



BAMB TAORI & CO.  
Chartered Accountants

B-36/5, Shailendra Nagar,  
Raipur (C.G.)  
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## INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED IND AS FINANCIAL STATEMENTS

To,  
The Members,  
**CHHATTISGARH STATE POWER HOLDING COMPANY LIMITED**

### Report On Audit of Consolidated Ind AS Financial Statement

#### **Qualified Opinion**

We have audited the accompanying consolidated Ind AS financial statements of **Chhattisgarh State Power Holding Company Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (the holding and its subsidiaries together referred to as "the group"), its associate and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid consolidated 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 ("Ind AS") prescribed under section 133 of the act read with the companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2019, their consolidated profit/loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### **Basis for Qualified Opinion**

There exists differences in intercompany transactions in totality amounting to Rs.14,549.38 lakhs which has been adjusted against retained earnings in the consolidated financial statements. The impact of these differences on Consolidated Profit & Loss and/or Consolidated State of Affairs cannot be ascertained at this point of time, unless being reconciled since its initiation.

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

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Other Matters**

We did not audit the financial statements / financial information of the following subsidiaries, and jointly controlled entities, whose financial statements/ financial information reflects the details as mentioned below of total assets and net assets as at 31st March, 2019, total revenues and net cash outflows/(inflows) for the year ended on that date, as considered in the consolidated financial statements.

(Chhattisgarh State Power Holding Company F.Y. 2018-19)





(Rs. in lakhs)

Subsidiaries	Total Asset	Net Asset	Total Revenue	Net Cash Flow
Chhattisgarh State Power Generation Company Limited	1711056	252057	692585	(84427)
Chhattisgarh State Power Transmission Company Limited	484072	129547	106083	(1501)
Chhattisgarh State Power Distribution Company Limited	1795595	(137212)	1621464	(45340)
Chhattisgarh State Power Trading Company Limited	5	(1327)	17	(24)
IFFCO Chhattisgarh Power Limited.	4153	-	-	(79.58)

These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures, and our report in terms of subsection (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, joint ventures, is based solely on the reports of the other auditors

The financial statement of one of the subsidiaries i.e. IFFCO Chhattisgarh power limited is unaudited and has been furnished to us by the management and in our opinion on the Consolidated Financial Statements and our report, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary is based solely on such unaudited financial statements.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

#### **Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report 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.

#### **Management's Responsibility for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive income, consolidated cash flows and consolidated changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

The respective Board of Directors of the Company and its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

(Chhattisgarh State Power Holding Company F.Y. 2018-19)





### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.





We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in term of their reports referred to in sub-paragraph (a) of the Other Matters Para below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated Ind AS financial statements.

### **Report on Other Legal and Regulatory Requirements**

01. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, in the **Annexure - A** on the directions and sub-directions issued by Comptroller and Auditor General of India.
02. Non-Compliance of the Act:
  - (a) The Board of Directors comprises of six directors, consisting of four Nominee Directors, one Managing Director and one Whole time Director. Section 149 of the Act requires that there should be at least one third of the total number of directors should be independent directors. The Company does not have an independent director.
  - (b) As per section 204(2) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to obtain 'Secretarial Audit Report' from independent practicing company secretary. As per board minutes, Company has not obtained any secretarial audit report for the financial year 2018-19.
  - (c) As per Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies Rules, 2014, the Company is required to form Audit Committee. The Act requires that majority of directors of Audit Committee should be independent, as the Company is not having any independent director in its Board, there is non compliance of Section 177.
  - (d) As per Section 178 of the Companies Act, 2013 the Company needs to comply with the requirements of having Nomination and Remuneration Committee. The Act requires that majority of directors of Nomination and Remuneration Committee should be independent, as the Company is not having any independent director in its Board, there is non compliance of Section 178.
  - (e) As per section 135 of the Companies Act, 2013 the Company needs to comply with the requirement of having CSR committee and the same has been formed with effect from 30.08.2019 and it also requires that the committee shall consist of three or more directors out of which at least one director shall be independent director, as the company is not having any independent director in its board and therefore there is non compliance of Section 135 of the Companies Act by the Company.
03. As required by section 143(3) of the Act, we report, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, except for the effects/possible effects of the matters described in the basis for Qualified Opinion paragraph in our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statement have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid Ind AS financial statement comply to the extent as mentioned in our report with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

*(Chhattisgarh State Power Holding Company F.Y. 2018-19)*





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- (e) The Company being a Government Company, in view of the Notification No. F.No. 1/2/2014-CL-V dated 05.06.2015 issued by the Ministry of Corporate Affairs, the provisions of Section 164(2) of the Companies Act, 2014 is not applicable to the Company.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" which is based on the auditors' reports of the Company and its subsidiary companies. Our report expresses modified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies. and
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
  - Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For, Bamb Taori & Co.**  
Chartered Accountants  
(Registration No. 002026C)



**Sagar Jain**  
Partner  
(Membership No. 420124)

Place : Raipur  
Dated : **26 NOV 2020**

UDIN: 20120124AAAAC09292



**"ANNEXURE-A" TO THE INDEPENDENT AUDITOR'S REPORT ON  
CONSOLIDATED FINANCIAL STATEMENTS**

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the consolidated financial statements for the year ended 31.03.2019

**REPORT OF DIRECTIONS AND SUBDIRECTIONS UNDER SECTION 143(5) OF COMPANIES ACT 2013  
FOR STATUTORY AUDIT OF CHHATTISGARH STATE POWER HOLDING COMPANY LIMITED  
(CONSOLIDATED) FOR THE F.Y. 2018-2019**

S.No.	DIRECTIONS	REPLY
1	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land from which title/lease deeds are not available?	Yes.
2	Whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and amount involved.	No such cases found.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from the Government or other authorities.	Not Applicable, as no such instances found.



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BAMB TAORI & CO.  
Chartered Accountants

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**REPORT OF SECTOR SPECIFIC SUB-DIRECTIONS UNDER SECTION 143(5) OF COMPANIES ACT 2013  
FOR STATUTORY AUDIT OF CHHATTISGARH STATE POWER HOLDING COMPANY LIMITED  
(STANDALONE) FOR THE F.Y. 2018-2019**

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S.No.	SUB-DIRECTIONS	REPLY
1	Adequacy of steps to prevent encroachment of idle land owned by Company may be examined. In case land of Company is encroached, under litigation, not put to use or declared surplus, details may be provided.	The premises of CSPHCL are sufficiently guarded by security guards and are fenced completely with walls. So there is no scope for encroachment of idle land owned by the Company.
2	Where land acquisition is involved in setting up new projects, report whether settlement of dues done expeditiously and in transparent manner in all the cases. The cases of deviation may please be detailed.	CSPHCL is an investment company and capital projects are implemented only by its subsidiary companies. hence, this clause is not applicable to the Company.
3	Whether the Company has an effective system for recovery of revenue as per contractual terms and the revenue if properly accounted for in the books of accounts in compliance with the applicable Accounting Standards?	CSPHCL is an investment company and has no revenue stream.
4	Whether the Company has complied with the directions issued by the Reserve Bank of India for classification of non-performing assets.	Not applicable
5	Whether the bank guarantees have been revalidated in time?	Not applicable

For, **BAMB TAORI & CO.**  
Chartered Accountants  
(Registration No. 002026C)





**SAGAR JAIN**  
Partner  
(Membership No. 420124)

Place : Raipur  
Dated : 26 NOV 2020

UDIN : 20420124 AAAA CO9292



### Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Chhattisgarh State Power Holding Company Limited** of even date)

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended 31.03.2019, we have audited the internal financial controls over financial reporting of **Chhattisgarh State Power Holding Company Limited** ("the Holding Company") and its subsidiary company and its jointly controlled entities, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary company and its jointly controlled entities which are companies incorporated in India are 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 respective 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in term of their report are 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 authorisations of management and directors

(Chhattisgarh State Power Holding Company F.Y. 2018-19)







of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Holding Company and its subsidiaries and its jointly controlled entities, have broadly 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 2019, based on the internal control over financial reporting criteria established by the Company, however it is not strictly in line with 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.

### **Other Matters**

Our aforesaid report under section 143(3)(i) of the Act, on the adequacy and operating effectiveness of the internal financial controls over financial reporting:

- (i) in so far as it relates to one subsidiary, namely Chhattisgarh State Power Generation Company Limited is based on the corresponding report of auditor of such company incorporated in India.
- (ii) in so far as it relates to one subsidiary, namely Chhattisgarh State Power Transmission Company Limited, is based on the corresponding report of auditor of such company incorporated in India.
- (iii) in so far as it relates to one subsidiary, namely Chhattisgarh State Power Trading Company Limited, is based on corresponding report of auditor of such company incorporated in India.
- (iv) in so far as it relates to one subsidiary, namely Chhattisgarh State Power Distribution Company Limited, is based on corresponding report of auditor of such company incorporated in India.
- (v) in so far as it relates to one subsidiary, namely IFFCO Chhattisgarh Power Limited, is based on corresponding report of auditor of such company incorporated in India.
- (vi) in so far as it relates to one subsidiary, namely CSPGC: AEL Parsa Collieries Limited, is based on corresponding report of auditor of such company incorporated in India.

Place : Raipur  
Dated : 26 NOV 2020



**For, Bamb Taori & Co.**  
Chartered Accountants  
(Registration No. 002026C)

**Sagar Jain**  
Partner  
(Membership No. 420124)

UDIN: 20420124AAAAC09292

# Chhattisgarh State Power Holding Company Limited

Consolidated Balance Sheet as at 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

Particulars		Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>ASSETS</b>				
1	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	4a	20,17,037.50	19,40,179.17
	(b) Capital Work in Progress		4,26,506.95	3,93,768.35
	(c) Goodwill	4b	4,054.70	3,533.04
	(d) Other Intangible assets	4c	118.30	118.30
	(e) Investments in joint ventures	5	0.00	0.00
	(f) Financial Assets			
	(i) Investments	5	-	60.00
	(ii) Loans	6	20.81	22.21
	(iii) Others financial assets	7	10,693.49	26,119.19
	(g) Non Current Tax Assets	8a	87,134.86	84,927.82
	(h) Deferred Tax Assets (Net)	8b	29,642.00	20,792.55
	(i) Other non-current assets	9	65,348.02	44,463.86
	(g) Assets held for sale	4d	6,664.41	3,310.74
	<b>Total Non - Current Assets</b>		<b>26,47,221.05</b>	<b>25,17,295.23</b>
2	<b>Current assets</b>			
	(a) Inventories	10	80,512.30	67,239.83
	(b) Financial Assets			
	(i) Investments	5	-	18,989.51
	(ii) Trade receivables	11	8,65,105.33	5,84,895.41
	(iii) Cash and cash equivalents	12	32,414.24	1,63,021.70
	(iv) Bank balances other than (iii) above	12	375.84	2,910.72
	(v) Loans	6	231.95	255.92
	(vi) Others financial asset	7	5,143.05	2,925.43
	(c) Other current assets	9	18,739.52	23,018.10
	<b>Total Current Assets</b>		<b>10,02,522.23</b>	<b>8,63,256.62</b>
	<b>Total Assets</b>		<b>36,49,743.27</b>	<b>33,80,551.86</b>
<b>EQUITY AND LIABILITIES</b>				
1	<b>Equity</b>			
	(a) Equity Share capital	13	6,59,189.18	6,41,605.00
	(b) Other Equity	14	(3,40,501.73)	(3,98,460.05)
	<b>Equity attributable to equity holders of the parent</b>		<b>3,18,687.45</b>	<b>2,43,144.95</b>
	Non-controlling interests		-	5.74
	<b>Total Equity</b>		<b>3,18,687.45</b>	<b>2,43,150.69</b>
2	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	15	11,18,142.60	11,94,785.08
	(ii) Other financial liabilities	16	8.84	8.04
	(b) Provisions	17	8,80,637.94	7,99,907.46
	(c) Other non-current liabilities	20a	99,091.92	93,353.96
	(d) Deferred tax liabilities (Net)		12,107.20	-
	<b>Total Non - Current Liabilities</b>		<b>21,09,988.50</b>	<b>20,88,054.54</b>
3	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	18	1,17,718.95	81,277.66
	(ii) Trade payables	19	2,52,182.14	2,20,421.58
	(iii) Other financial liabilities	16	6,30,367.37	5,50,659.86
	(c) Provisions	17	1,09,859.21	90,399.53
	(d) Current Tax Liabilities (Net)	20b	56.82	153.82
	(e) Other current liabilities	20a	1,10,882.85	1,06,434.19
	<b>Total Current Liabilities</b>		<b>12,21,067.34</b>	<b>10,49,346.64</b>
	(f) Liabilities associated with assets held for sale			
	<b>Total Equity and Liabilities</b>		<b>36,49,743.27</b>	<b>33,80,551.86</b>
	See accompanying notes to the financial statements			

In terms of our report attached.

