2x250 MW project in 2010-11

29 **Loans**

(₹ in Lakh)

Particulars	March 31,2017		March 31,2016		April 01,2015	
Capital Advances Secured, considered good	-		-		-	
Security Deposits-Unsecured	36.55		36.55		36.55	
Advance to BPSCL ESBF Trust	0.10		0.10		0.10	
FINANCIAL ASSETS	0.31		0.28		0.13	
Prepaid Expenses	67.05		65.30		52.33	
Advance Income Tax	21,816.74		20,331.95		22,752.31	
Advance Fringe Benefit Tax	43.28		43.28		43.28	
MAT-Credit Entitlement	4,174.67		2,726.67		1,242.18	
Claims recoverable from IT Deptt.	583.56		583.56		583.56	
TDS on interest on Investment	-		-		-	
TDS Refundable from IT Deptt.	0.98		0.98		0.98	
Loan and Advances to employees	357.95		356.46		305.48	
		27,081.18		24,145.13		25,016.80
TOTAL		**27,081.18**		**24,145.13**		**25,016.80**

Employee loans are secured against house property and Vehicles

Loans given to employees are measured at amortised cost. The deferred prepaid expenditure represents the difference between amortised value of the loan and the actual loan amount. The same will be amortised on a straight line basis over the remaining period of the loan.

30 **Lease Receivable**

(₹ in Lakh)

Particulars	March 31,2017		March 31,2016		April 01,2015	
Non- Current Investment in Lease						
Non-current Lease Receivables	51,646.11		49,628.63		49,478.67	
Unearned Finance Income	605.44	52,251.55	248.08	49,887.71	-	49,478.67
		52,251.55		49,887.71		49,478.67
Current Investment in Lease						
Current Lease Receivables		2,065.06		1,879.02		1,822.68
		2,065.06		1,879.02		1,822.68
TOTAL		**54,316.61**		**51,766.73**		**51,301.35**

Keeping in view the provisions of Appendix C to Ind AS-17 on 'Leases' w.r.t determining whether an arrangement contains a Lease, the company has ascertained that the PPA entered with the beneficiary falls under the definition of finance lease. Accordingly, the written down value of the specified assets has been derecognized from PPE and accounted as Finance Lease Receivable (FLR). Recovery of capacity charges towards depreciation, interest on loan & return on equity & Incentive(pre-tax) components from the beneficiary are adjusted against FLR. The interest component of the FLR in respect of the above three elements are recognised as 'Interest Income on Assets under finance lease' under Note-41- 'Revenue from operations'.

31 **Other Financial Assets**

(₹ in Lakh)

Particulars	March 31,2017	March 31,2016	April 01,2015
Balances with banks on Deposits accounts (Maturity more than one years)	223.92	786.57	113.63
TOTAL	**223.92**	**786.57**	**113.63**
Balances with banks held as margin money deposits against guarantees	223.92	625.42	113.63

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32 **INVENTORIES**

(₹ in Lakh)

Particulars	March 31,2017		March 31,2016		April 01,2015	
Raw Materials:						
Coal	1,143.58		3,435.53		2,606.61	
Coal Freight	-		-		235.02	
Coal In Transit	692.33		160.14		1,009.71	
Furnace Oil	384.23		603.35		1,221.84	
		2,220.14		4,199.02		5,073.18
Stores & Spares :						
Stores & spares (Imported)	806.30		685.01		1,022.46	
Stores & Spares	2,156.43		2,104.84		2,638.71	
Stores & spares -Transit	122.18		344.53		314.68	
Stock at site	148.83		117.63		208.52	
		3,233.74		3,252.01		4,184.37
TOTAL		**5,453.88**		**7,451.03**		**9,257.55**

Inventory items have been valued as per accounting policy No 9 given at "Significant Accounting Policies"

The carrying amount of inventories pledged as security for Working Capital Loans

33 **Trade Receivables**

(₹ in Lakh)

Particulars	March 31,2017	March 31,2016	April 01,2015
Receivables outstanding for a period exceeding six months (Unsecured , considered good)	2,645.71	1,293.67	1,293.67
Receivables outstanding for a period less than Six Months (Unsecured , considered good)	8,758.18	9,949.11	11,524.47
TOTAL	**11,403.89**	**11,242.78**	**12,818.14**

34 **Cash and Cash Equivalent:**

(₹ in Lakh)

Particulars	March 31,2017		March 31,2016		April 01,2015	
CASH AND CASH EQUIVALENTS:						
Balances with banks:						
On Current Accounts	8,916.72		13,275.09		4,938.66	
On Deposit Accounts	2,593.06		2,412.02		2,225.78	
(Maturity less than 3 months)		11,509.78		15,687.11		7,164.44
Cash on hand (IMPREST ACCOUNT)		0.08		0.05		-
OTHER BANK BALANCES :						
Balances with banks on Deposits accounts (Maturity more than 3 months but less than one year)		1,757.01		63.00		611.61
TOTAL		**13,266.87**		**15,750.16**		**7,776.05**
Balances with banks held as margin money deposits against guarantees		553.69		63.00		473.74

The company has not transacted in specified bank notes during the period 08.11.2016 to 30.12.2016 and did not hold any specified bank notes as on 08.11.2016 and 30.12.2016.

35 **Loans and Advances**

(₹ in Lakh)

Particulars	March 31,2017		March 31,2016		April 01,2015	
Loans and advances to employees*	81.43		92.13		89.28	
FINANCIAL ASSETS	0.43		0.37		0.45	
Prepaid Expenses	239.22		185.52		171.63	
Advance to contractors	5.97		5.87		0.17	
Advances to suppliers	5,065.62		5,740.06		2,882.96	
Employees P.F. Contribution	-		-		-	
Balances with Govt. Authorities :						
Advance Income Tax	1,448.00		1,484.79		1,033.00	
TDS on interest on Investment	604.44		548.90		811.79	
Vat credit receivable	2,266.44		1,305.37		1,710.03	
Custom Duty & Service Tax	5.79		5.54		0.99	
Advance Sales Tax	800.00		800.00		800.00	
		10,517.33		10,168.54		7,500.29
TOTAL		**10,517.33**		**10,168.54**		**7,500.29**

*Employee loans are secured against house property and Vehicles.

* Loans given to employees are measured at amortised cost. The deferred prepaid expenditure represents the difference between amortised value of the loan and the actual loan amount. The same will be amortised on a straight line basis over the remaining period of the loan.

