

ODISHA POWER GENERATION CORPORATION LTD.

(A Government Company of the State of Odisha)

CIN : U40104OR1984SGC001429



Regd. Off : Zone - A, 7th Floor, Fortune Towers, Chandrasekharpur, Bhubaneswar - 751 023, Odisha.

Ph. : 0674-2303765 - 66, Fax : 0674 - 2303755 / 56

Web : www.opgc.co.in

Ref: OPGC / Units 1 & 2/ Tariff/ 2019-20/ 32

January 06, 2020

To

The Secretary,

Odisha Electricity Regulatory Commission,

Plot No.4, Chunokoli, Sailashree Vihar

Bhubaneswar- 751 021

Sub: Queries on ARR & Generation Tariff for FY 2020-21 in Case No. 69/2019

Ref: OERC Letter Ref No. Case No. 69/2019/1987 dated December 23, 2019

Dear Sir,

With reference to the above cited subject and letter under reference, OPGC herewith submits the response as file-2 (Original + 14 Copies), for further needful at your end please.

In compliance with the directions, the queries raised alongwith the replies are also supplied to the persons who have purchased the application documents, as copied here under.

Thanking you

Yours faithfully

General Manager (C & RA)

Encl: As above

CC:

1. The Chief General Manager (PP),
GRIDCO Ltd., Janpath
Bhubaneswar- 751 021
2. GRINITY POWER TECH PVT Ltd.
K-8-82, Kalinga Nagar, Ghatikia
Bhubaneswar 751029
E-mail; gpwrtch@gmail.com
3. SHRI P. K. PRADHAN,
S/o. Late Kasta Charan Pradhan,
Duplex-244, Manorama Estate, Po-
Rasulgarh, Bhubaneswar-751010
4. SHRI R.P. MAHAPATRA
Retd. Chief Engineer & Member (Gen. OSEB),
Plot No. 775(P), Lane-3, Jayadev Vihar,
Bhubaneswar-751013

ODISHA POWER GENERATION CORPORATION LIMITED
BHUBANESWAR



PETITION FOR APPROVAL OF GENERATION TARIFF FOR
FY 2020-21

SUBMISSION OF INFORMATION IN RESPONSE TO THE
COMMISSION'S LETTER DATED 23.12.2019

CASE NO. 69/2019

JANUARY, 2020

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
BHUBANESHWAR**

File No. 2

Case No. 69/2019

IN THE MATTER OF

Petition for determination of Tariff for IB TPS Units 1 & 2 for
FY 2020-21

**IN THE MATTER OF
THE APPLICANT**

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

IN THE MATTER OF

Submission of information in response to the Commission's
Letter dated 23.12.2019

I, Ritwik Mishra, son of Shri. Muralidhar Mishra, aged about 51 years, do solemnly affirm and say as follows:

- (a) That I am the General Manager (C&RA) of Odisha Power Generation Corporation Limited, the Petitioner in the above matter and am duly authorised by the said Petitioner to make this affidavit on its behalf.
- (b) The replies made in the foregoing paragraphs in response to Query No. 1 to Query No. 12 raised by this Hon'ble Commission vide letter dated December 23, 2019 and submissions with respect to OPGC's Petition for approval of Generation Tariff for FY 2020-21 are based on information provided to me and I believe them to be true to the best of my knowledge.

Ritwik Mishra
Deponent

Bhubaneswar
January 06, 2020

Puskar Sahoo
6.1.2020
**PUSKAR SAHOO
NOTARY, BHUBANESWAR
GOVT OF ODISHA
Mob 933 129137**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
BHUBANESHWAR**

Case No. 69 of 2019

IN THE MATTER OF Petition for determination of Tariff for IB TPS Units 1 & 2 for
FY 2020-21

IN THE MATTER OF Odisha Power Generation Corporation Ltd. (OPGC Ltd.),
THE APPLICANT Zone-A, 7th Floor, Fortune Towers, Chandrasekharpur,
Bhubaneswar-751023, Odisha, India(Petitioner)

IN THE MATTER OF Submission of information in response to the Commission's
Letter dated 23.12.2019

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

Odisha Power Generation Corporation Limited (herein after referred as "OPGC" or "the Petitioner") filed the Petition for approval of Generation Tariff for its IB Thermal Power Station (2x210 MW) for FY 2020-21 before the Hon'ble Odisha Electricity Regulatory Commission ("OERC" or "Commission") on November 29, 2019 which has been registered as Case No. 69 of 2019. On scrutiny of the above Petition, the Hon'ble Commission vide its letter no. 1987 dated December 23, 2019 sought additional information for the purpose of determination of Generation Tariff for FY 2020-21.

The additional information sought by the Hon'ble Commission has been set out in the following paragraphs.




1. *OPGC may submit the actual audited O & M Expenses incurred under major head (Employees, Administration, and Repairs & Maintenance etc) during last financial year 2018-19 and current FY 2019-20 till date.*

OPGC's submissions:

The actual audited O&M expenses incurred during the last financial year 2018-19 and current FY 2019-20 upto November are as under:

Table 1: Actual O&M expenses (Rs. Crore)

| Particulars | FY 2018-19 | FY 2019-20 (upto November) |
|--------------------------------|---------------|-------------------------------|
| Employee expenses | 77.79 | 41.45 |
| Administration expenses | 29.88 | 13.21 |
| Repairs & Maintenance expenses | 62.37 | 46.10 |
| Total O&M expenses | 170.04 | 100.77 |

2. *OPGC may submit the month wise audited information showing grade, quantity, rate, value and GCV of coal actual procured and consumed during FY 2018-19. Further, OPGC may submit the month wise information showing grade, quantity, rate, value and GCV of coal actual procured and consumed till date of current FY 2019-20.*

OPGC's submissions:

The month wise audited information showing grade, quantity, rate, value and GCV of coal actual procured and consumed during FY 2018-19 and till November of current FY 2019-20 is as under:

Table 2: Details of quantum, GCV and price of coal

| Month | Grade of Coal as per the FSA | Quantum of coal procured (MT) | Weighted average landed price of coal procured* (Rs./MT) | Billed GCV of coal as per CIMFR (kcal/kg) – EM Basis | Quantum of coal consumed (MT) | Weighted average landed price of coal for the month# (Rs./MT) | GCV of coal (kcal/kg) – TM Basis |
|--------|------------------------------|-------------------------------|--|--|-------------------------------|---|----------------------------------|
| Apr-18 | G14 | 243721 | 1544 | 3786 | 205965 | 1705 | 3102 |
| May-18 | G14 | 237811 | 1544 | 3581 | 236644 | 1652 | 3104 |
| Jun-18 | G14 | 240414 | 1544 | 3302 | 212502 | 1580 | 2930 |
| Jul-18 | G14 | 205551 | 1544 | 3595 | 163810 | 1619 | 3005 |
| Aug-18 | G14 | 203734 | 1544 | 3688 | 184505 | 1648 | 3136 |
| Sep-18 | G14 | 201018 | 1545 | 3576 | 219271 | 1635 | 3114 |
| Oct-18 | G14 | 193541 | 1545 | 3416 | 238136 | 1608 | 3029 |

| Month | Grade of Coal as per the FSA | Quantum of coal procured (MT) | Weighted average landed price of coal procured* (Rs./MT) | Billed GCV of coal as per CIMFR (kcal/kg) – EM Basis | Quantum of coal consumed (MT) | Weighted average landed price of coal for the month# (Rs./MT) | GCV of coal (kcal/kg) – TM Basis |
|--------|------------------------------|-------------------------------|--|--|-------------------------------|---|----------------------------------|
| Nov-18 | G14 | 164823 | 1545 | 3251 | 223011 | 1559 | 2961 |
| Dec-18 | G14 | 249222 | 1545 | 3555 | 226192 | 1613 | 3108 |
| Jan-19 | G14 | 197296 | 1545 | 3479 | 224757 | 1613 | 3147 |
| Feb-19 | G14 | 228074 | 1548 | 3226 | 203288 | 1530 | 2810 |
| Mar-19 | G14 | 247768 | 1597 | 3663 | 227189 | 1791 | 3102 |
| Apr-19 | G14 | 192546 | 1548 | 3662 | 217572 | 1624 | 3212 |
| May-19 | G14 | 261769 | 1548 | 3551 | 224916 | 1634 | 3046 |
| Jun-19 | G14 | 255368 | 1548 | 3573 | 204487 | 1628 | 3051 |
| Jul-19 | G14 | 234040 | 1548 | 3509 | 186844 | 1636 | 2995 |
| Aug-19 | G14 | 144044 | 1552 | 3468 | 108524 | 1649 | 3004 |
| Sep-19 | G14 | 24980 | 1552 | 3399 | 182283 | 1455 | 3111 |
| Oct-19 | G14 | 218962 | 1552 | 3647 | 181975 | 1531 | 2893 |
| Nov-19 | G14 | 399241 | 1552 | 3398 | 193889 | 1613 | 3019 |

*Without considering Debt/Credit Notes

#Considering Debt/Credit Notes and adjustments

3. OPGC may submit the actual audited information of Coal of Last three years as per format given below:

OPGC's submissions:

The information sought by the Hon'ble Commission is as under:

Table 3: Details of coal for last three years

| Particulars | Unit | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 (Actual upto November 2019) |
|-------------------------------|---------|---|---|------------|--|
| Grade of Coal | No | G13 | G14 | G14 | G14 |
| Base Price of Coal | Rs./MT | Upto 29.05.2016 – Rs.610; For the balance period –Rs.720 | Upto 08.01.2018 – Rs.650; For the balance period –Rs.748 | 748 | 748 |
| Total Cost of Coal | Rs./MT | 1565.60 | 1521.59 | 1631.29 | 1595.48 |
| Standard range of GCV of Coal | kcal/kg | 3401-3700 | 3101-3400 | 3101-3400 | 3101-3400 |

| Particulars | Unit | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 (Actual upto November 2019) |
|--------------------|---------|---------------|---------------|---------------|---|
| Actual GCV of Coal | kcal/kg | 2684 | 2710 | 3048 | 3032 |
| Gross Generation | MU | 3235 | 2842 | 3085 | 1788.33 |
| Coal Consumption | MT | 29,14,191 | 25,82,719 | 25,65,270 | 15,00,490 |

4. *OPGC may submit the month wise audited information showing secondary fuel oil (both FO & LDO) mix ratio, quantity, rate and value of each and combined secondary fuel oil mix actual procured and consumed during FY 2018-19. Further OPGC may submit the actual month wise information showing secondary fuel oil mix ratio, quantity, rate and value of each and combined secondary fuel oil mix actual procured and consumed till date of current FY 2019-20.*

OPGC's submissions:

The month wise audited information showing secondary fuel oil mix ratio, quantity, rate and combined fuel oil mix actual procured and consumed during FY 2018-19 and till November of FY 2019-20 is as under:

Table 4: Details of quantum and price of secondary fuel oil

| Month | Secondary Fuel Oil procured and consumed | Quantum of oil procured (kL) | Weighted average price oil procured (Rs./kL) | Quantum of oil consumed (kL) | Weighted average price oil for the month (Rs./kL) |
|--------|--|------------------------------|--|------------------------------|---|
| Apr-18 | LDO | 190 | 49781 | 137 | 46520 |
| May-18 | LDO | 0 | 0 | 9 | 46520 |
| Jun-18 | LDO | 167 | 56098 | 100 | 48953 |
| Jul-18 | LDO | 0 | 0 | 110 | 48953 |
| Aug-18 | LDO | 514 | 56709 | 444 | 53098 |
| Sep-18 | LDO | 80 | 56509 | 77 | 53555 |
| Oct-18 | LDO | 0 | 0 | 0 | 53555 |
| Nov-18 | LDO | 0 | 0 | 51 | 53554 |
| Dec-18 | LDO | 141 | 53280 | 83 | 53491 |
| Jan-19 | LDO | 0 | 0 | 26 | 53491 |
| Feb-19 | LDO | 0 | 0 | 96 | 53491 |
| Mar-19 | LDO | 192 | 53847 | 53 | 53606 |
| Apr-19 | LDO | 0 | 0 | 34 | 53606 |
| May-19 | LDO | 0 | 0 | 30 | 53606 |
| Jun-19 | LDO | 0 | 0 | 218 | 53606 |



| Month | Secondary Fuel Oil procured and consumed | Quantum of oil procured (kL) | Weighted average price oil procured (Rs./kL) | Quantum of oil consumed (kL) | Weighted average price oil for the month (Rs./kL) |
|--------|--|------------------------------|--|------------------------------|---|
| Jul-19 | LDO | 291 | 52434 | 79 | 52989 |
| Aug-19 | LDO | 172 | 52893 | 0 | 52964 |
| Sep-19 | LDO | 0 | 0 | 453 | 52964 |
| Oct-19 | LDO | 337 | 52702 | 158 | 52797 |
| Nov-19 | LDO | 149 | 50780 | 21 | 52220 |

**There is no arrangement for use of HFO in OPGC 1&2. However, in the Petition, the mix of HFO and LDO has been taken in the ratio of 90:10 as per the mutual agreement between OPGC and GRIDCO.*

5. *OPGC may submit the latest notification on standard Gross Calorific Value (GCV) and their corresponding cost of coal notified by appropriate authority (Coal India/ MCL).*

OPGC's submissions:

The Coal Price Notification of Coal India Limited dated January8, 2018 is enclosed at Annexure 1 (Colly.).