For Bamb Taori & Company  
Chartered Accountants

Sagar Jain  
Partner

Mem. No. 420124

Place: RAIPUR

Date: 26 NOV 2020

26 NOV 2020



For and on behalf of the Board of Directors

Ujjwala Baghel  
Managing Director  
DIN No. 08738889

Sandeep Modi  
Chief Financial Officer

Harsh Gautam  
Director  
DIN No. 08863877

Arun Mishra  
Company Secretary  
Mem. No. ACS:55153



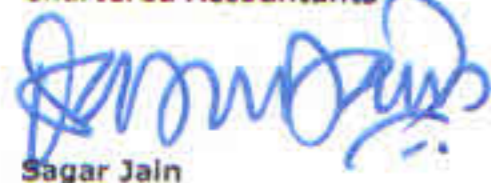
UDN: 2042024 AAAA-000292

**Chhattisgarh State Power Holding Company Limited**  
**Consolidated Statement of Profit and Loss for the period ended 31st March, 2019**  
 All amounts are in INR Lakhs unless otherwise stated

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>I</b> Revenue from operations	21	15,78,316.43	14,36,039.44
<b>III</b> Other Income	22	48,541.60	52,152.74
<b>III</b> Total Revenue (I + II)		<b>16,26,858.03</b>	<b>14,88,192.17</b>
<b>IV EXPENSES</b>			
(a) Cost of fuel	23	2,98,868.22	2,74,738.72
(b) Cost of power purchase	23a	5,36,629.69	4,54,814.73
(d) Employee benefit expense	24	2,64,556.10	2,47,672.70
(f) Finance costs	25	1,47,368.32	1,53,210.40
(g) Depreciation and amortisation expense	4	1,36,946.00	1,28,517.05
(i) Other expenses	26	1,12,107.14	85,428.50
<b>Total Expenses (IV)</b>		<b>14,96,475.47</b>	<b>13,44,382.11</b>
<b>V Profit before exceptional items and tax</b>		<b>1,30,382.57</b>	<b>1,43,810.07</b>
Exceptional items	26a	(17,573.89)	27,308.41
<b>VI Profit before tax and Share of Profit/(Loss) in and Associate/ Joint Ventures</b>		<b>1,12,808.68</b>	<b>1,16,501.66</b>
Share in Net Profit/(Loss) in Joint Ventures			
Add: Profit on conversion of investment in equity instruments of joint ventures into subsidiary			(5,200.00)
<b>VII Profit/ (Loss) before tax</b>		<b>1,12,808.68</b>	<b>1,11,301.66</b>
<b>VIII Tax Expense</b>			
(1) Current tax	26b	9,858.56	6,058.20
(2) Deferred tax	26b	15,390.01	(8,530.33)
(3) Mat Credit		(11,097.91)	(6,956.98)
<b>Total tax expense (VII)</b>		<b>14,150.66</b>	<b>(9,429.11)</b>
<b>IX Profit/(loss) after tax (VII -VIII)</b>		<b>98,658.02</b>	<b>1,20,730.76</b>
<b>IX Profit/(loss) after tax from discontinued operations</b>			
<b>X Profit/(loss) for the period (VII + IX)</b>			
<b>X Other comprehensive income</b>		<b>(55,933.43)</b>	<b>(13,056.62)</b>
<b>A</b> (i) Items that will not be recycled to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		(56,967.77)	(16,158.89)
(e) Others (specify nature)			
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1,034.34)	(3,102.27)
<b>B</b> (i) Items that may be reclassified to profit or loss			
(a) Debt instruments through other comprehensive income			
(b) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge (if hedge accounting followed prospectively)			
(c) Net fair value gain/(loss) on time value of option and forward elements of forward contracts in hedging relationship			
<b>XI Total comprehensive income for the period</b>		<b>42,724.59</b>	<b>1,07,674.14</b>
<b>Profit for the year attributable to:</b>			
Owners of the Company		98,658.02	1,20,730.86
Non-controlling interest			(0.10)
<b>Other Comprehensive Income/(Expense) for the year attributable to:</b>			
Owners of the Company		(55,933.43)	(13,056.62)
Non-controlling interest			
<b>Total Comprehensive Income for the year attributable to:</b>		<b>42,724.59</b>	<b>1,07,674.24</b>
Owners of the Company			(0.10)
Non-controlling interest			
<b>XII Earnings in Rs per equity share:</b>			
(1) Basic	27	1.50	1.88
(2) Diluted	27	1.50	1.83

In terms of our report attached.

For Bamb Taori & Company  
Chartered Accountants

  
Sagar Jain  
Partner

Mem. No. 420124

Place: RAIPUR  
Date:

26 NOV 2020

UDIN: 20420124 AAAACO 9292



For and on behalf of the Board of Directors

  
Ujjwala Baghel  
Managing Director  
DIN No. 08738889

  
Harsh Gautam  
Director  
DIN No. 08863877

  
Sandeep Modi  
Chief Financial Officer

  
Arun Mishra  
Company Secretary  
Mem. No. ACS:55153



# Chhattisgarh State Power Holding Company Limited

Consolidated Cash Flow Statement as on March 31, 2019

All amounts are in INR Lakhs unless otherwise stated

## CASH FLOW STATEMENT - INDIRECT METHOD

Rs. in Lakhs

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Cash flows from operating activities</b>			
Profit before tax for the year		1,12,808.68	1,16,501.66
Adjustments for:			
Depreciation and Amortisation expenses		1,36,946.00	1,28,517.05
Interest Income		(5,289.92)	(4,531.16)
Profit on sale of mutual fund			
Interest Expenses		1,47,368.32	1,53,210.40
<b>Operating Profit before working capital changes</b>		<b>3,91,833.07</b>	<b>3,93,697.95</b>
<b>Movements in working capital:</b>			
Increase / (Decrease) in Trade Payables		31,760.56	46,614.44
Increase / (Decrease) in Short term borrowings		36,441.29	67,605.84
Increase / (Decrease) in Financial Liabilities		79,708.30	1,05,376.12
Increase / (Decrease) in Long term Provisions		23,762.71	3,590.13
Increase / (Decrease) in Other Current Liabilities		4,448.66	9,806.52
Increase / (Decrease) in Other Non current Liabilities		17,845.15	(23,599.11)
Increase / (Decrease) in Short Term Provisions		19,459.68	17,753.80
Increase / (Decrease) in Long Term Borrowings		(76,642.48)	(75,883.19)
(Increase) / Decrease in Loans - Current		23.97	23.44
(Increase) / Decrease in Loans - Non Current		1.40	72.30
(Increase) / Decrease in Trade receivables		(2,94,759.31)	(1,34,512.59)
(Increase) / Decrease in Inventories		(13,272.48)	(7,371.16)
(Increase) / Decrease in Other Current Assets		4,278.58	6,383.20
(Increase) / Decrease in Other Current Financial Assets		(2,217.61)	5,352.83
(Increase) / Decrease in Other Non Current Financial Assets		15,425.69	22,438.12
(Increase) / Decrease in Assets held for sale		(3,353.67)	(3,310.74)
(Increase) / Decrease in Other Non Current Assets		(31,940.65)	(14,168.92)
Cash generated from operations		2,02,802.88	4,19,869.01
Income taxes paid		(13,213.31)	(4,370.70)
<b>Net cash generated by operating activities</b>		<b>1,89,589.57</b>	<b>4,15,498.30</b>
<b>Cash flows from investing activities</b>			
Surplus on redemption of Mutual fund			
Interest Income		5,289.92	4,531.16
Net movement in Fixed Assets		(2,13,803.82)	(1,19,852.07)
Net (Increase) / Decrease in Capital WIP		(32,738.60)	(84,955.37)
Purchase of goodwill		(521.66)	(3,533.04)
Net (Increase) / Decrease in Investment		19,049.51	(2,447.52)
Net (Increase) / Decrease in Fixed Deposits		2,534.89	(149.03)
<b>Net cash (used in)/generated by investing activities</b>		<b>(2,20,189.75)</b>	<b>(2,06,405.88)</b>
<b>Cash flows from financing activities</b>			
Increase / (Decrease) in Share capital		17,584.18	0.00
Increase/(Decrease) in Consumer contribution towards cost of capital asset			3,607.25
Increase/(Decrease) in RGGVY grant towards cost of capital asset		(537.00)	-
Increase/(Decrease) in GOCC contribution towards capital assets		47,903.77	74,841.07
Increase/(Decrease) in Share Application money		(17,584.18)	-
Interest Paid		(1,47,368.32)	(1,53,210.40)
Increase / (Decrease) in Non-controlling interests		(5.74)	
<b>Net cash used in financing activities</b>		<b>(1,00,007.29)</b>	<b>(74,762.08)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(1,30,607.46)</b>	<b>1,34,330.43</b>
Cash and cash equivalents at the beginning of the year		1,63,021.70	28,691.87
<b>Cash and cash equivalents at the end of the year</b>		<b>32,414.24</b>	<b>1,63,021.70</b>

In terms of our report attached.  
For Bamb Taori & Company  
Chartered Accountants



Sagar Jain  
Partner  
Mem. No. 420124  
Place :

RAIPUR

26 NOV 2020

UDIN: 20420124AAAA009292




For and on behalf of the Board of Directors

  
Ujjwala Baghel  
Managing Director  
DIN No. 08738889

  
Harsh Gautam  
Director  
DIN No. 08863877

  
Sandeep Modi  
Chief Financial Officer

  
Arun Mishra  
Company Secretary  
Mem. No. ACS:55153



# Chhattisgarh State Power Holding Company Limited

Consolidated Statement of changes in equity for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

## a. Equity share capital

	No of Shares	Amount
<b>Balance at 1st April, 2017</b>	60,860.50	6,08,605.00
Changes in equity share capital during the year	3,300.00	33,000.00
Issue of equity shares		
Share issue costs, net of income tax		
Buy-back of equity shares		
Share buy-back costs, net of income tax		
<b>Balance at 31st March, 2018</b>	<b>64,160.50</b>	<b>6,41,605.00</b>
Changes in equity share capital during the year		
Issue of equity shares	1,758.42	17,584.18
Share issue costs, net of income tax		
Buy-back of equity shares		
Share buy-back costs, net of income tax		
<b>Balance at 31st March, 2019</b>	<b>65,918.92</b>	<b>6,59,189.18</b>

In terms of our report attached.

**For Bamb Taori & Company**  
Chartered Accountants

*Sagar Jain*



**Sagar Jain**

Partner

Mem. No. 420124

Place : RAIPUR

Date : 26 NOV 2020

UDIN: 20420124AAAA 009292

For and on behalf of the Board of Directors

*Ujjwala Baghel*  
**Ujjwala Baghel**  
Managing Director  
DIN No. 08738889

*Harsh Gautam*  
**Harsh Gautam**  
Director  
DIN No. 08863877

*Sandeep Modi*  
**Sandeep Modi**  
Chief Financial Officer

*Arun Mishra*  
**Arun Mishra**  
Company Secretary  
Mem. No. ACS:55153



**Chhattisgarh State Power Holding Company Limited**  
**Consolidated Statement of changes in equity for the year ended 31st March, 2019**  
**All amounts are in INR Lakhs unless otherwise stated**

**b. Other Equity**

	Reserves and Surplus										Items of other comprehensive income		Attributable to owners of the group	Non-controlling Interest	Total
	Share application money pending allotment	Capital reserve	Capital Reserve - GOCG Grant under UDAY Yojna	GOCG contribution towards capital assets	SLDC Development Fund	Retained earnings	Debt instrument through other comprehensive income	Remeasurements of the defined benefit plans	Debt instrument through other comprehensive income	Debt instrument through other comprehensive income	Debt instrument through other comprehensive income				
<b>Balance at 1st April, 2017</b>	50,584.18	5,509.30	87,012.00	1,44,331.95	1,744.32	(6,55,989.09)	-	(1,71,440.55)	-	(5,38,247.89)	5.84	(5,38,242.05)			
Profit for the year						1,20,730.86				1,20,730.86	(0.10)	1,20,730.76			
Other comprehensive income for the year, net of income tax								(13,057.04)		(13,057.04)		(13,057.04)			
<b>Total comprehensive income for the year</b>	<b>50,584.18</b>	<b>5,509.30</b>	<b>87,012.00</b>	<b>1,44,331.95</b>	<b>1,744.32</b>	<b>(5,35,258.23)</b>	<b>-</b>	<b>(1,84,497.59)</b>	<b>-</b>	<b>(4,30,574.07)</b>	<b>5.74</b>	<b>(4,30,568.33)</b>			
Tax on Dividend															
Issue of equity shares															
Issue of convertible notes (equity portion), net of tax	(33,000.00)									(33,000.00)		(33,000.00)			
Changes in share application money															
Shares issued during the year															
Buy-back of equity shares															
Share buy-back costs, net of income tax															
Intercompany adjustment *															
Grant received during the year				74,841.07		(9,726.52)				(9,726.52)		(9,726.52)			
<b>Balance at 31st March, 2018</b>	<b>17,584.18</b>	<b>5,509.30</b>	<b>87,012.00</b>	<b>2,19,173.02</b>	<b>1,744.32</b>	<b>(5,44,984.75)</b>	<b>-</b>	<b>(1,84,497.59)</b>	<b>-</b>	<b>(3,98,459.53)</b>	<b>5.74</b>	<b>(3,98,453.79)</b>			
Profit for the year						98,658.02				98,658.02	(5.74)	98,652.28			
Other comprehensive income for the year, net of income tax								(55,933.43)		(55,933.43)		(55,933.43)			
<b>Total comprehensive income for the year</b>	<b>17,584.18</b>	<b>5,509.30</b>	<b>87,012.00</b>	<b>2,19,173.02</b>	<b>1,744.32</b>	<b>(4,46,326.73)</b>	<b>-</b>	<b>(2,40,431.02)</b>	<b>-</b>	<b>(3,55,734.94)</b>	<b>-</b>	<b>(3,55,734.94)</b>			
Changes in share application money	(17,584.18)									(17,584.18)		(17,584.18)			
Intercompany adjustment *										(14,549.38)		(14,549.38)			
Grant received during the year			(537.00)	47,903.77		(14,549.38)				47,366.77		47,366.77			
<b>Balance at 31st March, 2019</b>	<b>(0.00)</b>	<b>5,509.30</b>	<b>86,475.00</b>	<b>2,67,076.79</b>	<b>1,744.32</b>	<b>(4,60,876.12)</b>	<b>-</b>	<b>(2,40,431.02)</b>	<b>-</b>	<b>(3,40,501.73)</b>	<b>-</b>	<b>(3,40,501.73)</b>			

\* The unreconciled difference on elimination of intra-group transactions has been adjusted against retained earnings

In terms of our report attached.  
**For BAMB TAORI & COMPANY**  
**Chartered Accountants**



Sagar Jain  
 Partner  
 Mem. No. 420124  
 Place : RAIPUR  
 Date : 26 NOV 2020

For and on behalf of the Board of Directors

Ujjwala Baghel  
 Managing Director  
 DIN No. 08738889

Sandeep Modi  
 Chief Financial Officer



Harsh Gautam  
 Director  
 DIN No. 08863877

Arun Mishra  
 Company Secretary  
 Mem. No. ACS:55153

UDIN: 20420124AAAAA09292

**Chhattisgarh State Power Holding Company Limited**  
**Notes to the consolidated financial statements for the year ended 31st March, 2019**

**1 Background**

In exercise of the powers conferred by Section 131 read with sub-section (1) and (2) of Section 133 of the Electricity Act, 2003 (Central Act 36 of 2003), State Government in consultation with the Governor of Chhattisgarh had issued the Chhattisgarh State Electricity Board Transfer Scheme Rules, 2010. Accordingly, Chhattisgarh State Power Holding company limited (the Company) has been incorporated under the Companies Act, 1956. The Company is a state government company in Chhattisgarh state. The Company is primarily an investment company and holds hundred percent (100%) equity in each of the Chhattisgarh State Power Generation Company Limited (Generation Company), Chhattisgarh State Power Transmission Company Limited (Transmission Company), Chhattisgarh State Power Distribution Company Limited (Distribution Company) and Chhattisgarh State Power Trading Company Limited (Trading Company). Chhattisgarh State Power Holding company and its subsidiaries are collectively also referred as "the Group".