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36 **Other Assets**

(₹ in Lakh)

Particulars	March 31,2017		March 31,2016		April 01,2015	
Interest Accrued but not due on Fixed Deposit	281.02		195.59		240.90	
Interest Accrued but not due on CLTD	25.08		19.42		19.08	
Electricity Duty-Reimbursable	-		98.56		98.56	
		306.10		313.58		358.54
TOTAL		**306.10**		**313.58**		**358.54**

37 **SHARE CAPITAL**

Particulars	March 31,2017		March 31,2016		April 01,2015	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
Authorised						
Equity Shares of Rs. 10 each	1,20,00,00,000	1,20,000.00	1,20,00,00,000	1,20,000.00	1,20,00,00,000	1,20,000.00
Issued, subscribed and fully paid up						
Equity Shares of Rs. 10 each fully paid up	24,80,50,000	24,805.00	24,80,50,000	24,805.00	24,80,50,000	24,805.00
Total	24,80,50,000	24,805.00	24,80,50,000	24,805.00	24,80,50,000	24,805.00

24,80,50,000 equity shares of ₹10 each were allotted as fully paid up for consideration other than cash.

Reconciliation of Number of equity shares

Particulars	March 31,2017		March 31,2016		April 01,2015	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
At the beginning of the year	24,80,50,000	24,805.00	24,80,50,000	24,805.00	24,80,50,000	24,805.00
At the end of the year	**24,80,50,000**	**24,805.00**	**24,80,50,000**	**24,805.00**	**24,80,50,000**	**24,805.00**

Details of shares held by shareholders holding more than 5% of the aggregate shares of the company

Name of shareholder	March 31,2017		March 31,2016		April 01,2015	
	Number of shares	% holding in that class of shares	Number of shares	% holding in that class of shares	Number of shares	% holding in that class of shares
Steel Authority of India Limited	12,40,25,000	50%	12,40,25,000	50%	12,40,25,000	50%
Damodar Valley Corporation	12,40,25,000	50%	12,40,25,000	50%	12,40,25,000	50%
Total	**24,80,50,000**	**100%**	**24,80,50,000**	**100%**	**24,80,50,000**	**100%**

38 **LONG TERM BORROWINGS**

(₹ in Lakh)

Particulars	March 31,2017	March 31,2016	April 01,2015
Secured			
Term Loans From Banks	-	-	-
Unsecured			
Working capital loan from SAIL/BSL	-	171.00	223.60
TOTAL	-	**171.00**	**223.60**

39 **Other non current financial liabilities**

(₹ in Lakh)

Particulars	March 31,2017	March 31,2016	April 01,2015
TRADE PAYABLES:			
Security Deposits	449.63	482.56	408.44
Gratuity & Provident fund of deceased employees	17.01	7.31	7.31
Other EFBS Liability	57.28	36.10	36.49
Unearned finance Income	-		
Contractors Account -ESI	1.37	1.37	1.37
Alstom BG Encashment	1,042.17	-	-
Payable to contractors	11.97	-	-
TOTAL	**1,579.43**	**527.35**	**453.61**

40 **PROVISIONS**

(₹ in Lakh)

Particulars	March 31,2017	March 31,2016	April 01,2015
Provisions for employee benefits	2,893.56	3,395.75	3,202.16
Provisions for others	22,925.38	21,436.83	23,754.68
TOTAL	**25,818.94**	**24,832.59**	**26,956.84**

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41 **SHORT -TERM BORROWINGS**

(₹ in Lakh)

Particulars	March 31,2017	March 31,2016	April 01,2015
Secured :			
Loans repayable on demand from banks			
Cash Credit with Canara (Secured against hypothecation of Stocks and book debts.)	6,186.78	12,195.03	14,419.84
Cash Credit with SBI (Secured against hypothecation of Stocks and book debts.)	3,213.16	2,008.03	-
Other Short Term borrowings from bank	5,000.00	5,000.00	5,000.00
TOTAL	**14,399.94**	**19,203.06**	**19,419.84**

There has been no default in repayment of any of the loans or interest thereon as at the end of the year/period.

42 **TRADE AND OTHER PAYABLES**

(₹ in Lakh)

Particulars	March 31,2017	March 31,2016	April 01,2015
Payable to contractors & suppliers	4,055.99	5,137.44	3,844.87
Security Deposit	192.70	206.81	175.05
Payable to others	166.24	286.51	244.12
Accrued Salary	179.96	903.03	824.74
TOTAL	**4,594.89**	**6,533.79**	**5,088.79**

43 **OTHER CURRENT FINANCIAL LIABILITIES**

(₹ in Lakh)

Particulars	March 31,2017	March 31,2016	April 01,2015
Interest accrued but not due on borrowings	30.30	39.49	42.47
Statutory deduction including withholding Tax	223.78	157.83	156.48
Other deductions	420.05	28.29	26.47
TOTAL	**674.12**	**225.61**	**225.42**

44 **PROVISIONS**

(₹ in Lakh)

Particulars	March 31,2017		March 31,2016		April 01,2015	
Provisions for Employee Benefits						
LTSA & RG	1.03		0.63		0.30	
Gratuity	171.95		138.62		71.87	
Leave Salary	132.89		86.95		77.27	
PRMB	25.44		28.45		21.76	
Settlement cost	2.53		2.78		1.59	
		333.83		257.43		172.79
Provision for Income tax	1,448.00		1,484.79		1,242.18	
Provision for others	695.55		857.21		689.13	
		2,143.55		2,342.00		1,931.31
TOTAL		**2,477.38**		**2,599.42**		**2,104.10**

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B. Statement of Profit & Loss Schedule

45 **Revenue from Operation**

(₹ in Lakh)

Particulars	2016-17		2015-16	
Energy sales (including electricity duty)	86,539.14		91,464.76	
less: Electricity Duty	671.10	85,868.04	680.10	90,784.66
Interest on lease Rental		1,618.51		1,600.70
TOTAL		87,486.56		92,385.36

Keeping In view the provisions of Appendix C to Ind AS-17 on 'Leases w.r.t. determining whether an arrangement contains a lease, the company has ascertained that the PPA entered Into with SAIL/BSL falls under the definition of finance lease. Accordingly, the written down value of the specified assets has been derecognized from PPE and accounted as Finance Lease Receivable (FLR). Recovery of capacity charges towards depreciation, interest on loan & return on equity & incentive(pre-tax) components from the beneficiary are adjusted against FLR. The interest component of the FLR in respect of the above three elements Is recognised as 'Interest Income on Assets under finance lease'.