6. *OPGC may submit breakup of estimated cost of Coal showing base price and other charges amounting to Rs. 1603.68/MT proposed in its tariff application for FY 2020-21. Further OPGC may clarify about the grade of coal to be used during FY 2020-21.*

OPGC's submissions:

The coal price of Rs. 1600.68/MT proposed in the tariff application for FY 2020-21 is the weighted average of the actual coal price for the months of April 2019 to September, 2019 as submitted in the Petition. The copy of the Half Yearly Fuel Price Adjustment Bill for the period April 2019 to September 2019 is enclosed at Annexure 1 of the Petition. The indicative break-up of the landed price of coal considering the applicable base price and other charges is as shown in Table below:

Table 5: Indicative landed price of coal

| Particulars | Units | Legend | Value |
|------------------------|--------|---------|-------|
| Basic (G14 Coal Grade) | Rs./MT | A | 748 |
| Sizing charges | Rs./MT | B | 87 |
| Royalty | Rs./MT | C=14%xA | 105 |
| NMET Fund | Rs./MT | D=2%xC | 2 |
| DMF | Rs./MT | E=30%*C | 31 |



| Particulars | Units | Legend | Value |
|--------------------------------|---------------|-----------------|-------------|
| Surface Transportation Charges | Rs./MT | F | 74 |
| Evacuation facility charges | Rs./MT | G | 50 |
| Sub-total | Rs./MT | H=A+B+C+D+E+F+G | 1097 |
| GST compensation cess | Rs./MT | I | 400 |
| SGST | Rs./MT | K=5%*G | 55 |
| Total | Rs./MT | K=H+I+J | 1552 |

The differential amount of actual coal price of Rs. 1600.68/MT as proposed in the Petition from the notified price as shown in the Table-5 above is on account of declared grade of coal vis-à-vis coal quality reports received, based on the third party sampling/Test reports (CIMFR) and other charges including Third Party Sampling/ Testing Fees etc.

The coal requirement for FY 2020-21 is to be met under the FSA with MCL and is planned to be met from Lakhanpur Area of MCL through MGR. The declared grade of coal of Lakhanpur Area mines is G14. The grade of coal actually supplied will undergo a change based on the analysed grade of coal at the time of dispatch.

7. *OPGC may submit the actual Station Heat Rate (kcal/kWh), average Gross calorific value, and Price of Coal and Secondary Fuel Oil of the following period in the format given below:*

OPGC's submissions:

The information sought by the Hon'ble Commission is as under:

Table 6: Actual Station Heat Rate, average Gross Calorific Value, and Price of Coal and Secondary Fuel Oil

| FY | Station Heat Rate | Gross Calorific Value | | Price | |
|-----------------------------|-------------------|-----------------------|---------------|---------|---------------|
| | | Coal | Secondary oil | Coal | Secondary oil |
| | kcal/kWh | kcal/kg | kcal/L | Rs./MT | Rs./kL |
| 2016-17 | 2420 | 2684 | 10000 | 1565.60 | LDO: 39456 |
| 2017-18 | 2527 | 2710 | 10000 | 1521.59 | LDO: 42622 |
| 2018-19 | 2537 | 3048 | 10000 | 1631.29 | LDO: 51696 |
| 2019-20 (Till Nov. 2019) | 2563 | 3047 | 10000 | 1613.00 | LDO: 52220 |
| 2019-20 (Estimated) | 2535 | 3025 | 10000 | 1693.65 | LDO: 52220 |

8. *OPGC may submit the actual and estimated Secondary Fuel Oil consumption of the following period in the format given below:*

OPGC's submissions:

The information sought by the Hon'ble Commission is as under:

Table 7: Actual Secondary Fuel Oil consumption

| FY | Actual Consumption of Oil (kL) | Actual Generation (MU) | Average Secondary fuel oil Consumption (ml/kWh) |
|-----------------------------|--------------------------------|------------------------|---|
| 2016-17 | 918.055 | 3234.88 | 0.284 |
| 2017-18 | 1424.69 | 2842.35 | 0.501 |
| 2018-19 | 1186.54 | 3085.45 | 0.385 |
| 2019-20 (Till Nov. 2019) | 992.39 | 1788.33 | 0.555 |
| 2019-20 (Estimated) | 1712.39 | 2822.09 | 0.607 |

9. *OPGC may submit actual, estimated and proposed generation details during the following period in the per format given below:*

OPGC's submissions:

The information sought by the Hon'ble Commission is as under:

Table 8: Actual Generation details

| FY | Gross Generation (MU) | Auxiliary Consumption* | | Net Energy sent out MU | PLF % |
|-----------------------------|-----------------------|------------------------|--------|------------------------|--------|
| | | MU | % | | |
| 2016-17 | 3234.88 | 337.5 | 10.37% | 2891.11 | 87.92% |
| 2017-18 | 2842.35 | 315.33 | 11.09% | 2511.80 | 77.25% |
| 2018-19 | 3085.45 | 331.35 | 10.74% | 2743.11 | 83.86% |
| 2019-20 (Till Nov. 2019) | 1788.33 | 201.32 | 11.26% | 1576.58 | 72.71% |
| 2019-20 (Estimated) | 2822.09 | 306.58 | 10.86 | 2505.08 | 76.49% |

* Excludes the Colony Consumption



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10. *OPGC may submit the Taxable Income, Tax paid and actual tax assessed by the department during the following period in the format given below:*

OPGC's submissions:

The information sought by the Hon'ble Commission is as under:

Table 9: Taxable Income, Tax paid and actual tax assessed (Rs. Crore)

| Assessment Year | Taxable Income | | | Total Amounts of Tax Paid to Income Tax department | Actual amounts of Tax Assessed by Department |
|-----------------|----------------|----------------|--------|--|--|
| | Generation | Non-generation | Total | | |
| 2016-17 | 123.40 | 78.42 | 201.82 | 73.48 | 70.30 |
| 2017-18 | 85.52 | 36.31 | 121.83 | 42.92 | 44.20 |
| 2018-19 | -1.34 | 12.91 | 11.57 | 11.11 | Assessment Not Completed |
| 2019-20 | 247.19 | 20.90 | 268.09 | 100.33 | Assessment Proceeding Not yet initiated |

11. *OPGC may submit the Income Tax assessment orders issued by the Income tax Departments starting from the AY 2017-18 (FY 2016-17) to till date.*

OPGC's submissions:

The copies of Income Tax assessment orders issued by the Income Tax Department from AY 2017-18 till date are enclosed at **Annexure 2 (Colly)**.

