

# Hiranmaye Energy Limited

(A Company under Corporate Insolvency Resolution Process vide NCLT Order dated January 02, 2024)

HMEL/WBERC/2025-26/11

25<sup>th</sup> November 2025

To  
The Secretary,  
West Bengal Electricity Regulatory Commission,  
Plot No. -AH/5 (2<sup>nd</sup> Floor & 4<sup>th</sup> Floor), Premises No. MAR 16-1111,  
Action Area - 1A, New Town,  
Rajarhat, Kolkata- 700163



**Sub: Petition for approval of Fuel and Power Purchase Cost Adjustment (FPPCA) for the year 2019-20 filed under the Provisions of Regulation 2.8.7 of WBERC (Terms and Conditions of Tariff) Regulations, 2011 and amendments thereof**

Respected Sir,

Hiranmaye Energy Limited (HMEL) has a 300 MW PPA with West Bengal State Electricity Distribution Company Limited (WBSEDCL) and the tariff for the same is determined by the Hon'ble Commission.

The Applicant, HMEL, is hereby submitting this petition in original and three photocopies for determination of Fuel and Power Purchase Cost Adjustment (FPPCA) for the financial year 2019-20 along with supporting documents and Annexures for your kind review.

The Hon'ble Commission is humbly requested to acknowledge the receipt of the same.

Thanking You.

Yours Sincerely,

**For Hiranmaye Energy Limited**

**Saugato Majumdar**

**DGM (Regulatory Affairs & Commercial)**

**Encl.: 1 original + 3 photocopies of the petition + 1 CD**

**CIN - U40105WB2008PLC125220**

Registered Office : Plot No. X1 - 2 & 3, Block - EP, Sector - V, Salt Lake City, Kolkata - 700091

Ph. : +91 33 6609 4300 / 08 / 09 / 10, Fax : +91 33 2357 2452

Plant Office : Vill - Kasbere, P.O. - Shibramnagar, Haldia, Purba Medinipur, West Bengal, Pin - 721635

Ph. : +91 80016 05550, E-mail : [pr@hiranmayeenergy.in](mailto:pr@hiranmayeenergy.in), Web : [www.hiranmayeenergy.in](http://www.hiranmayeenergy.in)



सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

₹10

e-Stamp

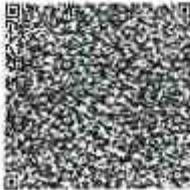
Certificate No.	: IN-DL95136422021471X
Certificate issued Date	: 17-Nov-2025 05:14 PM
Account Reference	: IMPACC (PF) dI766013/ DELHI/ DL-NDD
Unique Doc. Reference	: SUBIN-DL76601317599764304440X
Purchased by	: BHUVAN MADAN
Description of Document	: Article 4 Affidavit
Property Description	: Not Applicable
Consideration Price (Rs.)	: 0 (Zero)
First Party	: BHUVAN MADAN
Second Party	: Not Applicable
Stamp Duty Paid By	: BHUVAN MADAN
Stamp Duty Amount(Rs.)	: 10 (Ten only)



सत्यमेव जयते



₹10



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*M. Arya*



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- The onus of checking the legitimacy is on the users of the certificate.
- In case of any discrepancy please inform the Competent Authority.

1

Form - 1

BEFORE THE HON'BLE WEST BENGAL ELECTRICITY REGULATORY COMMISSION, KOLKATA

File no.  
Case no.  
(To be filled by the office)

IN THE MATTER OF:

PETITION FOR APPROVAL OF FUEL AND POWER PURCHASE COST ADJUSTMENT (FPPCA) FOR THE YEAR 2019-20 FILED UNDER THE PROVISIONS OF REGULATION 2.8.7 OF WBERC (TERMS AND CONDITIONS OF TARIFF) REGULATIONS, 2011 AND AMENDMENTS THEREOF

AND

IN THE MATTER OF:

HIRANMAYE ENERGY LIMITED ('HMEL')  
PLOT NO X 1-2 & 3, BLOCK- EP, SECTOR- V,  
SALT LAKE CITY, KOLKATA – 700091



.....PETITIONER/APPLICANT



17 NOV 2025  
ATTESTED  
  
NOTARY PUBLIC

Form - 2

BEFORE THE HON'BLE WEST BENGAL ELECTRICITY REGULATORY COMMISSION, KOLKATA

File no.  
Case no.  
(To be filled by the office)

IN THE MATTER OF:

PETITION FOR APPROVAL OF FUEL AND POWER PURCHASE COST ADJUSTMENT (FPPCA) FOR THE YEAR 2019-20 FILED UNDER THE PROVISIONS OF REGULATION 2.8.7 OF WBERC (TERMS AND CONDITIONS OF TARIFF) REGULATIONS, 2011 AND AMENDMENTS THEREOF.

AND

IN THE MATTER OF:

HIRANMAYE ENERGY LIMITED ('HMEL')  
PLOT NO X 1-2 & 3, BLOCK- EP, SECTOR- V,  
SALT LAKE CITY, KOLKATA – 700091

  
 PETITIONER/APPLICANT

I, Bhuvan Madan, son of Hanraj Madan aged 55 years by faith Hindu residing at 15, Shivaji Marg, Ramesh Nagar, West Delhi-110015 do solemnly affirm and say as follows:

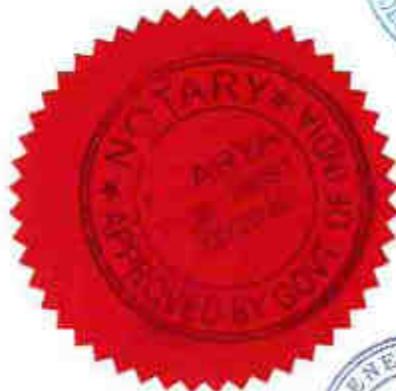
1. I am the Resolution Professional of the applicant company and have been acquainted with the fact and circumstances narrated in the application in respect of which the affidavit is sworn.
2. I have been authorized to swear this affidavit on behalf of applicant, as I am competent to do so.
3. The statements made in paragraph 0.1 to 2.4 are true to my knowledge and belief and the statement made in other paragraphs of the application are matters of records made available to me and based on information received which I believe to be true and correct.

Place: New Delhi  
Date: 17 November, 2025

  
 Deponent

ATTESTED  
  
NOTARY PUBLIC

17 NOV 2025



Identify the deponent  
who signed before me

  
  
Manish Arya  
Advocate  
Notary Public  
Shop, No. 2, Gulshan II Road,  
Connaught Place, New Delhi-110001

TABLE OF CONTENTS

A. BACKGROUND .....2

B. SUBMISSIONS IN RESPECT OF COMPUTATION OF FPPCA.....4

C. OTHER SUBMISSIONS .....5

D. PRAYERS .....8

LIST OF ANNEXURES.....9

LIST OF TABLES

TABLE 1: HMEL IMPORTED COAL (GAR 4200) CONSUMPTION COST FOR FY 2019-20.....6

TABLE 2: HMEL E-AUCTION COAL CONSUMPTION COST FOR FY 2019-20.....6

TABLE 3: HMEL LANDED COAL COST FOR FY 2019-20.....6

**THE PETITIONER MOST RESPECTFULLY SHOWETH:**

Hiranmaye Energy Limited (formerly, India Power Corporation (Haldia) Limited or, IPCL (H) Limited) (hereinafter referred to as "HMEL" or "Petitioner") is submitting this petition in accordance with the following relevant Sections of the Electricity Act 2003 and the relevant Tariff Regulations:

- i. Sections 86 and Section 62 (read with Section 61) of Electricity Act, 2003;
- ii. Regulation 2.8.7 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 and amendments thereof (hereinafter referred to as "Tariff Regulations") read with paragraph B to Schedule-7A prescribing the methodology for determination of Fuel and Power Purchase Cost Adjustment ("FPPCA") for the Generating Stations of Generating Company.

In compliance with the aforesaid regulation, the Petitioner now hereby submits its FPPCA claim for FY 2019-20 before the Hon'ble Commission along with the following facts and annexures for its kind and humble consideration and prayer for condoning the delay and allowing the full claim of the Petitioner.

**A. BACKGROUND**

1. The Hon'ble West Bengal Electricity Regulatory Commission (hereinafter referred to as "WBERC" or "Commission") has the jurisdiction for determination of tariff for sale of electricity by a generating company to a distribution licensee within the State of West Bengal and the Tariff Regulations for such determination have been specified by the Hon'ble Commission in terms of the Electricity Act, 2003.
2. HMEL is a Company registered under Company Act 1956 having its registered office at Plot No. X1-2&3, Block-EP, Sector V, Salt Lake City, Kolkata 700091, is a generating company within the meaning of the Electricity Act, 2003. The National Company Law Tribunal, Kolkata Bench vide order dated January 2, 2024 admitted HMEL into Corporate Insolvency Resolution Process pursuant to an application filed by REC Limited under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("IBC"), and appointed Sh. Bhuvan Madan as the Interim Resolution Professional ("IRP"). As per the provisions of the IBC, the IRP is in control of the management of HMEL and running it as a going

concern. The present petition is being filed based on the information provided by the employees of HMEI, and he should not be held liable for any deficiency or inaccuracy in such information.

3. The Petitioner is developing a green-field, 3x150 MW coal based Thermal Power Project (TPP) at Village, Kasbere, P.O. Shibramnagar, Haldia in Purba Medinipur District of West Bengal. Out of the proposed 3 units, two (2) units of 150 MW each has declared COD respectively on the dates mentioned below:

**Unit 1: 13.08.2017**

**Unit 2: 31.12.2017**

4. The Petitioner has an approved 300 MW Long Term PPA with West Bengal State Electricity Distribution Company Limited ( hereinafter referred to as “WBSEDCL” or “Procurer”) entered on 28.12.2010 and the entire power generated from the aforesaid two units during FY 2019-20 was supplied to WBSEDCL, a distribution licensee in terms of the Electricity Act 2003. It is pertinent to mention here that during FY2019-20, the actual power supply to WBSEDCL was made between 22.04.2019 up to 05.05.2019 only.
5. The Petitioner was pursuing the coal linkage issue with the Ministry of Coal (“MoC”), Ministry of Power (“MoP”) and Central Electricity Authority (“CEA”) regarding next batch of auctions under SHAKTI Scheme wherein the petitioner can participate and ensure long term linkages from domestic coal mines. The coal ministry published the notification regarding 2nd round of SHAKTI Scheme B (ii) on the 20.02.2019. The Petitioner participated in the SHAKTI scheme (Round-2) conducted on the 22.05.2019 and successfully got allocation of 15,02,300 tonnes per annum of coal by providing a levelized tariff discount of 7 paisa/kWh. In view of the change in the source of fuel and to incorporate the tariff discount of 7 paisa/kWh, the Petitioner signed a supplementary PPA with WBSEDCL after receiving Letter of Intent (“LoI”) from Mahanadi Coalfields Ltd (“MCL”) on the 16.07.2019. The Hon’ble Commission approved the supplementary PPA on the 30.08.2019. Thereafter, the Fuel Supply Agreement (“FSA”) was signed between MCL and the Petitioner on the 17.03.2020.
6. It is humbly submitted that during the FY 2019-20 the Petitioner has not purchased any coal from any sources due to circumstances which are beyond the control of the Petitioner as the Petitioner’s

plant was under operation for a very brief period between 22.04.2019 to 05.05.2019 and the coal stock available within the plant premises were sufficient enough to meet the generation schedule of the plant.

7. It is imperative to mention that the Petitioner was only able to secure coal in FY 2020-21 onwards, i.e. after 17.03.2020 due to various procedural issues pertaining to availability of fuel and supplementary PPAs. Therefore, during FY 2019-20, the Petitioner was constrained to generate using only the closing coal stock available from FY 2018-19.
8. Thereafter, the Hon'ble Commission vide its Tariff order dated 31.05.2021 in Case No. TP-82/19-20, inter-alia, approved the energy charge for the Petitioner's generating station at Haldia for the years 2018-19 and 2019-20, subject to adjustment as per Regulations 2.8.7 of the Tariff Regulations. The operating parameters of the generating station of the Petitioner has been approved vide order dated 13.09.2018 in case no. OA-287/18-19.
9. The present petition is accordingly being filed before the Hon'ble Commission for FPPCA for the generating station at Haldia for the year 2019-20 in terms of the Tariff Regulations and time extension granted under the Hon'ble Commission's letter no. WBERC/B-107/1/5144 dated 04.06.2024.

#### **B. SUBMISSIONS IN RESPECT OF COMPUTATION OF FPPCA**

10. The FPPCA amount has been worked out as per the relevant formula specified in the Tariff Regulations, together with other applicable regulations and/or other relevant orders of the Hon'ble Commission. The fuel cost computations, with detailed workings are attached to this petition as **Annexure-A**.
11. Copy of the annual audited accounts of the Petitioner for FY 2019-20 is attached to this petition as **Annexure-B**. It is to be noted that the amounts in this petition document are based on audited Annual Accounts which was prepared and approved by the erstwhile Management of the Company and duly signed by the statutory auditor appointed by the erstwhile Management during the said period, and the IRP should not be held liable for any deficiency or inaccuracy in such information.

12. It is pertinent to mention here that the total fuel cost incurred during FY 2019-20 as per audited accounts is ₹ 1579.77 Lakhs, inclusive of ₹ **1569.51 Lakhs** (as computed in APR petition) towards fuel consumption. However, in terms of the calculations and submissions contained herein, the re-determined fuel cost on normative basis after passing of benefits, if any, to the Purchaser in terms of Schedule-9B of the Tariff Regulations is ₹ **1351.51 Lakhs** for the year 2019-20. The Petitioner humbly prays before the Hon'ble Commission to kindly consider approving ₹ **1569.51 Lakhs** based on the facts and circumstances mentioned in this submission.
13. Energy charges recovered so far by the Petitioner during FY 2019-20 amounts to ₹ **791.95 Lakhs**, in terms of the order of the Hon'ble Commission as detailed in **Annexure-A**. Thus, on an overall basis, the Petitioner is entitled to recover an additional ₹ **559.57 Lakhs** for FY 2019-20 towards fuel cost based on normative parameters or ₹ **777.56 Lakhs** based on actual fuel consumption cost.

#### **C. OTHER SUBMISSIONS**

14. As informed in Para 5 & 6 above, during FY 2019-20, the Petitioner had utilized the closing coal stock available from FY 2018-19. The Petitioner humbly submits that in 2018-19 there was no coal linkage or long-term FSA available with HMEL from any subsidiary of Coal India Limited (CIL) and thus procurement of domestic coal for running the HMEL Power Plant was totally dependent on various auctions as announced by CIL subsidiaries from time to time during FY 2018-19.
15. HMEL had participated in the Special Forward E-auction of CIL subsidiary Bharat Coking Coal Limited (BCCL) held on **14.09.2018** and was able to secure **15 rakes (60000 tons)** from two locations i.e. KKC and CK (W) with premium of **604.39 ₹/Ton and 353.51 ₹/Ton respectively**. All the coal bills pertaining to the FY 2018-19 are already submitted before the Hon'ble Commission vide the APR & FPPCA petition for that year.
16. Due to shortfall in quantity obtained from e-auction and for the purpose of blending requirement to achieve desired coal quality and the spot e-auction rates for domestic available coal were of very high premium, HMEL procured imported coal on a short-term basis as a stopgap arrangement from Indian Traders. HMEL had published a tender notice for purchase of imported coal on its website on **19.09.2018**, sent enquiry to Indian Traders and procured 22500 tons of Indonesian origin coal of 4200 GAR through a transparent evaluation process of negotiation. Details of Tender notice related

to imported coal & website snapshot are already on record of the Hon'ble Commission vide the APR & FPPCA petition for FY 2018-19.

**TABLE 1: HMEL IMPORTED COAL (GAR 4200) CONSUMPTION COST FOR FY 2019-20**

Particulars	Annotation	Quantity (Tonne)	Value (Rs Lakhs)	Rate (Rs/MT)
Opening Stock ( as on 01.04.2019)	A	12935.57	885.62	6846.41
Purchase during the year 2019-20	B	0.00	0.00	
<b>Consumption during the year 2019-20</b>	<b>C</b>	<b>12914.87</b>	<b>884.18</b>	<b>6846.41</b>
Closing stock (as on 31.03.2020)	D = A+B-C	20.70	1.44	6975.46

17. Similarly, the actual cost of consumption of e-Auction coal during FY 2019-20 is indicated below:

**TABLE 2: HMEL E-AUCTION COAL CONSUMPTION COST FOR FY 2019-20**

Particulars	Annotation	Quantity (Tonne)	Value (Rs Lakhs)	Rate (Rs/MT)
Opening Stock ( as on 01.04.2019)	A	11554.13	750.80	6498.10
Purchase during the year 2019-20	B	0.00	0.00	
<b>Consumption during the year 2019-20</b>	<b>C</b>	<b>9793.20</b>	<b>636.99</b>	<b>6498.10</b>
Closing stock (as on 31.03.2020)	D = A+B-C	1760.93	113.80	6462.85

18. Thus, in view of above facts, the weighted average coal cost for FY 2019-20 as per actual basis is indicated in Table no. 3 below. The Petitioner could not procure coal during FY 2019-20 and was constrained to generate only using the closing coal stock available from FY 2018-19. Detailed computation of coal cost shall be submitted in Form D1, D2 & D3 in the APR Application for FY 2019-20.

**TABLE 3: HMEL LANDED COAL COST FOR FY 2019-20**

Type	Source	Mix %	Heat Value (kCal/kg)	Landed Coal Cost (Rs/Ton)	Weighted Avg. Landed Coal Cost (Rs/Ton)	Weighted Avg. Heat Value (kCal/kg)	Coal Cost (Rs/kWh)	Variable Tariff including Oil (Rs/kWh)
E-Auction	BCCL- KKC/ CK(W)	43.13%	3981	6498.10	6696.19	4054.94	4.59	4.64
Import	Indonesia	56.87%	4111	6846.41				

19. It is humbly submitted that in order to optimise its variable cost with all possible options available; the Petitioner had formulated a diversified coal procurement strategy to evaluate all options to procure coal at cheaper rate. A copy of the "Board Approved Coal Procurement Policy" along with "Board Resolution" is attached herewith as **Annexure-C**. Through efficient coal procurement by the Petitioner, Energy Charge for FY 2019-20 has been kept at satisfactory level in spite of significant increase in number of components affecting the landed price of fuel.
20. Duties, levies, cess, etc. have been considered in terms of applicable statutes to arrive at cost of coal.
21. In view of the above premises, the Petitioner humbly prays that the Hon'ble Commission after approving the amount of re-determined fuel cost for FY 2019-20, including the benefits to be passed on to the Purchaser, may also be pleased to give direction for recovery of the consolidated FPPCA amount at the earliest. Accumulation of arrears, with consequent carrying costs is neither in the interest of the Purchaser or the Petitioner or the ultimate consumers of the Petitioner.
22. Regulations 2.8.7.2 of the Tariff Regulations states that:

*"2.8.7.2 A generating company or a licensee shall submit its FPPCA claim for any year within forty five days of the completion of its accounts for that year with necessary statutory audited data and a copy of the statutorily audited Annual Accounts for that year."*

However, in view of delay in issuance of Tariff order for FY 2018-19 & 2019-20 and certain procedural difficulties, the Petitioner could not file the FPPCA petition for FY 2018-19 & 2019-20 within the timeframe specified in the aforesaid regulation. The Petitioner humbly prays for condonation of delay in filing the FPPCA petition beyond the aforesaid specified timeframe.