46 **Other Income**

(₹ in Lakh)

Particulars	2016-17		2015-16	
Interest from employees	42.90		44.08	
Interest on Normative working capital	1963.05		2283.62	
Misc. Income	23.86		14.58	
Interest from Banks	555.36		376.08	
		2585.17		2718.38
TOTAL		2585.17		2718.38

47 **Cost of material consumed**

(₹ in Lakh)

Particulars	2016-17		2015-16	
Coal	64813.02		64024.14	
Furnace Oil	1726.46		1277.47	
		66539.48		65301.61
TOTAL		66539.48		65301.61

48 **Employee Benefit Expenses**

(₹ in Lakh)

Particulars	2016-17		2015-16	
Salaries & wages	2105.26		2774.14	
Contribution to provident and other funds	380.09		374.42	
Staff Welfare Expenses	767.66		886.50	
		3253.01		4035.06
TOTAL		3253.01		4035.06

49 **Finance Cost**

(₹ in Lakh)

Particulars	2016-17		2015-16	
On short Term Working Capital Loan-SAIL	15.09		15.09	
On Short Term Loan-HDFC BANK	436.25		472.44	
On working Capital Loan-CC A/C	1107.40		1436.59	
Other finance Expenses	6.86		4.86	
		1565.60		1928.98
TOTAL		1565.60		1928.98

50 **Generation/Administration & other expenses**

(₹ in Lakh)

Particulars	2016-17		2015-16	
Generation Expenses				
Repair & Maintenance	4345.68		5704.48	
Stores & Spares Consumption	2475.99		4778.53	
Water charges	1763.92		1886.80	
Ash Pond charges	953.92	9539.52	1161.95	13531.76
Administrative Expenses		513.74		504.99
Other Expenses				
Insurance	163.87		161.13	
Corporate social responsibility	100.97		54.17	
Rates & Taxes	19.22		22.31	
Prior Period Adjustment	0.00		0.00	
Provision for stock non-moving	3.76		67.25	
Miscellaneous Expenses	309.79	597.61	513.55	818.41
TOTAL		10650.88		14855.16

Other Notes to Financial statement

51 **Disclosure as per IND AS 101 on "First time adoption"**

Exemptions and exceptions availed

These financial statements, for the year ended 31st March, 2017, are the first, the company has prepared in accordance with Ind AS. For the periods up to and including the year ended 31st March, 2016, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the company has prepared its financial statements to comply with Ind AS for the year ending 31st March, 2017, together with comparative date as at and for the year ended 31st March, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the company's opening balance sheet was prepared as at 1st April, 2015, the company's date of transition to Ind AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April, 2015, and the financial statements as at and for the year ended 31st March, 2016.

Exemptions:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. However the company chose not to avail any exemption except the following.

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has done the assessment of lease in contracts based on conditions in prevailing as at the date of transition.

Exceptions:

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements.

(a) Estimates

The estimates as at 1st April, 2015 and 31st March, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences if any, in accounting policies). The estimates used by the company to present these amounts in accordance with Ind AS reflect conditions as at the transition date and as of 31st March, 2016.

(b) Derecognition of financial assets and financial liabilities

The company has elected to apply the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

(c) Classification and measurement of financial assets

The company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

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Notes to the reconciliation of equity as at 1st April, 2015 and 31st March, 2016 and total comprehensive income for the year ended 31st March, 2016.

A **Property Plant & Equipment, Intangible Assets & Lease Receivable**

Due to effect of Appendix C of IND AS 17, (Lease), the Property Plant and Equipment existing as on 01.04.15 will come under the purview of lease and treated as leased assets in the books of the lessee i.e Bokaro Steel Limited(BSL) and the related lease receivable is shown in the books of the lessor i.e. Bokaro Power Supply Company Limited(BPSCL). Accordingly written down balances of property plant & equipment(except HP assets) and intangible assets are derecognised and non-current and current lease receivable,computed as per power purchase agreement between BSL & BPSCL, are recognised. Resultant difference is adjusted with retained earnings.

Further Assets given to employees (HP Assets) are treated as financial instruments and adjustments as per Ind AS 109 have been done.

B **Loans & Advance**

Adjustments in Non-current and current loan & advance related to amortisation effect of loans & advances to employees as required by Ind AS 109.

C **Inventories**

Ind AS 16 requires capitalisation of spares if it fulfils certain conditions, accordingly certain spares have been capitalised and transferred to lease receivable.

D **Other non current and current financial liabilities**

Adjustment is related to amortisation of EFBS liability to BPSCL as required by Ind AS 109

E **Trade & other payables**

Adjustments have been done as per Ind AS 1

F **Provisions**

Proposed dividend and dividend distribution tax for the year 2014-2015 has been derecognised in retained earnings and recognised in the year 2015-16. Similar treatment has been given effect for the proposed dividend and dividend distribution tax for the year 2015-16.

Provisions for CSR related to the period prior to 01.04.2015 have been derecognised in the opening retained earnings.

G **Other Financial Assets**

It includes unearned finance income which is arised due to power purchase agreement(lease receivable)

H **Deferred Tax**

Earlier Indian GAAP requires calculation of deferred tax based on profit & loss accounts. However deferred tax should be based on balance sheet as per requirement of Ind AS. Due to many changes in balance sheet as per above requirements deferred tax liabilities/assets are adjusted with retained earnings.

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I Other Equity

i. Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS when ever required for the above mentioned line items.

ii. In addition as per Ind AS 19, actuarial gains and losses are recognised in other comprehensive income as compared to being recognised in the statement of profit and loss under Indian GAAP.

J Revenue From Operation

Revenue from operations have been adjusted to take effect of application of Ind AS 17 (Lease) to recognise lease rentals and Interest on Lease.

K Other Income

Adjustments have been done for amortisation of financial assets as per Ind AS 109 for loans and advances to employees.

L Employee Benefit expenses and Actuarial loss or gain

Both under Indian GAAP and Ind AS, the company recognised costs related to its post employment defined benefit plan on actuarial basis. Under Indian GAAP the entire cost including actuarial gains and losses are charged to profit or loss. Under Ind AS remeasurements are recognised in balance sheet through other comprehensive income.

M Finance Costs

Adjustments have been done for amortisation of financial assets as per Ind AS 109 for loans and advances to employees.

N Depreciation & amortisation expenses

Due to effect of Note A mentioned above accumulated depreciation as on 1st April, 2015 and depreciation for the year 2015-16 have been adjusted with Gross value of fixed assets.

O Generation /Administration & other expenses

Due to effect of Note A mentioned many spares and major capital repairs are capitalised for the first time. Under Indian GAAP those spares and major capital repairs were charged to profit or loss as consumption of spares and repairs & maintenance expenses. Now consumption of spares and repairs & maintenance expenses are derecognised in retained earnings.

P Figures for the previous years have been regrouped wherever necessary.