**2 Significant Accounting Policies**

**2.1 Statement of Compliance**

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013. The Group is governed by the Electricity Act, 2003. The provisions of the Electricity Act, 2003 read with the rules made there under prevails wherever the same are inconsistent with the provisions of the Companies Act, 2013 in terms of Section 174 of the Electricity Act, 2003.

**2.2a Basis of accounting and preparation of consolidated financial statements**

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The consolidated financial statements are presented in Indian Rupee ('INR') which is also the group's functional currency and all values are rounded to the nearest lakh, except when otherwise indicated.

**2.2b Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and the entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- i. has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ii. is exposed or has rights, to variable returns from its involvement with the investee, and
- iii. has the ability to use its power over the investee to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses.

Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group obtains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- a. Derecognises the assets (including goodwill) and liabilities of the subsidiary
- b. Recognises the fair value of the consideration received
- c. Recognises any surplus or deficit in profit or loss
- d. Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed off the related assets or liabilities.



## 2.2c Investments in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. Distributions received from a joint venture reduce the carrying amount of the investment. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

When a Group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

## 2.3 Use of estimates

The preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of valuation of current and deferred tax expense, valuation of defined benefit obligations and provisions and contingent liabilities.

## 2.4 Revenue Recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances. Income/Expenditure relating to a prior period, which do not exceed Rs. 500,000/- in each case, are treated as income/expenditure of current year.

## 2.5 Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## 2.6 Employee Benefits

### 2.6.1 Short Term Employee Benefits

The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as liability (accrued expense) after deducting any amount already paid.

### 2.6.2 Post-employment benefits: Defined contribution/ benefit plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

A separate trust in the name of CSEB Gratuity and Pension Fund Trust has been formed by erstwhile CSEB to mitigate the liability of pension and gratuity of its retiring employees. The trust is recognized under part B of Schedule IV of the Income Tax Act' 1961. After the restructuring of erstwhile board, the successor companies have been contributing their respective share of pension and gratuity liability to the aforesaid trust. Company provides for the share of its deficit in the actual contribution vis-à-vis the stipulated contribution determined on the basis of actuarial valuation in its profit and loss account.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.





### 2.6.3 Earned Leave Encashment

The employees of the Company are entitled to compensate absences based on the unavailed leave post retirement of employees on accrual basis based on fair estimates.

### 2.6.4 Other Long Term Employee Benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

### 2.7 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

### 2.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### 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 utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

### 2.9 Property plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Depreciation commences when the assets are ready for their intended use.

Freehold land and Assets held for sale are not depreciated.

Depreciation is recognised so as to write off the 90% of the cost of assets (other than freehold land) less their residual values over their useful lives, using the Straight line method (SLM) method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation on assets are provided on Straight line method (SLM) method on the gross block at the rates notified by the Chhattisgarh State Electricity Regulatory Commission (CSERC) pursuant to Tariff Regulation 2015. Depreciation on additions/deductions to fixed assets is being provided on pro-rata basis from/to the month of acquisition/disposal. Full cost of all small and low value items each costing Rs.5000/- or less under all class of assets is fully charged to revenue in the year in which the assets are put to use. No part of the cost of such items is included in the cost of fixed assets and accordingly no depreciation is charged thereon. Depreciation on additions/deletions of assets is provided on pro-rata basis from/up to the period for which the asset is available for use/disposal.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

An expenditure having the effect of extending the useful life of an asset or increasing output or capacity or efficiency of an asset or decreasing operating costs of an asset is 'improvement'. Expenditure on improvement may involve replacement of an existing asset or may not involve replacement of an existing asset. All expenditures on improvements are capitalized.

Land cost comprises of its purchase price, compensation, if any, paid on acquisition of land, legal charges and stamp duties, site preparation cost such as cost of leveling and filling and all incidental expenses incurred on the transfer, development and improvement of such land.

Any expenditure on repairs or rehabilitation of an asset purchased by the company (whether second hand or new) incurred before commissioning of asset or putting the asset in usable condition are treated as a cost of the capital assets.

The company in accordance with the directives of Government of India regarding rehabilitation policy on acquisition of land will provide employment or allowance in lieu of employment to the rehabilitated land owners. The expenditure towards allowance in lieu of employment is being capitalized and added to the cost of land till the execution of registered sale agreement. Such expenditure, if any, incurred after execution of sale agreement but before the date of commercial operation is capitalized as normal A&G overheads. Such expenditure incurred after commercial operation is charged to revenue.



Estimated useful lives of the assets are as follows:

Type of Assets	Useful lives
Land - Leasehold	30
Factory Buildings	30
Office Buildings	30
Railway Sidings	30
Residential & Other Buildings	30
Roads & Others	30
Hydraulic Works	19
Lines & Cable Networks	19
Plant, Machinery & Equipments	19
Furniture & Fixtures	16
Office Equipments	16
Vehicles	11
Computers	7

### 2.9.1 Capital Work-in-Progress

All capital expenditure is accounted for through capital work-in-progress accounts. On commissioning of the assets, the expenditure is transferred to appropriate fixed assets accounts. Commissioning of an asset is a technical matter, which involves consideration of various factors such as trial, testing to ensure whether the asset is in usable condition etc. Capitalization of assets is therefore done on issue of Asset Commissioning Certificate from the relevant Technical Authority/ management certificate of the Company.

### 2.9.2 Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### 2.10 Inventories

Items of inventories are measured at cost (on weighted average basis) or net realizable value whichever is lower. Cost comprises of all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Accounting for all material transactions are in the same period in which the physical event of receipts, issues etc. take place. Similarly, liability for all materials received and accepted by the company is created in the month in which the materials are accepted. Shortages/ Excesses found during the course of physical verification or otherwise are not charged in profit and loss account rather transferred under account head namely "Stock excess/ shortage pending investigation" classified under inventories. The cases of such excesses/ shortages are referred to a committee formed for the very purpose, balance under these account heads are transferred to profit and loss account only after final disposal of the case from the said committee, However pending disposal of cases, provision is created against the net shortages.

### 2.11 Provisions and contingencies

#### 2.11.1 Provisions

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. However, as per the adopted accounting policy and considering large number of offices located at various parts of the State, the management has only provided for expenses (Service bills related to repair and maintenance and A&G expenses) for bills/invoices received up to 31st May of the succeeding year but related to period under audit. The methodology will be followed consistently in subsequent years.

#### 2.11.2 Contingencies

A contingent liability is disclosed when there is remote chances as below:

- (a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- (b) A present obligation that arises from past events but is not recognised because:
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

### 2.12 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.



### 2.12.1 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### 2.12.2 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### 2.12.3 Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

### 2.12.4 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

### 2.12.5 Impairment of financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### 2.12.6 Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### 2.12.7 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### 2.12.8 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

### 2.12.9 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 realise the assets and settle the liabilities simultaneously.

### 2.13 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

### 2.14 Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



## 2.15 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues.

## 2.16 Contributions, Grants & Capital Subsidies towards Cost of Capital Assets

Amount receivable as subsidy or grant towards capital assets are credited to appropriate account set out in chart of Accounts only if the following conditions are satisfied:

- The amount is not subject to any conditions to be fulfilled by the Company; or
- The conditions attached to the amount have been fulfilled by the Company.

Capital subsidies and grants related to depreciable fixed assets are treated as deferred income and are recognized in the profit and loss statement on a systematic and rational basis over the useful life of the asset, i.e., such amounts are allocated to income over the periods and in the proportions in which depreciation on those assets is charged. Accounting for cost of a capital asset is done in the normal course without considering any contribution, subsidy or grants towards the cost of the asset. Depreciation are been charged in the normal course on the 'full cost' of the asset.

Capital subsidies and grants related to non-depreciable assets are credited in capital reserve. However, if a grant related to a non-depreciable asset requires the fulfillment of certain obligations, the grant are credited to income over the same period over which the cost of meeting such obligations is charged to income.

## 2.17 Expenditure on Project identification Survey and Feasibility Studies:

Expenditure incurred on identification, survey and feasibility studies of a project before the project is considered for sanction or rejection are accumulated in an account provided for the purpose. Later, if the project is rejected, the full amount of expenditure is charged to Revenue as infructuous capital expenditure in the year in which the project is rejected. If the project is sanctioned, the expenditure is charged to capital work-in-progress account for that project. Any expenditure incurred on detailed feasibility studies etc. after a project is sanctioned shall also be charged to the capital work-in-progress account for that project. The aggregate of expenditure incurred before and after sanction of a project are allocated over the "tangible" assets acquired/constructed under the project, in the same manner as the revenue expenditure chargeable to capital works are to be allocated.

## 2.18 Segment Reporting:

Considering the nature of the Company's power business and also the fact that the operations are carried out only within the state of Chhattisgarh, there are no other reportable segments (business and/or geographical) in accordance with the requirements of Indian Accounting Standard 108- 'Operating Segments' prescribed under section 133 of the Companies Act, 2013.

## 2.19 Leasing:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company as lessor:-

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee:-

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.



**2.20 Non-current assets held for sale:**

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell. Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale. Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Balance Sheet.

**2.21 Business Combination/Goodwill on consolidation`**

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. Goodwill on consolidation arising on acquisitions on or after the date of transition represents the excess of(a) consideration paid for acquiring control and (b) acquisition date fair value of previously held ownership interest, if any, in a subsidiary over the Group's share in the fair value of the net assets (including identifiable intangibles) of the subsidiary as on the date of acquisition of control.

**3 Critical accounting estimates and judgements**

In the application of the Company's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates are:

- Estimation of defined benefit obligation
- Estimation of current tax and deferred tax expense
- Estimation of values of contingent liabilities

Estimates and judgement are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



**Chhattisgarh State Power Holding Company Limited**  
Notes to the consolidated financial statements for the year ended 31st March, 2019  
All amounts are in INR Lakhs unless otherwise stated

**Note No. 4a - Property, plant and equipment**

Description of Assets	Land - Leasehold	Land - Freehold	Factory Buildings	Office Buildings	Railway Sidings	Residential & Other Buildings	Roads & Others	Hydraulic Works	Lines & Cable Networks	Plant, Machinery & Equipments	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
<b>I. Gross Block</b>															
Balance as at 1st April, 2017	2,824.95	15,236.41	52,073.72	17,581.29	27,969.42	26,329.02	7,243.18	1,15,790.35	5,87,476.78	17,49,083.76	896.32	912.91	2,713.75	5,980.43	26,12,112.29
Additions on acquisition of IFFCO				9.56							0.46	0.70	0.52	1.07	12.31
Additions			1,295.44	2,788.06	14.97	328.68	91.12	195.64	56,790.90	61,431.74	57.68	99.69	48.82	48.52	1,23,191.26
Disposals										(16,008.97)					(16,008.97)
Borrowing cost capitalised during the year															
Balance as at 31st March, 2018	2,824.95	15,236.41	53,369.17	20,378.91	27,984.39	26,657.70	7,334.30	1,15,985.98	6,44,267.68	17,94,506.53	954.46	1,013.30	2,763.09	6,030.02	27,19,306.89
Additions of assets of IFFCO				9.39							0.28	0.53	0.51	1.02	11.73
Additions		159.00	3,349.01	3,403.54	2,523.40	282.69	2,893.08	3,098.40	83,861.68	97,593.60	95.30	65.19	23.51	22,766.90	2,20,115.30
Disposals			(186.76)			(35.11)			(138.10)	(20,598.01)					(20,957.99)
Borrowing cost capitalised during the year															
Balance as at 31st March, 2019	2,824.95	15,395.41	56,531.42	23,782.28	30,507.79	26,905.27	10,227.38	1,19,084.38	7,27,991.26	18,71,502.13	1,049.58	1,078.32	2,786.59	28,796.87	29,18,463.62
<b>II. Accumulated depreciation and</b>															
Balance as at 1st April, 2017	452.75		7,425.91	1,605.74	1,784.31	6,262.60	975.16	14,720.13	2,06,652.76	4,16,483.47	480.49	495.41	846.93	5,082.48	6,63,268.13
Depreciation / amortisation expense for the year	5.13		1,690.55	616.91	1,087.69	895.09	246.73	6,209.83	28,684.30	88,729.97	36.19	37.34	189.19	128.90	1,28,557.81
Against Deletion/Retirement of assets										(12,698.23)					(12,698.23)
Balance as at 31st March, 2018	457.88		9,116.47	2,222.64	2,872.01	7,157.68	1,221.90	20,929.96	2,35,337.05	4,92,515.21	516.67	532.75	1,036.12	5,211.38	7,79,127.72
Depreciation / amortisation expense for the year	92.87		1,652.35	702.89	1,094.12	901.49	391.50	6,161.02	32,037.06	91,684.43	40.48	41.26	193.01	1,990.23	1,36,982.71
Against Deletion/Retirement of assets								(360.56)		(14,323.75)					(14,684.31)
Balance as at 31st March, 2019	550.75		10,768.81	2,925.54	3,966.13	8,059.18	1,613.39	26,730.42	2,67,374.12	5,69,875.89	557.15	574.01	1,229.13	7,201.61	9,01,426.12
<b>Net block (I-II)</b>															
Balance as at 31st March, 2019	2,274.20	15,395.41	45,762.61	20,856.74	26,541.66	18,846.10	8,613.98	92,353.96	4,60,617.14	13,01,626.24	492.43	504.32	1,557.46	21,595.27	20,17,037.50
Balance as at 31st March, 2018	2,367.07	15,236.41	44,252.70	18,156.26	25,112.38	19,500.01	6,112.40	95,056.03	4,08,930.62	13,01,991.32	437.78	480.55	1,726.98	818.65	19,40,179.17



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 4b - Goodwill

Description of Assets	Goodwill	Total
<b>I. Cost/deemed cost</b>		
<b>Balance as at April 1, 2017</b>	-	-
Impairment during the year	-	
Additions:Acquisition of control on IFFCP*	3,533.04	3,533.04
<b>Balance as at March 31, 2018</b>	<b>3,533.04</b>	<b>3,533.04</b>
<b>Addition during the year</b>	<b>521.66</b>	<b>521.66</b>
<b>Balance as at March 31, 2019</b>	<b>4,054.70</b>	<b>4,054.70</b>

ICPL (IFFCO Chhattisgarh Power Limited) is a wholly owned subsidiary company of CSPGCL. At present, the activities of installation of power plant and revenue generation of subsidiary company is yet to be taken and in the near term, the Company does not foresee positive cash inflows. Hence, in accordance with IND AS 19, the Company had impaired its investment during FY 2017-18 and carried the same at a nominal value of ₹ 1. During FY 2017-18 the assets & liabilities of ICPL were consolidated on the basis of the valuation report. The corresponding figures as per the financial statements of ICPL for FY 2018-19 of the same assets & liabilities as were considered for consolidation for FY 2017-18 have been considered for consolidation for FY 2018-19. Accordingly, total assest of value Rs. 98 lakhs & liabilities to the tune of Rs. 4153 lakhs have been considered for consolidation. So, the difference of Rs. 4055 lakhs have been booked as goodwill.