23. FPPCA Petition for FY 2018-19 was submitted on 14.06.2024 and the same is in active consideration of the Hon'ble Commission. FPPCA petition for FY 2019-20 is being submitted at the earliest available opportunity in compliance to the directive under the Hon'ble Commission's letter no. WBERC/B-101/1/5007 dated 22.04.2024 read with letter no. WBERC/B-107/1/5144 dated 04.06.2024.

24. The Annexures attached to this petition may be considered to be a part of this petition. The Petitioner also craves leave to submit additional documents at a later stage, as may become necessary.
25. The figures have been rounded off, wherever necessary, for appropriate presentation.
26. This application is made bonafide and in the interest of justice. The Hon'ble Commission is humbly requested to not reject or disallow any part of the FPPCA claim made by the Petitioner or any claims arising therefrom without allowing the Petitioner adequate opportunity of explaining its case.

#### **D. PRAYERS**

27. In view of the facts and circumstances as stated hereinabove, the Petitioner humbly prays before the Hon'ble Commission for passing, inter-alia, necessary orders on the following:-
  - (a) To condone the delay in filing the FPPCA application for FY 2019-20;
  - (b) To approve the actual fuel consumption cost of ₹ 1569.51 Lakhs against the fuel expense of ₹ 1351.51 Lakhs derived as per normative parameters;
  - (c) To approve an adjustment of ₹ 777.56 Lakhs towards net energy charges for the year FY 2019-20, as may be permitted, in a manner the Hon'ble Commission may deem fit and proper;
  - (d) Condone any inadvertent omissions/errors/shortcomings in the Application;
  - (e) To allow the Petitioner submit such additional information, explanation and document as the Hon'ble Commission may require from time to time;
  - (f) To pass such other order or orders as the Hon'ble Commission may deem fit and proper.

## LIST OF ANNEXURES

<b>Annexure</b>	<b>Particulars</b>
<b>A</b>	Calculation of Fuel & Power Purchase Cost Adjustment (FPPCA) for FY 2019-20
<b>B</b>	Audited Annual Accounts for FY 2019-20
<b>C</b>	Company's Coal Procurement Policy along with relevant Board Approval and Resolution

## ANNEXURE-A

## HIRANMAYE ENERGY LIMITED

## Calculation of FPPCA for FY 2019-20

Table 1

Parameters	Details	Reference/Basis	Unit	Amount
FC	Fuel Cost at generation bus of own generating stations as per normative parameters	Annexure -A1	₹ Lakhs	1351.51
PPC	Power Purchase Cost	Not Applicable*	₹ Lakhs	0.00
C <sub>0</sub>	Cost disallowed	Not Applicable	₹ Lakhs	0.00
A	Adjustment, if any, to be made to account for any excess/shortfall in recovery of fuel cost in the past adjustment periods based on orders/directions of the Hon'ble Commission	Not Applicable	₹ Lakhs	0.00
fc	fuel cost of own generation recovered through sale to the Purchaser as detailed in Table 2. (Kindly refer to note below).	Table 2	₹ Lakhs	791.95
ppc	power purchase cost allowed by the Hon'ble Commission for the relevant adjustment period in the tariff order	Not Applicable	₹ Lakhs	0.00
G	Adjustment relating to Schedule-9B (Share of benefits to Purchaser)	Annexure -A#	₹ Lakhs	0.00
FPPCA	Fuel and Power Purchase Cost Adjustment (Net Amount additionally recoverable)	$FC+(PPC-C_0)+(\pm A)$ $(fc+ppc)-G$	₹ Lakhs	559.57

\* HEMEL does not have any Pumped Storage Hydro Generating Station.

Note: Since the tariff order for FY2019-20 was issued on 31.05.2021, recovery of energy charge for the full year 2019-20 was carried out at 272 paise/unit adhoc rate as approved vide order dated 29.08.2018 in Case no. PPA-88/18-19. Total Energy Charge recoverable at 296.18 paise/unit as per the Tariff order works out to be ₹ 862.35 Lakhs (against ₹ 791.95 Lakhs recovered). Formula has been suitably presented to meet this requirement.

Table 2

Months	Scheduled energy as per SLDC report	Billed rate (as per PPA-88/18-19 order dated 29.08.2018) in paise /unit	Amount
	MU		₹ Lakhs
Apr-19	20.25	272	550.78
May-19	8.87		241.16
Jun-19	0.00		0.00
Jul-19	0.00		0.00
Aug-19	0.00		0.00
Sep-19	0.00		0.00
Oct-19	0.00		0.00
Nov-19	0.00		0.00
Dec-19	0.00		0.00
Jan-20	0.00		0.00
Feb-20	0.00		0.00
Mar-20	0.00		0.00
<b>TOTAL</b>	<b>29.12</b>		



## HIRANMAYE ENERGY LIMITED

## Cost of fuel (normative) for FY 2019-20

Operating Parameters	Derivation	Unit	FY2019-20
Sent out Energy (scheduled energy at injection pt.)	A	MU	29.12
Normative Auxiliary Consumption	B	%	10.50%
Auxiliary Consumption	C	MU	3.42
Gross Admissible Generation	D	MU	32.53
Heat Rate	E	kCal/kWh	2477.15
Permitted Oil Consumption	F	ml/kWh	1.00
Heat Value of Oil	G	kCal/L	9028.00
Heat Value of Coal	H	kCal/kg	4054.94
Overall Permitted Heat	$I = D \times E$	Gcal	80585.32
Permitted heat from Oil	$J = D \times F \times G / 10^3$	GCal	293.69
Permitted Heat from Coal	$K = I - J$	GCal	80291.63
Permitted Oil Consumption	$L = (J/G) \times 10^3$	kL	32.53
Permitted Coal Consumption	$M = (K/H) / (1 - 0.8\%) \times 10^3$	Tonne	19960.63
Cost of Oil per KL	N	₹ / kL	45835.17
Cost of Coal per Tonne	O	₹ / Tonne	6696.19
Cost of Oil	$P = L \times N / 10^5$	₹ Lakhs	14.91
Cost of Coal	$Q = M \times O / 10^5$	₹ Lakhs	1336.60
<b>Total Cost of Fuel</b>	<b><math>R = P + Q</math></b>	<b>₹ Lakhs</b>	<b>1351.51</b>



## Annexure-A2

## HIRANMAYE ENERGY LIMITED

## Coal mix for FY 2019-20

2018-19			Grade mix	Heat Value
Contract Type	Source	Grade	%	kCal/kg
E-Auction	BCCL- KKC/ CK(W)	WIV	43.13%	3981
Imported	Indonesia	4200 GAR	56.87%	4111
<b>Overall</b>			<b>100%</b>	<b>4054.94</b>

Note: During FY2019-20, the actual commencement of supply started from 22.04.2019 upto 05.05.2019 only..

## Coal Quantity and Value Reconciliation for FY2019-20

Particulars	E-Auction		Imported	
	MT	Rs Lakhs	MT	Rs Lakhs
Opening Stock as on 01.04.2019	11554.13	750.80	12935.57	885.62
Add: Coal Received	0.00	0.00	0.00	0.00
Less: Coal consumption	9793.20	636.99	12914.87	884.18
Closing Stock as on 31.03.2020	1760.93	113.81	20.70	1.44

## Annexure-A3

## LDO Quantity and Value Reconciliation for FY2019-20

Particulars	LDO	
	KL	Rs Lakhs
Opening Stock as on 01.04.2019	422.79	193.78
Add: LDO Received	0.00	0.00
Less: LDO consumption	106.76	58.57
Closing Stock as on 31.03.2020	316.03	135.21



## HIRANMAYE ENERGY LIMITED

*Adjustments for FY 2019-20 relating to Schedule-9B of Tariff Regulations*

Particulars	Basis	Reference in WBERC Tariff Regulations	Amount (₹ Lakhs)
Amounts proposed to be passed on to the Purchaser in accordance with Para A1, Schedule-9B of Tariff Regulations		Para A1, Schedule-9B of Tariff Regulations	Not Applicable
Amounts proposed to be passed on to the Purchaser in accordance with Para A2, Schedule-9B of Tariff Regulations		Para A2, Schedule-9B of Tariff Regulations	Not Applicable
Amounts proposed to be passed on to the Purchaser in accordance with Para A3, Schedule-9B of Tariff Regulations		Para A3, Schedule-9B of Tariff Regulations.	Not Applicable
<b>Overall Amount Proposed to be passed on the Purchaser</b>			<b>0</b>



## HIRANMAYE ENERGY LIMITED

*Statement showing details of Generation for the year ended 31st March, 2020*

Particulars	Unit	Value
(a) Capacity	MW	300
(b) Units Generated	Million kWh	32.67
(c) Plant Load Factor	%	1.24%
(d) Plant Availability Factor	%	1.33%
(e) Auxiliary Consumption	%	10.34%

*Note: 1) During FY2019-20, the actual commencement of supply started from 22.04.2019 upto 05.05.2019 only.*

*2) Items (b) to (e) in the above Statement have been computed considering the operation of two units in accordance with the provisions of WBERC (Terms and Conditions of Tariff) Regulations, 2011.*



## HIRANMAYE ENERGY LIMITED

*Statement showing Cost of Coal and LDO consumed for the year ended 31st March, 2020*

Particulars	Unit	Value
<b>Coal Consumed</b>		
- Quantity	Tonne	22708.07
- Average Cost	₹ / Tonne	6696.19
<b>LDO Consumed</b>		
- Quantity	kL	106.76
- Average Cost	₹ / kL	45835.16

*Note: 1) During FY2019-20, the actual commencement of supply started from 22.04.2019 upto 05.05.2019 only.*

*2) Consumption Quantity and Value for ascertaining the above average coal cost and LDO cost has been arrived at on the basis of quantity and value of Coal/LDO purchased, adjusted for opening and closing stock quantity and its value.*

The above Statement is certified to be true and correct.

Place: Kolkata

Date: .....



## **ANNEXURE-B**

# **Hiranmaye Energy Limited**

**(Formerly Known as India Power Corporation (Haldia) Limited)**

**Annual Accounts  
2019-20**

**R Kothari & Co LLP**  
**CHARTERED ACCOUNTANTS**  
**KOLKATA, NEW DELHI**

**INDEPENDENT AUDITOR'S REPORT**

To  
**THE MEMBERS OF**  
**HIRANMAYE ENERGY LIMITED**

**Auditor's Report on the Audit of the Financial Statements**

**Qualified Opinion**

We have audited the accompanying Financial Statements of **HIRANMAYE ENERGY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effect of the matter described in the basis for qualified opinion section of our report*, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles accepted in India, of the state of affairs of the Company as at March 31, 2020, , the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

We draw your attention to Note No. 29 to the accompanying Financial Statements regarding non capitalization of Unit 1 & 2 of its power plant from the declared date of commercial operation. The company has not capitalized Unit 1 & 2 of the power plant from the date of declaration of commercial operation by the regulatory authority ( CoD of Unit 1 is 13.08.2017and CoD of Unit 2 is 31.12.2017) and continued to capitalize the borrowing cost and other revenue expenditure incurred after the declared date of CoD under capital work in progress which would otherwise be charged to statement of profit and loss. The aforesaid accounting treatment is not in accordance with the relevant IndAs 16 (Property, Plant & Equipment) and IndAs 23 (Borrowing Cost). The financial impact of such deviation on the statement of profit and loss for the year, shareholder's fund and other reported financials remain unascertained.

16A, SHAKESPEARE SARANI, KOLKATA -700 071PHONE: 2282-6776/6809/6807, FAX NO: 91(033) 2282-5921  
Website : [www.rkothari.in](http://www.rkothari.in), Web-mail:[kolkata@rkothari.in](mailto:kolkata@rkothari.in)

R Kothari & Co (a partnership firm with FRN-307069E) converted into R Kothari & Co LLP, (a Limited Liability Partnership with LLP Identification No.AAS-5294 w.e.f 3<sup>rd</sup> June,2020)

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Information other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for other information. The other information comprises the information included in the Company's Annual Return but does not include the Financial Statements and our Auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibility of the Management 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 with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of the material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.



Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

#### Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government Of India in terms of sub-section(11) of Section 143 of the Companies Act, 2013, we give in the Annexure A, a Statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. As required by Section 143(3) of the Act, we report that:
  - a) *Except for the possible effect of the matter described in the basis for qualified opinion section of our report, 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) *Except for the possible effect of the matter described in the basis for qualified opinion section of our report, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.*
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow statement and the statement of changes in equity dealt with by this Report are in agreement with the books of accounts.
  - d) *Except for the possible effect of the matter described in the basis for qualified opinion section of our report, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.*
  - e) *The matter described in the basis for qualified opinion section of our report, may have adverse effect on the functioning of the company.*



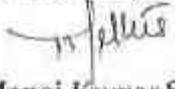
- f) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) With respect to the 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 B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- a) The Company has disclosed the impact of pending litigations on the financial position in the Financial Statements. *Refer Note 18* to its financial statements.
- b) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
- c) There were no amounts which were required to be transferred by the company to the Investor Education and Protection Fund.

For R KOTHARI & CO LLP  
Chartered Accountants  
FRN: 307069E/E300266



  
CA. Manoj Kumar Sethia  
Partner  
Membership No.:- 064308

Date: 30.11.2020  
Place: Kolkata  
UDIN: 20064308AAAADM1976



**"ANNEXURE A" TO INDEPENDENT AUDITORS' REPORT**

The Annexure A referred to in paragraph I under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the year ended March 31, 2020, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.
- (b) The Property, plant and equipment of the Company have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets.
- (c) *The title deeds of the company's immovable properties having book value of Rs. 3257.73 lakhs, as at the balance sheet date being deposited with the lenders REC Limited and Power Finance Corporation Limited. Accordingly, the said documents are not made available for our verification. Photocopies of the title deeds have been verified and found the same held in the name of the company.*
- (ii) The inventories (Coal & Fuel and Project materials under CWIP) have been physically verified by the management during the year at reasonable intervals. In our opinion the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operation of the Company and the same have been properly dealt with in the books of account.
- (iii) According to the information and explanation given to us and books and records examined by us, the company has not granted any loans, secured or unsecured, to companies, firms, or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) According to the information and explanation given to us and books and records examined by us, the Company has not made any investment, advance any loan, given any guarantee or provided any securities to other during the year. Hence, provision of section 185 and 186 of the Companies act 2013 is not applicable.
- (v) The Company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India and provisions of Section 73 to Section 76 or any other relevant provisions of the Companies Act 2013 and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable to the company.



- (vi) According to the information and explanation given to us and books and records examined by us, the maintenance of cost records as per provision of section 148(1) of companies act 2013 is not applicable to the company.
- (vii) (a) According to the information and explanation given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing undisputed statutory dues including Provident fund, Employees state insurance fund, income tax, Goods and Services Tax or any other statutory dues during the year with appropriate authorities. However the deposit of statutory dues for certain period was delayed.

According to the information and explanation given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

- (b) According to the information and explanations given to us and records of the company examined, there were no dues in respect of Provident fund, Employees state insurance fund, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, Goods and Services Tax, cess or any other statutory dues which have not been deposited with the appropriate authorities on account of any dispute except the followings:

Sl No.	Name of the statute	Name of Dues	Period in which the amount relates	Forum where the dispute is pending	Amount of Rs. in lakhs 31.03.2020
1	West Bengal Tax on Entry of Goods into Local Area Act 2012	Entry Taxes	2015-14	West Bengal Appellate & Revisional Board	162.00
2			2014-15		496.11
3			2015-16		552.83
4			2016-17		352.14
5	Income Tax Act 1961	Income Tax	2018-19	CTI (Apprenti), Kolkata	1.79
Total					1,564.87

- (viii) According to the information and explanation given to us and based upon the books and records of the Company examined by us, the Company has defaulted in repayment of loan & interest and on borrowings from financial institutions and details are shown below.

Overdue principal and interest on term Loan as on 31.03.2020			Rs. in lakhs	
Particulars	RECL	PFCL		
Interest relating to F.Y. 2017-18 overdue and unpaid	4,864.57	2,836.64		
Interest relating to F.Y. 2018-19 overdue and unpaid	21,715.52	11,639.77		
Interest relating to F.Y. 2019-20 overdue and unpaid	25,684.50	16,997.34		
Principal relating to F.Y. 2018-19 & 2019-20 overdue and	28,772.71	14,862.75		
<b>Total Principal &amp; Interest overdue</b>	<b>75,990.62</b>	<b>45,856.50</b>		



- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public issue/ follow-on offer (including debt instruments) and the term loans were applied for the purpose for which those are raised.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the reporting under Paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For R KOTHARI & CO LLP

Chartered Accountants

FRN: 307069E/E300266



CA. Manoj Kumar Sethia

Partner

Membership No.:- 064308

Date: 30.11.2020

Place: Kolkata

UDIN: 20064308AAAADM1976



## ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls Over Financial Reporting 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 HARANMAYE ENERGY LIMITED ("the Company") as of 31st March, 2020 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 Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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



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

#### Meaning of Internal Financial Controls over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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 Financial Reporting issued by the Institute of Chartered Accountants of India.