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

A. Equity as at April 1, 2015

B. Equity as at March 31, 2016

C. Net profit for the year ended March 31, 2016

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A. Reconciliation of equity as at 1st April, 2015

(All amounts is INR Lakhs, unless otherwise stated)

Particulars	Reference	Indian GAAP	Adjustments	IND AS
B. ASSETS				
1. Non-current assets				
a) Property, plant and equipement	A	46,730.23	(46,730.23)	-
b) Capital work in progress		3,286.34	-	3,286.34
c) Other Intangible assets	A	0.02	(0.02)	-
d) Financial assets				
i) Loans	B	25,799.24	(782.36)	25,016.88
ii) Lease Receivable	A	-	49,478.67	49,478.67
iii) Other financial assets	C		113.63	113.63
f) Deferred tax asset (net)		-	-	-
Total non current assets		75,815.83	2,079.70	77,895.52
2. Current assets				
a) Inventories	D	11,474.39	(2,216.84)	9,257.55
b) Financial assets				
i) Trade receivable		12,018.14	0.00	12,018.14
ii) Cash and cash equivalent	C	7,889.68	(113.63)	7,776.05
iii) Loans	B	6,715.43	784.87	7,500.29
iv) Lease Receivable	A	-	1,822.68	1,822.68
d) Other assets		358.54	-	358.54
Total current assets		39,256.17	277.09	39,533.25
Total assets		**115,072.00**	**2,356.78**	**117,428.77**
A. EQUITY AND LIABILITIES				
1. Equity				
a) Share capital		24805.00		24,805.00
b) Other equity	F	34085.02	3,881.78	37,966.80
Total Equity		58890.02	3,881.78	62,771.80
2. Non-current liabilities				
a) Financial liabilities				
i) Long-term borrowings		223.60	0.00	223.60
ii) Other non current financial liabilities	B	382.28	71.33	453.61
b) Provisions		26,956.86	(0.02)	26,956.84
c) Deffered tax liabilities		184.77	-	184.77
Total Non-current Liabilities		27,747.50	71.31	27,818.82
3. Current-liabilities				
a) Financial liabilities				
i) Short-term Borrowings		19,419.84	-	19,419.84
ii) Trade and other Payables	C	5,123.63	(34.86)	5,088.77
iii) Other current finacial liabilities	C	220.45	4.98	225.42
b) Provisions	E	3,670.56	(1,566.46)	2,104.11
Total Current Liabilities		28,434.47	(1,596.33)	26,838.15
TOTAL-EQUITY AND LIABILITIES		**115,072.00**	**2,356.76**	**117,428.77**

Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to INDAS

A. Property, plant and equipement & Other Intangible assets and Lease: Adjustments includes impact of Appendix C of Ind AS 17

B. Financial assets & Financial Liabilities: Adjustments includes impact of Appendix C of Ind AS 17 & Financial Instruments

C. Cash and cash equivalent & Other financial assets: Adjustments as per IND AS 1 in line with Schedule III.

D. Inventories: Adjustments includes impact of Property, plant and equipement.

E. Provisions: Adjustments reflect dividend (including corporate dividend tax), declared and approved post reporting period.

F. Other equity

a) Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.

b) In addition, as per Ind-AS 19, actuarial gains and losses are recognized in other comprehensive income as compared to being recognized in the statement of profit and loss under IGAAP.

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B. Reconciliation of equity as at 31st March 2016

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Reference	Indian GAAP	Adjustments	IND AS
B. ASSETS				
1.Non-current assets				
a) Property, plant and equipement	A	45,455.77	(45,455.77)	-
b) Capital work in progress		2,952.21	47.28	2,999.49
c) Other Intangible assets	A	0.02	(0.02)	-
d) Financial assets				
i) Loans	B	24,661.88	(516.75)	24,145.13
ii) Lease Receivable	A	-	49,887.71	49,887.71
iii) Other financial assets	C	-	786.57	786.57
f) Deferred tax asset (net)		-	879.77	879.77
Total non current assets		73,069.88	5,628.79	78,698.67
2. Current assets				
a) Inventories	D	9,031.59	(1,580.56)	7,451.03
b) Financial assets				
i) Trade receivable		11,242.78	(0.00)	11,242.78
ii) Cash and cash equivalent	C	16,536.73	(786.57)	15,750.16
iii) Loans	B	9,692.43	476.12	10,168.54
iv) Lease Receivable	A	-	1,879.02	1,879.02
d) Other assets		313.58	-	313.58
Total current assets		46,817.10	(12.02)	46,805.11
Total assets		**1,19,886.98**	**5,616.78**	**1,25,503.78**
A. EQUITY AND LIABILITIES				
1. Equity				
a) Share capital		24,805.00	-	24,805.00
b) Other equity	F	35,786.82	10,819.14	46,605.96
Total Equity		60,591.82	10,819.14	71,410.96
2.Non-current liabilities				
a) Financial liabilities				
i) Long-term borrowings		171.00	-	171.00
ii) Other non current financial liabilities	B	698.06	(170.70)	527.35
b) Provisions		24,832.49	0.10	24,832.59
c)Deffered tax liabilities		2,516.55	(2,516.55)	-
Total Non-current Liabilities		28,218.10	(2,687.16)	25,530.94
3. Current-liablities				
a) Financial liabilities				
i) Short-term Borrowings		19,203.06	-	19,203.06
ii) Trade and other Payables	C	6,326.93	206.86	6,533.79
iii) Other current fianacial liabilities	C	220.64	4.98	225.61
b) Provisions	E	5,326.43	(2,727.01)	2,599.42
Total Current Liabilities		31,077.06	(2,515.17)	28,561.88
TOTAL-EQUITY AND LIABILITIES		**1,19,886.98**	**5,616.81**	**1,25,503.78**

Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to INDAS

A.Property, plant and equipement & Other Intangible assets and Lease: Adjustments includes impact of Appendix C of Ind AS 17

B.Financial assets & Financial Liabilities: Adjustments includes impact of Appendix C of Ind AS 17 & Financial Instruments

C.Cash and cash equivalent & Other financial assets: Adjustments as per IND AS 1 in line with Schedule III.

D. Inventories: Adjustments includes impact of Property, plant and equipement.

E. Provisions: Adjustments reflect dividend (including corporate dividend tax), declared and approved post reporting period.

F. Other equity

a) Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.

b) In addition, as per Ind-AS 19, actuarial gains and losses are recognized in other comprehensive income as compared to being recognized in the statement of profit and loss under IGAAP.

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Reconciliation of total comprehensive income for the year ended 31st March, 2016

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Reference	Indian GAAP	Adjustments	IND AS
Revenue from operation (net)	A	94208.04	(1822.68)	92385.36
Other Income	B	2703.14	15.24	2718.38
Total Revenue		96911.18	(1807.45)	95103.74
Expenses				
Cost of material consumed (Fuel)		65301.61	0.00	65301.61
Employee Benefit Expenses	C	4004.24	30.82	4035.06
Finance costs	D	1924.11	4.87	1928.98
Depreciation & amortisation expenses	E	2046.83	(2046.83)	0.00
Generation /Administration & other expenses	F	17011.22	(2156.06)	14855.16
Total Expenses		90288.01	(4167.21)	86120.81
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		6623.17	2359.76	8982.93
Exceptional items		0.00		0.00
PROFIT BEFORE TAX		6623.17	2359.76	8982.93
Tax Expenses:				
Current Tax		1484.49	0.00	1484.49
Earlier Year adjustment		126.60	0.00	126.60
MAT-Credit Entitlemnt		(1484.49)	0.00	(1484.49)
Deferred Tax		2331.76	(3396.30)	(1064.54)
PROFIT FOR THE PERIOD		4164.81	5756.06	9920.87
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss				
Remeasurement of the net defined benefit liability/asset (Actauarial Gain)		-	20.84	20.84
TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAX)		-	20.84	20.84
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		4164.81	5776.90	9941.71

Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to INDAS

A.Revenue from operation (net): Adjustments includes impact of Appendix C of Ind AS 17

B.Other Income: Adjustments includes impact of Financial Instruments

C.Employee Benefit Expenses:

(a) Adjustments includes impact of Financial Instruments

(b) As per Ind-AS 19- Employee Benefits , actuarial gains and losses are recognized in other comprehensive income and not reclassified to profit and loss in a subsequent period.