# Chhattisgarh State Power Holding Company Limited

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## Note 4c - Other Intangible Assests

Description of Assets	in Rs Lakhs	
	Computer Software	Total
<b>Intangible Assets</b>		
<b>Cost</b>		
Balance at 1st April, 2018	1,183.00	1,183.00
Additions	-	-
<b>Balance as at 31st March, 2019</b>	<b>1,183.00</b>	<b>1,183.00</b>
<b>II. Accumulated amortisation</b>		
Balance at 1st April, 2018	1,064.70	1,064.70
Amortisation expense for the year	-	-
<b>Balance as at 31st March, 2019</b>	<b>1,064.70</b>	<b>1,064.70</b>
<b>Net block (I-II)</b>		
Balance at 31st March 2019	118.30	118.30
Balance at 31st March 2018	118.30	118.30

Description of Assets	in Rs Lakhs	
	Computer Software	Total
<b>Intangible Assets</b>		
<b>Cost</b>		
Balance as at 1st April, 2016	1,183.00	1,183.00
Additions	-	-
<b>Balance at 1st April, 2017</b>	<b>1,183.00</b>	<b>1,183.00</b>
Additions	-	-
<b>Balance as at 31st March, 2018</b>	<b>1,183.00</b>	<b>1,183.00</b>
<b>II. Accumulated depreciation and impairment for the year</b>		
Other adjustments		-
<b>Balance at 1st April, 2017</b>	<b>1,064.70</b>	<b>1,064.70</b>
Amortisation expense for the year	-	-
<b>Balance as at 31st March, 2018</b>	<b>1,064.70</b>	<b>1,064.70</b>
<b>Net block (I-II)</b>		
Balance as on 31st March 2018	118.30	118.30
Balance at 31st March 2017	118.30	118.30





## Chhattisgarh State Power Holding Company Limited

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### Note 4d: Assets held for sale

Particulars	Rs. In Lakhs	
	As at 31st March, 2019	As at 31st March, 2018
Assets classified as held for sale - KTPS *	5,999.03	3,310.74
Assets classified as held for sale - Co-gen Plant #	665.39	
<b>Total</b>	<b>6,664.41</b>	<b>3,310.74</b>

#### \* Closure of Units 2x50 MW units of KTPS

During the year 2018-19, the management vide its Board meeting held on 05th May'2018 has decided to close Unit 3 and Unit 4 of KTPS Korba East w.e.f. 14.09.2018, whose date of commissioning and retirement are as follows :-

Unit	Date of Commissioning	Date of Retirement
Unit 3	28th March'1968	14th September'2018
Unit 4	31st October'1968	14th September'2018

The management intends to dispose off these units and an active program for sale of discontinued assets is initiated. Hence these assets are classified as 'assets held for sale' as the same satisfies the criteria under Ind AS 105.

The units are no longer being operated, the same have been reclassified to "Assets held for sale" from PPE (Property Plant and Equipment). Hence, no depreciation has been charged on such assets (units) from the date of their retirement.

Following is the manner in which the carrying value for these units have been computed by the management :-

#### Derived Original Cost of the Plant based on Discounting Rate

Particulars	Date of commissioning	Year of Closure	Used Life (Service Yr)	Discounting Rate	Per MW Cost	Capacity (in MW)	(in crores)		
							Total Cost	Cost	
Unit 3	28.03.1968	14.09.2018	50	6%	6.85	50.00	342.50	18.59	
Unit 4	31.10.1968	14.09.2018	50	6%	6.85	50.00	342.50	18.59	
<b>TOTAL</b>								<b>37.19</b>	



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019  
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### Carrying Value

Particulars	Date of COD	Year of Closure	Service Year	Cost of the plant	10% Residual Value (Net Block/WDV)	Depreciated Value till date
Unit 3	28.03.1968	14.09.2018	50	18.59	1.86	16.73
Unit 4	31.10.1968	14.09.2018	50	18.59	1.86	16.73
<b>TOTAL (A)</b>					<b>3.72</b>	

### Refurbishment of 4\*50 MW Korba East done in the year 2003-04

PARTICULARS	Unit 3	Unit 4	TOTAL
Basic Cost for 4 units		252.00	252.00
Cost allocated - Unit 3 & 4 (I)	63.00	63.00	126.00
Rate of Depreciation	5.28%	5.28%	
Date of Retirement	14.09.2018	14.09.2018	
Service Life (from 2003-2018) (yrs)	15.00	15.00	
Depreciation for the above period	49.90	49.90	99.79
No of days for FY 18-19	167	167	
Depreciation for FY 18-19	1.52	1.52	3.04
Total depreciation (II)	51.42	51.42	102.84
Carrying Value (B= I-II)	11.58	11.58	23.16
<b>Total Assets classified as Held for Sale (in Crores) (A+B)</b>			<b>26.88</b>

### Total Assets classified as Held for Sale:

Particulars	Rs. in Crores
Carrying Value of Original Cost	3.72
Carrying Value of Refurbishment Cost	23.16
<b>Total</b>	<b>26.88</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

Following are the assumptions used by the management in determining the carrying value of units :-

- 1) Discount rate (Average inflation rate) is 6% per annum
- 2) The per MW Cost of commissioning of a generation unit is ₹6.85 Crores based on installation cost of Korba - West Extension Plant (1x500 MW)

During the year under consideration, the management has decided to reclassify ₹ 26.88 Crores (₹ 23.16 + ₹ 3.72 Crores) from PPE to "Non Current Assets held for Sale". No impairment loss has been recognized on reclassification as the company expects that the fair value less cost to sell is higher than its carrying amount as on 31st March'2019.

# Co-gen Plant: The company as per the BOD meeting held on 13.06.2016, for the purpose of settlement of payable and receivable between CSPGCL and M/s BSSUKM and handing over of 6MW Co-gen plant to M/s BSSUKM after settlement of dues, it was held that after the recovery of depreciated value of plant as on 31.03.2016 through revenue sharing ratio of 75:25, the plant would be handed over to M/s BSSUKM with simultaneous reduction in the installed capacity of CSPGCL by 6 MW. During the year under consideration, the said event of recovery has been completed through the revenue sharing model and hence the said plant has been reclassified as "assets held for sale" till the date of execution of final transfer document. No impairment loss has been recognized on reclassification as the company expects that the fair value less cost to sell is higher than its carrying amount as on 31st March'2019.



**Chhattisgarh State Power Holding Company Limited**  
Notes to the consolidated financial statements for the year ended 31st March, 2019  
All amounts are in INR Lakhs unless otherwise stated

**Note No. 5 - Investments**

Particular	In Rs Lakhs					
	As at 31st March, 2019			As at 31st March, 2018		
	QTY	Amounts	Amounts	QTY	Amounts	Amounts
	Current	Non Current		Current	Non Current	
<b>TOTAL IMPAIRMENT VALUE (A1)</b>						
<b>Investments carried at fair value through profit and loss (FVTPL)</b>						
<b>Quoted Investments (fully paid)</b>						
Investments in Mutual Funds	-	-	-	-	18,989.51	-
<b>Investments Carried at Cost</b>						
<b>Quoted Investments (specify whether fully paid or partly paid)</b>	-	-	-	-	-	-
<b>Total Aggregate Quoted Investments</b>	-	-	-	-	18,989.51	-
<b>Unquoted Investments (all fully paid)</b>	-	-	-	-	-	-
Investments in Equity Instruments of JV's	-	-	-	-	-	-
Share application money-pending allotment	-	-	-	-	-	-
<b>Investments in Equity Instruments of Joint Venture- unquoted (Accounted for using the equity method)</b>						
IFFCO Chhattisgarh Power Company Limited	-	-	5,200.00	-	-	5,200.00
(-) Expected credit loss*	-	-	(5,200.00)	-	-	(5,200.00)
<b>Net investment</b>	-	-	-	-	-	-
<b>Investments in debentures or bonds - at amortised cost unquoted</b>						
<b>Unquoted Investments (all fully paid)</b>						
Nuclear Power Corporation of India Limited of Rs.10/- each, fully Paid Up.	-	-	-	6.00	-	60.00
<b>Other Investments Carried at amortised cost</b>	-	-	0.00	-	-	0.00
<b>Total Investments</b>	-	-	0.00	6.00	18,989.51	60.00
Aggregate amount of quoted investments					18,989.51	-
Aggregate amount of Market value of investments					18,989.51	-
Aggregate amount of unquoted investments					-	60.00
Aggregate amount of Impairment in value of investments			5,200.00		-	5,200.00

**\* Impairment of investment in equity shares**

ICPL (IFFCO Chhattisgarh Power Limited) is a wholly owned subsidiary company of CSPGCL. At present, the activities of installation of power plant and revenue generation of subsidiary company is yet to be taken and in the near term, the Company does not foresee positive cash inflows. Hence, in accordance with IND AS 19, the Company had impaired its investment during FY 2017-18 and carrying the same at a nominal value of ₹ 1.



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 6 - Loans

in Rs Lakhs

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non- Current	Current	Non- Current
<b>A. Financial assets classified at amortised cost</b>				
<b>Loans to subsidiaries</b>	-	-	-	-
Less: Allowance for Credit Losses				
<b>Loans to employees</b>				
- Unsecured, considered good	231.95	20.81	255.92	22.21
Less : Allowance for bad and doubtful loans				
<b>TOTAL</b>	<b>231.95</b>	<b>20.81</b>	<b>255.92</b>	<b>22.21</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 7 - Other financial assets

Rs. in Lakhs

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non- Current	Current	Non- Current
<b>Financial assets at amortised cost :</b> (Unsecured, considered good unless otherwise stated)				
Security Deposits - Government & Others	-	6,161.79	-	7,648.67
Claim Receivable from Govt. of Chhattisgarh	-	-	0.94	-
Revenue Subsidy/Grants Receivable	-	-	-	-
Claims receivable from PF trust	1,098.10	-	1,187.73	-
Interest Accrued on deposits	2,238.59	266.30	76.93	1,149.82
Unbilled revenue	132.71	-	-	-
Receivable from CSPDCL	-	(0.00)	-	(0.00)
Term deposits (maturity > 12 months)	-	4,265.40	-	17,320.69
Others	1,673.64	-	1,659.83	-
<b>TOTAL</b>	<b>5,143.05</b>	<b>10,693.49</b>	<b>2,925.43</b>	<b>26,119.19</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 8a- Non Current Tax Assets

Particulars	Rs. in Lakhs	
	As at 31st March, 2019	As at 31st March, 2018
Income taxes (net of provisions)	83,850.84	82,637.45
	(457.05)	(1,450.71)
Current Year Income taxes (net of provisions)		
Commercial Tax	3,741.07	3,741.07
	<b>87,134.86</b>	<b>84,927.82</b>

### Note No. 8b - Deferred Tax Assets (Net)

Particulars	Rs. in Lakhs	
	As at 31st March, 2019	As at 31st March, 2018
<b>Deferred Tax Assets</b>	4,32,840.81	4,37,675.43
<b>Deferred Tax Liabilities</b>	2,24,502.21	2,11,893.35
<b>Net Deferred Tax Assets :</b>	<b>2,08,338.61</b>	<b>2,25,782.08</b>
Net Deferred Tax Assets recognised* (A)	16,670.95	15,513.44
Unrecognised Deferred Tax Assets	1,91,667.66	2,10,268.63
Total Deferred Tax Liability (B)	<b>12,107.20</b>	
<b>MAT credit entitlement (C)</b>	12,971.05	5,279.11
*However, deferred tax asset recognized only to the extent of deferred tax liability pursuant to accounting policy		
(A+C)	<b>29,642.00</b>	<b>20,792.55</b>

2016-17	Rs. in Lakhs	
	Opening Balance	Recognised in Profit or Loss
<b>Deferred Tax Assets in relation to:</b>		
Disallowance under the Income Tax Act,1961	-	-
Unabsorbed Depreciation	-	4,07,86,46,296
	-	-
<b>Deferred Tax Assets in relation to:</b>		
Disallowance under the Income Tax Act,1961	3,82,01,27,404	(3,82,01,27,404)
Unabsorbed Depreciation	5,77,26,29,259	(5,77,26,29,259)
<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
<b>Deferred Tax Assets</b>		
Disallowance under the Income Tax Act,1961	2,68,589.70	2,45,509.07
Minimum alternate tax	7,286.82	3,880.85
Unabsorbed Depreciation	91,484.20	1,08,521.59
Unadjusted carried forward business losses	65,480.10	79,763.92
	<b>4,32,840.81</b>	<b>4,37,675.43</b>
<b>Deferred Tax Liabilities</b>		
Depreciation	2,24,502.21	2,11,893.35
	<b>2,24,502.21</b>	<b>2,11,893.35</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 9 - Other non-current and current assets

Rs. in Lakhs

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non- Current	Current	Non- Current
Capital advances				
(i) Advance to Suppliers & Contractors	18,434.01	65,297.79	22,730.26	44,363.42
(ii) For intangible asset under development	-	-	-	-
(iii) For Investment property under development	-	-	-	-
Advance to Suppliers & Contractors	-	-	-	-
Prepaid Expenses	53.07	2.11	29.38	7.17
Cenvat credit	10.00	-	6.21	45.31
Other advances	174.07	0.24	93.39	0.24
Other asset	68.36	47.88	158.86	47.71
		-		
	<b>18,739.52</b>	<b>65,348.02</b>	<b>23,018.10</b>	<b>44,463.86</b>





## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 10 - Inventories

Rs. in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>(a) Raw materials</b>		
Coal & Fuel	20,877.03	11,640.54
Stores & Spares	58,992.99	54,758.06
Scrap & Unservicable Materials	642.29	841.22
<b>(b) Material Short/(Excess) pending investigation</b>		
(1) Cost	2,967.39	2,218.43
(2) Less: Provision	(2,967.39)	(2,218.43)
<b>Total Inventories at the lower of cost and net realisable value</b>	<b>80,512.30</b>	<b>67,239.83</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 11 - Trade receivables

Rs. in Lakhs

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
<b>Trade receivables</b>				
Secured, considered good	-	-	-	-
Unsecured, considered good	8,65,904.88	-	5,84,895.41	-
Doubtful	39,224.08	-	39,224.08	-
Less: Allowance for Credit Losses	(40,023.63)	-	(39,224.08)	-
<b>TOTAL</b>	<b>8,65,105.33</b>	<b>-</b>	<b>5,84,895.41</b>	<b>-</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 12 - Cash and cash equivalents and Other Bank Balances

Rs. in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Current Cash and bank balances</b>		
<b>(i) Cash and cash equivalents</b>		
Cash in imprest	23.80	25.82
Cash in transit	2,993.52	1,708.27
Balances with Banks	2,136.69	1,38,312.27
Postage stamps	-	-
Cheques on hand	-	20,962.92
Term deposits (original maturity < 3 months)	27,260.24	2,012.42
	32,414.24	1,63,021.70
<b>(ii) Other bank balances</b>		
Balances in scheduled banks in earmarked current account		
Term deposits	375.84	2,910.72
	375.84	2,910.72
<b>Cash and cash equivalents as per statement of cash flows</b>	<b>32,414.24</b>	<b>1,63,021.70</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 13 - Equity share capital

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares in Lakhs	Amount	No. of shares in Lakhs	Amount
<b>Authorised:</b> Equity shares of Rs. 10 each	1,03,000	10,30,000.00	1,03,000	10,30,000.00
<b>Issued:</b> Equity shares of Rs. 10 each	-	-	-	-
<b>Issued, Subscribed and Fully Paid:</b> Equity shares of Rs. 10 each	65,919	6,59,189.18	64,161	6,41,605.00
<b>Forfeited shares</b>				
<b>Treasury Shares</b>				
<b>Total</b>	<b>65,919</b>	<b>6,59,189.18</b>	<b>64,161</b>	<b>6,41,605.00</b>

#### Note 13.1-(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	No. of shares in Lakhs	Amount
Balance as at 1st April, 2016	59,261	5,92,605.00
Issued during the year	1,600	16,000.00
<b>Balance as at 1st April, 2017</b>	<b>60,861</b>	<b>6,08,605.00</b>
Issued during the period	3,300	33,000.00
<b>Balance as at 31st March, 2018</b>	<b>64,161</b>	<b>6,41,605.00</b>
Issued during the period	1,758	17,584.18
<b>Balance as at 31st March, 2019</b>	<b>65,919</b>	<b>6,59,189.18</b>

#### (ii) Terms/rights attached to Equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation 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 distribution will be in proportion to the number of equity shares held by shareholders.

#### Note 13.2 Details of shares held by holding company

Figures in Lakhs

Particulars	As at 31st Mar, 2019
<b>Details of shares held by the holding company</b>	
<b>Fully paid equity shares</b>	
Govt of Chhattisgarh	65,918.92

#### Note 13.3 Details of Shares in the company held by each shareholder holding more than 5 % shares/ holding company.

Figures in Lakhs

Name of Shareholder	As at 31st Mar, 2019		As at 31st March, 2018	
	No. of shares in Lakhs	% of Holding	No. of shares in Lakhs	% of Holding
<b>Equity shares</b>				
Govt of Chhattisgarh	65,918.92	100.00	64,160.50	100.00
<b>Total</b>	<b>65,918.92</b>	<b>100.00</b>	<b>64,160.50</b>	<b>100.00</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 14 - Other equity

Paticulars	As at 31st March, 2019	As at 31st March, 2018
Capital Reserves	5,509.30	5,509.30
SLDC Development fund	1,744.32	1,744.32
Retained earnings	(4,60,876.05)	(5,44,985.23)
Other Comprehensive Income	(2,40,431.08)	(1,84,497.64)
GOCG contribution towards capital assets	2,67,076.79	2,19,173.02
Capitil Reserve - GOCG Grant under UDAY Yojna	86,475.00	87,012.00
Share application money pending allotment	-	17,584.18
<b>Total</b>	<b>(3,40,501.73)</b>	<b>(3,98,460.05)</b>

### Nature and purpose of the reserve

#### Retained Earnings

Retained Earnings are the profits of the company earned till date net of appropriations.

#### Other Comprehensive Income

Remeasurements comprising actuarial gains and losses are reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

#### Share Application Money Pending Allotment

The total share capital of CSPHCL as on 31/03/2019 is Rs. 659,189.18 lakh. This includes share capital of Rs. 447,589.18 lakh provided by Govt. of Chhattisgarh vide notification 1816/F-21/13/13-2/2014 dated 17.07.2017 of Final opening Balances as on 01-01-2009, and Rs. 90,000 lakh, Rs.70,400 lakh, Rs. 2,200 lakh and Rs.49,000 lakh infused by state Govt during FY 2011-12, 2012-13, 2013-14 and 2016-17 respectively. However, out of Rs. 659,189.18 lakh of total share capital, the issued & paid up share capital till 31.03.2018 was to the tune of Rs. 641,605.00 lakh only and balance Rs. 17,584.18 crore was kept under share capital suspense account which related to final opening balance which has been notified on dt. 17.07.2017. The action regarding issuance of pending share certificate of Rs. 17,584.18 crore has been completed in FY 2018-19 and hence NIL balance in 'Share Application Money Pending Allotment' as on 31.03.2019

#### GOCG contribution towards capital assets

The amount has been received from Government of Chhattisgarh towards creation of capital assets.

#### Capitil Reserve - GOCG Grant under UDAY Yojna

The company received Rs. 870.12 cr under Ujjwal DISCOM Assurance Yojana (UDAY) of Central Government dated 05thNovember'2015 for financial turnaround of Power Distribution Companies. As per the scheme, State Government shall take over 75% of DISCOM debt as on 30 September 2015, which is taken over in 2015-16 . However due to change in the eligible Loan base the company has received Rs.5.37 Cr in excess of its eligibility. Accordingly as per the direction of AG audit the excess amount of Rs. 5.37 Cr has been reduced from the reserve and shown as payable to State Government.

The contribution of Rs. 864.75 cr received from GOCG, being in the nature of promoter's contribution, has been classified as Capital Reserve .



**Chhattisgarh State Power Holding Company Limited**

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

**Note No. 15 - Non Current Borrowings**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Measured at amortised cost*</b>		
<b>A. Secured Borrowings:</b>		
(a) Term Loans		
(1) From Power Finance Corporation Limited	8,47,166.95	9,26,212.21
(2) From NABARD	8,995.17	10,071.67
(3) From Rural Electrification Corporation	1,41,167.98	95,211.26
(b) Working Capital Term Loans		
(1) From Union Bank of India	18,750.00	31,250.00
(2) From Rural Electrification Corporation	26,031.25	40,906.25
(3) From Power Finance Corporation Limited	26,031.25	40,906.25
<b>Total Secured Borrowings (A)</b>	<b>10,68,142.60</b>	<b>11,44,557.63</b>
<b>B. Unsecured Borrowings - at amortised Cost</b>	-	-
(a) Term Loans		
(1) From Government of Chhattisgarh	-	-
(2) Unsecure Loan Adani Enterprise Limited	-	227.45
(3) Bonds		
8.72% CSPDCL Bonds 2014-15	25,750.00	25,750.00
10.36% CSPDCL Bonds 2015-16	24,250.00	24,250.00
<b>Total Unsecured Borrowings (B)</b>	<b>50,000.00</b>	<b>50,227.45</b>
<b>Total Borrowings (A)+(B)</b>	<b>11,18,142.60</b>	<b>11,94,785.08</b>

**CSPGCL**
**Nature of Security**
**A. Against Loan from Power Finance Corporation:**

- Term Loan from Power Finance Corporation amounting to Rs. 6146.40 crores (PY Rs. 6629.59 crores) (including current maturities) are secured by mortgage and charge of moveable and immovable fixed assets both present and future of 2x500 MWMarwah Thermal Power Plant.
- Term Loan from Power Finance Corporation amounting to Rs. 1953.42 crores (PY Rs. 2149.10 crores) (including current maturities) are secured by mortgage and charge of moveable and immovable fixed assets both present and future of 1x 500 MW West Extension Thermal Power Plant.
- Term Loan from Power Finance Corporation amounting to Rs. 82.91 crores (PY Rs. 92.38 crores) (including current maturities) are secured by mortgage and charge of moveable and immovable future project assets at respective units.
- Term Loan from Power Finance Corporation amounting to Rs. 29.08 crores (PY Rs. 39.66) (including current maturities) are secured by charge of respective present and future moveable fixed assets of Units at Korba East and West. In addition, the company has created charge on Dual Flue Gas Conditioning system of boilers of Korba West Unit I & II, 220/132 KV, 1x160 MVA Auto transformer No. 2 at KTPS and 12 nos. Gravimetric Raw Coal Feeder at HTPS Korba (W) Unit 3&4.

**Terms of Repayment**

- Repayable in 60 Quarterly installments commencing from Oct'2016 alongwith present rate of interest of 10.15%
- Repayable in 60 Quarterly installments commencing from Jan'2014 alongwith present rate of interest of 10.15%
- Repayable in 60 Quarterly installments commencing from Jan'2013 alongwith present rate of interest of 11.40 %

Loan No., ROI & Outstanding Balance as on 31st March'2019 (In Crore)	Repayment Schedule (Annually upto 2022)
No.22104001 ROI:11.65% O/s.Rs.6.75	Rs. 2.98 cr.
No.22104004 ROI:11.65% O/s.Rs.6.66	Rs. 2.66 cr.
No.22104005 ROI:11.65% O/s.Rs.3.55	Rs. 0.48 cr.
No.22104006 ROI:11.65% O/s.Rs.10.61	Rs. 1.42 cr.
No.22104007 ROI:11.65% O/s.Rs.10.61	Rs. 3.03 cr.

If the company serves installments due in time to PFC than lender refunds 0.25% of interest rate charged to the company and hence the effective interest rate would be reduce by 0.25%. Further, during the year under consideration, the company continuing availing the said benefit on account of timely payment.



**CSPTCL****A. Against Loan from Power Finance Corporation:****Nature of Security**

Term Loan from Power Finance Corporation amounting to Rs. 795.33 cr (PY Rs.921.73 cr) (including current maturities) are secured by first charge in favour of the corporation by way of hypothecation on the newly financed assets under the project and part of existing asset.

**Terms of Repayment**

The repayment will be made annually in equal monthly installments together with interest on the outstanding balance commencing after the expiry of moratorium period.

Particulars of Loan	Balance as at Mar'18 (Cr.)	ROI (%)
22103001-POWER EVACUATION SYSTEM FOR 2X250 MW KORBA(E) TPS	28.18	10.25
C2603001-CSPTCL-LOAN PROPOSAL FOR 132 KV PATAN SUBSTATION	3.86	10.25
C2603002-CSPTCL-LOAN PROPOSAL FOR 132 KV MAGARLOD SUBSTATION	3.46	10.25
C2603003-CONSTRUCTION OF 132/33 KV S/S BALOD AND ASSOCIATED EHV LINES	3.75	10.25
C2603004-132/33 KV S/S PANDARIYA & ASSO. EHV LINES FOR TRANSMISSION	4.96	10.25
C2603005-132/33 KV S/S MANA & ASSO. EHV LINES FOR TRANSMISSION NETWORK	5.30	10.25
C2603007-132/33 KV S/S RASMADA & ASSO. EHV LINES FOR TRANSMISSION LIN	3.30	10.25
C2603008-CONSTRUCTION OF 132/33 KV S/S BHANUPRATAPPUR	26.88	10.25
C2603009-CSPTCL-LOAN PROPOSAL FOR POWER EVACUATION OF KORBA(W) ST.III	338.87	10.25
C2603010-POWER EVACUATION SYSTEM FROM 2X500 MW MARWA TPP.	241.12	10.25
C2603011-CSPTCL - 220/132 KV S/S AT SARAIPALI	35.01	10.25
C2603012-PROCUREMENT OF RTUS FOR EHV S/S	2.05	10.25
C2603013-132 KV S/S KONDAGAON & ASSOCIATED EHV LINES	3.59	10.25
C2603014-220KV S/S MUNGELI & ASSOCIATED EHV LINES	20.29	10.25
C2603015-S/S GIRWANI & ASSOCIATED EHV LINES	25.15	10.25
C2603016-132/33 KV PRATAPPUR SUBSTATION AND LINES	5.53	10.25
C2603018-INSTALLATION OF 160 MVA ADDL. TRANSFORMER AT VARIOUS EHV S/S	6.54	10.25
C2603019-INSTALLATION OF 63/40 MVA ADDL. TRANSFORMER AT VARIOUS S/S	12.66	10.25
C2603020-132/33 KV SAKARA SUBSTATION AND LINES	3.49	10.25
C2603021-JAIJAIPUR SUBSTATION AND LINES	8.43	10.25
C2603022-132/33 S/S PULGAON, DURG AND ASSOCIATED EHV LINES	6.55	10.25
C2603023-132/33 KV S/S GANDAI AND ASSOCIATED EHV LINES	6.37	10.25
<b>Total</b>	<b>795.33</b>	

**B. Against Loan from NABARD:****Nature of Security**

Term Loan from NABARD amounting to Rs. 100.72 cr (PY Rs. 111.48 cr) are secured by first charge in favour of the corporation by way of hypothecation on the newly financed assets under the project and part of existing asset.

**Particulars of loan and Terms of Repayment**

The loan is raised for construction of 132/33 KV S/s at Koni, Prathariya, Gariyaband, Baloda Bazar and Sarona and will be repayable in 15 years including moratorium period of 3 year in quarterly installments commencing from May'2016 and at ROI of 10.5% pa.