For R KOTHARI & CO LLP

Chartered Accountants

ERN: 307069E/E300266



CA. Manoj Kumar Sethia

Partner

Membership No.:- 064308

Date: 30.11.2020

Place: Kolkata

UDIN: 20064308AAAADM1976



**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Balance Sheet as at 31 March 2020

Particulars	Note No.	As at 31-Mar-20	(₹) In lakhs As at 31-Mar-19
<b>ASSETS</b>			
<b>Non-current assets</b>			
a) Property, plant and equipment	3	3,670.70	3,755.49
b) Capital work-in-progress	3	4,54,529.97	4,09,755.50
c) Intangibles assets	4	-	-
d) Financial assets:			
(i) Loans	5	338.27	323.27
(ii) Other financial assets	6	0.54	0.51
e) Deferred tax assets (net)	7	-	-
f) Other non-current assets	8	2,941.85	3,310.05
<b>Total non-current assets</b>		<b>4,61,481.33</b>	<b>4,16,144.82</b>
<b>Current assets</b>			
a) Financial assets:			
(i) Cash and cash equivalents	9	41.60	19.58
(ii) Other bank balances	9	-	10.71
(iii) Loans	5	17.06	6.14
(iv) Other financial assets	6	-	0.16
b) Current tax assets (net)		150.79	149.20
<b>Total current assets</b>		<b>209.45</b>	<b>185.79</b>
<b>Total Assets</b>		<b>4,61,690.78</b>	<b>4,16,330.61</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	10	106.76	106.76
b) Other equity:			
(i) Compulsorily convertible preference shares classified as equity	10	51,075.70	51,075.70
(ii) Fully & compulsorily convertible debentures classified as equity	11	49,046.07	49,046.07
(iii) Retained earnings		(39.49)	(45.04)
<b>Total equity</b>		<b>1,00,189.04</b>	<b>1,00,183.49</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
a) Financial liabilities:			
(i) Borrowings	11	2,30,597.00	2,30,597.00
(ii) Other financial liabilities	12	11,339.15	11,316.07
b) Provisions	13	198.33	218.89
<b>Total non-current liabilities</b>		<b>2,42,134.48</b>	<b>2,42,131.96</b>
<b>Current liabilities</b>			
a) Financial liabilities:			
(i) Borrowings	11	5,876.87	3,988.44
(ii) Other current financial liabilities:			
1. Total outstanding dues of micro enterprises and small enterprises	12	87.70	73.77
2. Total outstanding of creditors other than micro enterprises and small enterprises	12	1,13,228.47	69,860.10
b) Other current liabilities	14	153.88	77.49
c) Provisions	13	20.34	15.36
<b>Total current liabilities</b>		<b>1,19,367.26</b>	<b>74,015.16</b>
<b>Total Equity and Liabilities</b>		<b>4,61,690.78</b>	<b>4,16,330.61</b>

The accompanying notes are an integral part of the financial statements.  
In terms of our report of even date

For and on behalf of the Board

For R Kothari & Co LLP

Chartered Accountants

Firm registration number: 307069E/E300266

(Manoj Kumar Sethia)  
Partner

Membership No. 064308  
Place: Kolkata

Date: 30th Nov, 2020



Jyotirmay Bhattacharya  
Whole-time Director  
(DIN 06852162)

Rajendra Prasad Ritelia  
Director  
(DIN 00119488)

Purushottam Kejriwal  
Chief Financial Officer & Company Secretary

**HIRANMAYE ENERGY LIMITED**

(Formerly known as India Power Corporation (Haldia) Limited)

## Statement of Profit and Loss for the year ended 31 March 2020

Particulars	Note No.	₹ in lakhs	
		For the year ended 31-Mar-20	For the year ended 31-Mar-19
<b>Revenue</b>			
Other income	15	16.79	1.18
<b>Total income</b>		<b>16.79</b>	<b>1.18</b>
<b>Expenses</b>			
Other expenses	16	11.24	9.72
<b>Total expenses</b>		<b>11.24</b>	<b>9.72</b>
<b>Profit before tax</b>		<b>5.55</b>	<b>(8.54)</b>
<b>Tax expense:</b>			
Current tax		-	-
Deferred tax charge/(credit)		-	-
<b>Profit/(loss) for the year</b>		<b>5.55</b>	<b>(8.54)</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>5.55</b>	<b>(8.54)</b>
<b>Earning per equity share :</b>	23		
Basic		0.52	(0.80)
Diluted		-	-

The accompanying notes are an integral part of the financial statements.

In terms of our report of even date

**For R Kothari & Co LLP**

Chartered Accountants

Firm registration number: 307069E/E300266


**(Manoj Kumar Sethia)**

Partner

Membership No. 064308

Place: Kolkata

Date: 30th Nov, 2020

**For and on behalf of the Board**
  
**Jyotirmay Bhaumik**  
 Whole-time Director  
 (DIN 06852162)

  
**Rajendra Prasad Ritolia**  
 Director  
 (DIN 00119488)

  
**Purushottam Kejriwal**  
 Chief Financial Officer & Company Secretary


**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Cash Flow Statement for the year ended 31 March 2020

(₹) in lakhs

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
<b>Cash Flow from Operating Activities</b>		
Profit before tax from continuing operations	5.55	(8.54)
<b>Changes in assets and liabilities</b>		
Changes in non current financial assets	(15.03)	(223.72)
Changes in provisions	(15.58)	0.04
Changes in current financial assets	(10.76)	16.16
Changes in other non-current assets	(631.79)	212.23
Changes in other financial liabilities	(492.14)	38.77
Changes in other current liabilities	76.39	6.83
<b>Cash generated from operations</b>	<b>(1,083.36)</b>	<b>41.76</b>
Taxes (paid)/ refund received	(1.59)	(0.11)
<b>Net cash flows from operating activities (A)</b>	<b>(1,084.95)</b>	<b>41.65</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of property, plant and equipment	0.94	(8.60)
Addition to capital work in process	(362.73)	(5,505.19)
<b>Net Cash Flow from / (used in) from Investing activities (B)</b>	<b>(361.79)</b>	<b>(5,513.79)</b>
<b>Cash Flow from Financing Activities</b>		
Advance from related party towards equity contribution	19.00	751.00
Payment of finance lease liabilities	4.09	3.89
Proceeds from short term loan	5,876.87	-
Interest & finance charges paid (net)	(453.47)	(465.96)
Increase/(decrease) in cash credit facilities from banks	(3,988.44)	3,988.44
<b>Net Cash Flow from / (used in) Financing Activities (C)</b>	<b>1,458.05</b>	<b>4,277.37</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>11.31</b>	<b>(1,194.77)</b>
Cash and cash equivalents at the beginning of the year	19.58	1,122.49
Opening other bank balances	10.71	102.56
<b>Cash and cash equivalents at year end</b>	<b>41.60</b>	<b>19.58</b>
<b>Other bank balances-closing</b>	<b>-</b>	<b>10.71</b>

The accompanying notes are an integral part of the financial statements.

In terms of our report of even date

For and on behalf of the Board

For R Kothari & Co LLP

Chartered Accountants

Firm registration number: 307069E/E300266



(Manoj Kumar Sethia)

Partner

Membership No. 064308

Place: Kolkata

Date: 30th Nov, 2020



  
Jyotirmoy Bhaumik  
Whole-time Director  
(DIN 06852162)

  
Rajendra Prasad Ritolia  
Director  
(DIN 00119488)

  
Purushottam Kejriwal  
Chief Financial Officer & Company Secretary

**HIRANMAYE ENERGY LIMITED**

(Formerly known as India Power Corporation (Haldia) Limited)

Statement of Changes in equity for the year ended 31 March 2020

(₹) in lakhs

Particulars	Equity Share Capital	Other Equity			Total
		Retained Earnings	Compulsorily Convertible Preference Shares	Fully and Compulsorily Convertible Debentures	
Balance as at 1 April 2018	106.76	(36.56)	51,075.70	49,046.07	1,00,192.03
Profit for the year	-	(8.54)	-	-	(8.54)
Other Comprehensive Income	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>		<b>(8.54)</b>	<b>-</b>	<b>-</b>	<b>(8.54)</b>
Additions	-	-	-	-	-
<b>Balance as at 31 March 2019</b>	<b>106.76</b>	<b>(45.04)</b>	<b>51,075.70</b>	<b>49,046.07</b>	<b>1,00,183.49</b>
Balance as at 1 April 2019	106.76	(45.04)	51,075.70	49,046.07	1,00,183.49
Profit for the year	-	5.55	-	-	5.55
Other Comprehensive Income	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>		<b>5.55</b>	<b>-</b>	<b>-</b>	<b>5.55</b>
Additions	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	<b>106.76</b>	<b>(39.49)</b>	<b>51,075.70</b>	<b>49,046.07</b>	<b>1,00,189.04</b>

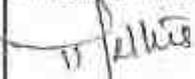
The accompanying notes are an integral part of the financial statements.

In terms of our report of even date

**For R Kothari & Co LLP**

Chartered Accountants

Firm registration number: 307069E/E300266



(Manoj Kumar Sethi)

Partner

Membership No. 064308

Place: Kolkata

Date: 30th Nov, 2020




Jyotirmay Bhaumik  
Whole-time Director  
(DIN 06852162)



Rajendra Prasad Ritola  
Director  
(DIN 00119488)



Purushottam Kejriwal  
Chief Financial Officer & Company Secretary



**HIRANMAYE ENERGY LIMITED**  
**(Formerly known as India Power Corporation (Haldia) Limited)**

Notes to Financial Statements for the year ended 31 March 2020

**1 Corporate Information**

Hiranmaye Energy Limited (formerly known as Indian Power Corporation (Haldia) Limited ) (The Company), is a public company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Registered Office of the Company is at Plot X1, 2&3, Block -EP, Sector-V, Salt lake City, Kolkata- 700091.

The Company is setting up a 450 MW(3 X 150 MW) coal based thermal power plant at village-Kashberia, Haldia, East Medinipur, West Bengal. Out of the said 3 units of 150 MW, the Company's 2 units of 150 MW each is under trail run and the construction of the 3rd Unit of 150 MW has been deferred for the time being.

These financial statements were approved and adopted by Board of Directors of the Company in their meeting dated 30th November , 2020

**2 Significant Accounting Policies**

**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of the Companies Act, 2013 (" the Act") and other relevant provisions of the Act, the Regulations issued from time to time by West Bengal Electricity Regulatory Commission (WBERC under the Electricity Act, 2003 (Tariff Regulations).

Accounting Policy has been consistently applied except where a newly introduced Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

**2.2 Basis of Preparation**

The financial statements have been prepared on historical cost convention on accrual basis, except for certain financial instruments that are measured at fair values/amortised cost at the end of each reporting period, as explained in the accounting policies provided here in after.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The financial statements are presented in Indian Rupees (₹) , which is the Company's functional and presentation currency and all the amounts are rounded off to nearest lakhs (₹ 00,000) and two decimals thereof, except as stated otherwise.



**Notes to Financial Statements for the year ended 31 March 2020**

**2.3 Use of Estimates**

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

**2.4 Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

**2.5 Property, Plant and Equipment (PPE)**

- (i) Freehold land is carried at historical cost. All other items of Properties plant and equipment are stated at their cost of acquisition or construction and is net of accumulated depreciation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.
- (ii) All project related expenses via civil works, machinery under erection, construction and erection materials, pre-operative expenditure net of revenue incidental / attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations are shown under Capital Work-In-Progress (CWIP). These expenditures are net of the corresponding recoveries if any, and the income from project specific borrowed surplus fund.
- (iii) Depreciation on property plant and equipment commences when the assets are ready for their intended use.
- (iv) Depreciation on PPE is provided on a straight-line basis using the rates and manner specified in West Bengal Electricity Regulatory Commission (WBERC) (Terms & Conditions of Tariff) Regulations, 2007 as amended from time to time for regulated assets. All assets having an original cost below Rs. 5000/- are fully depreciated in the year of purchase.



**Notes to Financial Statements for the year ended 31 March 2020**

- (v) The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (vi) Assets acquired under finance lease are depreciated over shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

**2.6 Derecognition of tangible and intangible assets**

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

**2.7 Intangible Assets**

*Recognition and initial measurement*

Intangible assets are stated at their cost of acquisition net of amortisation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Intangible assets (Computer Software) are amortised under straight line method over 3 years.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

**2.8 Impairment of non-financial Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

**2.9 Financial Instruments**

Financial assets and financial liabilities (together known as financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

**2.9.1 Financial Assets**

*Initial recognition and measurement*

Financial assets, where applicable are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

*Subsequent measurement*

**(i) Financial assets at amortised cost –**

Financial assets is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and



**Notes to Financial Statements for the year ended 31 March 2020**

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Company's business model.

*De-recognition of financial assets*

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**2.9.2 Financial liabilities**

*Initial recognition and measurement*

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

*Subsequent measurement*

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

*De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**2.9.3 Cash and cash equivalents**

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

**2.9.4 Financial guarantee contracts**

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortization.



**Notes to Financial Statements for the year ended 31 March 2020**

**2.9.5 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**2.9.6 Impairment of Financial Assets**

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

**2.10 Post-employment, long term and short term employee benefits**

**Defined contribution plans**

*Provident Fund*

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**Defined benefit plans**

*Gratuity (Unfunded)*

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statement in respect of gratuity is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

*Compensated absences*

Liability in respect of compensated absences is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.



**Notes to Financial Statements for the year ended 31 March 2020**

**Short Term Employee Benefits**

Recognised at the undiscounted amount as expense for the year in which the related service is provided.

**2.11 Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**2.12 Leases**

*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 capitalized 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 are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are recognised as an expense. Lease management fees, legal charges and other initial direct costs are capitalized.

**Operating Lease**

All other leases are treated as operating leases. Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Associated costs, such as maintenance and insurance, are expensed as incurred.

**2.13 Income Tax**

Income tax comprises current and deferred tax. Income tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**(i) Current tax**

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

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amount, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.



**Notes to Financial Statements for the year ended 31 March 2020**

**(ii) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

**2.14 Inventories**

Inventories of stores and spares and fuel are valued at lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their location and condition. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, adjustment is made for such items.

**2.15 Foreign Currency Transactions**

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of profit and loss.

Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost.

**2.16 Revenue Recognition**

Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes.



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**Notes to Financial Statements for the year ended 31 March 2020**

Interest income is recorded using the effective interest rate. Interest income which is not specifically attributable to the construction of the project, is included under the head "other income" in the statement of profit and loss.

**2.17 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

**2.18 Provision, Contingent Liabilities and Contingent Assets**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made

Contingent Assets are neither recognised nor disclosed in the financial statements. However, when realization of income is virtually certain, related asset is recognized.



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**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

**Note 3 : PROPERTY, PLANT & EQUIPMENT**

	Land- Leasehold*	Land- Freehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office Equipment	Computers	Total	(₹) In lakhs Capital Work in Progress
<b>For Year ended 31 March 2019</b>										
Gross Carrying Amount										
Opening cost as at 1st April 2018	2,260.25	449.07	871.07	348.23	69.11	103.19	64.43	115.78	4,281.13	3,66,534.23
Additions	-	-	-	-	2.36	-	3.61	2.63	8.60	43,221.27
Disposals/Adjustments										
Closing Gross Carrying Amount	2,260.25	449.07	871.07	348.23	71.47	103.19	68.04	118.42	4,289.73	4,09,755.50
Opening Accumulated Depreciation	146.18	-	91.37	44.21	25.74	58.72	23.79	45.90	435.42	
Depreciation charge during the year	24.37	-	20.68	12.53	3.43	16.28	6.65	14.89	98.83	
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	
Closing Accumulated Depreciation	170.55	-	112.05	56.74	29.17	74.50	30.44	60.79	534.24	
Net Carrying Amount as at 31 March 2019	2,089.70	449.07	759.02	291.49	42.30	28.69	37.60	57.63	3,755.49	4,09,755.50
<b>For Year ended 31 March 2020</b>										
Gross Carrying Amount										
Opening as on 1st April, 2019	2,260.25	449.07	871.07	348.23	71.47	103.19	68.04	118.42	4,289.73	4,09,755.50
Additions	-	-	-	-	-	-	-	-	-	44,774.47
Disposals/Adjustments			(9.36)						(9.36)	
Closing Gross Carrying Amount	2,260.25	449.07	861.71	348.23	71.47	103.19	68.05	118.42	4,280.37	4,54,529.97
Accumulated Depreciation and Impairment										
Opening Accumulated Depreciation	170.55	-	112.05	56.74	29.17	74.50	30.44	60.79	534.24	
Depreciation charge during the year	24.37	-	14.76	12.54	3.28	11.83	5.66	12.03	83.86	
Disposals/Adjustments	-	-	(18.43)	-	-	-	-	-	(18.43)	
Closing Accumulated Depreciation and Impairment	194.92	-	118.38	69.28	32.45	86.33	35.50	72.82	609.67	
Net Carrying Amount as at 31 March 2020	2,065.33	449.07	743.33	278.95	39.02	16.86	32.55	45.60	3,670.70	4,54,529.97

\*Gross carrying amount of leasehold land represents amounts paid under lease deeds to acquire land where the Company has an option to renew the properties on expiry of the lease period.



**HIRANMAYE ENERGY LIMITED**

(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

(₹) in lakhs

Note 4 :INTANGIBLE ASSETS	Computer Software
For Year ended 31 March 2019	
Gross Carrying Amount	
Opening cost as at 1st April 2018	65.87
Additions	-
Disposals/Adjustments	-
Closing Gross Carrying Amount	65.87
Opening Accumulated Amortization	65.87
Amortisation for the year	-
Disposals/Adjustments	-
Closing Accumulated Amortisation	65.87
Closing Net Carrying Amount	-
For Year ended 31 March 2020	
Gross Carrying Amount	
Opening as on 1st April, 2019	65.87
Additions	-
Disposals/Adjustments	-
Closing Gross Carrying Amount	65.87
Accumulated amortisation and impairment	
Opening Accumulated Amortization	65.87
Amortisation for the year	-
Disposals/Adjustments	-
Closing Accumulated Amortisation and Impairment	65.87
Closing Net Carrying Amount	-



HIRANMAYE ENERGY LIMITED (Formerly known as India Power Corporation (Haldia) Limited)		
Notes to the financial statements for the year ended 31 March 2020		
	As at 31-March-2020	(₹) in lakhs As at 31 March 19
<b>NOTE 5: FINANCIAL ASSETS - LOANS</b>		
Unsecured, considered good		
<u>Non Current</u>		
Security Deposits	338.27	323.27
<b>Total</b>	<b>338.27</b>	<b>323.27</b>
<u>Current</u>		
Loans and Advances to Employees	17.06	6.14
<b>Total</b>	<b>17.06</b>	<b>6.14</b>
<b>NOTE 6: OTHER FINANCIAL ASSETS</b>		
<u>Non Current</u>		
Bank deposits *	0.50	0.50
Interest Receivable	0.04	0.01
<b>Total</b>	<b>0.54</b>	<b>0.51</b>
Note: *Deposits with a carrying amount of ₹ 0.54 lakhs (₹ 0.51 lakhs) are given as lien to Government Authorities.		
<u>Current</u>		
Interest Receivable	-	0.16
<b>Total</b>	<b>-</b>	<b>0.16</b>
<b>NOTE 7: DEFERRED TAX ASSETS/ (LIABILITIES) (NET)</b>		
<b>Deferred Tax Liabilities</b>		
<i>For differences arising because of the temporary nature attributable to</i>		
Fixed Assets	(9.63)	(8.90)
	<b>(9.63)</b>	<b>(8.90)</b>
<b>Deferred Tax Assets</b>		
<i>For differences arising because of the temporary nature attributable to</i>		
Carry forward losses	9.63	8.90
<b>Total</b>	<b>9.63</b>	<b>8.90</b>
	<b>-</b>	<b>-</b>
<b>NOTE 8: OTHER ASSETS</b>		
<u>Non Current</u>		
Capital Advances	2,941.85	2,310.05
<b>Total</b>	<b>2,941.85</b>	<b>2,310.05</b>



**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

		(₹) in lakhs	
		As at 31-March-2020	As at 31 March 19
<b>NOTE 9: CASH AND CASH EQUIVALENTS</b>			
<b>Cash and Cash Equivalent</b>			
Balances with banks:-			
In current accounts		41.51	19.32
Cash on hand		0.09	0.26
	<b>Total</b>	<b>41.60</b>	<b>19.58</b>
<b>Other Bank Balances</b>			
Held as margin money *		-	10.71
	<b>Total</b>	<b>-</b>	<b>10.71</b>

Note: \*Margin money represents deposits with a carrying amount of ₹ Nil (₹ 10.87 lakhs) are given as lien to Banks for securing Bank Guarantees/letter of credits or otherwise given as security.