(c) Adjustments reflect unamortised negative past service cost arising on modification of the gratuity plan in an earlier period. Ind AS 19 requires such gains and losses to be adjusted to retained earnings

D.Finance costs: Adjustments includes impact of Financial Instruments

E.Depreciation & amortisation expenses: Adjustments includes impact of Appendix C of Ind AS 17

F. Generation /Administration & other expenses

a) Adjustments includes impact of Property, plant and equipement.

(b) Adjustments includes impact of Financial Instruments

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52 Disclosure as per IND AS 17 on "Lease"

A **Reconciliation between the total gross investment in the lease at the balance sheet date, and the present value of minimum lease payments receivable at the balance sheet date.**

(₹ in Lakh)

Particulars	2016-17	2015-16
Gross investment in lease	54,316.61	51,766.74
less: Unearned Finance Income	605.44	248.08
Present value of minimum lease payment receivable	53,711.17	51,518.66

Particulars	**Gross Investment in lease (PV)**	**present value of minimum lease payments receivable (₹ in Lakh)**
i) not later than one year	2065.06	2065.06
ii) later than one year and not later than five year	9001.54	8897.24
iii) later than five years;	43250.01	42748.87

	(₹ in Lakh)
B Unearned finance income:	605.44
The unguaranteed residual values accruing to the benefit of the lessor:	NA
The accumulated provision for uncollectible minimum lease payments receivable:	NIL
Contingent rents recognised in the statement of profit and loss for the period:	NIL

Brief description of the arrangement:

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 to BPSCL on 18/09/2001. The company has entered into a power purchase agreement with SAIL on 18.09.2001 further amended & extended time to time. According to the agreement entire production of the BPSCL(i.e. power and steam) will be procured by the SAIL. As this agreement comes under the preview of Appendix C of IND AS 17, above mentioned disclosures are provided with.

Tenure of PPA -The Validity of PPA as on 31st March 2017 is upto 28th November 2031 with Commitment of SAIL to buy power upto 28th November 2031

Renewal clause of PPA-The PPA will be renewed or replaced by another Agreement on such terms and conditions and for such further period as the parties may mutually agree.

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53 Disclosure as per IND AS 107 on "FINANCIAL INSTRUMENTS"

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

a Fair value of cash and short-term deposits, trade and other short term receivables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

b Financial instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Amount (₹ in lakh)

Particulars	Carrying amount	Fair value		
	As at 01-04-2015	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade receivables	12,818.14	-	-	-
Loans(non-current)	25,799.24	-	25,016.88	
Loans(current)	6,715.43	-	7,500.29	
Cash and cash equivalent	7,164.44	-	-	-
Bank deposit(non-current)	725.25	-	-	-
Total	**53,222.49**	-	**32,517.17**	-
Financial liabilities at amortised cost:				
Short term borrowings	19,419.84	-	-	-
Trade and other payables	5,123.63	-	-	5,088.78
Other financial liabilities(non-current)	382.28	-	453.61	-
Other financial liabilities(current)	220.45	-	-	225.42
Total	**25,146.20**	-	**453.61**	**5,314.20**

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Particulars	Carrying amount	Fair value		
	As at 31-03-2016	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade receivables	11,242.78	-	-	-
Loans(non-current)	24,661.88	-	24,145.13	-
Loans(current)	9,692.43	-	10,168.54	-
Cash and cash equivalent	15,750.16	-	-	-
Bank deposit(non-current)	786.57	-	-	-
Total	**62,133.82**	-	**34,313.67**	-
Financial liabilities at amortised cost:				
Short term borrowings	19,203.06			
Trade and other payables	6,326.93	-	-	6,533.79
Other financial liabilities(non-current)	698.06	-	527.35	
Other financial liabilities(current)	220.64	-	-	225.61
Total	**26,448.68**	-	**527.35**	**6,759.40**

Particulars	Carrying amount	Fair value		
	As at 31-03-2017	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade receivables	11403.89			
Loans(non-current)	27081.18		27081.18	0.00
Loans(current)	10517.33	-	10517.33	0.00
Cash and cash equivalent	13266.87	-	-	-
Bank deposit(non-current)	223.92	-	-	-
Total	**62493.20**	-	**37598.52**	**0.00**
Financial liabilities at amortised cost:				
Short term borrowings	14399.94	-	-	-
Trade and other payables	4594.89	-	-	4594.89
Other financial liabilities(non-current)	1579.43		1579.43	-
Other financial liabilities(current)	674.12	-	-	674.12
Total	**21248.39**	-	**1579.43**	**5269.02**

Description of significant unobservable Inputs to valuation:

The following table shows the valuation techniques and inputs used for financial instruments

Particulars	As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
Loans (non-current)	Discounted cash flow method using risk adjusted discount rate		
Loans(current)			
Other financial liabilities(non-current)			
Trade and other payables			
Other financial liabilities(current)			
Other financial liabilities(non-current)			

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Fair Value of financial assets & liabilities measured at amortised cost or carrying amount

* The carrying amount of short term trade receivables, trade payables, capital creditors and cash and cash equivalents and borrowings are considered to be the same (as their fair values, due to their short-term nature). Also, carrying amount of claims recoverable approximates its fair value as these are recoverable immediately.
* The carrying values for finance lease receivables approximates the fair value as these are periodically evaluated based on credit worthiness of customer and allowance for estimated losses is recorded based on this evaluation.
* The fair values for employee loans were calculated based on cash flows discounted using a current lending rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of unobservable inputs including counter party credit risk
* The fair values of non-current trade payables and capital creditors are based on discounted cash flows using a current borrowing rate. They me classified as level 2 fair values in the fair value hierarchy due to the use of unobservable inputs including own credit risk

Financial Risk Management

The company's principal financial liabilities comprise loans and borrowings in domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short term deposits that derive directly from its operations.

The company is exposed to the following risks from its use of

a) Market risk
b) Interest rate risk
c) Foreign currency risk
d) Credit risk
e) Liquidity risk

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's financial risk management is an integral part of how to plan and execute its business strategies. The company's financial risk management policy is set by the Board of Directors. The Company has taken adequate measures to address such concerns by developing adequate system and practices. The Company's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks 0n the Company's financial performance.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings. The Company manages market risk through a finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

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Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, finance department performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The company is not exposed to significant interest rate risk as at the respective reporting dates.