12. *OPGC may submit the actual other charges (head wise) incurred and reimbursed from GRIDCO during the period from FY 2017-18 to FY 2019-20 (till date) as against the approvals in the respective tariff order.*

OPGC's submissions:

The information sought by the Hon'ble Commission is given in the table below:

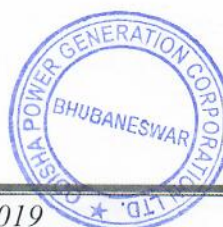


Table 10: Other charges for FY 2017-18 (Rs. Crore)

| S. No. | Particulars | FY 2017-18 | | |
|--------|---------------------------------------|------------------------------|-----------------|----------------------|
| | | Approved in the Tariff Order | Actual incurred | Reimbursed by GRIDCO |
| 1 | Electricity Duty | 7.97 | 16.50 | 14.99 |
| 2 | Water Cess and Water Charges | 6.35 | 6.86 | 6.85 |
| 3 | Tax and Cess on land | 0.22 | 0.19 | 0.19 |
| 4 | SOC and MOC for SLDC | 0.33 | 0.32 | 0.33 |
| 5 | ERPC Charges | 0.16 | 0.16 | 0.16 |
| 6 | Income Tax | 37.07 | 11.10 | 7.50 |
| 7 | Recovery of ARR & Tariff Petition Fee | 0.21 | 0.21 | 0.21 |
| 8 | Total | 52.31 | 35.34 | 30.23 |

Table 11: Other charges for FY 2018-19 (Rs. Crore)

| S. No. | Particulars | FY 2018-19 | | |
|--------|---------------------------------------|------------------------------|-----------------|----------------------|
| | | Approved in the Tariff Order | Actual incurred | Reimbursed by GRIDCO |
| 1 | Electricity Duty | 15.84 | 18.90 | 15.16 |
| 2 | Water Cess and Water Charges | 6.21 | 7.38 | 7.38 |
| 3 | Tax and Cess on land | 0.18 | 0.19 | 0.19 |
| 4 | SOC and MOC for SLDC | 0.37 | 0.37 | 0.37 |
| 5 | ERPC Charges | 0.16 | 0.16 | 0.16 |
| 6 | Income Tax | 38.67 | 100.33 | 66.76* |
| 7 | Recovery of ARR & Tariff Petition Fee | 0.30 | 0.22 | 0.22 |
| 8 | Incentive | 3.35 | 0.00 | 0.00 |
| 9 | Total | 65.08 | 127.55 | 90.24 |

*The amount of Income Tax reimbursement includes arrear income tax reimbursement related to FY 2016-17, 2017-18 and 2018-19 amounting to Rs.40.53 Crore after adjustment of Rs.2.38 Crore towards 0.5% Entry Tax recovery on coal for the period FY 2000-01 to 2003-04 and recovery of Rs.1.43 Crore towards differential MAT credit based on latest assessment position (subject to final outcome of appeals pending for disposal)



Table 12: Other charges for FY 2019-20 (Rs. Crore)

| S. No. | Particulars | FY 2019-20 | | |
|--------|---------------------------------------|------------------------------|--------------------------------|-------------------------------------|
| | | Approved in the Tariff Order | Actual incurred (Till Nov. 19) | Reimbursed by GRIDCO (Till Nov. 19) |
| 1 | Electricity Duty | 13.17 | 8.88 | 8.88 |
| 2 | Water Cess and Water Charges | 6.86 | 5.46 | 5.46 |
| 3 | Tax and Cess on land | 0.19 | 0.00 | 0.00 |
| 4 | SOC and MOC for SLDC | 0.38 | 0.25 | 0.25 |
| 5 | ERPC Charges | 0.16 | 0.54 | 0.54 |
| 6 | Income Tax | 38.67 | 5.00 | 5.00 |
| 7 | Recovery of ARR & Tariff Petition Fee | 0.30 | 0.00 | 0.00 |
| 8 | Total | 59.73 | 20.13 | 20.13 |

(Signature)





GOVERNMENT OF INDIA
MINISTRY OF FINANCE
INCOME TAX DEPARTMENT
OFFICE OF THE DEPUTY COMMISSIONER OF INCOME TAX
DCIT/ACIT, CIRCLE 1(2), BBSR

| | |
|---|--|
| To, ODISHA POWER GENERATION CORPORATION LIMITED 7TH FLOOR FORTUNE TOWERS, CHANDRASEKHARPUR CHANDRASEKHARPUR BHUBANESWAR 751023, Orissa India | |
|---|--|

| | | | |
|--------------------|----------------|--|----------------------|
| PAN: AAACO4759R | AY: 2017-18 | Order No: ITBA/AST/S/143(3)/2019-20/1022616439(1) | Dated: 18/12/2019 |
|--------------------|----------------|--|----------------------|

| | |
|--|---|
| Name of the assessee | ODISHA POWER GENERATION CORPORATION LIMITED |
| Address of the assessee | 7TH FLOOR FORTUNE TOWERS, CHANDRASEKHARPUR CHANDRASEKHARPUR, BHUBANESWAR 751023, Orissa, India |
| Status | COMPANY |
| Range/Circle/Ward | DCIT/ACIT, CIRCLE 1(2), BBSR |
| Resident/Resident but not Ordinary resident/ Non-resident | Resident |
| Date of Hearing | 25/09/2018, 12/10/2018, 15/01/2019, 30/07/2019, 12/12/2019, 16/12/2019 |
| Section/Sub-section under which assessment is made | 143(3) |
| Date of Order | 18/12/2019 |

ASSESSMENT ORDER

The assessee company e-filed the original return of Income for the assessment year 2017-18 on 06/11/2017 declaring total income Rs.121,82,65,350/-. Thereafter the assessee filed its revised return of income on 29/11/2017 declaring total income of Rs.121,82,65,350/-. Subsequently, the case was selected for scrutiny under CASS. Statutory notice u/s.143(2) was issued on the assessee on 05.09.2018 fixing compliance on or before 20.09.2018 through e-proceedings. Subsequently, notice u/s.142(1) was issued and served on the assessee on 04.01.2019, 18.07.2019 & 06.12.2019 for submission of documents/explanations through e-proceedings in support of claims made in the

Note: If digitally signed, the date of digital signature may be taken as date of document.
AAYAKAR BHAWAN, RAJASWA VIHAR, BHUBANESWAR, Orissa, 751007
Email: BHUBANESWAR.DCIT1.2@INCOMETAX.GOV.IN,

* The Notice/Letter/Order No. mentioned above is the Document identification No. (DIN) of this Notice/Letter/Order.