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**HIRANMAYE ENERGY LIMITED**

(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

**NOTE 10: SHARE CAPITAL**

	(₹) in lakhs	
	As at 31-March-2020 Non Current	As at 31 March 19 Non Current
<b>Authorised</b>		
50,92,42,960 (50,92,42,960) Equity Shares of ₹ 10 each	50,924.30	50,924.30
51,07,57,040 (51,07,57,040) Preference Shares of ₹ 10 each	51,075.70	51,075.70
<b>Total</b>	<b>1,02,000.00</b>	<b>1,02,000.00</b>
<b>Issued, Subscribed &amp; Paid up</b>		
10,67,570 (10,67,570) Equity shares of ₹ 10 each	106.76	106.76
51,07,57,040 (51,07,57,040) 0.01% Compulsorily Convertible Preference Shares of ₹ 10 each	51,075.70	51,075.70
Less : Considered as Other Equity as these are compulsorily convertible into equity for one to one share.	(51,075.70)	(51,075.70)
<b>Total</b>	<b>106.76</b>	<b>106.76</b>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Description	31-March-2020	31 March 19
<b>Equity shares</b>		
At the beginning of the year:		
Amount in (₹) lakhs	106.76	106.76
(Nos.)	10,67,570	10,67,570
Issued during the year		
Amount in (₹) lakhs	-	-
(Nos.)	-	-
Outstanding at the end of the year		
Amount in (₹) lakhs	106.76	106.76
(Nos.)	10,67,570	10,67,570
<b>Compulsorily Convertible Preference Shares (CCPS)</b>		
At the beginning of the year		
Amount in (₹) lakhs	51,075.70	51,075.70
(Nos.)	51,07,57,040	51,07,57,040
Issued during the year		
Amount in (₹) lakhs	-	-
(Nos.)	-	-
Outstanding at the end of the year		
Amount in (₹) lakhs	51,075.70	51,075.70
(Nos.)	51,07,57,040	51,07,57,040

**(b) Terms and Rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share and entitled to dividend, when declared and approved.

In the event of winding-up of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distributions will be in proportion to the number of equity shares held by the shareholders.



**HIRANMAYE ENERGY LIMITED**

(Formerly known as India Power Corporation (Haldia) Limited)

**Notes to the financial statements for the year ended 31 March 2020****(c) Terms of conversion and rights of CCPS**

Each holder of CCPS is entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to CCPS holders and carries cumulative dividend @ 0.01% p.a., subject to approval of Board of Directors.

Each CCPS is convertible into one equity shares of the Company at fair market value anytime within 10 years after Closing Date or at the option of the subscriber whichever is earlier. In the event of winding-up of the Company before conversion of CCPS, the holders of CCPS will have priority over equity shares.

**(d) Aggregate number of shares issued for consideration other than cash during the period of five years**

	As at 31-March-2020 (Nos.)	As at 31 March 19 (Nos.)
<b>Total</b>	Nil	Nil

**(e) Details of shareholders holding more than 5% shares in the company**

Name of the shareholder	As at 31-March-2020	As at 31 March 19
<b>Equity shares of ₹ 10 each fully paid</b>		
Power Trust		
(Nos.)	7,90,000	7,90,000
(% holding in the class)	74.00%	74.00%
Bhaskar Silicon Private Limited		
(Nos.)	2,77,570	2,77,570
(% holding in the class)	26.00%	26.00%
<b>CCPS of ₹ 10 each fully paid</b>		
Power Trust		
(Nos.)	20,39,30,000	20,39,30,000
(% holding in the class)	39.93%	39.93%
India Power Corporation Limited (formerly known as DPSC Limited)		
(Nos.)	30,68,27,040	30,68,27,040
(% holding in the class)	60.07%	60.07%

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents legal/beneficial ownership of shares.

\*Pursuant to the scheme of arrangement and amalgamation sanctioned by the Hon'ble High Court at Calcutta vide its order dated 17th April, 2013, India Power Corporation Limited has been amalgamated with India Power Corporation Limited (formerly known as DPSC Limited).

**NOTE 11: BORROWINGS****Secured****Non Current**

Ruppee Term Loans from Financial Institutions

**Total**

	(₹) in lakhs	
	As at 31-March-2020	As at 31 March 19
	2,30,597.00	2,30,597.00
<b>Total</b>	<b>2,30,597.00</b>	<b>2,30,597.00</b>



**HIRANMAYE ENERGY LIMITED**

(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

**Unsecured****Non Current**

0% Fully & compulsorily convertible debentures	49,046.07	49,046.07
<b>Less :</b>		
Considered as Equity as these are fully and compulsorily convertible into equity at one to one share.	(49,046.07)	(49,046.07)
	-	-
<b>Total</b>	<b>2,30,597.00</b>	<b>2,30,597.00</b>

During the year 2017-18, steps were taken for the restructuring of the terms loans availed from REC Limited and Power Finance Corporation Limited. However, the sanctioned restructuring plan could not be materialised and hence not implemented. Accordingly, the terms and conditions of the earlier common loan agreements duly documented remain effective and valid as on date. As per the earlier sanction, the principal repayment was to be made in 40 quarterly instalments of Rs. 33.68 Crores and Rs. 23.97 Crores beginning from 30th June, 2017 and 15h April, 2017 respectively to REC Limited and Power Finance Corporation Limited. During the current year on 18th April, 2019, the Company has submitted the revised resolution plan for the consideration of the lenders. The restructuring plan is under positive consideration of the lenders, where the repayment of the term loans has been proposed to be shifted to start from the quarter ended 31st December, 2020. Pending the final approval and documentation of the restructuring plan with the lenders, no repayment of the term loan has been shown under current liabilities towards the principal amount repayable within next one year.

As on 31st March, 2020, the Company has defaulted in repayment of dues to Financial Institutions as detailed below:

(₹) in lakhs

Particulars	Amount	Period of default
REC Limited-Principal	23,772.71	For the quarter ended 31.12.2018 to 31.3.2020
REC Limited-Interest	52,217.91	For the period from 01.01.2018 to 31.3.2020
Power Finance Corporation Limited-Principal	14,382.75	For the quarter ended 15.10.2018 & 14.01.2020
Power Finance Corporation Limited-Interest	31,475.97	For the period from 15.01.2018 to 14.01.2020
<b>Total</b>	<b>1,21,849.34</b>	

i. Term loan from REC Limited carries interest rate of 12.90% -14.00% p.a and the Term loan from Power Finance Corporation Limited carries interest rate of 13.15%-13.75% p.a .



**HIRANMAYE ENERGY LIMITED**

(Formerly known as India Power Corporation (Haldia) Limited)

**Notes to the financial statements for the year ended 31 March 2020**

ii. Rupee Term Loan from financial institutions are secured by way of following:

- pari-passu first charge by way of mortgage on all the immovable properties including leasehold land, both present and future pertaining to the project.
- pari-passu first charge created/to be created by way of hypothecation of all assets including the movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, operating cash flows, book debts, receivables, commission and any other revenues of whatsoever nature and wherever arising, both present and future.
- assignment of all project related documents, contracts, rights, interest, insurance contracts and all benefits incidental to project activities.

iii. Each FCCD is convertible into one equity shares of the Company at the time of COD (Commercial Operation Date) of the Project or occurrence of any material event which makes it possible for conversion of FCCD or anytime after Closing Date as permitted under the Companies Act, 2013 whichever is earlier.

	(₹) in lakhs	
	As at 31-March-2020	As at 31 March 19
<b>Current</b>		
<b>Secured Loan</b>		
Cash Credit facilities from Bank	-	3,988.44
Short Term loan from others	5,876.87	-
<b>Total</b>	<b>5,876.87</b>	<b>3,988.44</b>

i. Cash credit facilities from banks /Short term loan from others are secured by way of following:

- First pari-passu charge with term lenders by way of hypothecation/mortgage on the entire movable/immovable fixed assets of the Company both present & future.
- Pari-passu first charge by way of mortgage on all the immovable properties including leasehold land, both present and future pertaining to the project.

	(₹) in lakhs	
	As at 31-March-2020	As at 31 March 19
<b>NOTE 12: OTHER FINANCIAL LIABILITIES</b>		
<b>Non Current</b>		
Advance from Power Trust	10,483.12	10,483.12
Advance from related party towards promoters contribution	770.00	751.00
Finance lease obligations	86.03	81.95
<b>Total</b>	<b>11,339.15</b>	<b>11,316.07</b>

**Current**

Interest accrued and due on borrowings/advances	83,694.11	41,061.80
Interest accrued but not due on term loan	3,960.18	3,326.73
<i>Payable towards project liabilities:</i>		
Dues to micro enterprises and small enterprises (refer note below) *	87.70	73.77
Dues to creditors other than micro enterprises and small enterprises	25,417.83	25,203.51
Employee related liabilities	156.35	268.06
<b>Total</b>	<b>1,13,316.17</b>	<b>69,933.87</b>

\*Note: Dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. For details under Micro, Small and Medium Enterprises Development Act, 2006, please refer note no 22.

**HIRANMAYE ENERGY LIMITED**

(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

	(₹) in lakhs	
	As at 31-March-2020	As at 31 March 19
<b>NOTE 13: PROVISIONS</b>		
<b><u>Non Current</u></b>		
<b>Provision for employee benefits</b>		
Leave Encashment	78.49	93.79
Gratuity	119.84	125.10
<b>Total</b>	<b>198.33</b>	<b>218.89</b>
<b><u>Current</u></b>		
<b>Provision for employee benefits</b>		
Leave Encashment	5.54	3.50
Gratuity	14.80	11.86
<b>Total</b>	<b>20.34</b>	<b>15.36</b>
<b>NOTE 14: OTHER NON FINANCIAL LIABILITIES</b>		
<b><u>Current</u></b>		
Statutory dues payable	153.88	77.49
<b>Total</b>	<b>153.88</b>	<b>77.49</b>



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<b>HIRANMAYE ENERGY LIMITED</b>		
<b>(Formerly known as India Power Corporation (Haldia) Limited)</b>		
<b>Notes to the financial statements for the year ended 31 March 2020</b>		
<b>Particulars</b>	<b>For the year ended 31 March 2020</b>	<b>(₹) in lakhs</b>
		<b>For the year ended 31 March 19</b>
<b>NOTE 15: OTHER INCOME</b>		
Interest income	16.79	1.18
<b>Total</b>	<b>16.79</b>	<b>1.18</b>
<b>NOTE 16: OTHER EXPENSES</b>		
Rates and taxes	0.25	0.52
Auditors' remuneration (refer details below)	2.95	3.63
Directors' sitting fees	4.13	3.36
Filing fees	0.08	0.05
Miscellaneous expenses	3.83	2.16
<b>Total</b>	<b>11.24</b>	<b>9.72</b>
<b>Payment to auditor</b>		
<b>As auditor:</b>		
Statutory Audit fee	2.50	2.50
<b>In Other Capacity:</b>		
Certification fees	-	0.58
Reimbursement of expenses (incl. GST)	0.45	0.55
<b>Total</b>	<b>2.95</b>	<b>3.63</b>



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Notes to the financial statements for the year ended 31 March 2020

**NOTE 17: FAIR VALUE MEASUREMENTS**

**(i) FINANCIAL INSTRUMENTS BY CATEGORY**

(₹) in Lakhs

	31-Mar-20		31-Mar-19		Amortised Cost
	FVTPL	FVTOCI	FVTPL	FVTOCI	
<b>Financial Assets</b>					
Security Deposits					323.27
Bank Deposits			338.27		0.50
Interest Receivable			0.04		0.17
Loans and Advances			17.06		6.14
Cash and Cash Equivalents			41.60		19.58
Other Bank Balances			-		10.71
<b>Total Financial Assets</b>	-	-	<b>397.47</b>	-	<b>360.37</b>
<b>Financial Liabilities</b>					
Borrowings			2,36,473.87		2,34,585.44
Obligations in respect of Finance Leases			86.03		81.95
Other Financial Liabilities			11,253.12		11,234.12
Other Current Financial Liabilities			1,13,316.17		69,933.87
<b>Total Financial Liabilities</b>	-	-	<b>3,61,129.20</b>	-	<b>3,15,835.38</b>

**(ii) FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST**

(₹) in Lakhs

	31-March-2020		31-Mar-19	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
Security Deposits	338.27	338.27	323.27	323.27
Bank Deposits	0.50	0.50	0.50	0.50
Interest Receivable	0.04	0.04	0.17	0.17
Loans and Advances	17.06	17.06	6.14	6.14
Cash and Cash Equivalents	41.60	41.60	19.58	19.58
Other Bank Balances	-	-	10.71	10.71
<b>Total Financial Assets</b>	<b>397.47</b>	<b>397.47</b>	<b>360.37</b>	<b>360.37</b>
<b>Financial Liabilities</b>				
Borrowings	2,36,473.87	2,36,473.87	2,34,585.44	2,34,585.44
Obligations in respect of Finance Leases	86.03	86.03	81.95	81.95
Other Financial Liabilities	11,253.12	11,253.12	11,234.12	11,234.12
Other Current Financial Liabilities	1,13,316.17	1,13,316.17	69,933.87	69,933.87
<b>Total Financial Liabilities</b>	<b>3,61,129.20</b>	<b>3,61,129.20</b>	<b>3,15,835.38</b>	<b>3,15,835.38</b>



**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

**NOTE 18 : Contingencies and Commitments**

**Contingent liabilities**

**(A) Details of contingent liabilities**

		(₹) in lakhs	
	Particulars	31-March-2020	31 March 2019
(i)	<b>Claims against the Company not acknowledged as debts:-</b>		
(a)	Entry Tax	1,563.08	1,563.08
(b)	Income Tax	1.79	-
(c)	In respect of other litigations	76,412.03	57,393.25
(ii)	<b>Others</b>		
(a)	Dividend payable to CCPS shareholders	34.68	29.57

**(B) Capital and other commitments**

		(₹) in lakhs	
	Particulars	31-March-2020	31 March 2019
A	Capital commitments (for property plant and equipments)	13,721.13	13,901.68

**NOTE 19: EMPLOYEE BENEFIT OBLIGATIONS**

		(₹) in lakhs	
	Particulars	31-March-2020	31 March 2019
		Current	Current
	Gratuity (unfunded)	14.80	11.86
	Leave Obligations	5.54	3.50
	<b>Total</b>	<b>20.33</b>	<b>15.36</b>
		Non-current	Non-current
	Gratuity (unfunded)	119.84	125.10
	Leave Obligations	78.49	93.80
	<b>Total</b>	<b>198.34</b>	<b>218.89</b>

**19.1 Leave Obligations**

The leave obligations cover the Company's liability for earned leaves. The amount of provision of (₹) 5.54 lakhs (31 March 2019 (₹) 3.50 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current.

**Movement in the liability recognised in the balance sheet is as under:**

		(₹) in lakhs	
Description	31-March-2020	31 March 2019	
Present value of obligation as at the start of the year	97.30	105.16	
Current service cost	14.69	18.27	
Interest cost	7.51	8.20	
Actuarial loss/(gain) recognized during the year	(1.58)	6.84	
Benefits paid	(33.90)	(41.17)	
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>84.03</b>	<b>97.30</b>	

**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

**Breakup of Actuarial gain/loss:**

Description	(₹) in lakhs	
	31-March-2020	31 March 2019
Actuarial (gain)/loss on arising from change in demographic assumption	0.08	-
Actuarial (gain)/loss on arising from change in financial assumption	9.12	1.37
Actuarial (gain)/loss on arising from experience adjustment	(10.78)	5.47

**Amount recognised in the CWIP is as under:**

Description	(₹) in lakhs	
	31-March-2020	31 March 2019
Current service cost	14.69	18.27
Interest cost	7.51	8.20
Capitalized during the year	(1.58)	6.84
<b>Amount recognised in the CWIP</b>	<b>20.62</b>	<b>33.31</b>

**Amount recognised in the statement of Other Comprehensive Income**

Description	(₹) in lakhs	
	31-March-2020	31 March 2019
Net Cumulative unrecognised actuarial gain/(loss) opening	Nil	Nil
Actuarial Gain/(Loss) for the year on PBO	Nil	Nil
<b>Unrecognised actuarial Gain/(Loss) at the end of the year</b>	<b>Nil</b>	<b>Nil</b>

**Actuarial assumptions**

Description	31-March-2020	31 March 2019
Discount rate	6.85%	7.70%
Future salary increase	10%	10%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

**Sensitivity analysis for leave liability**

	(₹) in lakhs	
	31-March-2020	31 March 2019
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	73.42	84.75
b) Impact due to decrease of 1 %	96.83	112.49
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	96.31	112.00
b) Impact due to decrease of 1 %	73.61	84.88

**19.2 Post-Employment Obligations - Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The weighted average duration of the defined benefit obligation as at 31 March 2020 is 12 years (31 March 2019: 13 years).