Foreign currency risk

The Company operates only in India. However the company frequently purchases various capital items from overseas suppliers against letter of credit. Amount to be required to settle the liability is known on the date of issue of letter of credit and that amount is not subject to any change due to change in foreign exchange rate. Consequently the Company is not exposed to foreign exchange risk.

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as :

(i) Actual or expected significant adverse changes in business.
(ii) Actual or expected significant changes in the operating results of the counterparty.
(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations.
(iv) Significant increase in credit risk on other financial instruments of the same counterparty.
(v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 5 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

However the company has single debtor/lessee i.e. Bokaro steel Limited, a group company of Steel Authority of India Limited.

Trade receivables

The Company sells steam & electricity to SAIL. Based on the business environment in which the Company operates, management considers that the trade receivables are in default (credit impaired) if the payments are more than 5 years past due.

Loans & advances

The company has given loans & advances to employees. The company manages its credit risk in respect of Loan and advances to employee through hypothecation of assets and settlement of dues against full & final payment to employees.

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Cash and cash equivalents

The Company held cash and cash equivalents of Rs 13266.87 Lakhs as on 31.03.2017 & Rs 15750.16 Lakhs as on 31.03.2016. The cash and cash equivalents are held with high rated Banks.

Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The company's finance department is responsible for liquidity, funding as well as settlement. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date based on contractual undiscounted payments.

Amount (₹ in lakh)

As at 31-03-2017	Less than 1 year	1 to 5 years	5 years & above	Total
Borrowings	14,399.94	-	-	**14,399.94**
Trade payables	4,594.89	-	-	**4,594.89**
Other financial liabilities	674.12	1,505.14	74.29	**2,253.55**

As at 31 March 2016	Less than 1 year	1 to 5 years	5 years & above	Total
Borrowings	19,374.05	-	-	**19,374.05**
Trade payables	6,533.79	-	-	**6,533.79**
Other financial liabilities	225.61	483.94	43.41	**752.96**

Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Amount (₹ in lakh)

Particulars	As at 31-03-2017	As at 31-03-2016
Total Debt	14399.94	19374.05
Equity	76850.62	71410.96
Capital and debt	**91250.56**	**90785.01**
Gearing ratio in percentage(%)	**18.74**	**27.13**

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54 CONTINGENT LIABILITIES (to the extent not provided for)

(a) **Claims against the Company not acknowledged as debt** (₹ in Lakh)

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a.1	Claims against the Company pending appellate/judicial decisions :			
	a) Sales tax matters			
	Financial Year 2012-13	-	429.25	-
	Financial Year 2010-11	-	264.09	264.09
	Financial Year 2009-10	Nil	86.04	129.06
	Financial Year 2008-09	Nil	65.01	65.01
	b) Income Tax			
	Assessment Year 2012-13	21.74	21.74	21.74
	Assessment Year 2011-12	129.96	129.96	129.96
	Assessment Year 2010-11	41.53	41.53	41.53
	c) SERVICE TAX (2014-15) - Against appeal has been Filed	2.11		
	d) EMPLOYEES STATE INSURANCE	61.03	61.03	

* following Claims against the Company not acknowledged as debt:

a.2 Claims against the Company by M/s Ramakant Singh of Rs.1036.00 Lakhs includes interest Rs.542 Lakhs. BPSCL has raised claim of Rs. 663 Lakhs on M/s Ramakant Singh vide Risk Purchase Clause for violating terms of contract. M/s Ramakant singh lodged counter claim of Rs. 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.

a.3 Legal Case filed by Jharkhand Krantikari Mazdoor Union for demand of AWA Payment to contract Labours. Approx Liability is around Rs. 4 Crore.

a.4 Following are the extra claims raised by different Contractors of Unit # 9 project due to delay in completion of the project which BPSCL has not reorganised as debt:

Sl.	Package Name - Contractor	Amount (₹ in lakhs)
1	BTG Package - ALSTOM India Ltd.	11940.35
2	Electrical Package - SIEMENS Ltd.	503.6
3	Auxiliary Cooling Water Package - Kirloskar Brothers Ltd.	301.71
4	Ash Handling Package - Macawber Beekay Pvt. Ltd.	480.12
5	Coal Handling Plant Package - Bengal Tools Ltd.	527.92
6	Fire Fighting Package - New Fire Engineers Pvt. Ltd.	126.66
7	DM Plant Package - ION Exchange (India) Ltd.	190.29
Total:		14070.65

a.5 M/S BCCL has claimed Rs 135.00 lakhs on account of Jharkhand Mineral Area Development Authority (Amendment) Act during the year 2016-17, which BPSCL has not reorganised as debt. As the matter is sub-judice, the amount has been disclosed as a Contingent Liability.

(b) Guarantees: Nil

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

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55 Capital and other commitments

(a) Estimated amount of contracts remaining to be executed and not provided for are:

Particulars	31-Mar-17	31-Mar-16	01-Apr-15
Capital commitments (for property plant and equipment's and investment properties)-for 9th BOILER	₹ 136.14 (Lakhs)	₹ 173.03 (Lakhs)	₹ 264.60 (Lakh)
Capital commitments (for 2X250)	₹ 2916.36 (Lakh)	₹ 2916.36 (Lakh)	₹ 2916.36 (Lakh)
Capital commitments (for Other Capital Projects)	₹ 271.42	₹ NIL	₹ NIL
Revenue commitments	₹ NIL	₹ NIL	₹ NIL

(b) Uncalled liability on shares and other investments partly paid: Nil

56 INVESTMENT, CURRENT ASSETS, LOANS & ADVANCES AND CURRENT LIABILITIES & PROVISIONS.

a 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 2016-17

b Balances of Trade Receivables and Recoverables shown under 'Current Assets' and Trade and Other Payables shown under 'Current Liabilities', include balances subject to confirmation/reconciliation and consequential adjustment, if any. Reconciliations are carried out on on-going basis. Provisions, wherever considered necessary, have been made.

57 STATEMENT OF PROFIT & LOSS

		2016-17	2015-16
a	SALE OF STEAM & POWER (₹ in Lakh) (Includes interest on Lease receivable)	87486.56	92385.36

b Procurement of Coal / Oil

Particulars	2016-17 Qty.(MT)	2016-17 Amount (₹ in lakh)	2015-16 Qty.(MT)	2015-16 Amount (₹ in lakh)
Coal (BPSCL)	1577036.98	54445.96	1748544.27	58457.67
Coal (BSL)	250493.89	8852.78	149760.00	5896.77
	2016-17 Qty.(KL)	**2016-17 Amount (₹ in lakh)**	**2015-16 Qty.(KL)**	**2015-16 Amount (₹ in lakh)**
Furnace Oil (BPSCL)	5696.61	1507.33	2933.87	664.66

c The long-term agreement for wage revision expired on 31st December, 2016. Pending finalisation of fresh agreement w.e.f. 1st January 2017, provision of ₹ 41.51 Lakh towards salaries and wages revision, has been made on estimated basis.