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return. A show cause notice was also issued and served on 13.12.2019.

In compliance to it, the assessee furnished replies from time to time. I have carefully gone through the submission of the assessee and assessment is completed with following findings.

2. Addition of receipt of Sale of service u/s 68.

From Service Tax return in Form ST-3 filed before Service Tax Range-II, Jharsuguda, CEX, Customs & Stax Division Jharusuguda, Central Board of Excise and Customs (CBEC) for the Period April-September and October –March of F.Y. 2016-17 it is seen that the assessee is in receipt of the following amounts from sale of services.

| Taxable Service Particulars | Amount received (in Rs.) |
|--|-----------------------------|
| Renting of immovable Property Service | 3,68,020/- |
| Other Taxable Services-Other than the 119 listed | 3,06,79,467/- |
| Total receipt from sale of service | 3,10,47,487/- |

The assessee has also affirmed of being a service provider in the above Form ST-3 as per section 68(1) of the Finance Act, 1994 filled for F.Y. 2016-17 and furnished details of receipt from sale of services in Part B1 in respect of the same.

The assessee has shown nil income from sale of service in Income Tax Return. Accordingly, the assessee was asked to state the reasons for difference in claims that made in the Income Tax Return and that reflected in Service Tax Return filled before the CBEC. In response the assessee stated that the above income has been included in the Other Income. On going through the details of other income, it is found that the total income shown as receipt from renting is of Rs.1,23,80,852/- only. Similarly, other receipts relating to receipt from other taxable services is of only Rs.77,39,553/-. Adding these two receipts shown in the



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return under 'other income' gives a figure of Rs.2,01,20,405/-. No explanation was furnished in respect of differential amount of Rs.1,09,27,082/- (Rs. 3,10,47,487 – Rs. 2,01,20,405). Since the assessee failed to show that an amount of Rs.1,09,27,082 has been offered for taxation, the same is added as unexplained income u/s 68 of the Income Tax Act, 1961.

Addition: Rs.1,09,27,082/-

Penalty proceeding u/s 270A is initiated separately.

Subject to the above, the taxable income of the assessee is assessed as under:-

| +/- | Particulars | Amount in Rs. |
|------|---------------------------------------|-----------------|
| | Income as per return of income | 121,82,65,350/- |
| Add: | Income from Sale of Service - u/s 68. | 1,09,27,082/- |
| | Assessed income | 122,91,92,432/- |

Assessed u/s 143(3) of the I.T Act, 1961 on a total income of **Rs 122,91,92,432/-**. Calculate tax and charged interest u/s 234A, 234B, 234C and 234D as the case may be. Issue notice of demand along with copy of the Assessment Order and Tax computation sheet.

THAMBURAN THOZHAPILLAI AYYAMPERUMAL
DCIT/ACIT, CIRCLE 1(2), BBSR

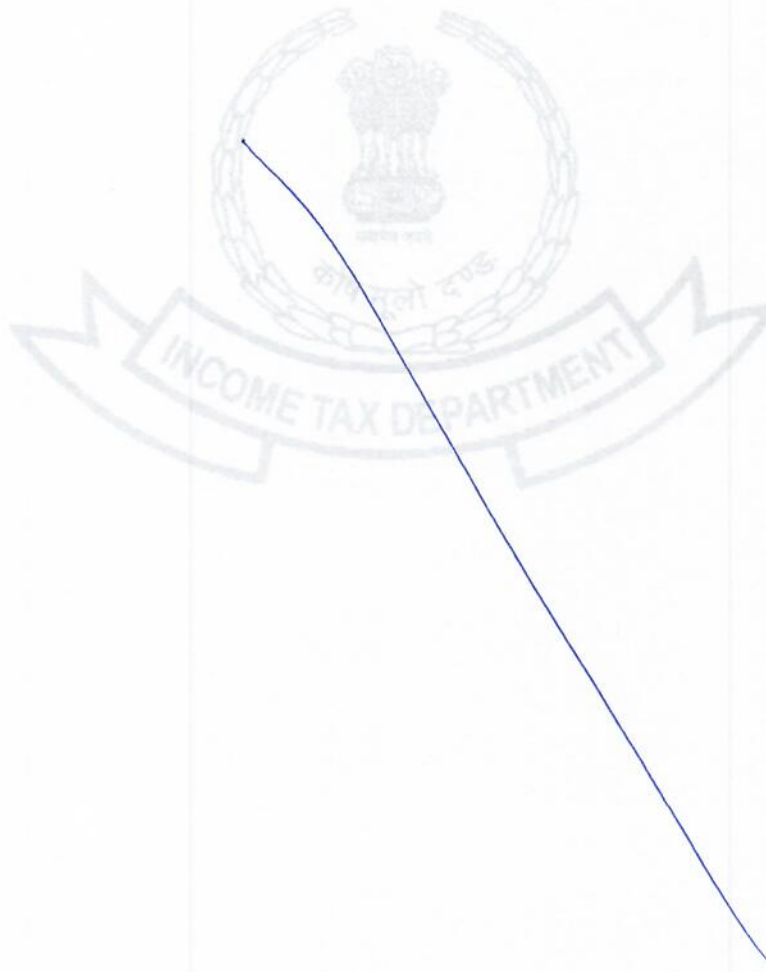
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THAMBURAN THOZHAPILLAI AYYAMPERUMAL
DCIT/ACIT, CIRCLE 1(2), BBSR

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GOVERNMENT OF INDIA
MINISTRY OF FINANCE
INCOME TAX DEPARTMENT
OFFICE OF THE DEPUTY COMMISSIONER OF INCOME TAX
DCIT/ACIT, CIRCLE 1(2), BBSR