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:



**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

	(₹) in lakhs	
Changes in defined benefit obligation	31-March-2020	31 March 2019
Present value obligation as at the start of the year	136.95	129.05
Current service cost	21.57	27.86
Interest cost	10.57	10.06
Past service cost	-	-
Benefits paid	(9.92)	(2.36)
Actuarial loss/(gain) on obligations	(24.53)	(27.65)
<b>Present value obligation as at the end of the year</b>	<b>134.64</b>	<b>136.95</b>

**Breakup of Actuarial gain/loss:**

	(₹) in lakhs	
Description	31-March-2020	31 March 2019
Actuarial (gain)/loss on arising from change in demographic assumption	0.08	-
Actuarial (gain)/loss on arising from change in financial assumption	12.72	1.64
Actuarial (gain)/loss on arising from experience adjustment	(37.33)	(29.30)

	(₹) in lakhs	
Amount recognized in CWIP	31-March-2020	31 March 2019
Current service cost	21.57	27.86
Past service cost	-	-
Interest cost	10.57	10.06
<b>Amount recognised in CWIP</b>	<b>32.14</b>	<b>37.92</b>

**Amount recognised in the statement of Other Comprehensive Income/CWIP**

	(₹) in lakhs	
Description	31-March-2020	31 March 2019
Actuarial Gain/(Loss) for the year on PBO	(24.53)	(27.65)
<b>Unrecognised actuarial Gain/(Loss) at the end of the year</b>	<b>(24.53)</b>	<b>(27.65)</b>

Actuarial assumptions	31-March-2020	31 March 2019
Discount rate	6.85%	7.70%
Future salary increase	10.00%	10.00%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

**Sensitivity analysis for gratuity liability**

	(₹) in lakhs	
Description	31-March-2020	31 March 2019
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	119.84	121.84
b) Impact due to decrease of 1 %	152.38	155.07
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	149.31	151.23
b) Impact due to decrease of 1 %	122.09	124.40



**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

**Notes to the financial statements for the year ended 31 March 2020**

**19.3 Defined Contribution Plans**

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is (₹) 70.23 lakhs (31 March 2019 (₹) 75.80 lakhs)

**NOTE 20 : CAPITAL WORK IN PROGRESS:**

Particulars	(₹) in lakhs	
	31-March-2020	31 March 2019
Assets under construction	2,33,459.53	2,35,441.98
Add: Pre-operative Expenditures	2,21,070.44	1,74,313.52
<b>Total</b>	<b>4,54,529.97</b>	<b>4,09,755.50</b>

**PRE OPERATIVE EXPENSES**

During the year, the Company has incurred the following expenses relating to ongoing project of the Company, which are accounted as pre-operative expenditures and are grouped under Capital work- in-progress.

Particulars	(₹) in lakhs	
	31-March-2020	31 March 2019
Opening Balance	1,74,313.52	1,32,816.00
Employee benefits expense		
Salaries, bonus, gratuity etc,	1,231.15	1,587.52
Contribution to provident fund, ESI charges etc,	77.60	82.39
Rent	-	4.58
Rates & taxes	41.23	139.66
Insurance	44.43	128.48
Electricity charges	235.25	676.81
Water Charges	-	97.39
Repairs & maintenance:		
- Others	18.57	28.08
Travelling, conveyance & vehicle expenses	102.75	125.64
Professional, consultancy & legal expenses	409.44	252.98
General & administrative charges	49.42	113.39
Security charges	9.19	93.89
Depreciation & amortisation	83.86	98.84
Loss on sale of fixed assets	0.84	-
Other misc trial run expenses	38.00	64.75
Coal & fuel consumption	1,579.77	3,645.11
Consumables	56.19	6.70
UI deviation settlement charges	(1.00)	6.03
Freight outward	5.08	19.00
Revenue from sale of power ( See note below)	(1,113.40)	(2,825.00)
Finance costs:		
Interest Charges	43,868.43	36,906.78
Other finance cost	20.12	244.50
<b>Total</b>	<b>2,21,070.44</b>	<b>1,74,313.52</b>

**Note:** Tariff Petition in terms of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2011 & amendments thereof have been filed for the financial year 2019-20 (PY 2018-19). Pending approval of such tariff, earnings from sale of electricity for the period from 22nd April, 2019 to 5th May, 2019 ( PY: 8th November, 2018 to 31st March, 2019) has been billed and accounted for on the basis of provisional rate as per Supplementary Power Purchase Agreement dated 6th April, 2018. Revenue for the same will accounted for on final Tariff approval by the Hon'ble West Bengal Electricity Regulatory Commission.

**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

**NOTE 21: RELATED PARTY INFORMATION**

**a) Names of related parties and related party relationship**

Related parties where control exists and also other related party with whom transactions have taken place and relationships:

Holding Company	(i) India Power Corporation Limited (CIN: L40105WB1919PLC003263)
Associate Company	(i) Bhaskar Silicon Private Limited

**b) Name of Key Managerial Personnel**

Name of Key Managerial Personnel	Designation
1 Mr. Jyoti Kumar Poddar	Director
2 Mr. Jyotirmay Bhaumik	Whole-time director
3 Mr. Purushottam Kejriwal	Chief Financial Officer & Company Secretary ( CS, W.e.f 18th April, 2019)
4 Ms. Barkha Bachhuka	Company Secretary ( up to 31st May, 2018)

**Key Managerial Personnel Compensation**

(₹) in lakhs

Description	31-March-2020	31-Mar-19
Short term employee benefits	121.03	136.37
<b>Total compensation</b>	<b>121.03</b>	<b>136.37</b>

**a) Transactions during the year**

Description	Holding Company	
	31-March-2020	31-Mar-19
Reimbursement of Companies' expenses	12.63	-
Advance against promoters contribution	Associate Company	
	19.00	751.00

**b) Balance at the end of the year**

Description	31-March-2020	31-Mar-19
0% fully and compulsorily convertible debentures-Holding Company	49,046.07	49,046.07
Compulsorily convertible preference shares-Holding Company	30,682.70	30,682.70
Advance from holding company	148.62	135.98
Advance from associate company towards equity contribution	770.00	751.00

**Note 22: Disclosures Under Section 22 Of The Micro, Small And Medium Enterprises Development Act, 2006 And Schedule iii to The Companies Act, 2013:**

Particulars	Rs. In Lakhs	
	As At March 31, 2020	As At March 31, 2019
<b>Balance of Trade Payables as at the end of the year</b>		
- Principal amount due to Micro Enterprises and Small Enterprises	65.14	63.39
- Interest amount due to Micro Enterprises and Small Enterprises	22.57	10.39
	<b>87.70</b>	<b>73.78</b>



**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

**Paid during the year**

Principal amount (including interest) paid to Micro Enterprises and Small Enterprises beyond the appointed date		
- Principal amount	-	-
- Interest thereon	-	-
Principal amount (excluding interest) paid to Micro Enterprises and Small Enterprises beyond the appointed date	20.51	
Others		
- The amount of interest accrued and remaining unpaid during the year	22.57	10.39
-The amount of further interest remaining due and payable even in the succeeding years	-	-

**NOTE 23 : Earnings Per Share**

	For the year ended 31-Mar-2020	For the year ended 31- Mar-2019
	(₹)	(₹)
<b>(a) Basic earnings per share</b>		
From continuing operations attributable to the equity holders of the company	0.52	(0.80)
Total basic earnings per share attributable to the equity holders of the company	0.52	(0.80)
<b>(b) Diluted earnings per share</b>		
From continuing operations attributable to the equity holders of the company	0.00	(0.00)
Total diluted earnings per share attributable to the equity holders of the company	0.00	(0.00)

**(c) Reconciliations of earnings used in calculating earnings per share**

	(₹) in lakhs	
	31-Mar-2020	31-Mar-2019
<b>Basic earnings per share</b>		
Profit attributable to the equity holders of the company used in calculating basic earnings per share:		
From continuing operations	5.55	(8.54)
<b>Diluted earnings per share</b>		
Profit from continuing operations attributable to the equity holders of the company:		
Used in calculating basic earnings per share	5.55	(8.54)
Add: interest savings on convertible bonds	-	-
Used in calculating diluted earnings per share	5.55	(8.54)
<b>Profit attributable to the equity holders of the company used in calculating diluted earnings per share</b>	<b>5.55</b>	<b>(8.54)</b>

**(d) Weighted average number of shares used as the denominator**

	31-Mar-20	31-Mar-19
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	10,67,570	10,67,570
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	1,00,22,85,270	1,00,22,85,270



Notes to the financial statements for the year ended 31 March 2020

**NOTE 24: Leases**

**Finance leases – Assets taken on lease**

Land lease for the period of 90 years. Carrying value as at 31 March 2020 (₹) 2065.33 lakhs (previous year 31 March 2019 (₹) 2089.71 lakhs),

Particulars	(₹) in lakhs		
	Within one year	After one year but not later than five years	More than five years
<b>As on 31 March 2020</b>			
Present Value of Outstanding Lease Liability	7.33	33.15	7,818.24
Present Value of Minimum Lease Payments	2.34	7.75	21.15
<b>As on 31 March 2019</b>			
Present Value of Outstanding Lease Liability	6.98	31.57	7,827.15
Present Value of Minimum Lease Payments	2.53	8.37	22.87

**NOTE 25: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

**25.1 Financial risk factors**

The Company's activities expose it to a variety of financial risks : market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

**25.1 (a) Market risk**

The company operates only in India and has not entered in to any foreign exchange or commodity derivative contracts. Accordingly there is no exposure to market risk.

**(b) Credit risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. The Company has no trade receivable as it has not yet commenced any business operations. Accordingly, no credit risk of default is perceived.

**(c) Liquidity Risk**

(i) The company objective is to at all times maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The Company relies on Borrowing to meet its need for fund. The current committed lines of credit are sufficient to meet its short to medium term expansion needs and hence evaluates the concentration of risk with respect to liquidity as low. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

(ii) The table provides undiscounted cash flow towards non-derivative financial liabilities into relevant maturity based on the remaining period at balance sheet date to contractual maturity date.

(iii) The company is required to maintain debt equity ratio as mentioned in the loan agreements at specified levels. In the event to meet any ratios these become callable at the option of the lenders, except where exception is provided by lender.



**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

(iv) Contractual Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

Particulars	Carrying Amount	On-demand	6 to 12 Months	Above 12 months	(₹) in lakhs
					Total
<b>As at 31 March 2020</b>					
Interest bearing Borrowings (Including Current Maturity)	2,36,473.87	5,876.87	-	2,30,597.00	2,36,473.87
Obligation under finance lease	-	-	-	-	-
Trade and Other payables	25,661.88	156.15	25,505.53	-	25,661.88
Other Financial Liabilities	11,253.12	-	-	11,253.12	11,253.12
<b>Total</b>	<b>2,73,388.87</b>	<b>6,033.22</b>	<b>25,505.53</b>	<b>2,41,850.12</b>	<b>2,73,388.87</b>
<b>As at 31 March 2019</b>					
Interest bearing Borrowings (Including Current Maturity)	2,34,585.44	3,988.44	38,155.46	1,92,441.54	2,34,585.44
Obligation under finance lease	-	-	-	-	-
Trade and Other payables	25,545.34	268.06	25,277.28	-	25,545.34
Other Financial Liabilities	11,234.12	-	-	11,234.12	11,234.12
<b>Total</b>	<b>2,71,364.90</b>	<b>4,256.50</b>	<b>63,432.74</b>	<b>2,03,675.67</b>	<b>2,71,364.90</b>

Unused Lines of Credit

Particulars	(₹) in lakhs	
	As at 31st March 2020	As at 31st March 2019
Secured	-	2,511.56
Unsecured	-	-
<b>Total</b>	<b>-</b>	<b>2,511.56</b>

Interest Rate of Borrowing

Particulars	Total Borrowing	Floating Rate Borrowings	Fixed Rate Borrowing	(₹) in lakhs
				Weighted average Interest Rate
<b>As at 31 March 2020</b>				
Secured	2,36,473.87	2,30,597.00	5,876.87	12.83%
Unsecured	-	-	-	-
<b>Total</b>	<b>2,36,473.87</b>	<b>2,30,597.00</b>	<b>5,876.87</b>	<b>-</b>
<b>As at 31 March 2019</b>				
Secured	2,34,585.44	2,34,585.44	-	15.73%
Unsecured	-	-	-	-
<b>Total</b>	<b>2,34,585.44</b>	<b>2,34,585.44</b>	<b>-</b>	<b>-</b>



**HIRANMAYE ENERGY LIMITED**  
**(Formerly known as India Power Corporation (Haldia) Limited)**

Notes to the financial statements for the year ended 31 March 2020

**(d) Interest rate risk**

**(i) Interest rate risk exposure**

Interest rate exposure of the Company is mainly on Borrowing from Bank/FI, which is linked to their prime lending rate and the Company does not foresee any risk on the same.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	(₹) in lakhs	
	31-Mar-20	31-Mar-19
Variable rate borrowings	2,30,597.00	2,34,585.44
Fixed rate borrowings	5,876.87	-
<b>Total borrowings</b>	<b>2,36,473.87</b>	<b>2,34,585.44</b>

**(ii) Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit after tax (₹) in lakhs	
	31-Mar-20	31-Mar-19
Interest rates – increase by 50 basis points (50 bps) *	874.95	809.32
Interest rates – decrease by 50 basis points (50 bps) *	874.95	809.32

**Note 25.2: Capital Management**

**Risk Management**

The Company's strategy is to maintain a gearing ratio within 2.36. The gearing ratios were as follows:

	31-Mar-20	31-Mar-19
Net debt - (₹) in lakhs	2,36,473.87	2,34,585.44
Total equity- (₹) in lakhs	1,00,228.53	1,00,228.53
<b>Net debt to equity ratio</b>	<b>2.36</b>	<b>2.34</b>



**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

**NOTE 26: Segmental Reporting:**

As the company's business activity falls within a single business segment viz "generation and sale of electricity" and a single geographical segment viz "operations within India", hence disclosure as per Ind AS 108 have not been given.

**NOTE 27: Foreign Exchange Earnings and out go:**

		For the year ended 31st March, 2020	For the year ended 31st March, 2019
		(₹) in lakhs	

		For the year ended 31st March, 2020	For the year ended 31st March, 2019
a)	Earnings	Nil	Nil
b)	Expenditure in foreign currency during the financial year on account of travelling expenses	Nil	Nil

**NOTE 28:** With effect from 15th January, 2018, the name of the Company was changed from India Power Corporation (Haldia) Limited to Hiranmaye Energy Limited.

**NOTE 29:** Company has not capitalised Unit 1 & 2 of its power plant from the declared date of commercial operation, which is 13th August, 2017 and 31st December, 2017 respectively for unit 1 & unit 2. The Company has declared these CODs to fulfil certain requirements under the State Electricity Regulations. Though the company has declared CODs, even as on balance sheet date, the units could not run for 14 days trial run which also includes 72 hours trial operation under full load condition due to issues in Turbines. Bharat Heavy Electricals Limited (BHEL) is unable to sort out the problems and is not cooperating in the matter and an arbitration is going with them. Since machines are still not stabilised and both the units are not in a position to start its operations on commercial level, the management is of the view that Unit 1 & 2 of the power plant can be said to be operational once all these issues are resolved and plant runs for continuous 72 hours on full load. These issues are expected to be resolved during the current financial year 2020-21 and consequently, the company will declared COD of Unit 1 & 2 in the financial year 2020-21 when it actually starts the commercial production.

In view of the same, cost of Unit 1 & 2 of the power plant and relevant Balance of Plants (BOPs) is considered as project costs and accordingly the Company has capitalised indirect expenditure and borrowing costs incurred during the year 2019-20 and also had not charged depreciation for the year 2019-20 in the financial statements for the year ended March 31, 2020.

**NOTE 30:** Previous year's figures have been regrouped wherever considered necessary.

The accompanying notes are an integral part of the financial statements.

For and on behalf of the board of directors of  
Hiranmaye Energy Limited

In terms of our report of even date

**For R Kothari & Co LLP**

Chartered Accountants

Firm registration number: 307069E/E300266




(Manoj Kumar Sethia)

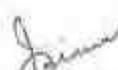
Partner

Membership No. 064308

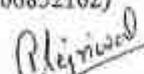
Place: Kolkata

Date: 30th Nov, 2020



  
Jyotirmay Bhaumik  
Whole-time Director  
(DIN 06852162)

  
Rajendra Prasad Ritolia  
Director  
(DIN 00119488)

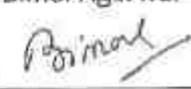
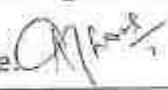
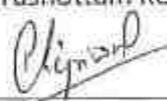
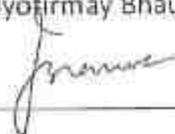
  
Purushottam Kejriwal  
Chief Financial Officer & Company Secretary

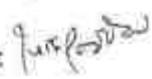
## **ANNEXURE-C**

Document No.	Issue No/Date	Revision No/Date
	28/07/2017	03/17.01.19

Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management

**Coal Procurement Policy,  
Delegation of Authority and Standard Operating Procedure for  
Supply Chain Management  
(Coal Policy)**

Prepared by:	Name: Coal Team Signature: 
Reviewed by:	Name: Mr. Bimal Agarwal Signature: 
Reviewed by:	Name: Mr. Argha Ghosh Signature: 
Reviewed by:	Name: Mr. Purushottam Kejriwal Signature: 
Reviewed by:	Name: Mr. Jyotirmay Bhaumik Signature: 

Approved by	Name: Mr. Jyoti Poddar Signature: 
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**Contents:**

SL No.	Chapter	Page No.
1.	Introduction	6
2.	Objective	6
3.	Scope	6
4.	<b>Applicability &amp; Responsibility</b> 4.1. Responsibility of Head office coal group 4.2. Responsibility of Plant Operation & Maintenance Group 4.3. Responsibility of Coal Committee(s)	6
5.	Standard Operating Procedure	7
5.1	Determination of Coal Requirement	7
5.2	Budget & Financial Concurrence for Coal Procurement	7
6.	<b>Coal Procurement Process</b> a. Linkage Coal b. Procurement through E- Auction c. Open Market/ Others d. Imported Coal	8 - 15
7.	Coal Accounting (Receipt, Bill Processing and Payment)	15-16
8.	Coal Receipt	16
9.	<b>Coal Quality Determination</b> 9.1. Process of Coal Quality Determination 9.2. Applicable Standards and Codes 9.3. Standard Operating Procedure for Coal Laboratories	17- 21
10.	Logistics and Services Contracts – SOP	22
11.	Vendor Registration – SOP	22-23
12.	Procedure for Deviations and Amendments to Policy	23



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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

*Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management*

13.	Responsibility Matrix - SAP Management	24
14.	Payment approval and remittance process for HMEL – Haldia Site	24-26
15.	Annual Schedule Quantity Requisition Form – Annexure A	27
16.	Quarterly Schedule Quantity – Annexure B	28
17.	Spot Purchase Quantity - Annexure C	29
18.	Coal Quality Format – Annexure D	30

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Abbreviations



Document No.	Issue No/Date	Revision No/Date
	28/07/2017	03/17.01.19

*Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management*

SOP	Standard Operating Procedure	
FSA	Fuel Supply Agreement	
P O&M	Plant Operation & Maintenance Team	
HCG	Head Office Coal Group	
HO	Head Office	
P O&L	Port Operation & logistics Team	
CHP	Coal Handling Plant	
AMM	Active Mine Management Contractor	
CHA	Custom Handling Agent	
GCV (arb)	Gross Calorific Value on As Received Basis	
GCV (adb)	Gross Calorific Value on Air Dried Basis	
RR	Railway Receipt	
MIS	Management Information System	
CIL	Coal India Ltd	
EMD	Earnest Money Deposit	
F&A	Finance & Account	
DO	Delivery Order	
GM	General Manager	
PO	Purchase Order	
GRN	Goods Receipt Note	



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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

*Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management*

IMW	In- Motion Weighbridge	
PCG	President-Coal	
GCFO	Group Chief Financial Officer	
PTW	Permission to Work	
IT	Information Technology	
CFO	Chief Financial Officer	
O&E	Operation & Efficiency	
QC	Quality Control	
ID	Identification	
IS	Indian Standard	
MT	Metric Tons	
KG	Kilo Gram	
IM	Inherent Moisture	
VM	Volatile Matter	
IIA	Independent Inspection Agency	
VCCL	Vessel Chartering Desk and Coal logistics Team	
HMEL	Hiranmaye Energy Limited	

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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19
<i>Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management</i>			

## 1. Introduction

Hiranmaye Energy Limited(HMEL) (Formerly known as India Power Corporation (Haldia) Limited) has been developing 450 MW (3x150MW) coal based power plant at Haldia in Purba Medinipur district of West Bengal. First two units of 150 MW have achieved Commercial Operation Date (CoD) on 13.08.2017 and 31.12.2017 respectively. Third unit of 150 MW is under development.