**C. Against Loan from REC:****Nature of Security**

Term Loan from REC amounting to Rs. 511.39 cr (PY Rs. 189.90 cr) are secured by first charge in favour of the corporation by way of hypothecation on the newly financed assets under the project and part of existing assets.

**Terms of Repayment and Rate of Interest**

The repayment will be made annually in equal monthly installments together with interest on the outstanding balance commencing after the expiry of moratorium period.

Particulars of Asset	Balance as at Mar'19 (Cr.)	ROI (%)
construction of 132/33kv 1*40 MVA GIS S/s at Ravanbhata and associates lines	17.83	10.50%
construction of 132/33kv 1*40 MVA GIS S/s at Ravanbhata and associates lines	17.83	10.50%
construction of 132/33kv 1*40 MVA GIS S/s at Ravanbhata and associates lines	10.92	10.50%
construction of 132/33kv EHV S/stn. at pakhanjur and line	20.22	9.25%
construction of 132/33kv EHV S/stn. At ratanpur and associated lines	15.20	10.25%
construction of 132/33kv EHV S/stn. At Iormi and line	18.48	9.50%
construction of 132/33kv EHV S/stn. At Iormi and line	4.62	9.50%
laying of 2nd circuit of existion EHV lines	4.85	10.50%
Installation of additional 40 MVA power transformer at various EHV S/stn doma, magarload, bagbakra, tuisi	6.49	10.50%
Installation of additional 63 MVA, 132/33 kv transformer at 132kv substation, urla sec-c	4.11	9.50%
counstruction of 220 kv S/s bilaspur (dhardehi)& associated lines	15.43	9.25%
counstruction of 220 kv S/s bilaspur (dhardehi)& associated lines	20.46	10.00%
construction of 220 kv S/s narayanpur & associated lines	10.08	10.00%
construction of 220 kv S/s narayanpur & associated lines	30.06	10.00%
construction of 220 kv S/s kawardha (qendpur) & associated lines	19.89	9.25%
construction of 220 kv S/s kawardha (qendpur) & associated lines	34.93	10.00%
construction of 220 kv S/s dharsiwa & associated lines	10.05	9.25%
construction of 220 kv S/s dharsiwa & associated lines	24.39	10.00%
construction of 220 kv S/s dharsiwa & associated lines	10.21	10.00%
construction of 220 kv S/s jagdalpur & associated lines	4.41	9.25%
construction of 132 kv S/s takhtpur & associated lines	18.46	9.25%
construction of 132 kv S/s takhtpur & associated lines	16.81	10.00%
construction of 132 kv S/s rajpur & associated lines	8.90	9.25%
construction of 132 kv S/s rajpur & associated lines	10.38	10.00%
construction of 132 kv S/s dornapal & associated lines	4.28	9.25%
construction of 132 kv S/s nagri & associated lines	6.15	10.00%
construction of 132 kv S/s nagri & associated lines	30.95	10.00%
construction of 132 kv S/s berla & associated lines	10.45	10.00%
construction of 132 kv S/s berla & associated lines	3.80	10.00%
construction of 132 kv S/s berla & associated lines	4.75	10.00%
construction of 132 kv S/s basna & associated lines	10.54	9.25%
construction of 132 kv S/s basna & associated lines	3.28	10.00%
construction of 132 kv S/s seorinarayan & associated lines	10.60	9.25%
construction of 132 kv S/s seorinarayan & associated lines	6.82	10.00%
construction of 132 kv S/s seorinarayan & associated lines	8.24	10.00%
construction of 132 kv S/s mohla & associated lines	23.33	9.25%
construction of 132 kv S/s mohla & associated lines	15.55	10.00%
construction of 132 kv S/s wadrafnagar & associated lines	9.27	9.25%
counstruction of 220 kv DCDS line from 230/132 kv S/s barsoor to proposed 400/220 kv jagdalpur S/s	4.18	9.25%
Installation of 40 MVA additional power transformers at 132/33 kv substation qandal	1.67	9.25%
Installation of 40 MVA additional power transformers at 132/33 kv substation qandal	2.50	10.00%
<b>Total</b>	<b>511.39</b>	





**CSPDCL****Nature of Security****1.(A)(1) Against Term Loan from Power Finance Corporation:**

Term Loan from Power Finance Corporation amounting to Rs. 443.93 (PY Rs.400.01 cr.) (including current maturities) are secured by first charge in favour of PFC by way of hypothecation on the newly financed assets under the project and part of existing asset.

**Terms of Repayment**

The repayment will be made annually in equal quarterly installments together with interest on the outstanding balance commencing after the expiry of moratorium period. There will be moratorium on repayment of principal and interest on loan for the sanction period of execution which shall in no case exceeds 3 years (R-APDRP Part A, Part B and Scada projects). The tenure of loan is for 10 years including moratorium period and at ROI of 9% pa and 12% pa for R-APDRP part B counter funding and 13% pa for Upgradation of Server Loan (STL). Sanctioned The Company has drawn the first phase and second phase of its sanctioned limit and assets acquired under project are still under implementation stage.

**1 (A)(2) Against Term loan from Rural Electrification Corporation:**

Term loan from rural electrification corporation amounting to Rs. 978.92 cr. (PY Rs. 825.03 cr. ) (including current maturities) are secured by way of Mortgage / Hypothecation of future assets so created out of loan amt sanctioned for the project subject value being 110% of the loan amount so sanctioned.

The loan will be repayable in 13 year including moratorium period of 3 year in quarterly installments starting from April'13 for Atal Jyoti and February 2015 for STN.

**1(B): Working capital term loans**

Against the receivables from Govt. of Chhattisgarh towards SHP agricultural consumers and BPL Consumers., Govt. of Chhattisgarh has provided guarantee for the loans borrowed from Power Finance Corporation amounting to Rs. 595 Crs, Rural Electrification Corporation amounting to Rs. 595 Crs and Union Bank of India Rs. 500 Crs. The guarantee is provided by the State government in lieu of reimbursement of Company's claim against supply of free electricity to the consumers of agricultural pumps under Krishak Jeewan Jyoti Yojna and to the Below Poverty Line (BPL) consumers of the State.

Following is the repayment schedule for the term loans :-

Particulars	UBI		REC		PFC		Total	
	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal
2016-17	20.91	0	20.22	0	13.37	0	54.5	0
2017-18	44.81	62.5	60.99	37.19	60.2	37.19	166	136.88
2018-19	33.55	125	51.47	148.75	48.24	148.75	133.26	422.5
2019-20	23.57	125	36.31	148.75	33.01	148.75	92.89	422.5
2020-21	12.46	125	20.98	148.75	17.79	148.75	51.23	422.5
2021-22	2.08	62.5	5.73	111.56	3.33	111.56	11.14	285.62
<b>Total</b>	<b>137.38</b>	<b>500</b>	<b>195.7</b>	<b>595</b>	<b>175.94</b>	<b>595</b>	<b>509.02</b>	<b>1690</b>

**1(C): State Government Loan (including APDRP Loan)**

The unsecured loan from Govt of Chhattisgarh is repayable in equated annual installment of Rs.29 cr. The applicable ROI is 8.9% p.a. Further, the repayment was to be made through adjustment of the amount receivable from budget allocation of state government. However, since FY 2016-17 no adjustment of Loan Outstanding is being made by state government, the loan has been reinstated as Long term loan borrowing in FY 2017-18).

**2(1) Bonds****8.72% CSPDCL Bonds**

During FY2014-15 CSPDCL has issued State Government, Unsecured, Redeemable Regular Return, Non Convertible Taxable bearing coupon rate 8.72% amounting to Rs.257.50 cr through private placement with Green Shoe Option. Further during F.Y. 2017-18 State Government has taken over total Rs. 300.00 Crore of bonds in a way that it will reimburse Interest payment & Principal repayment by the company. (Bonds of 8.72% includes Rs. 57.50 crore of total takeover of Rs. 300.00 Crore)

The tenure of the bonds is 20 years and shall be redeemed as under: 1. At par 5% of the Amount mobilized and retained in the bond issue at end of 6th,7th,8th,9th,10th,11th,12th,13th,14th,15th year from deemed date of allotment. 2. At par 10% of the Amount mobilized and retained in the bond issue at end of 16th,17th,18th,19th,20th year from deemed date of allotment.

**10.36% CSPDCL Bonds**

During FY2015-16 CSPDCL has issued State Government, Unsecured, Redeemable Regular Return, Non Convertible Taxable bearing coupon rate 10.36% amounting to Rs.242.50 cr through private placement with Green Shoe Option. Further during F.Y. 2017-18 State Government has taken over total Rs. 300.00 Crore of bonds in a way that it will reimburse Interest payment & Principal repayment by the company. (Bonds of 10.36% includes Rs. 242.50 crore of total takeover of Rs. 300.00 Crore)

The tenure of the bonds is 20 years and shall be redeemed as under: 1. At par 5% of the Amount mobilized and retained in the bond issue at end of 7th,8th,9th,10th,11th,12th,13th,14th,15th year from deemed date of allotment. 2. At par 10% of the Amount mobilized and retained in the bond issue at end of 16th,17th,18th,19th,20th year from deemed date of allotment.



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 16 - Other Financial Liabilities

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
<b>a) Other financial liabilities carried at amortised cost:</b>				
Deposits & Retentions from Contractors & Suppliers	1,94,197.98	-	1,41,849.12	-
Rental Deposits / Deposits from consumers	2,16,160.33	8.84	1,92,666.83	8.04
Employee related liabilities	5,970.13	-	7,397.02	-
Current maturities of loan from Power Finance Corporation Limited	1,12,818.92	-	1,11,909.81	-
Current maturities of loan from NABARD	1,076.50	-	1,076.50	-
Current maturities of loan from Rural Electric Corporation	22,737.46	-	21,156.63	-
Current maturities of loan from Union Bank of India	12,500.00	-	12,500.00	-
Current maturities of loan from Government of Chhattisgarh	15,164.93	-	15,244.09	-
Bond Liability payable	-	-	28.83	-
Interest accrued but not due on borrowings	21,298.51	-	21,505.82	-
Interest accrued and due on borrowings	17,105.52	-	15,462.09	-
Electricity duty payable	5,535.77	-	4,698.91	-
Electricity cess payable	1,075.93	-	945.15	-
Land Compensation Payable towards Land	2,368.40	-	2,368.40	-
R & R Expenses Payable	1,266.78	-	892.68	-
Lease Rent Payable	463.94	-	360.72	-
Other	626.27	-	597.27	-
Chhattisgarh State Power Generation Company Limited	-	-	-	-
Chhattisgarh State Power Distribution Company Limited	-	-	-	-
Chhattisgarh State Power Transmission Company Limited	(0.00)	-	-	-
<b>Total other financial liabilities</b>	<b>6,30,367.37</b>	<b>8.84</b>	<b>5,50,659.86</b>	<b>8.04</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs

### Note No. 17 - Provisions

Rs. in Lakhs

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non- Current	Current	Non- Current
(a) Provision for employee benefits				
(1) Pension & Gratuity	97,500.27	8,15,083.89	77,648.00	7,32,123.73
(2) Leave encashment	11,065.65	65,554.05	11,209.89	67,783.73
(3) DA Arrears	393.88	-	702.06	-
(4) Bonus & Ex Gratia	899.41	-	839.58	-
(b) Other provisions	-	-	-	-
<b>Total Provisions</b>	<b>1,09,859.21</b>	<b>8,80,637.94</b>	<b>90,399.53</b>	<b>7,99,907.46</b>



**Chhattisgarh State Power Holding Company Limited**

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

**Note No. 18 - Short Term Borrowings**

Particulars	Rs. in Lakhs	
	As at 31st March, 2019	As at 31st March, 2018
<b>A. Secured Borrowings</b>		
(a) Working Capital Demand Loans		
(i) From Union Bank of India	-	1,679.66
(ii) From Canara Bank	23,712.54	-
(iii) From State Bank of India*	14,890.00	-
(iv) From Rural Electrification Corporation Limited	-	15,000.00
(b) Loans repayable on demand		
Cash Credit Limit		
(i) From State Bank of India, Raipur (Against Hypothecation of stocks and Fixed Assets of the Company)	25,902.12	16,456.00
(ii) From Union Bank of India (Against Hypothecation of Book Debts and Guarantee from State Government)	46,580.40	48,142.00
(iii) Overdraft from Axis Bank (The above overdraft from Axis Bank is availed for routine working capital purpose of the company. The said overdraft is against receivables of the company and applicable ROI is 8.70%)	6,633.89	-
<b>Total Secured Borrowings</b>	<b>1,17,718.95</b>	<b>81,277.66</b>
<b>B. Unsecured Borrowings</b>		
(a) Term Loans	-	-
<b>Total Unsecured Borrowings</b>	<b>-</b>	<b>-</b>
<b>Total Current Borrowings</b>	<b>1,17,718.95</b>	<b>81,277.66</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 19 - Trade payables

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
Trade payable for goods, services & other	2,52,022.70	-	2,20,268.10	-
Trade payable for salaries and wages	159.44	-	153.48	-
	-	-	-	-
<b>Total trade payables</b>	<b>2,52,182.14</b>	<b>-</b>	<b>2,20,421.58</b>	<b>-</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 20a - Other Liabilities

Rs. in Lakhs

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non- Current	Current	Non- Current
a. Deferred Rent Income	-	43,139.95	-	40,906.27
b. Deposit Works	87,420.27	-	65,302.89	-
c. Statutory dues	-	-	-	-
Taxes payable (other than income taxes)	1,912.13	-	1,656.33	-
Employee Recoveries and Employer Contributions	970.73	-	2,203.77	-
d. Others	-	-	-	-
Unspent Fund Under RGGVY Scheme	9,554.96	-	28,788.84	-
Consumer contribution towards capital assets	-	55,951.96	-	52,447.69
Employee benefit payables	483.14	-	624.05	-
Others payables	10,541.62	-	7,858.32	-
<b>TOTAL OTHER LIABILITIES</b>	<b>1,10,882.85</b>	<b>99,091.92</b>	<b>1,06,434.19</b>	<b>93,353.96</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note No. 20b - Tax Liabilities (Net)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
Provision for Income Tax (net of advance tax)	56.82	-	153.82	-
<b>Total - Current Tax Liabilities (Net)</b>	<b>56.82</b>	<b>-</b>	<b>153.82</b>	<b>-</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note no -21 Revenue from Operations