Computation Sheet

| General Details | | | |
|--------------------|---|-----------------|---|
| PAN | AAACO4759R | Assessment Year | 2017-18 |
| Name | ODISHA POWER GENERATION CORPORATION LIMITED | Address | 7TH FLOOR FORTUNE TOWERS ,CHANDRASEKHARPUR CHANDRASEKHARPUR BHUBANESWAR 751023 ,Orissa India |
| Residential Status | Resident | Document Number | ITBA/AST/S/216/2019-20/1022616800(1) |
| Order Section | 143(3) | Order Date | 18/12/2019 |

| Sl. No. | Reporting Heads | Amount as per Current Order (in Rs.) |
|---------|--|--------------------------------------|
| | HEADS OF INCOME | |
| 1. | INCOME FROM HOUSE PROPERTY | 0 |
| 2. | INCOME FROM BUSINESS OR PROFESSION | 1,21,82,65,347 |
| 3. | INCOME FROM CAPITAL GAINS | 0 |
| 4. | INCOME FROM OTHER SOURCES | 1,09,27,082 |
| 5. | INTRA HEAD ADJUSTMENTS | 0 |
| 6. | TOTAL(AFTER INTRA HEAD ADJUSTMENT) 6=(1+2+3+4)-5 | 1,22,91,92,429 |
| 7. | LOSSES OF CURRENT YEAR SETOFF AGAINST 6 | 0 |
| 8. | BROUGHT FORWARD LOSSES SET OFF AGAINST 6 | 0 |
| 9. | GROSS TOTAL INCOME (INCLUDING SPECIAL INCOME) 9=6-(7+8) | 1,22,91,92,429 |
| 10. | (I) INCOME CHARGEABLE TO TAX AT SPECIAL RATE UNDER SECTION 115BBE | 1,09,27,082 |
| | (II) INCOME CHARGEABLE TO TAX AT SPECIAL RATE OTHER THAN 115BBE INCLUDING SECTION 111A, 112 ETC. | 0 |
| 11. | DEDUCTION U/S 10A or 10AA | 0 |
| | DEDUCTIONS UNDER CHAPTER VI A | |

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,AAYAKAR BHAWAN, RAJASWA VIHAR, BHUBANESWAR, Orissa, 751007
Email: BHUBANESWAR.DCIT1.2@INCOMETAX.GOV.IN,

* The Notice/Letter/Order No. mentioned above is the Document identification No. (DIN) of this Notice/Letter/Order.



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| | | |
|-----|---|----------------|
| 12. | TOTAL DEDUCTIONS UNDER CHAPTER (VIA) | 0 |
| 13. | TOTAL INCOME AFTER DEDUCTIONS (10A/10AA AND CHAPTER VIA) 13=(9-11-12) | 1,22,91,92,430 |
| 14. | INCOME CHARGEABLE TO TAX AT SPECIAL RATES | 1,09,27,082 |
| 15. | INCOME CHARGEABLE TO TAX AT NORMAL RATES | 1,21,82,65,347 |
| 16. | NET AGRICULTURAL INCOME | 0 |
| 17. | AGGREGATE INCOME 17=(13+16) | 1,21,82,65,350 |
| 18. | LOSS IN CURRENT YEAR TO BE CARRIED FORWARD | 0 |
| 19. | DEEMED TOTAL INCOME U/S 115JB | 1,12,36,25,408 |
| | TAX DETAILS | |
| 20. | TAX PAYABLE ON DEEMED TOTAL INCOME UNDER SECTION 115JB | 20,78,70,700 |
| 21. | SURCHARGE (ON ABOVE 20) | 2,49,44,484 |
| 22. | EDUCATION CESS (ON 20 +21 ABOVE) | 69,84,456 |
| 23. | TOTAL TAX PAYABLE U/S 115JB (23=20+21+22) | 23,97,99,640 |
| 24. | TAX AT NORMAL RATES (INCLUDED. AGRICULTURAL INCOME) | 36,54,79,605 |
| 25. | (I) TAX ON 115BBE | 65,56,249 |
| | (II) TAX ON SPECIAL INCOME OTHER THAN SECTION 115BBE | 0 |
| 26. | TAX PAYABLE ON TOTAL INCOME 26=(24+25) | 37,20,35,854 |
| 27. | SURCHARGE ON 26 ABOVE | |
| | (i) 25% OF TAX ON DEEMED INCOME CHARGEABLE U/S 115BBE | 16,39,062 |
| | (ii) ON [(26) – (TAX ON DEEMED INCOME CHARGEABLE U/S115BBE)] | 4,38,57,553 |
| | (iii) TOTAL (i + ii) | 4,54,96,615 |
| 28. | EDUCATION CESS ON (26 + 27) | 1,25,25,974 |
| 29. | GROSS TAX LIABILITY (29=26+27+28) | 43,00,58,443 |
| 30. | GROSS TAX PAYABLE (HIGHER OF 23 OR 29) | 43,00,58,443 |
| 31. | CREDIT UNDER SECTION 115JAA OF TAX PAID IN EARLIER YEARS | 0 |
| 32. | TAX PAYABLE AFTER CREDIT UNDER SECTION 115JAA | 43,00,58,443 |
| | TAX RELIEF | |
| 33. | RELIEF U/S 90/90A | 0 |
| 34. | RELIEF U/S 91 | 0 |
| 35. | TOTAL TAX RELIEF 35=(33+34) | 0 |
| | TOTAL INCOME TAX LIABILITY | |
| 36. | NET TAX LIABILITY 36=(32-35) | 43,00,58,443 |
| | INTEREST PAYABLE | |
| 37. | FOR DEFAULT IN FURNISHING THE RETURN (SECTION 234A) | 0 |