Power is being supplied to West Bengal State Electricity Distribution Company (WBSEDCL) on a regular basis under a long term Power Purchase Agreement (PPA). HMEL is sourcing coal from various sources to run the power plant efficiently. Head Office Coal Group (HCG) is responsible to strategize the procurement of good quality coal at economical price to ensure lower cost of production of electricity by the plant.

## 2. Objective

Objective of this document is to standardize the business processes and activities resulting in effective coal supply chain management, including coal procurement and delivery at site.

## 3. Scope

This document elaborates processes and defines responsibility for coal procurement from various sources, coal logistics management from the point of purchase to up to plant gate. Key process stakeholders are Head Office Coal Group (HCG), Plant Finance & Account Team (PF&A), Head Office Finance Team (HOF), Plant Operation and Maintenance Team (PO&M) and Commercial Team.

## 4. Applicability & Responsibility

This policy shall be applicable for procurement of coal for power plant belonging to HMEL.

### 4.1 Responsibility of Head office coal group (HCG):

A coal group is being created at HMEL Head office. The objective is to pool the coal requirement for Haldia plant for Imported and domestic coal and leverage it to get coal at economic and good commercial terms.

### 4.2 Responsibility of Plant Operation & Maintenance Team (PO&M)

The responsibility of projection of initial coal requirement, Grade selection/ Technical specification, necessary blending, its storage, inventory management and usage shall be on the PO&M team.

### 4.3 Responsibility of Coal Committee(s)

Committee shall comprise of the following: Head of Coal Procurement, CFO, Plant Head, Commercial Head or their respective duly authorised representative. It shall finalize coal procurement, logistics, handling agency and other related contracts. This committee should be responsible for negotiation with vendors to finalize rate and commercial terms, considering Tax implications. The Coal Committee recommendations shall be signed either by the committee members or their authorized representative. HCG shall be solely responsible for initiation and execution after obtaining approval from Director.

### 4.4 Responsibility of Management Committee

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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

**Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management**

Management Committee shall comprise of the following: Director, CFO, Plant Head and HOD of relevant departments or their duly authorised representative. The Committee should be responsible for approval of budgetary provisions and any amendment in coal procurement policy.

## 5. Standard Operating Procedure (SOP)

### 5.1 Determination of Coal Requirement:

S. No.	Activities	Responsibility	Document
1	<b>Annual Scheduled Quantity (ASQ)</b> Not Later than ninety (90) days prior to commencement of financial year, the Plant O & M shall provide Annual Coal Requirement on monthly basis for the financial year. Requirement shall include quantities and quality of Imported Coal, Domestic Coal and Alternate Domestic Coal like Tata Tailing, Dolachar etc. Requisition Document in recommended format to be submitted to HCG.	Plant Head	Annexure A
2.	<b>Quarterly Scheduled Quantity (QSQ)</b> Not later than seventy five (75) days prior to the commencement of each Quarter, the Plant shall advise Quarterly Schedule Quantities on monthly basis for the next Quarter. The quantities indicated in QSQ may be invariance with those indicated in ASQ. Any Variance beyond 10% may result in financial implication depending upon the Supply Contract made by HCG based on ASQ. Requisition Document in recommended format to be submitted to HCG.	Plant Head	Annexure B
3.	<b>Spot Purchases Quantity – SPQ</b> If there is a requirement of coal, not covered by systematic procurement process as described above, due to exigencies then the Plant O & M shall raise a Spot Purchase Requisition (SPR) for procuring coal. SPQ can be raised for both Imported as well as Domestic Coal. Requisition Document in recommended format to be submitted to HCG.	Plant Head	Annexure C

### 5.2 Budget & Financial Concurrence for Coal Procurement

S. No.	Activities and Approval Authorities	Responsibility
1	Plant shall make requisite budgetary provisions based on coal cost estimates (Annexure D) made available by HCG for Annual Coal Requirement along with ASQ i.e. at least 90 days before beginning of financial year. The same has to be proposed by F&A (Corporate Finance) HOD Plant/CFO and to be approved by Director/Management Committee.	HOD Plant/CFO 
2	Budget Approval/Ratification	Director/BOD
3	Allocation of Budget based on approval of Director/Board.	Director/BOD
4	Any Additional Budgetary requirement based on exigencies shall also be arranged by the Plant and approved by Competent Authority as above. This can be done any time during the year but necessarily prior to placements of Purchase Requisition (PR) and Purchase Order (PO)	Head of Coal Procurement/CFO/Director

for any additional quantity of coal.

## 6. Coal Procurement Process

Following options can be exercised are the procedures for coal procurement:

- a. Linkage – Domestic Coal procured from PSU through linkages
- b. E-Auction - Domestic Coal procured from PSU through e-auction
- c. Open Market/Others– Domestic Coal/ Washery by products
- d. Imported – Procurement of Imported Coal

### a. Linkage Coal

Linkage Coal is to be procured as per the terms and conditions of FSA signed with relevant coal company.

#### i. Key Procurement Processes:

S. No.	Heads	Processes
1	Pricing of Coal	The Basic Price of Coal to be supplied is determined by Coal India Limited through regular notification. Pit head cost of coal shall be determined by adding various taxes, duties and add on charges made by the coal companies. The landed cost of coal shall be addition of Pit Head Cost of coal and various transportation, testing and liaison costs.
2	Coal Quantity to be ordered	Coal Quantity to be lifted from coal companies shall be determined by the provisions of Fuel Supply Agreement made with the coal company. Monthly indents are to be raised with the coal companies based on FSA provisions and actual coal requirement of the Plant.
3	Coal Quantity Determination	Based on Railway Receipt generated at loading end. Suitable Penalty/Bonus provisions may to be made in the AMM/logistics contracts to encourage higher coal quantity realisation.
4	Coal Quality Determination	<ol style="list-style-type: none"> <li>1. Coal Quality shall be determined on 'Equilibrated Basis' at loading end by agencies engaged by Coal India Limited and paid for by CIL and the buyer. CIL shall issue Credit Note(s) to Buyer based on slippage of declared grade. However CIL shall require that the full value of coal to be paid in advance on monthly basis based on notified coal quality and the buyer may claim refunds at a later date.</li> <li>2. Coal Quantity received shall be finally determined at Plant weighbridge. Suitable Penalty/Bonus provisions are to be made in the AMM/logistics contracts to encourage higher coal quantity realisation.</li> </ol>
5	Logistics Arrangement	CIL and subsidiaries sell coal on FOR or FOB – Trucks basis depending upon availability of railway siding at the Mine. AMM/Logistics contractor has to be engaged to organise allotment of rakes, transport of coal from the mine to

*Prakash*

hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

*Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management*

	nearest alternate railway siding in absence of CIL railway siding, loading of coal into railway wagons and transportation to a railway siding near power plant. Coal shall be unloaded at this siding, loaded onto Dumpers/ Trucks and transported to Plant site. Alternatively, AMM/Logistics Contractor may load Coal directly on trucks/dumpers to be transported from Mine to Plant Site.
--	---

ii. Key Procurement Activities:

Sl. No	Activity	Responsibility
1.	Submission of monthly Rail Program (Annexure c) with Coal Company by 27 <sup>th</sup> of the preceding month, as per the railway guideline.	HCG
2.	Obtaining consent from Coal company and Railways for release of rakes program	
3.	Circulation of Fund Requirement Schedule	HCG
4.	Total value for Coal for the month has to be paid by 3 <sup>rd</sup> week of preceding month for final payment after internal Audit. HCG to advise the F & A team by 2 <sup>nd</sup> week of preceding month	F & A/IA and HCG
5.	HMEL to enter into tripartite agreement with railway and bank for Railway Receipt freight payment in auto debit mode soon after Railway Receipt is generated. Monthly expected freight requirement for at least 3 rakes to be debited to this account to avoid "To Pay", before beginning of the month and F & A team to deposit the amount in the account. Once this system is established if there is no fund available, RR shall be made for To pay i.e. we have to pay freight at destination with 10 % penalty and railway may stop providing this facility.	F & A and HCG
6.	Active Mine Management (AMM) agency shall be appointed for liaison with various authorities and also shall discharge duties and responsibility as per instructions of coal procurement team, including supervision of rake loading to ensure optimum quality and quantity. Final appointment of agencies will be approved by Directors.	HCG
7.	Collection of copy of invoice from Coal Company and copy of RR from Railway.	
8.	Invoice for coal and railway receipt shall be verified and proposed for proper accounting and approval for payment/adjustment.	
9.	Submission of coal company invoices & photocopy of railway receipt to be submitted to plant team for verification and accounting/audit.	HCG
10.	Daily MIS shall be prepared as per required format and circulated to all stake holders on daily and monthly basis.	HCG

b. Procurement through E-Auction

As per guidelines of Government Of India, CIL's subsidiary offer Coal through rail and road mode both for all traders and consumers through a transparent process of E-Auction/ Special Forward E-Auction for Independent Power Plants/Spot E-Auction for all (i.e. CPPs, IPPs & Traders)/Linkage Auction/Any other type of Auction(s) [www.coaljunction.com](http://www.coaljunction.com) and [www.mstcecommerce.com](http://www.mstcecommerce.com) to registered bidders only.

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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

**Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management**

*Explanatory Note: HMEL must be registered with all relevant platforms to facilitate participation in e-auctions. HCCG shall be responsible for such registrations and their renewal from time to time.*

**i. Key Procurement Processes:**

S. No.	Heads	Processes
1	Pricing of Coal	Basic Price of Coal shall be determined by a bidding process based on premium over reserve price of coal as notified by CIL subsidiary from time to time. Pit head cost of coal shall be determined by adding various taxes, duties and add on charges made by the coal companies. The landed cost of coal shall be addition of Pit Head Cost of coal and various transportation, testing and liaison costs.
2	Coal Quantity to be ordered	It shall be determined by ASQ/ QSQ/ SPQ and availability of coal on auction platform.
3	Coal Quantity Determination	<ol style="list-style-type: none"> <li>Coal Quality shall be determined on 'Equilibrated Basis' at loading end by agencies engaged by Coal India Limited and paid for by CIL and the buyer. CIL shall issue Credit Note(s) to Buyer based on slippage of declared grade. However CIL shall require that the full value of coal to be paid in advance on monthly basis based on notified coal quality and the buyer may claim refunds at a later date.</li> <li>Coal Quantity received shall be finally determined at Plant weighbridge. Suitable Penalty/Bonus provisions are to be made in the AMM/logistics contracts to encourage higher coal quantity realisation</li> </ol>
4	Coal Quality Determination	<ol style="list-style-type: none"> <li>Coal Quality shall be determined on 'Equilibrated Basis' at loading end by agencies engaged by Coal India Limited and paid for by CIL and the buyer. CIL shall issue Credit Note(s) to Buyer based on slippage of declared grade. However CIL shall require that the full value of coal to be paid in advance on monthly basis based on notified coal quality and the buyer may claim refunds at a later date.</li> <li>Coal Quality as received at the Plant shall also be determined by Plant Lab. Suitable Penalty/Bonus provisions are to be made in the AMM/logistics contracts to encourage higher coal quality realisation</li> </ol>
5	Logistics Arrangement	CIL sells coal on FOR or FOB – Trucks basis depending upon availability of railway siding at the Mine. AMM/Logistics contractor has to be engaged to organise allotment of rakes, transport of coal from the mine to nearest alternate railway siding in absence of CIL railway siding, loading of coal into railway wagons and transportation to a railway siding near power plant. Coal shall be unloaded at this siding, loaded onto Dumpers/ Trucks and transported to Plant site. Alternatively, AMM/Logistics Contractor may load Coal directly on trucks/dumpers to be transported from Mine to Plant site.

**ii. Key Procurement Activities:**

S. No.	Activities	Responsibility
1.	Tracking e-auction announcements by CIL subsidiaries on regular basis	



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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

**Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management**

2.	Mine wise Coal quantity and quality evaluation with Plant O & M and planning for participation in auction with Coal Committee	HCG
3.	Estimation of coal quality based on the mine and grade offered	
4.	Submission of Fund Requirement to F&A Team and payment of EMD to service provider for participation in e-auction	
5.	Participate and to bid in e-auction	
6.	Circulation fund requirement schedule and Advice to F&A for payment of allotted quantity as per the prevailing terms and conditions of e-auction scheme and freight payment to railway if through rail	
7.	Submission of all related documents with coal company with in stipulated time to release the DO	
8.	DO handling over to transporter/AMM for coal lifting from the mine	HCG
9.	Coordination with transporter/AMM on daily basis to maximise lifting in stipulated time	
10.	Ensure rake placement at Railway siding as per allotment. Ensure that rake wagons are fit to load which shall include properly welded doors, intact floor, etc. Coal loaded shall be free from contamination like shales / stones, etc.	HCG
11.	Appoint Active Mine Management (AMM) agency for liaison with various authorities and also shall discharge duties and responsibility as per instructions of coal procurement team, including supervision of rake loading to ensure optimum quality and quantity.	Coal Committee
12.	Collection of copy of invoice from Coal Company and copy of RR from Railway.	HCG
13.	Invoice for coal and railway receipt to be verified and approved.	HCG
14.	Submission of coal company invoices & photocopy of railway receipt to be submitted to plant team for verification and accounting	HCG
15.	Daily MIS shall be prepared as per required format and circulated to all stake holders on daily and monthly basis.	HCG

### c. Open Market/Others

Coal can also be procured from open market/ Coal washery Middlings/ Coal washery rejects/ Char from DRI plants etc, in order to meet the shortfall in the required quantity. Many traders procure domestic coal through spot e-auctions and stock it at various stockyards for supply to retail consumers.

Many traders also procure imported coal and stock it at ports for sale to retail customers. Such coal is generally more expensive than coal procured directly from coal companies. However at times small quantities of coal from such sources may be required to meet exigencies. Such purchases shall preferably be made on CIF power plant basis.

#### i. Key Procurement Processes:

S. No.	Heads	Processes
1	Pricing of Coal	Determined by Tendering and Negotiations.



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**Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management**

2	Coal Quantity to be ordered	It shall be determined by Spot Purchase Requirement (SPR) raised by the power plant.
3	Coal Quantity Determination	It shall preferably be based on actual coal receipt at the plant, however if direct supply to power plant is not possible or economical and coal is procured on FOR basis then shall be basis Railway Receipt generated at loading end. Suitable Penalty/Bonus provisions are to be made in the AMM/logistics contracts to encourage higher coal quantity realisation
4	Coal Quality Determination	In case coal is purchased on CIF (power plant) basis then the Coal Quality determined by Plant Lab / Independent inspection agency if required
5	Logistics Arrangement	In case CIF (power plant) purchase, the coal shall be delivered at the power plant. For purchases on FOR or FOB – Truck basis AMM/Logistics contractor has to be engaged to organise allotment of rakes, transport of coal from the mine to nearest alternate railway siding in absence of CIL railway siding, loading of coal into railway wagons and transportation to a railway siding near power plant. Coal shall be unloaded at this siding, loaded onto Dumpers/ Trucks and transported to Plant site.

**ii. Key Procurement Activities:**

Sl.No.	Activities	Responsibility
1.	Quantity & Quality based on SPR	P O&M
2.	Obtain Budgetary Approval for the SPR	P O&M/ CFO
3.	Advertisement in three newspapers i.e. English, Hindi & Bengali (Regional) and website of HMEL regarding NIT and Tender inquiry can be circulated into the market through email, Summarization and Evaluation of offers	HCG/Corporate Communications Dept/PR Dept
4.	Coal Transportation and Handling if excluded in Original Tender scope, then separate tender needs to be published with similar approach to coal procurement	HCG /Corporate Communications Dept/PR Dept
5.	Negotiation & Finalization with Suppliers through competitive and transparent bidding process	Coal Committee/ Director
6.	Preparation of Sales contract and placement of Purchase Order	HCG
7.	Coordination with supplier for the delivery of coal quantity	HCG
8.	Generate Way Bills for Supplier	HCG
9.	Submission of bills by supplier to HCG as per "Payment approval and remittance process" flow chart	HCG
10.	Bills processing by related team and sent to F&A along with detailed calculation sheet for final payment after clearance from Internal Audit.	HCG
11.	Payment to supplier for final payment after internal Audit	F&A/IA

**d. Imported Coal**

Coal would also be procured from international sources to meet plant requirement.