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d Value of stores/spares consumed

Particulars	(₹ in Lakh)	(%) 2016-17	(₹ in Lakh)	(%) 2015-16
Indigenous	2284.71		4890.02	
Imported	191.28		1810.67	
Percentage of indigenous items		92.27		72.98
Percentage of Imported items		7.73		27.02
TOTAL		100.00		100.00

e Value of Imports during period (Calculated on CIF Basis) (₹ in Lakh)

Particulars	2016-17	2015-16
Components & spare parts	286.05	254.42
Raw materials	NIL	NIL
Capital Goods	NIL	NIL
TOTAL	286.05	254.42

f 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 2016 comes out to Rs. 100.56 lakh for the FY 2016-17. The company has spent an amount of Rs. 100.97 lakh on CSR during the year which is included in other expenses as detailed below.

Following are the details of CSR activities during the Year under the following heads:

Particulars	(₹ in Lakh)
Education	10.08
Healthcare	36.00
Drinking Water	2.98
Sanitation	46.40
Social Security	5.11
Environment Sustainability	0.40
Total	**100.97**

g As per the Department of Public Enterprises (DPE)'s Guidelines, the Company is required to contribute 30% of salary (Basic Pay + Dearness Allowance) in respect of executive employees as superannuation benefits, which may include Contributory Provident Fund (CPF), Gratuity, Pension and Post-Superannuation Benefits. To comply with the DPE's Guidelines relating to contribution to Superannuation Benefits within overall limit of 30% of salary of executive employees , the provision for pension benefit has been made @ 9% w.e.f. 1st January 2007. Further, as per agreement dated 1st July, 2014 between the Management and the Unions of non-executive employees, pension benefit for non-executives has been provided @ 6% of salary (Basic Pay + Dearness Allowance) w.e.f. 1st January, 2012.

The cumulative provision/liability towards pension benefit for executive (w.e.f. 1st January, 2007) & non-executive (w.e.f. 1st January, 2012) employees, amounting to ₹ 1207 Lakh (₹ 168 Lakh during the Year) and ₹82 lakhs (₹ 19 Lakh during the Year) respectively have been charged to 'Employee Benefits Expense' and 'Expenditure during Construction'.

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h During the year, the Company had Specified Bank Notes (SBN) or other denomination notes as defined in the MCA notification G.S.R. 308E dated March 30, 2017 on the details of SBN held and transacted during the period from November 8, 2016 to December 31, 2016, the denomination wise SBNs and other notes as per the notification is given below: NA

Particulars	Specified Bank Notes (SBNs)	Other Denomination Notes (ODNs)	Total
Closing Cash on Hand as on 08.11.2016	NIL	NIL	NIL
(+) Non Permitted Receipts	NIL	NIL	NIL
(+) Permitted Receipts	NIL	NIL	NIL
(-) Permitted Payments	NIL	NIL	NIL
(-) Amounts Deposited in Bank	NIL	NIL	NIL
Closing cash on hand as on 30.12.2016	NIL	NIL	NIL

58 GENERAL

.1 **DEFINED BENEFIT SCHEMES**

1.1 General Description of Defined Benefit Schemes:

Gratuity :

Payable on separation @15 days pay for each completed year of service upto 30 yrs & beyond that @ 30 days for each completed year of service to eligible employees who render continuous service of 5 years or more. Maximum amount of ceiling for executive is ₹10 lakhs & for non-executives no ceiling, has been considered for actuarial valuation.

Leave Encashment :

Payable on superannuation to eligible employees who have accumulated earned and half pay leave, subject to maximum limit of 300 days combined for earned leave and half pay leave. Encashment of accumulated earned leave is also allowed upto 30 days once in a financial year.

Provident Fund

12% of Basic Pay Plus Dearness Allowance, contributed to the Provident Fund Trusts by the company.

Post Retirement Medical Benefits :

Available to retired employees at company's hospitals and/or under the health insurance policy.

Post Retirement Settlement Benefits :

Payable to retiring employees for settlement at their home town.

Long term service Award :

Payable in kind on rendering minimum 25 years of service and also on superannuation.

1.2 Other disclosures, as required under Indian Accounting Standards (Ind AS)-19 (revised) on 'Employees Benefits', in respect of defined benefit obligations are :

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(a) Reconciliation of Present Value of Defined Benefit Obligations :

(₹ in Lakh)

Sl. No.	Particulars	Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefit	Long Term Service Award
i)	Present Value of projected benefit obligations, as at the beginning of the year.	1030.65	1258.46	226.2	20.44	6.31
ii)	Service Cost	31.45	22.57	3.89	1.32	0.08
iii)	Interest Cost	66.74	86.4	14.94	1.31	0.4
iv)	Actuarial Gains(-) / Losses(+)-due to change in Financial assumption	36.48	-0.18	14.39	1.45	0.36
	Actuarial Gains(-) / Losses(+)-due to unexpected experience	-98.64	-398.74	-1.25	1.05	0.14
v)	Past Service Cost					
vi)	Benefits Paid	229.16	133.34	28.55	4.82	1.49
vii)	Present Value of projected benefit obligations as at the end of the year, (i+ii+iii+iv-v-vi)	846.52	835.17	229.62	20.75	5.81

(b) Reconciliation of Fair Value of Assets and Obligations

Fixed deposit of Rs. 2344.56/-Lakhs (Prev. Yr. Rs.2243.63 Lakhs) earmarked for Gratuity and Leave Salary are not used by the company for operational purpose. During the Financial Year 2016-17 interest accrued on this Fixed Deposit was Rs. 100.94 Lakhs after deduction of TDS adjusted against cost of power and steam.

(c) Provident Fund :

Contribution to provident Funds and Gratuity Funds Amount of ₹ 380.09 Lakh (Prev. Year: ₹ 383.43 Lakh) is recognised as an expenses and included in "Employees Remuneration & Benefits" in the statement of profit & loss.