| | | |
|-----|--|----------------------|
| 38. | FOR DEFAULT IN PAYMENT OF ADVANCE PAYMENT (SECTION 234 B) | 66,66,948 |
| 39. | FOR DEFERMENT OF ADVANCE TAX (SECTION 234C) | 53,16,243 |
| 40. | INTEREST U/S 234D | 0 |
| 41. | TOTAL INTEREST LIABILITY 41=(37+38+39+40) | 1,19,83,191 |
| 42. | AGGREGATE INCOMETAX LIABILITY 42=(36+41) | 44,20,41,634 |
| | PRE-PAID TAXES | |
| 43. | TDS | 3,30,16,563 |
| 44. | TCS | 0 |
| 45. | ADVANCE TAX | 34,00,00,000 |
| 46. | SELF ASSESSMENT TAX | 5,60,66,231 |
| 47. | REGULAR TAX PAID | 0 |
| 48. | TOTAL TAXES PAID 48=(43+44+45+46+47) | 42,90,82,794 |
| | TAX PAYABLE/REFUND | |
| 49. | AMOUNT PAYABLE /REFUND AMOUNT 49=(42-48) | 1,29,58,840 |
| 50. | INTEREST U/S 244A ON CURRENT AMOUNT | 0 |
| 51. | TOTAL AMOUNT PAYABLE/ REFUND AMOUNT 51= (49+50) | 1,29,58,840 |
| 52. | REFUND ALREADY ISSUED (incl. interest u/s 244A) | 0 |
| 53. | BALANCE AMOUNT PAYABLE/REFUNDABLE (incl. provisional Interest u/s 244A till current order - if any) 53 = (51-52) | 1,29,58,840 |
| 54. | INTEREST U/S 220(2) CHARGED (In Rs.) | 0 |
| 55. | AMOUNT PAYABLE/REFUNDABLE 55=(53+54) | 1,29,58,840 |
| 56. | DEMAND IDENTIFICATION NO AGAINST ORIGINAL DEMAND | 2019201737080905944C |

| 58. DIVIDEND DISTRIBUTION TAX (DDT) COMPUTATION | | |
|---|---|----------------------|
| Sl. No. | Reporting Heads | As per Current Order |
| | DDT | |
| 1. | DDT PAYABLE U/S 115O | 5,19,05,372 |
| 2. | SURCHARGE ON DDT | 62,28,645 |
| 3. | EDUCATION + SECONDARY & HIGHER EDUCATION CESS | 17,44,021 |
| 4. | TOTAL DDT PAYABLE | 5,98,78,038 |
| 5. | INTEREST U/S 115P | 1,43,70,729 |
| 6. | TOTAL DDT LIABILITY | 7,42,48,767 |
| 7. | TAX AND INTEREST PAID | 0 |
| 8. | DDT AMOUNT PAYABLE/REFUNDABLE (6-7) | 7,42,48,767 |
| 9. | INTEREST U/S 244A (till order date or accounting closure date) | 0 |
| 10. | TOTAL DDT AMOUNT PAYABLE/REFUNDABLE (8+9) | 0 |



| | | |
|-----|--|----------------------|
| 11. | DDT REFUND ALREADY ISSUED | 0 |
| 12. | BALANCE DDT AMOUNT PAYABLE/REFUNDABLE(10-11) | 0 |
| 13. | DEMAND IDENTIFICATION NO AGAINST DDT | 2019201737080905933C |

| 59. DETAILS OF TAX ON DISTRIBUTED INCOME OF A DOMESTIC COMPANY ON BUY BACK OF SHARES(BBS), NOT LISTED ON STOCK EXCHANGE | | |
|---|--|----------------------|
| Sl. No. | Reporting Heads | As per Current Order |
| | BBS | |
| 1. | TAX ON DISTRIBUTED INCOME ON BUY BACK OF SHARES U/S 115QA | 0 |
| 2. | SURCHARGE ON ABOVE | 0 |
| 3. | EDUCATION+SECONDARY & HIGHER EDUCATION CESS | 0 |
| 4. | TOTAL TAX ON DISTRIBUTED INCOME ON BUY BACK OF SHARES PAYABLE | 0 |
| 5. | INTEREST U/S 115QB | 0 |
| 6. | ADDITIONAL INCOME TAX AND INTEREST PAYABLE 6=(4+5) | 0 |
| 7. | TAX AND INTEREST PAID | 0 |
| 8. | BBS AMOUNT PAYABLE/REFUNDABLE 8=(6-7) | 0 |
| 9. | INTEREST U/S 244A (till order date or accounting closure date) | 0 |
| 10. | TOTAL BBS AMOUNT PAYABLE/REFUNDABLE 10= (8+9) | 0 |
| 11. | BBS REFUND ALREADY ISSUED | 0 |
| 12. | BALANCE BBS AMOUNT PAYABLE/REFUNDABLE 12= (10-11) | 0 |

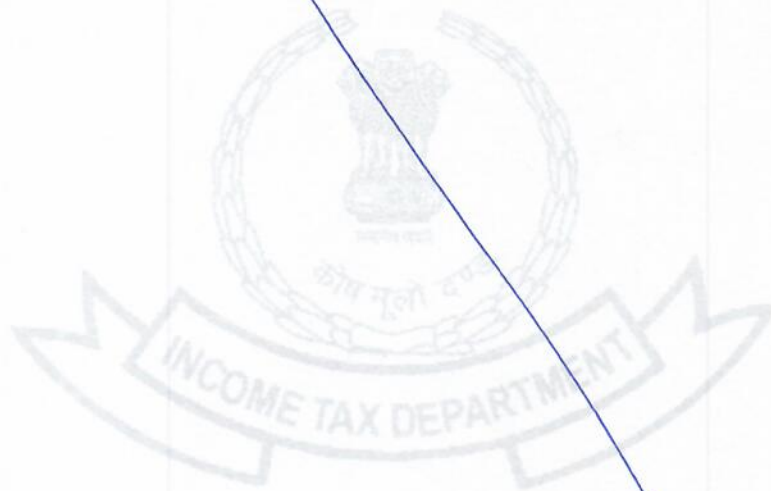
| 60. AGGREGATION OF REFUND & DEMAND ARISING OUT OF ASSESSMENT ORDER (AFTER ROUNDING OFF AND CROSS ADJUSTMENTS) | | |
|---|---------------|----------------|
| HEADS | REFUND AMOUNT | DEMAND PAYABLE |
| INCOME TAX | 0 | 1,29,58,840 |
| DDT | 0 | 0 |
| BBS | 0 | 0 |
| BALANCE REFUND/DEMAND AFTER CROSS ADJUSTMENTS | 0 | 2,73,29,570 |

*In case of refund, Refund Intimation cum Adjustment sheet will be issued subsequently and separate communication will be sent for that.

Note: Fields from 9 to 12 in DDT (Point No. 58) and BBS (Point No. 59) Panel will be displayed at time of passing order.