Particulars	Rs. in Lakhs	
	For the year ended 31 March, 2019	For the year ended 31st March, 2018
(a) Revenue from Sale of Power	-	(73,131.46)
(b) Industrial Power : High Tension	6,50,156.44	5,53,805.34
(c) Low Tension Consumers including Industrial Medium & Low Voltage	5,86,237.77	5,41,901.18
(d) Parallel Operation Charges from CPP	7,119.89	7,064.21
(e) Interstate sale including UI charges	2,52,576.90	2,46,056.45
(f) Transmission charges	217.26	605.92
(g) SLDC Charges	104.03	571.69
(h) Other income related to SLDC	93.38	117.25
(i) Meter Rent/Service line rental	3,374.11	2,864.93
(j) Water Charges	-	12,704.73
(k) Delay payment charges	42,478.05	34,178.55
(l) Revenue Surplus as per tariff order	-	32,945.00
(m) Wheeling Charges & Open Access	5,876.86	5,604.56
(n) Reactive charges	36.02	166.05
(o) Revenue Subsidy	30,045.72	56,319.00
(p) Revenue allowed in ARR against deficit of P&G Trust	-	14,266.02
<b>Total Revenue from Operations</b>	<b>15,78,316.43</b>	<b>14,36,039.44</b>





# Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

## Note no -22 Other Income

Particulars	Rs. in Lakhs	
	For the year ended 31 March, 2019	For the year ended 31st March, 2018
Interest income on financial assets at amortised cost		
Bank deposits	4,626.00	2,747.62
Loans to employees	23.60	42.79
Deposits with Contractors and Suppliers	640.33	1,740.75
Net gain/(loss) arising on financial assets designated as at FVTPL :-		
- Realised	209.71	1,550.54
- Unrealised	-	-
Rent income	403.04	350.42
Interest on IT refund	540.25	334.69
Interest on Other Loans & Advances	18,616.47	22,153.55
Other recoveries from Contractors/Suppliers	8.70	20.46
Miscellaneous income	6,719.57	10,090.05
Net proceeds from sale of scrap	1,485.00	907.68
Provisions written back	-	182.53
Amortization of capital grant	15,125.38	10,998.93
Rebate Claim on Power Purchase	143.55	1,032.72
<b>Total Other Income</b>	<b>48,541.60</b>	<b>52,152.74</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019  
All amounts are in INR Lakhs unless otherwise stated

### Note no -23 Cost of fuel

Rs. in Lakhs

Particulars	For the year ended 31 March, 2019	For the year ended 31st March, 2018
Cost of Coal Consumed	2,71,487.84	2,50,770.92
HSD, Furnace Oil, Rice Husk (including handling and transportation exp)	26,713.05	23,403.73
Provision for Shortage in Coal, Furnace Oil and HSD	667.33	564.07
<b>Total</b>	<b>2,98,868.22</b>	<b>2,74,738.72</b>

### Note no -23a Cost of power purchase

Rs. in Lakhs

Particulars	For the year ended 31 March, 2019	For the year ended 31st March, 2018
Power purchase	4,81,206.93	4,17,449.09
Transmission charges	55,422.76	37,365.65
	-	-
<b>Total</b>	<b>5,36,629.69</b>	<b>4,54,814.73</b>



# Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

## Note no -24 Employee Benefits Expense

Particulars	Rs. in Lakhs	
	For the year ended 31 March, 2019	For the year ended 31st March, 2018
Salaries, wages and bonus	1,50,981.36	1,49,325.79
Contribution to provident and other funds	3,756.38	3,431.22
Gratuity & Pension	90,272.28	80,569.33
Leave Encashment	21,535.58	16,974.76
Other staff costs	1,997.73	2,245.16
Staff welfare expenses	2,184.85	752.31
Less: Employee benefit expense capitalised	(6,172.08)	(5,625.88)
<b>Total Employee Benefit Expense</b>	<b>2,64,556.10</b>	<b>2,47,672.70</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note no -25 Finance Cost

Rs. in Lakhs

Particulars	For the year ended 31 March, 2019	For the year ended 31st March, 2018
(a) Interest expense on borrowing		
Term loans	1,11,744.81	1,15,147.73
Working capital loans	19,260.46	21,779.33
State Government loans	1,296.36	1,579.73
Bonds	4,757.70	4,757.70
Security Deposit from Consumers	12,576.14	10,196.51
Others	0.80	0.73
Less: Amounts included in the cost of qualifying assets	(2,872.17)	(653.41)
(b) Bank charges	604.20	402.07
<b>Total finance costs</b>	<b>1,47,368.32</b>	<b>1,53,210.40</b>



# Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

## Note no -26 Other Expenses

Rs. in Lakhs

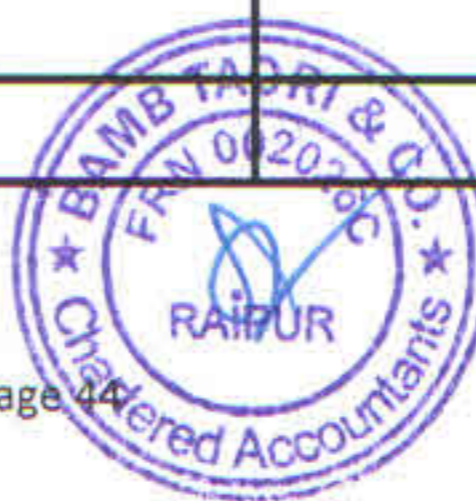
Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Repairs and maintenance:		
(i) Plant & machinery	48,852.12	37,673.01
(ii) Building	7,400.09	5,603.49
(iii) Others	5,533.19	2,614.70
Power expense	3,140.70	4,487.63
Rent, Rates and Taxes	1,316.88	1,661.01
Insurance charges	7.38	13.28
Vehicle Running, Hiring and Maintenance charges	3,758.68	2,912.21
Advertisement	-	0.22
Computer R&M	0.08	0.11
Lubricants, consumable stores and station supplies	1,222.74	1,267.00
Water Charges	13,407.59	12,704.73
SLDC Charges	-	-
Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	33.31	30.99
(ii) For Taxation matters	6.34	5.50
Other expenses		
(i) Provision for shortages in inventory	81.63	222.17
(ii) Energy Charges Payable to BSSUKM	224.40	232.41
(iii) Legal and other professional costs	1,646.84	2,320.10
(iv) Reimbursement of expenses to CSPHCL	3,907.74	3,717.46
(v) Meter reading and other merchandising costs	11,371.37	6,711.08
(vi) Other General Expenses	12,895.82	4,697.17
(vii) Expenses on corporate social responsibility *	820.61	580.85
(viii) Interest on deposit of Govt. of GC A/c	7.95	-
Less: Other expenses Capitalised	(3,528.34)	(2,026.62)
<b>Total Other Expenses</b>	<b>1,12,107.14</b>	<b>85,428.50</b>

### Note: Payment to auditors

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Auditor's Remuneration (Statutory Audit)	34.77	33.75
-for taxation	5.64	5.64
Reimbursement of Expenses	0.15	0.16
<b>Total</b>	<b>40.56</b>	<b>39.55</b>

### Note no -26a Exceptional Items

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Delay Payment Surcharge Payable to CSPTCL W/off	-	-
Embezzlement/Fraud	(46.33)	-
Trade Receivable w/off due to Arbitral Award	(14,857.12)	-
Provision for Expected Credit Loss	(799.55)	-
Govt subsidies receivable written off	(1,870.89)	13,343.49
Claim Receivable from Government of Chhattisgarh W/off	-	9,660.00
Written off government grants receivable	-	4,304.92
<b>Total</b>	<b>(17,573.89)</b>	<b>27,308.41</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

### Note - 26b: Current Tax and Deferred Tax

Rs. in Lakhs

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Current Tax:</b>		
Current Income Tax Charge	9,858.56	6,058.20
<b>Deferred Tax</b>	14,355.67	(11,632.60)
MAT credit entitlement*	(11,097.91)	(6,956.98)
<b>Total Tax Expense recognised in profit and loss account</b>	<b>13,116.31</b>	<b>(12,531.38)</b>



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

All amounts are in INR Lakhs unless otherwise stated

Note 27 Basic / diluted earnings per equity share (EPS) have been calculated as under:

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
	(Rs. in Lakhs)	(Rs. in Lakhs)
Profit for the year	98,658.02	1,20,730.86
<b>Number of Equity Shares</b>		
Weighted average number of equity shares outstanding :-		
For Basic EPS	6,59,18,91,757.51	6,41,60,50,000.00
For Diluted EPS	6,59,18,91,757.51	6,59,18,91,757.51
Basic EPS (Rs.)	1.50	1.88
Diluted EPS (Rs.)	1.50	1.83
Nominal value of an equity Share (Rs.)	10.00	10.00

### Footnote:

27.1 Weighted average number of Equity Shares outstanding during the year:

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
	Numbers	Numbers
Weighted average number of shares outstanding during the year – for calculating basic EPS	6,59,18,91,757.51	6,41,60,50,000.00
<b>Add:</b> Weighted average number of potential equity shares that could arise on conversion	-	17,58,41,757.51
<b>Total</b>	<b>6,59,18,91,757.51</b>	<b>6,59,18,91,757.51</b>



# Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

## Note

In exercise of the powers conferred by Section 131 read with sub-section (1) and (2) of Section 133 of the Electricity Act, 2003 (Central Act 36 of 2003), State Government (means the Government of Chhattisgarh) vide notification no. F-21/13/2009/13/2 dt.31.03.2010 notified the Chhattisgarh State Electricity Board Transfer Scheme Rules, 2010 (hereinafter referred to as 'transfer scheme rules') in regard to the transfer of properties, undertakings, interests, rights, obligations, liabilities, personnel and proceedings from Chhattisgarh State Electricity Board (hereinafter referred to as Board) to its Successor Companies viz., Chhattisgarh State Power Generation Company Ltd. (CSPGCL), Chhattisgarh State Power Distribution Company Ltd (CSPDCL), Chhattisgarh State Power Transmission Company Limited (CSPTCL), Chhattisgarh State Power Trading Company Limited (CSPTCL) and Chhattisgarh State Power Holding Company Limited (CSPHCL).

Under rule (3) (I) of the transfer scheme rules, the Chhattisgarh State Power Holding Company Limited, has been incorporated under the Companies Act, 1956 with the main object of undertaking the coordination activities between Generation Company, Distribution Company, Transmission Company and Trading Company for smooth functioning of the above mentioned Successor Companies and to function as an investment company to all the above Successor Companies. The primary function of CSPHCL has been defined under part II of the Schedule V of the Transfer Scheme Rules.

### Note 28.1: Provisional allocation of Personnel pursuant to Transfer Scheme:

i. Under rule 8 (b) of the transfer scheme rules, the Personnel of the erstwhile Board shall stand assigned to the services of the Generation Company, Distribution Company, Transmission Company, Holding Company and Trading Company as the case may be on the appointed date, on as is where is basis, namely, that they will continue to serve in the place where they are working on the Appointed date, till further orders of the State Government. . The Govt of Chhattisgarh vide notification No. F/21/13/2/2009/ dt. 30.12.2014 has extended such permanent absorption period till One Hundred Thirty Two months from appointed date.

ii. The Personnel transferred to the Transferees, shall be deemed to have entered into an agreement with the Transferee concerned to repay loans, advances and other sums due or otherwise perform obligations undertaken by them to the erstwhile Board which remain outstanding as on the Appointed Date, on the same terms and conditions as contained in the arrangement with the erstwhile Board.

iii. However, all employees of CSPHCL are working on deputation basis and as such there is no employee who belongs to this company.

**Note 28.2:** As per provisions under transfer scheme, CSPHCL is dealing with pending legal matters of erstwhile CSEB related with Income Tax and assets & liabilities related matters pertaining to re-organization of erstwhile MPEB. However, as per the provisions of the Schedule-V, Part-II, clause d(i) of Transfer Scheme Rules, the Holding Company shall discharge all liabilities of the erstwhile CSEB and in turn recover the same amount from the Generation Company, Transmission Company, Distribution Company and the Trading Company. Hence, disputed liabilities pending litigations are not contingent liability of CSPHCL.





## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

### 29. Financial instruments

#### 29.1 Capital management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through non convertible debt securities or other long-term /short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The capital components of the Company are as given below:

The gearing ratio at end of the reporting period was as follows.

Particulars	Rs. in Lakhs	
	As at 31st March, 2019	As at 31st March, 2018
Debt	14,00,159.36	14,37,949.77
Cash and bank balances	32,790.08	1,65,932.42
Net debt	<b>13,67,369.28</b>	<b>12,72,017.34</b>
Total Equity (ii)	<b>3,18,687.45</b>	<b>2,43,144.95</b>
<b>Net debt to equity ratio</b>	<b>4.29</b>	<b>5.23</b>

(i) Debt is defined as long-term and short-term borrowings and current maturities of non current borrowings classified under other financial liabilities

(ii) Equity is defined as Equity share capital and other equity including reserves and surplus



## 29.2 Financial instruments – Fair values and risk management

### Categories of Financial Instruments:

Rs. in Lakhs

	31 March 2019			31 March 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
Investments in mutual funds	-	-	-	18,989.51		
Investments in debentures			-			60.00
Trade receivables			8,65,105.33			5,84,895.41
Cash and cash equivalents			32,414.24			1,62,937.12
Other Bank Balances			375.84			2,910.72
Loans			252.76			278.14
Other financial assets			15,836.54			29,044.10
<b>Total</b>	-	-	<b>9,13,984.71</b>	<b>18,989.51</b>	-	<b>7,80,125.49</b>
<b>Financial liabilities</b>						
Borrowings			12,35,861.54			12,76,062.74
Trade Payables			2,52,182.14			2,20,421.58
Other financial liabilities			6,30,376.21			5,50,667.90
<b>Total</b>	-	-	<b>21,18,419.89</b>	-	-	<b>20,47,152.22</b>

Management believes that the carrying amounts of financial assets and financial liabilities recognised in these financial statements approximate their fair values, hence the fair value disclosures are not given.

### 29.3 Financial risk management objectives

The company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's Corporate Treasury function manages the financial risks relating to the operation of the Company. These risks include Interest risk, credit risk and liquidity risk.



### 29.3.1 Interest rate risk management

Interest rate risk arises from the potential changes in interest rates that may have adverse effects on the Company in the reporting period or in future years. Interest rate risk is the risk that the future cash flows with respect to interest payments on borrowings will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations.

#### Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for term loans at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans that have floating rates. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected.