R. Chandra P.



hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

*Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management*

**i. Key Procurement Processes:**

S. No.	Heads	Processes
1	Pricing of Coal	Determined by Tendering and Negotiations.
2	Coal Quantity to be ordered	It shall be determined by ASQ/ QSQ/ SPQ requirement raised by the power plant.
3	Coal Quantity Determination	At Port: It shall be determined by the draft survey report at Loading Port which shall be verified at Discharge Port carried out by Independent Inspection Agency. Any shortage in draft survey quantity shall be directly dealt with the Carrier. At Plant: The quantity shall be determined by weightment at plant weigh bridge. Suitable Penalty/Bonus provisions are to be made in the AMM/logistics contracts to encourage higher coal quantity realisation
4	Coal Quality Determination	Coal Quality shall be determined by Plant Lab / Independent inspection agency if required
5	Logistics Arrangement	<ol style="list-style-type: none"> <li>1. FOB Procurement: Coal will be procured basis loaded on the vessel. In such the case vessel will be chartered by for the voyage duration. The mother vessel will carry the coal to destination port in case the port of destination cannot accommodate the full capacity of the vessel in such case the vessel shall call another nearby port and discharge part cargo or shall be transhipped at a suitable location. The mother vessel and the transhipped cargo shall be delivered at the destination port.</li> <li>2. CFR / CIF Procurement: Coal will be procured basis delivered at discharge port. Coal shall be unloaded at the discharge port, loaded onto Dumpers/ Trucks for transportation to site or for temporary storage and shall be subsequently transported to Plant site by road transportation or by conveyor system.</li> <li>3. High Seas Sale: Coal will be procured on High-Seas basis similar to CFR/CIF Procurement basis delivered at discharge port. Procurement shall be done on High Seas, meaning Coal carrying vessel has already sailed from Port of Loading and is in transit in international waters (High Seas). Coal shall be unloaded at the discharge port, loaded onto Dumpers/ Trucks for transportation to site or for temporary storage and shall be subsequently transported to Plant site by road transportation or by conveyor system.</li> <li>4. Ex-Port/Loaded on Trucks: Coal will be procured from Coal traders/suppliers that procure and stock imported coal at Ports for retail sale. Coal will be procured basis loaded-on-trucks basis at the area where Coal has been kept in storage. Coal shall be transported by Road Transportation or by Conveyor system.</li> </ol>

**ii. Key Procurement Activities:**

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**Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management**

Sl. No.	Activities	Responsibility
<b>A</b>	<b>Procurement</b>	
1.	Advertisement in three newspapers i.e. English, Hindi & Bengali (Regional) and website of HMEL regarding NIT and Tender inquiry can be circulated into the market through email, Summarization and Evaluation of offers	HCG/ Corporate Communications Dept/PR Dept
2.	Approval of coal vendors through competitive and transparent bidding process	Coal Committee
3.	Intimation of tentative vessel arrival schedule to Port & "Agency"	HCG/POL
4.	Summarization and Evaluation of offers and short listing of vendors	Coal Committee/ HCG
5.	Negotiation with Shortlisted Vendors	Coal Committee/ HCG
6.	Finalization with Supplier	Director
7.	Preparation of Sales contract and placement of order	HCG
<b>B</b>	<b>Vessel Chartering</b>	
1.	Floating of Vessel Enquiry	HCG
2.	Summarization and Evaluation and Short listing	Coal Committee/HCG
3.	Negotiation of Ocean Freight	Coal Committee /HCG
4.	Finalization of Ocean Freight	Director
5.	Signing of Charter Party agreement	HCG
<b>C</b>	<b>Operation</b>	
1.	Finalization of Letter of Credit (LC)	Head of Coal Procurement/ CFO
2.	Opening of Letter of Credit.	F & A
3.	Appointment of Various Inspection Agencies at Load & Discharge Port.	HCG
4.	Nomination of Vessel to Seller and Port	HCG
5.	Marine cargo and Charterer's Legal Liability Insurance	HCG/ F & A
6.	Vessel arrival and monitoring of loading activities at Load Port	HCG
7.	Verification of cargo and vessel documentations – DS, SOF, B/L, COO, COA, COW, etc	HCG
8.	Vessels Pre-arrival Discharge Port information and documentations to Plant and F & A team.	HCG
9.	Confirmation of cargo documents and acceptance to LC issuing Bank for release of payment against 1 <sup>st</sup> Drawl	F & A/ HCG
10.	Nomination of Discharge Port Agency	HCG
11.	Remittance of Ocean Freight to Vessel Owner	F & A/ HCG
12.	Coordination with CHA for Custom duty Assessment	POL/ VCCL
13.	Payment of Custom Duty	F & A/ POL/ VCCL
14.	Advance payment for Cargo Handling, Transportation, Wharfage and Dust Suppression	F & A/ POL/ VCCL
15.	Vessel arrival and monitoring of discharging activities at Port	POL/ VCCL
16.	Quality and Quantity monitoring and supervision	POL/ O&M/ VCCL
17.	Verification of vessel discharge documentation – SOF, DS, NDC, etc.	POL/VCCL
18.	Issue of No Dispute Certificate to supplier in case Umpire sample is not triggered by MEL.	HCG



hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

*Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management*

19.	Acceptance and Confirmation to LC issuing bank for 2 <sup>nd</sup> Drawl LC payment to Seller.	F&A, HCG
20.	Settlement of Demurrage / Despatch with Port/Agency and issue of Debit / Credit note accordingly.	POL/ VCCL / HCG
21.	Settlement of Demurrage / Despatch with Vessel owner, Seller and issue of Debit / Credit note accordingly.	HCG
22.	Vessel wise quantity reconciliation with port/agency	POL/ VCCL
23.	F & F settlement with Vessel Owner for final payment after internal Audit	F & A / HCG/IA
24.	Coordination with CHA for final assessment of Bill of Entry by Custom Authority	POL/ VCCL

\* The Coal Committee shall also short list 2 to 3 vendors that meet the requirement closely and are price competitive

\*\* Negotiation with Short listed vendors have to be concluded with short validity period and offer during non office hours may not be concluded by a committee.

## 7. Coal Accounting (Receipt, Bill Processing and Payment)

SL. No	Process Details	Interfacing Department (s)	Process Owner/ Responsibility
1.	Purchase order should be generated prior to commencement of coal supply. PO is to be placed for entire delivery order/allocated ordered quantity and communicated to stores , security and O&M for gate entry , GRN posting and reference. (All receipts should be maintained at plant and reference of the same should be part of GRN).	Plant Accounts team, Stores & Security/ Commercial & finance	HCG
2.	GRN should be prepared based on actual receipt of coal at the plant or quantity as per delivery challan whichever is less. Quantity variations to be dealt with as per terms of PO. <i>Note:</i> <i>In case of purchase from government PSU coal quantity shall be accounted for on the basis of Invoice received and not on the basis of actual receipt as recorded in GRN for the purpose of any payments to respective government PSU.</i>	HCG	Stores
3.	Quality to be checked for the receipt coal and Quality report of the coal receipt provided by QA Lab/third party to be considered in case of coal purchase through open market as per terms and conditions of PO. (Coal Sampling, Preparation and analysis to be done as per IS standard in respective IS: 436(part-I/Sec-I) – 1964, IS: 436 (part-II) and IS: 1350 -1984 proximate and other tests) Approved procedure for GCV Calculation and the same shall be vetted by F&A/O&M/QC Dept	HCH	QA-Lab



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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

**Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management**

4.	On daily basis the operation team raises the material reservation slip to stores and stores issue the coal in SAP. The consumption is booked by stores on daily basis. Daily Coal consumption will be on the basis of Coal Feeders integrator Readings	CHP	Stores & Operation
5.	Invoice quantity (Challan/RR) shall be taken as receipt quantity in all GRN's weight bridge(s) shall be shown in each GRN's for reconciliation and payment purpose as applicable, Quantity received as short/excess on the basis of site weight bridge report, to be accounted during monthly stock reconciliation. Any deviation in coal quality will be converted into coal quantity and subsequent adjustment for payment.	HCG	Stores
6.	To provide scan copy of RR after receipt of the same.	Accounts, Stores, HCG	HCG
7.	Physical Assessment of coal stock in stockyard, Bunker etc. Shall be done on monthly basis by internal committee comprising of local civil, stores and finance representative/external surveyor by total station method; This is conducted on first day of succeeding month by the surveyor. The survey report is to be submitted to O&M Head directly in the first week of succeeding month	HCG, CHP, Stores, Operations	CHP
8.	The coal which is received to be matched with RR for verification in case of receipt through Rail order	Stores/ O&M	HCG
9.	Based on the physical coal assessment, a stock reconciliation sheet is to be prepared and certified by all committee members comprising of Finance, Stores, CHP & Operation, and Coal Team. SAP Coal stock sheet is to be enclosed along with the stock reconciliation sheet. The coal monthly reconciliation sheet shall be approved by Head (O&M) and head of stores as per the existing norm of transit and handling loss.	Store, Finance, CHP Operation and Fuel Management	Stores
10.	Short /Excess Quantity is to be booked /reversed from monthly coal consumption updated in SAP by 5 <sup>th</sup> of next month.	Accounts, Coal	Coal, Operation & Stores

### 8. Coal Receipt / Coal Unloading

SL. No	Activities	Responsibility	
		Level 1	Level 2
1.	Coal Trucks receipt inside the plant yard	Stores	CHP, HCG
2.	If the number of loaded wagon received differs with the RR then suitable action to be initiated to get back those wagons.	POL	HCG
3.	Ensuring of periodic calibration of plant road	POL	O&M

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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19
Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management			

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4.	Carry out visual inspection of coal contamination. (like boulder, stones, high moisture, shale, etc.) Stone / boulders to be segregated and preserved for inspection by respective colliery.	POL	CHP
5.	Coal Sampling and Analysis at plant.	QA Lab	O&M/POL
6.	Rake handling and unloading operation report to be prepared and circulated.	POL	O&M / HCG

## 9. Coal Quality Determination

### 9.1. Sampling and Analysis:

SL. No	Activities	Responsibility	
		Level 1	Level 2
1.	<p>Coal sample collection, preparation &amp; tagging. Sampling process should represent the quality of the entire Vessel/Rake/ days wise coal receipt in case of truck delivery.</p> <p><b>RAKE SAMPLING</b></p> <p>A minimum of 25 percent of the wagons shall be selected at random from the sub-lot and to ensure the randomness of selection the procedure as given in Appendix A(given in IS standard) may be followed. The number of increments to be taken from the selected wagons and the weights of the increments and the gross sample shall be in accordance with Table 3(given in IS standard).The increments shall be evenly distributed over the selected wagons, with –a view to determining the necessary number of increments that should be collected from each of the selected wagons of the sub-lot for making up the gross sample. These increments shall be drawn with the help of a suitable scoop or shovel, depending upon the size of the coal (see Table 3), at regular intervals at the time of loading or unloading of the wagons.</p> <p><i>NOTE - In case bigger lumps are encountered which art not accommodated in the scoop or shovel, they shall be collected and crushed separately. The corresponding increments shall then be drawn from the crushed material.</i></p> <p><b>Sampling from Ship/Vessel</b></p> <p>Sub-lots -For the purpose of sampling, the entire quantity of coal in a ship shall be divided into a suitable number of sub-lots of approximately equal weight as specified-in Table 1(given in IS)</p> <p>A gross sample shall be drawn from each of the sub-</p>	QA Lab	O&M



hiraanmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19.

**Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management**

	lots and shall be kept separately so that there will be as many gross samples as the number of sub-lots into which the lot has been divided. Sampling of coal. From ships shall be carried out, as far as practicable, when coal is in motion. If it is taken on a conveyer, the gross sample shall be collected as per the procedure laid down in 3, if not, the gross samples may be drawn during loading or unloading of the ship. For this purpose, the number of increments to be taken shall be governed by the weight of the gross sample and the weight of increment as specified in Table 3 for various size groups of coal.  <b>Truck Samples</b> Samples should be collected after unloading the coal and minimum quantity to be ensured 250 MT for 1 gross sample. Sub lots, increment and weight should be followed as per Table -1 and 3 (as given IS)		
2.	Referee/Umpire samples shall be preserved for a minimum period of 90 days from analysis date as per ISO Standard and kept at HMEL Lab under lock and key by both parties (Seller and Purchaser).	QA Lab	O&M
3.	Coal sample should be divided in to three splits – First Split for Purchase second Split to be preserved for Referee Analysis, First Split will be tested by owner at site Laboratory. Third split for agency or supplier.	QA Lab	O&M
4.	QA lab is to be used for preparation of samples and preparing splits	QA Lab	POL
5.	Proximate analysis and calorific value of First Split shall be reported after 2 working days of sample collection and circulated to all concerned.	QA Lab	O&M/POL
6.	Depending on the nature of contract, another sample can be kept for analysis by Seller	QA Lab	O&M/ HCG

**9.1.1. In case of Requirement of Independent Agency for determination of coal quality only in case of import coal**

**9.1.2. Import Coal:**

- a. Independent Inspection Agency (IIA) shall be appointed by Seller for sampling and analysis of coal at the load port. Entire vessel coal is treated as one lot and Sampling, preparation and analysis to be done as sub lot basis and sub lot quantity shall be approx 5000MT. Numbers of Sub lots shall be final based on total quantity of coal.
- b. Final quality certificate to be made (Entire vessel coal) by "Weighted Average" of each sub lots analysis result. Certificate of Analysis (COA) issued by (IIA) for the particular

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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19
Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management			

- Vessel shall be the base for all commercial purposes. However the Buyer can trigger the Umpire sample and the COA given by another IIA shall be final for commercial purpose.
- Buyer may appoint Buyer Representative (BR) at the Port of Loading (applicable only in case of FOB shipment/procurement) for Joint sampling/witnessing the sampling process and to analysis the samples independently. Based on the COA of the witnessing agency (BR), Umpire sample analysis may be triggered by the Buyer.
  - At Discharge port, IIA (preferably the same agency engaged as BR at load port applicable only in case of FOB Shipment(s)) shall be engaged for sampling and analysis of the coal. Plant lab team shall witness the sampling process. Plant lab shall conduct analysis of coal samples independently to assess the actual quality received at the plant.

### 9.1.3. Domestic Coal:

- In case of Domestic Coal purchased in e-auction from any source wherever IIA is not allowed or Tata Steel Ltd or any other sources where the coal is purchased on "As Is Where Is Basis" plant lab shall determine the quality of coal.
- In cases where IIA is appointed for determination of coal quality for purchase from open market as per the terms of purchase contract, plant laboratory shall witness the sample collection, jointly seal the samples and shall witness the sample preparation, Plant lab shall collect the buyer sample from IIA and shall conduct the analysis independently. The report of analysis shall be base for triggering the Umpire sample in case of requirement.

## 9.2. Applicable Standards and Codes:

SR. No.	Parameter	Standards
1.	Coal Sampling	IS 436(Part-I/Sec-1-2001)or equivalent ASTM
2.	Proximate Analysis	IS-1350(Part-I,2000)or equivalent ASTM
3.	Gross calorific value	IS-1350(Part-II,2000)or equivalent ASTM

Proximate Analysis			
1	Inherent Moisture	ASTM: D:3173. ISO: 11722 IS: 1350 PART I Aug 1992	Lab In charge
2	Volatile Matter	ASTM: D 3175 ISO: 562 IS: 1350 PART I Aug 1992	Lab In charge
3	Ash	ASTM: D 3174 ISO: 1171 IS: 1350 PART I Aug 1992	Lab In charge
4	Fixed Carbon	ASTM D3172/ ASTM D 7582(TGA) ISO 17246 IS 1350 PART I Aug 1992	Lab In charge
5	Sulphur	ASTM: D 4239 ISO: 334 IS: 1350 PART III Aug 1992	Lab In charge



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hiraanmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

**Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management**

6	Gross Calorific Value(GCV)ARB	ASTM: D 5865. ISO: 1928 IS:1350 PART II Aug 1992	Lab In charge
7	Gross Calorific Value(GCV)ADB	ASTM: D 5865. ISO: 1928 IS:1350 PART II Aug 1992	Lab In charge
8	Total Moisture	ASTM D 3320-15 ISO: 589 IS:1350 PART II Aug 1992	Lab In charge
9	Sieve Analysis	ASTM 4743-87 ISO: 1953 IS: 437 of 1979	Lab In charge
10	HARD GROVE GRINDABILITY INDEX (HGI)	ASTM D 409/409M-12 ISO: 5074 IS 4433 of 1979	Lab In charge
11	FUSIBILITY OF COAL ASH	ASTM D 1857-04 ISO 540	Lab In charge
<b>Ultimate Analysis</b>			
12	Carbon	ASTM D 5373 ISO 29541	Lab In charge
13	Hydrogen	ASTM D 5373 ISO 29541	Lab In charge
14	Nitrogen	ASTM D 5373 ISO 29541	Lab In charge
15	Sulphur	ASTM D 4239 ISO 29541	Lab In charge
16	Oxygen	ASTM D 3176 ISO 29541	Lab In charge

### 9.3. Standard Operating Procedure for coal Laboratories

This Standard Operating Procedure (SOP) shall be followed by the coal laboratory of HMEL in receipt of coal to the plants. For Commercial purpose the coal quality shall be determined LOT WISE. The following shall consist of each lot:

- A. Imported Coal: Full cargo received in one shipment
- B. Domestic Coal by Rail: Full cargo received in one Rake
- C. Domestic Coal by Road: Full cargo received during 24 hours period



#### 9.3.1. Import Coal: In case of IIA appointment

Sl No	Description of Item	Responsibility
1	Understand the Job –Scope of IIA as per the WO and roles to be played by Plant laboratory	Lab –In charge
2	Deputation of relevant personnel for witnessing, joint sampling, and other activities to be performed by the plant lab as per WO issued to IIA <i>Note: One qualified sampler and an assistant shall be on continuous attendance while samples are collected at the discharge point by IIA.</i>	Lab-Incharge

hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

**Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management**

3	The sample bags shall be sealed with tag containing a reference number of HMEL and the same shall be recorded in a bound paged book maintained at the site (Charge book) during the course of discharge of coal from MV. The HMEL representative shall ensure that lot-wise Coal sample bags shall be securely transported to the IIAs lab.	Plant Sampler on Duty at unloading site
4	Authorised Representative of plant shall attend the Sample Preparation by IIA in their lab. The Sealed bags shall be opened in the presence of HMEL lab representatives only.	Lab-Incharge
5	The seals of the sample bags shall be checked and the tag number shall be tallied with the record before breaking the same.	IIA and Plant Rep
6	Once sample bags are opened (lot-wise) the sample preparation shall be completed as soon as possible and HMEL representative shall keep continuous watch and shall not leave the place during preparation of the samples.	Plant Rep
7	For each lot three samples shall be prepared one for IIA, second one for HMEL and the third one for preparation of Composite Umpire Sample. HMEL representative shall sign the Umpire sample on its seal with date. Plant representative shall collect its lot-wise sample for analysis in plant lab independently.	IIA and Plant Rep
8	HMEL shall analyse the samples in 5 Calendar days and deliver the Certificate of analysis.	Lab- Incharge
9	HMEL shall deliver the signed and scanned certificate of analysis in proper format to Kolkata office. Hard copy shall be sent as soon as possible.	Lab- Incharge
10	The method of samples collection and testing shall be as per ASTM standards.	Lab- Incharge