THAMBURAN THOZHAPILLAI AYYAMPERUMAL
DCIT/ACIT, CIRCLE 1(2), BBSR

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ANNEXURE-2

Page 1 of 3

| | |
|---|---|
|  | <p>COAL INDIA LIMITED कोल इण्डिया लिमिटेड A Maharatna Company एक महारत्न कंपनी (A Govt. of India Enterprise)</p> <p>COAL BHAWAN Marketing & Sales Division Ground Floor, Premises No. 04 MAR, Plot No. AF-III, Action Area -1A Rajarhat, New Town, Kolkata - 700156 Phone: 033-71104143, Fax: 033-23244229, Website: www.coalindia.in CIN: L23109WB1973GOI028844</p> |
|---|---|

PRICE NOTIFICATION: CIL: M & S : GM(F)/Pricing 2018/07 dated 8th January 2018

In supersession of the Price Notification no. 01: S&M: GM(F)/Pricing 2016/294_dated 29th May, 2016, the pit head Run of Mine (ROM) prices of all grades of non-coking coal produced by Coal Companies of Coal India Limited including North Eastern Coalfields are being revised with effect from 00:00 Hour of 09th January 2018.

The revised pithead ROM prices have been given in Table I and Table II.

However, all elements of other charges as are presently applicable shall continue to remain applicable.

This issues with the approval of the competent authority.

Abhay
8.1.18

HoD (Comm.), M&S
Coal India Limited, Kolkata

Ray 8.1.18

HoD (F), M&S
Coal India Limited, Kolkata

MS

Enclosed: Table I and II

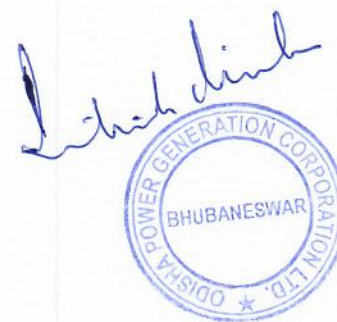


Table – I

PIT HEAD ROM PRICE OF NON-COKING COAL APPLICABLE FOR EASTERN COALFIELDS LIMITED, BHARAT COKING COAL LIMITED, CENTRAL COALFIELDS LIMITED, NORTHERN COALFIELDS LIMITED, MAHANADI COALFIELDS LIMITED, SOUTH EASTERN COALFIELDS LIMITED AND NORTH EASTERN COALFIELDS.

| Grade | GCV Range | Run of mine price for Non-Coking coal | |
|-------|---------------------------------------|---|---|
| | | Power Utilities (including IPPs), Fertilizer & Defence sector | Sectors other than Power Utilities (including IPPs), Fertilizer & Defence |
| | (Kcal/Kg) | (Rs./Te) | (Rs./Te) |
| G1 | Exceeding 7000 | * | * |
| G2 | Exceeding 6700 and not exceeding 7000 | 3288 | 3288 |
| G3 | Exceeding 6400 and not exceeding 6700 | 3144 | 3144 |
| G4 | Exceeding 6100 and not exceeding 6400 | 3000 | 3000 |
| G5 | Exceeding 5800 and not exceeding 6100 | 2737 | 2737 |
| G6 | Exceeding 5500 and not exceeding 5800 | 2317 | 2524 |
| G7 | Exceeding 5200 and not exceeding 5500 | 1926 | 2311 |
| G8 | Exceeding 4900 and not exceeding 5200 | 1465 | 1757 |
| G9 | Exceeding 4600 and not exceeding 4900 | 1140 | 1368 |
| G10 | Exceeding 4300 and not exceeding 4600 | 1024 | 1228 |
| G11 | Exceeding 4000 and not exceeding 4300 | 955 | 1145 |
| G12 | Exceeding 3700 and not exceeding 4000 | 886 | 1063 |
| G13 | Exceeding 3400 and not exceeding 3700 | 817 | 980 |
| G14 | Exceeding 3100 and not exceeding 3400 | 748 | 897 |
| G15 | Exceeding 2800 and not exceeding 3100 | 590 | 708 |
| G16 | Exceeding 2500 and not exceeding 2800 | 504 | 604 |
| G17 | Exceeding 2200 and not exceeding 2500 | 447 | 536 |

* For GCV exceeding 7000 Kcal/Kg, the price shall be increased by Rs. 100/- per tonne over and above the price applicable for GCV band exceeding 6700 but not exceeding 7000 Kcal/Kg, for increase in GCV by every 100 Kcal/Kg or part thereof.

An additional amount of Rs. 450 per tonne (as per existing practice) to be charged over and above the notified price in respect of the coal produced from Rajmahal mine of Eastern Coalfields Limited



Table II

**PIT HEAD PRICE OF NON-COKING COAL APPLICABLE FOR WESTERN
COALFIELDS LIMITED.**

| Grade | GCV Range | Pithead Run of mine price for Non-Coking coal | |
|-------|---------------------------------------|---|---|
| | | Power Utilities (including IPPs), Fertilizer & Defence sector | Sectors other than Power Utilities (including IPPs), Fertilizer & Defence |
| | (Kcal/Kg) | (Rs./Te) | (Rs./Te) |
| G1 | Exceeding 7000 | * | * |
| G2 | Exceeding 6700 and not exceeding 7000 | 3288 | 3288 |
| G3 | Exceeding 6400 and not exceeding 6700 | 3144 | 3144 |
| G4 | Exceeding 6100 and not exceeding 6400 | 3000 | 3000 |
| G5 | Exceeding 5800 and not exceeding 6100 | 2737 | 2737 |
| G6 | Exceeding 5500 and not exceeding 5800 | 2524 | 2580 |
| G7 | Exceeding 5200 and not exceeding 5500 | 2311 | 2423 |
| G8 | Exceeding 4900 and not exceeding 5200 | 1757 | 2109 |
| G9 | Exceeding 4600 and not exceeding 4900 | 1368 | 1642 |
| G10 | Exceeding 4300 and not exceeding 4600 | 1228 | 1474 |
| G11 | Exceeding 4000 and not exceeding 4300 | 1145 | 1374 |
| G12 | Exceeding 3700 and not exceeding 4000 | 1063 | 1275 |
| G13 | Exceeding 3400 and not exceeding 3700 | 980 | 1176 |
| G14 | Exceeding 3100 and not exceeding 3400 | 897 | 1076 |
| G15 | Exceeding 2800 and not exceeding 3100 | 708 | 850 |
| G16 | Exceeding 2500 and not exceeding 2800 | 604 | 725 |
| G17 | Exceeding 2200 and not exceeding 2500 | 536 | 643 |

* For GCV exceeding 7000 Kcal/Kg, the price shall be increased by Rs. 100/- per tonne over and above the price applicable for GCV band exceeding 6700 but not exceeding 7000 Kcal/Kg, for increase in GCV by every 100 Kcal/Kg or part thereof.