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(d) Expenses recognised in the Statement of Profit & Loss for the Year :

(₹ in Lakh)

Sl. No.	Particulars	Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post retirement Settlement Benefit	Long Term Service Award
i)	Service Cost	31.45	22.57	3.89	1.32	0.08
ii)	Interest Cost	66.74	86.4	14.94	1.31	0.4
iii)	Actuarial Gains (-)/Losses(+)-due to change in Financial assumption	36.48		14.39	1.45	0.36
	Actuarial Gains (-)/Losses(+)-due to unexpected experience	-98.64	-398.92	-1.25	1.05	0.14
iv)	Past Service Cost					
v)	Expected Return on Plan Assets					
vi)	Total (i+ii+iii+iv-v)	36.03	-289.95	31.97	5.13	0.98
vii)	Employees' Benefits Expenses :					
	a) Charged to Profit & Loss Account	98.2	-289.95	18.83	5.13	0.98
	b) Charged to Expenditure During Construction					
	Net Income(-) or Expenses(+) for the period recognised in OCI	-62.16		13.14		
viii)	Actual Return on Plan Assets					

(e) Actuarial assumptions

Sl. No.	Description	As at 31st March, 2017	As at 31st March, 2016
i)	Discount Rate (per annum)	7.25%	7.90%
ii)	Expected Return on Plan assets	NA	NA
iii)	Rate of compensation increase (salary inflation)	6.25% for Executives	7.00% for Executives
		6.25% for Non-Ex	6.00% for Non-Ex
iv)	Pension Increase Rate	N/A	N/A
v)	Average expected future service (Remaining working life)	19	21
vi)	Mortality Table	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
vii)	Superannuation at age-Male	60	60
viii)	Superannuation at age-Female	60	60
ix)	Early Retirement & Disablement(All Causes Combined)	1% p.a	
x)	Voluntary Retirement	ignored	ignored

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59 GENERAL

a Segment Reporting

i) 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 .

ii) The company has only one power station located within the country and therefore geographical segments are not applicable.

b Disclosure as per IND AS 24 on "RELATED PARTY DISCLOSURES"

As per Indian Accounting Standards (Ind AS) – 24 - issued by the Ministry of Corporate Affairs, the names of the related parties, excluding Government controlled enterprises, are given below: -

A. Related Party

Nature of Relationship	Joint Venture
Name of the related party	1.STEEL AUTHORITY OF INDIA LIMITED (50% share)
	2. DAMODAR VALLEY CORPORATION (50% shares)

Nature of Relationship	Key Management Personnel
Name	Position
Pulak Datta	Chairman
Sushil Kumar Singh	Director
Tej Veer Singh	Director
Ramaswami krishnaswamy	Director
Pramod Kumar	Director
C. B. Dey	Director
K. Harinarayana	Chief Executive Officer
P. K. Sinha	GM I/C(PP)
N. K. Mukhopadhyay	CS & HOD(F&A)

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

(₹ in Lakh)

Sl. No.	Particulars	Associate/ Joint Ventures
i)	Sale of Steam and Power	87,486.56
ii)	Purchase from SAIL/Bokaro Steel Plant	
	Purchase of Coal	8,993.33
	Purchase of water	1,778.92
	Welfare Expenses	72.49
	Stores and spares	628.98
	Others	183.05
iii)	Rental Income	
iv)	Dividend Paid -	
	Steel Authority of India Limited	1,023.21
	Damodar Valley Corporation	1,023.21
v)	Managerial remuneration	80.84

60 Reconciliation of cash and cash equivalents as per balance sheet

	(₹ in Lakh) 2016-17	2015-16
Cash and cash equivalents	13266.87	15750.16
Less: Balances with banks on Deposits accounts (Maturity more than 3 months)	1757.01	63.00
Net cash & Cash equivalent	11509.86	15687.16
Add:Short term borrowings repayable on demand	(14399.94)	(19203.06)
Cash and cash equivalents as per cash flow statement	(2890.08)	(3515.90)

61 Licensed Capacity, Installed capacity, generation

		2016-17	2015-16
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed capacity	338 MW/H	338 MW/H
iii)	Generation of power	1697.47 MU	1716.66 MU
iv)	Sales of power	1379.70 MU	1401.75 MU

62 Expenditure incurred in foreign currency	2016-17	2016-17	2015-16	2015-16
Foreign Travel Expenses	Nil	Nil	$7,900	₹ 5,29,224

63 Particulars of Directors remuneration : NIL

64 Payment to auditors comprises of:

	(₹ in Lakh) 2016-17	2015-16
Statutory Auditors :		
Audit Fees	0.81	1.03
Tax Audit Fees	0.23	0.23
Out of pocket expenses	0.25	0.25
TOTAL	1.29	1.51

65 Disclosure as per IND AS 33 on "Earnings per share"

Particulars	2016-17	2015-16
Profit after tax,prior period adjustment & tax adjust as per Statement of Profit & Loss A/cs (Rs. in Lakhs) (a)	7853.66	9920.87
No. Of Equity share of Rs. 10 each outstanding (b)	24,80,50,000.00	24,80,50,000.00
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)	24,80,50,000.00	24,80,50,000.00
Earnings per share:		
Basic [(a)/(b)] (in Rs.)	3.17	4.00
Diluted[(a)/(d)](in Rs.)	3.17	4.00

66 Deferred Tax(Assets)

	(₹ in Lakh) 2016-17	2015-16
Deferred Tax Assets included in the Balance Sheet comprises of		
Deferred Tax Assets :		
Gratuity	292.96	356.69
Leave Salary	289.04	435.53
Post Retirement Medical & Settlement Benefits	79.47	78.29
Settlement Benefit	7.19	7.08
Long Term service Award	2.01	2.18
Deferred Tax Assets :	**670.67**	**879.77**

67 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.

68 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 greenery 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 air pollution. For claying of these existing non-greenery ash heaps, expected expenditure of Rs. 15 lakh have been provided in the accounts .

69 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 BPSCL as 'right to use ' for use in 2x250 MW Projects.

70 Disclosure as per IND AS 37 on "Provisions" (₹ in Lakh)

Nature of Provisions	Provision for others	
	16-17	15-16
a. The carrying amount at the beginning of the year	344.28	277.03
b. Additional provisions made in the period, including increases to existing provisions	3.76	67.25
c. Amounts used (i.e., incurred and charged against the provision) during the period	0.00	0.00
d. Unused amounts reversed during the period	0.00	0.00
e. The carrying amount at the end of the year	348.04	344.28

Its includes provisions for FBT, Ash Pond, Doubtful advance and non-moving stock, which is expected not to be utilized within next 1year.

71 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.

72 The Board of Directors, in its meeting on June 22, 2017 have proposed a total dividend of Rs 24,80,50,000/- to the equity shareholders for the financial year ended March 31, 2017. The proposal is subject to the approval of shareholders at the Annual General Meeting.

73 Figures for the previous years have been regrouped and rearranged wherever necessary

(N.K.Mukhopadhyay) Company Secretary & HOD Finance & Accounts	(K.Harinarayana) Chief Executive Officer	(C.B.Dey) Director	(Tej Veer Singh) Director	(P. Datta) Chairman

22/06/17

In terms of our report of even date
for L R SARKAR & CO (FRN:313030E)
(Chartered Accountants)

CA. L. Sarkar
Partner
Mem. No.'063451

Date : 23/06/17
Place: Kolkata

L. R. SARKAR & CO. Chartered Accountants KOLKATA