**9.3.2. Domestic Coal through linkages and requirement of IIA**

SI No	Description of Item	Responsibility
1	IIA is engaged for coal sampling at the receipt end of the plant when coal is purchased through linkages, the laboratory In-charge shall extend required help for collection of samples, storage during sampling process, transportation to laboratory for preparation of samples.	Lab-In charge
2	During collection of samples, one of the competent samplers of the plant shall witness the process of sampling by IIA. Any defective way of sampling is observed the same shall be objected, rectified. In case of any difference of opinion, the same shall be brought to the notice of lab in-charge. If the issue is not resolved, the same shall be brought the notice of the HO Kolkata.	IIA and Lab Rep
3	During preparation of samples by IIA, a competent person of the lab shall be present throughout the process. Buyers sample shall be received from the IIA for the purpose of analysis by the plant lab.	Lab Incharge
4	Umpire sample shall be sealed and signed by both IIA and by the lab In-charge/representative and kept in safe custody for a period of 90 days.	Lab Incharge
5	The Buyers samples shall be analysed within 5 working days and the report shall be submitted to HO without delay.	Lab Incharge
7	The method of sample collection shall be as per the IS 436(Part1,	Lab Incharge



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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

*Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management*

	Sec1) 1964 and the method of test shall be as per IS 1350(Part I) 1984.	
8.	Analysis of the samples shall be done for Total Moisture (TM) arb basis, Inherent Moisture (IM), Ash, Volatile Matter (VM), GCV and Total Sulphur (TS) on air dried basis. The report shall be submitted within 5 working days.	Lab Incharge
9.	The method of samples collection and testing shall be as per ISO standards	Lab Incharge

## 10. Logistics and Services Contracts - SOP

During the process of Coal Procurement there may be need for engaging a number of Service Provider like Inspection Agencies, Transporters, Shipping Agencies, Vendors, Handling Agent etc. The agencies may engaged in India or Overseas To provide services to plant and to meet day to day needs/ requirement HCG may have to enter into contract and issue work orders to vendors, service providers, handling agents, etc. for smooth and seamless working. Key processes involved are as follows:

Sl. No.	Activities	Responsibility
1.	Define broad scope of service required	HCG
2.	Obtain Budgetary Approval	HCG/ GCFO/ CFO
3.	Drafting of Tender, RFQ, RFP, etc documents	HCG
4.	Advertisement in three newspapers i.e. English, Hindi & Bengali (Regional) and website of HMEL regarding NIT and Tender inquiry can be circulated into the market through email, Summarization and Evaluation of offers, Negotiation with vendors and selection through transparent bidding process	HCG/ Corporate Communications Dept/PR Dept
5.	Preparation of Service contract and placement of order after approval by Director	HCG
6.	Coordination with service provider for deliverable	HCG
7.	Circulation of fund requirement schedule	HCG/ F&A
8.	Receipt and verification of bills/ invoice	HCG
9.	Bills processing by related team and sent to F&A along with detailed calculation sheet for final payment duly passed by Internal Audit.	HCG/IA/Finance
10.	Payment to supplier	F&A



## 11. Vendor Registration - SOP

Only such vendors that are registered and pre-approved with the company shall be allowed to participate in following activities.

- a. Procurement of Domestic coal from companies other than government PSU's and Tata Steel

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hiraanmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

*Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management*

- b. Procurement of Imported coal
- c. Logistics Service Provider
- d. Shipping Service Provider
- e. Inspection Agency
- f. Handling/ Stevedoring Agents
- g. Custom Agency

#### Vendor Registration Process:

Sl. No.	Activities	Responsibility
1	Define qualification criteria for each of the above category	Coal Committee
2	Evaluation of Information and additional information/ seeking clarification	HCG
3	Approval of Vendor Application	Coal Committee
4	Approved vendors shall be provided access to the tendering process	HCG
5	Reputed/ Government Authorized Agencies may be included in the "Approved Vendor List" without going through the above mentioned procedure at the approval of Coal Committee	

## 12. Procedure for Deviations and Amendments to Policy

At times exigencies may require deviations from Policy, the concern department head should prepare a note providing justification for deviation required. This note should be put up to Coal committee which may recommend its approval to the Management Committee. Deviations are temporary in nature and would have limited application based on scope of deviation granted.

To bring about a permanent alteration to the policy the proposal should also be submitted to the Coal Committee by the proponent. The Coal Committee may recommend such alteration to policy as it may deem fit to the Management Committee. Any alteration made in the policy shall be taken to the Board on permanent nature.



hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management

Responsibility Matrix - SAP Management						
Sr. No.	Description	PR/ SR	PO/SO	GRN/SE	Quality	Payment
1	Coal					
A	Linkage coal	O&M	HCG	Stores	QA- Lab	F&A
B	E auction Coal	O&M	HCG	Stores	QA- Lab	F&A
C	Open Market Coal	O&M	HCG	Stores	QA- Lab	F&A
D	Imported coal	O&M	HCG	Stores	QA- Lab	F&A
E	Spot purchase/ High sea	O&M	HCG	Stores	QA- Lab	F&A
F	Stock sale	O&M	HCG	Stores	QA- Lab	F&A
2	Service Contract					
A	Inspection Agency	HCG	HCG		QA- Lab	F&A
B	AMM Contract	HCG	HCG		QA- Lab	F&A
C	Custom Handling Agent	HCG	HCG			F&A
D	Stevedoring Agent	HCG	HCG			F&A
E	Vessel Chartering	HCG	HCG			F&A
F	Logistics Contract/Transport Contract	HCG	HCG	Stores		F&A
G	Miscellaneous Contracts	HCG	HCG			F&A

PAYMENT APPROVAL AND REMITTANCE PROCESS FOR HMEL-HALDIA SITE				
	Step / Process	Location	Person /Department	Action
1)	Invoice received at HO Coal department	HO	HCG	Sent to Plant coal team after initial checking.
2)	invoice received by Coal team plant	Haldia	Plant Coal team	Sends Invoice to stores for GRN noting on Invoice
3)	Invoice received at Stores	"	Stores	Stores does GRN Entry on Invoices and sends to Quality Check
4)	Invoice received for Quality Check	"	Site Laboratory	Site Laboratory to check Quality of Coal and sends to F&A-Site Along with quality report & analysis
5)	Invoice received at Finance & Accounts	"	F & A - Site	F & A to check Invoice against PO Terms & calculations and sends to internal audit -Site
6)	Invoice received at Internal Audit	"	Internal Audit	Internal Audit sends invoice post query(s) clearance (if any) to F&A-Site
7)	Invoice received at Finance & Accounts	"	F&A	If any query then send to concerned to resolve otherwise F&A does IR / Liability booking in SAP and sends Invoice to Audit team at Site
8)	Invoice received at Audit team	"	Audit - Site	Audit team sends Invoice post query(s) clearance (if any), back to F&A-Site
9)	Invoice received at Finance & Accounts	"	F&A Site	F&A-Site sends query to concerned to resolve , if no query Invoice to Coal Team at HO.
10)	invoice received by	"	Coal Team	Coal team gets approval from MANAGEMENT for release

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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management

PAYMENT APPROVAL AND REMITTANCE PROCESS FOR HMEL-HALDIA SITE				
	Step / Process	Location	Person /Department	Action
	Coal Team			of payments
11)	MANAGEMENT	"	Coal Team	MANAGEMENT approves Invoice for payments and Coal team sends Invoice along with approval note F&A-HO
12)	Invoice received at Finance & Accounts	"	F&A	F&A-HO gives Invoice to Audit team at HO
13)	Invoice received at HO for Audit	"	Audit - HO	Audit team at HO sends Invoice post query(s) clearance (if any), back to F&A-HO
14)	Invoice received by Finance & Accounts	"	F&A	Send query to the concerned to resolve otherwise F&A makes payment on the approval of Competent Authority.

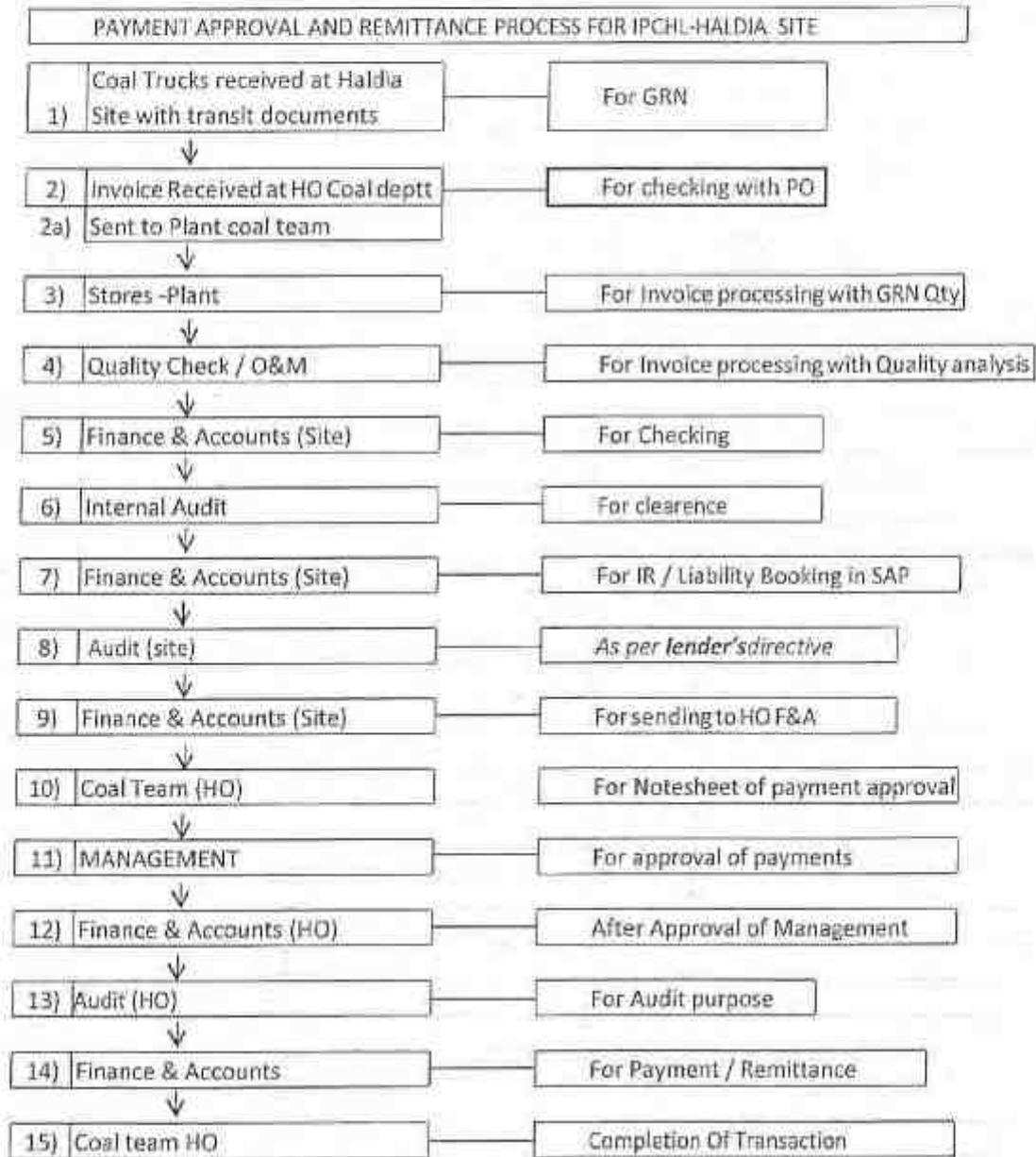
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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

**Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management**



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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19

**Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management**

Annual Schedule Quantity Requisition Form

Year: 2017-2018

Date of Submission:

**A Annual Schedule of Quantity**

Type of Coal	Q-1(1)				Q-2(1)				Q-3(1)				Q-4(1)				Annual Total
	April	May	June	Q1 Total	July	Aug	Sept	Q2 Total	Oct	Nov	Dec	Q3 Total	Jan	Feb	Mar	Q 4 Total	
<b>Domestic Coal</b>																	
Type ( )																	
Type ( )																	
Type ( )																	
Type ( )																	
<b>Imported Coal</b>																	
Type ( )																	
Type ( )																	
Type ( )																	
Type ( )																	
<b>Total</b>																	

Plant Head

CEO

CEO

Note:

Signal Requisition must be submitted with Head Office Coal Group(BCT) at least 90 days prior to commencement of Financial Year

**B Coal quality parameters & price guidelines (Domestic)**

Coal Parameters	Units	Unit	Type ( ) (Range)							
			Min	Max	Min	Max	Min	Max	Min	Max
<b>Proximate Analysis</b>										
Total Moisture	ADB	%								
Inherent Moisture	ADB	%								
VSM	ADB	%								
Ash	ADB	%								
GCY	ADB	kcal/kg								
GCY	ADB	kcal/kg								
Sulphur	ADB	%								
<b>Heat</b>										
Feeds In Mill	DB									
<b>Desired Cost</b>										
Coal Cost (Landed)		R/t								
Generation Cost		Ry/Mwh								
SMM		kcal/KWh								
Aux Power		%								

Note:

% are calculated in terms of weight



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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19
<b>Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management</b>			

- A Quarterly Schedule Quantity**  
Quarter:  
Year: 2017-2018  
Date of Submission:

Type of Coal	As per ASQ				Revised QSQ			
	M1	M2	M3	Q Total	M1	M2	M3	Q Total
<b>Domestic Coal</b>								
Type (.....)								
Type (.....)								
Type (.....)								
<b>Imported Coal</b>								
Type (.....)								
Type (.....)								
Type (.....)								
<b>Total</b>								

Plant Head

CFO

CEO

*Note:*

Signed Requisition must be submitted with Head Office Coal Group (HOCG) at least 75 days prior to commencement of quarter.

- B Coal quality parameters & price guidance (Optional)**

Coal Parameters	Basis	Unit	Type - N (Range)							
			Min	Max	Min	Max	Min	Max	Min	Max
<b>Proximate Analysis</b>										
Total Moisture	ADB	%								
Inherent Moisture	ADB	%								
VM	ADB	%								
Ash	ADB	%								
GCV	ADB	kcal/kg								
NCV	ADB	kcal/kg								
Sulphur	ADB	%								
HGI										
Fix O <sub>2</sub> in Ash	DB									
<b>Desired Cost</b>										
Coal Cost (Landed)		Rs/t								
Generation Cost		Rs/kWhr								
STH		kcal/kWhr								
Aux Power		%								

*Note:*

% are calculated in terms of weight



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hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19
Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management			

- A Spot Purchase Quantity  
 Month  
 Year: 2017-2018  
 Date of Submission:

Type of Coal	As per AEO Quantity (t)	Revised QRO Quantity (t)	SFO Quantity (t)	Delivery Period
<b>Domestic Coal</b>				
Type 1				
Type 2				
Type 3				
<b>Imported Coal</b>				
Type 1				
Type 2				
Type 3				
<b>Total</b>				

Plant Head CFO CEO

Note:  
 Signed Requirement must be submitted with Head Office Coal Group (HOCG)

B Coal quality parameters & price evidence:

Coal Parameters	Basis	Unit	Type (....) (Range)							
			Min	Max	Min	Max	Min	Max	Min	Max
<b>Proximate Analysis</b>										
Total Moisture	ADB	%								
Inherent Moisture	ADB	%								
Volatile	ADB	%								
Ash	ADB	%								
GCY	ADB	kcal/kg								
HCY	ADB	kcal/kg								
Sulphur	ADB	%								
HGI										
Fez Ox in Ash	DB									
<b>Desired Cost</b>										
Coal Cost (Landed)		Rs/t								
Generation Cost		Rs/kWh								
Eff		kcal/kWh								
Area Power		%								

Note:  
 % are calculated on basis of weight



hiranmaye energy	Document No.	Issue No/Date	Revision No/Date
		28/07/2017	03/17.01.19
Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management			

From HCG to Plant

Options available in Market for Coal Procurement

Coal Parameters	Basis	Unit	Type (....) (Range)		Type (.....) (Range)		Type (....) (Range)		Type (.....) (Range)	
			Min	Max	Min	Max	Min	Max	Min	Max
<b>Proximate Analysis</b>										
Total Moisture	ARB	%								
Inherent Moisture	ADB	%								
VM	ADB	%								
Ash	ADB	%								
GCV	ADB	kcal/kg								
GCV	ARB	kcal/kg								
Sulphur	ADB	%								
<b>HGI</b>										
Fez O <sub>3</sub> in Ash	DB									
<b>Expected Costs</b>										
FOB/FOR		\$/t or Rs/t								
Transportation Cost		\$/t or Rs/t								
Taxes & Duties		Rs/t								
Handling Loss & Others		Rs/t								
Landed Costs at Plant		Rs/t								
Coal Cost		Rs/t								
<b>Generation Cost</b>										
SHR		kcal/kWhr								
Aux Power		%								

Note:

% are calculated in terms of weight



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# Hiranmaye Energy Limited

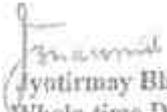
Formerly known as India Power Corporation (Haldia) Limited

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY CIRCULATION BY THE BOARD OF DIRECTORS OF HIRANMAYE ENERGY LIMITED (FORMERLY INDIA POWER CORPORATION (HALDIA) LIMITED) ON SATURDAY, 19TH JANUARY, 2019

## Approval of Coal Policy and Procurement Policy

*"RESOLVED THAT pursuant to section 2.8.1.4.8 & 3.8 of WBERC (Terms and Conditions of Tariff) Regulations, 2011, the draft Coal Procurement Policy, Delegation of Authority and Standard Operating Procedure for Supply Chain Management (Coal Policy) and General Procurement Policy (Procurement Policy) as circulated to the Board, be and is hereby approved and adopted by the Board of Directors of the Company with immediate effect."*

Certified True Copy  
For Hiranmaye Energy Limited

  
Jyotirmay Bhattacharya  
Whole-time Director  
DIN: 06852162



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