With all other variables held constant, the Company's profit before tax is affected through the impact on rate of borrowings, as follows:

	Rs. in Lakhs	
	Increase/ decrease in basis points	Effect on profit before tax
31-Mar-19	50	6,932.91
31-Mar-18	50	7,121.87

### 29.3.2 Credit risk management

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Financial assets that potentially expose the Company to credit risks are listed below:

	Rs. in Lakhs	
Financial Assets	As at 31st March 2019 (Rs.)	As at 31st March 2018 (Rs.)
Trade Receivables	8,65,105.33	5,84,895.41
Loans	252.76	278.14
Other financial assets	15,836.54	29,044.10
<b>Total</b>	<b>8,81,195</b>	<b>6,14,218</b>



### 29.3.3 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The maturity profile of the financial assets are listed below:

#### Expected contractual maturity for Financial Liabilities

**Rs. in Lakhs**

	<b>Upto 1 Year</b>	<b>1-5 years</b>	<b>5+ years</b>	<b>Total</b>
<b>March 31, 2019</b>				
Borrowings (Principal and interest)	2,08,207.57	5,68,702.90	5,51,008.41	<b>13,27,918.88</b>
Trade Payables	2,52,182.14	-	-	<b>2,52,182.14</b>
Other financial liabilities	6,26,068.10	8.84	4,299.27	<b>6,30,376.21</b>
	<b>10,86,457.81</b>	<b>5,68,711.74</b>	<b>5,55,307.68</b>	<b>22,10,477.23</b>
<b>March 31, 2018</b>				
Borrowings (Principal and interest)	1,57,454.93	6,19,394.67	5,75,162.96	<b>13,52,012.56</b>
Trade Payables	2,20,421.58	-	-	<b>2,20,421.58</b>
Other financial liabilities	5,46,355.38	8.04	4,304.49	<b>5,50,667.90</b>
	<b>9,24,231.89</b>	<b>6,19,402.71</b>	<b>5,79,467.45</b>	<b>21,23,102.05</b>



<b>CSPTCL</b>	<b>Upto 1 Year</b>	<b>1-5 years</b>	<b>5+ Years</b>	<b>Total</b>
<b>March 31, 2019</b>				
Borrowings	20,837.37	56,813.93	71,295.37	<b>1,48,946.67</b>
Trade Payables	18,061.96	-	-	<b>18,061.96</b>
Other financial liability	17,687.39	-	4,299.27	<b>21,986.66</b>
	<b>56,586.72</b>	<b>56,813.93</b>	<b>75,594.64</b>	<b>1,88,995.29</b>
<b>March 31, 2018</b>				
Borrowings	-	54,831.77	53,770.99	<b>1,08,602.75</b>
Trade Payables	6,344.76	-	-	<b>6,344.76</b>
Other financial liability	31,427.92	-	4,304.49	<b>35,732.41</b>
	<b>37,772.69</b>	<b>54,831.77</b>	<b>58,075.48</b>	<b>1,50,679.93</b>

<b>CSPGCL</b>	<b>Upto 1 Year</b>	<b>1-5 years</b>	<b>5+ years</b>	<b>Total</b>
<b>March 31, 2019</b>				
Borrowings	99,997.68	3,66,636.12	3,83,293.44	<b>8,49,927.24</b>
Trade Payables	47,461.46	-	-	<b>47,461.46</b>
Other financial liability	1,33,388.88	8.84	-	<b>1,33,397.72</b>
	<b>2,80,848.03</b>	<b>3,66,644.96</b>	<b>3,83,293.44</b>	<b>10,30,786.43</b>
<b>March 31, 2018</b>				
Borrowings	77,856.52	3,87,217.32	4,32,712.36	<b>8,97,786.20</b>
Trade Payables	58,624.84	-	-	<b>58,624.84</b>
Other financial liability	1,47,184.34	8.04	-	<b>1,47,192.38</b>
	<b>2,83,665.70</b>	<b>3,87,225.36</b>	<b>4,32,712.36</b>	<b>11,03,603.42</b>



CSPDCL	Upto 1 Year	1-5 years	5+ years	Total
<b>March 31, 2019</b>				
Borrowings	87,372.52	1,45,252.85	96,419.60	<b>3,29,044.97</b>
Trade Payables	5,42,443.48	-	-	<b>5,42,443.48</b>
Other financial liability	4,44,234.40			<b>4,44,234.40</b>
	<b>10,74,050.40</b>	<b>1,45,252.85</b>	<b>96,419.60</b>	<b>13,15,722.85</b>
<b>March 31, 2018</b>				
Borrowings	79,598.41	1,77,345.58	88,679.62	<b>3,45,623.61</b>
Trade Payables	3,06,932.49	-	-	<b>3,06,932.49</b>
Other financial liability	3,52,329.00			<b>3,52,329.00</b>
	<b>7,38,859.90</b>	<b>1,77,345.58</b>	<b>88,679.62</b>	<b>10,04,885.10</b>



## **Chhattisgarh State Power Holding Company Limited**

**Notes to the consolidated financial statements for the year ended 31st March, 2019**

### **Note 30: Contingent Liabilities**

#### **A. CSPHCL: Nil**

However, Contingent Liabilities arising due to Reorganization of MPEB into MPSEB and CSEB and common to CSPGCL, CSPTCL & CSPDCL are as under :-

- i. On bifurcation of erstwhile state of Madhya Pradesh, MPEB had sustained tax loss of Rs. 1,422.46 Cr and Rs. 993.65 Cr in FY 1999-2000 and FY 2000-01 respectively, aggregating to Rs. 2,416.11 Cr. As per section 65 of Madhya Pradesh Reorganization Act (MPRA), the Central Government has been empowered to make rules for bifurcation of these tax losses of MPEB between MPSEB and CSEB. However, no such rules have been made by the Central Government so far.
- ii. In absence of such rules, for the purpose of this computation, CSEB has claimed its share of Rs. 554.98 Cr in the brought forward tax losses of MPEB in power consumption ratio of 77.03:22.97 (MPSEB:CSEB), as laid down by the Central Government in its Notification dated November 4th, 2004 for allocation of current assets and liabilities of MPEB. Board's tax liabilities may vary based on the outcome of Rules to be issued by Central Government u/s 65 of MPRA 2000. Accordingly, any liability arising on non-framing of said rules may have an adverse financial implication on the successor companies of erstwhile CSEB.
- iii. After the re-organization of the erstwhile MPEB and subsequent formation of successor boards i.e. MPSEB and CSEB, the matter regarding apportionment of pension and gratuity liabilities between the two boards has not been settled so far. The pension and gratuity liabilities were to be apportioned between MPSEB and CSEB in accordance with Schedule - VI of the M.P. Reorganization act - 2000 and settled on yearly basis. In a meeting convened by Ministry of Power, Government of India at New Delhi on 22.12.2008, it was mutually agreed between MPSEB and CSEB that the pension liability shall be settled between MPSEB and CSEB under one time settlement. The actuary firm, M/s Thanawala Consultancy Services was appointed on mutual consent of MPSEB and CSPHCL for carrying out actuarial valuation for the purpose of calculating the one time settlement amount. The firm had submitted its draft report. However certain discrepancies were observed in the data furnished by MPSEB which were likely to impact the settlement amount to a considerable extent. This was brought to the notice of actuary firm and MPPMCL and it was requested to verify and furnish the corrected data. MPPMCL has not made available the correct data. GoI, MoP have been requested to insist upon MPPMCL for rectification of pensioners data as also for settlement of all pending issues having financial implication. BoD of CSPHCL in its meeting dt.05-05-2018 has decided that in the event MPPMCL do not rectify the relevant data, CSPHCL may agree to CSEB's liability towards one time pension settlement payable to MPSEB limited to Rs 180 crore as on 01-11-2000 (value date Rs 389.77 crore as on 31-03-12). Accordingly, the net amount payable by successor companies of CSEB after adjustment of receivable under various head is as under :-



Sl. No.	Particulars	Amount (Rs in cr)
1	Payable to MPSEB towards one time pension settlement (as on 31.03.2012)	389.77
	Less: Receivable from MPSEB (as on 31.03.2012)**	
2(i)	Remittance of Revenue from RAOs during 15/11/2000 to 30/11/2000 to Jabalpur of erstwhile MPEB*	88.39
(ii)	SLR/PP Bond liability	66.52
(iii)	Excess settlement of liability towards IDBI/SIDBI	4.28
(iv)	Interest on the REC's refund excess settlement amount of Rs. 215.00 Cr. From the period 01/01/2010 to 28/12/2010	9.36
(v)	Excess payment to Canfin withheld by MPSEB	0.69
	<b>Subtotal (i to v)</b>	<b>169.24</b>
	Less :	
3	CSEB's share of GTIS Transferred by LIC to MPPMCL	53.83
	<b>Net Payable to MPSEB (1-2-3)</b>	<b>166.70</b>

\*\* Payable in respect of items at S. No. 2(ii) to 2(v) has been accepted by MPPMCL. However, payable in respect of item at S. No. 2(i) not accepted as on date.

iv. As such the provision for liability to the tune of Rs. 166.70 crore has been made in books by concerned power companies in the ratio prescribed in opening balance sheet for allocation of employees related liabilities (CSPGCL: CSPTCL : CSPDCL :: 26.83%:10.61%:62.56% ). However, the balance liability, if any based on actual settlement on this account shall devolve on successor companies, i.e. CSPGCL, CSPTCL and CSPDCL.

v. Erstwhile MPEB had filed Income Tax Return for FY 1999-2000 and 2000-01 beyond the due date as prescribed in the Income Tax Act. The MPSEB had filed application for condonation of delay before CBDT. Accordingly the delay in filing of return for AY 2000-01 has been condoned by CBDT, whereas no relief had been granted for AY 1999-2000. CSEB has also moved application for condonation of delay of return filed by MPSEB for these years and CBDT has taken same view as in the application of MPSEB. CSPHCL has filed a writ petition against order of CBDT before Hon'ble High Court of Bilaspur. Any adverse outcome of the case may have financial implication on the successor companies of erstwhile CSEB.

vi. The demand has been raised against CSEB by Income Tax department after income assessment of AY 2003-04 & onwards. The Board has filed appeal against these orders and cases are pending before various authorities. The liability may arise based on outcome of these cases. The year wise gross disputed demand and tax paid against such liabilities are as under :-





Sl. No.	Assessment Year	Gross disputed Tax Liability in Crores	Authority before which case is pending
1	2003-04	277.38	Pending before Hon'ble High Court of Chhattisgarh & Appellate Tribunal, Mumbai
2	2006-07	373.36	Income Tax Appellate Tribunal (ITAT), Mumbai has passed order in favour of CSEB. However, IT department misinterpreted the above factual and legal position and the orders of CIT (Appeal) and ITAT, assessed the income at Rs. 840.75 Crs & served a demand notice of Rs. 269.60 crore. The appeal filed against above demand notice before CIT (Appeal) has also been rejected. The final Hearing before ITAT, Mumbai, completed on 1.9.2015, order awaited.
3	2008-09	92.19	The matter is pending before CIT (Appeal), Raipur

Any adverse outcome in the Income Tax cases referred above may have an adverse financial implication on the successor companies i.e. CSPGCL, CSPDCL and CSPTCL of erstwhile CSEB.

#### B. CSPGCL:

a. The EPC order issued to M/s CMEC, China for turnkey execution of 2x300 M.W Korba (West) TPP on 12.10.07. However, M/s CMEC failed to accept the LoA as well as signing the contract agreement within the stipulated period. Owing to default by CMEC, LoA issued to the firm vide No. 566 & 567 dated 12.07.07 has been cancelled and bid security was forfeited amounting to \$8 million. On 29.09.07, M/s CMEC, China filed an injunction suit in District Court, Raipur seeking injunction & praying for preventing Bank of China to remit the Bid security amount to State Bank of India, Raipur to credit the amount to CSEB. However, pending the decision of the court, Bank of China remitted the amount through State Bank of India, Raipur and amount was credited to CSEB account on 12/10/2007. The matter has been decided by the session court in favour of M/s. CMEC, the verdict of lower court has been challenged by the company in the High Court of Chhattisgarh on 01st August 2011 and is still pending for disposal.

b. Asstt. Labour Commissioner had levied building & construction cess @1% on the complete cost of construction of 1x500 MW Korba West Extn. and 2x500 MW Marwa TPP as per Building and Other Construction Workers' Welfare Cess Act, 1996 amounting to Rs. 28.16 Crs (approx.) for Korba West Extn. and Rs. 52.60 Crs (approx.) for Marwa TPP. Hon'ble High Court, Bilaspur has granted stay on the Writ Petition filed by the company against levy of building construction cess. In this regard Rs. 6.58 Crs and Rs. 9.90 Crs has already been paid for Korba West Extn. and Marwa TPP respectively. The balance Rs. 21.58 Crs and Rs. 42.70 Crs for Korba West Extn. and Marwa TPP respectively has therefore been kept on hold till finality of case.



c. The disputed water charges claimed by Water Resource Department have not been paid by CSPGCL and representation has been made to the State Government of Chhattisgarh for waiver. Details of power station wise disputed liabilities are as under:

Name of Power Station	Unpaid amount (Rs. in Crs)		Reason for non-payment
HTPS, Korba West	161.8		WRD has charged evaporation loss @5% of water discharged, however, the said loss is not in line with norms of 0.5% fixed by Central Govt., CSPGCL has therefore made representation before WRD and also GOCCG. Moreover, there are disputes with regard to measurement of water quantity.
HBHPS, Machadoli	0.65		HBHPS, Machadoli - Actual run beyond the schedule period matter represented with WRD for waiver.
KTPS, Korba East	1026.23		WRD raised water charges bill as per allocated quota as per terms of agreement. However, the actual consumption of water is very less and therefore CSPGCL passes bills of WRD on the basis of actual water consumption. CSPGCL, has made an application with GOCCG for waiver of additional claim of WRD, the matter is under persuasion.
1x500 MW Korba West	29.64		WRD has change amount due to non-execution of agreement for allotted quantity. The matter is under correspondence stage.
Bango	0.26		WRD has change amount due to non-execution of agreement for allotted quantity. The matter is under correspondence stage.

However it would be pertinent to mention that as per regulation no. 40.1(c) of MYT Regulation 2012 issued by CSERC, water charges shall be pass through tariff on reimbursement basis.

d. Alstom Projects India Ltd. has raised liability towards interest on account of delayed payments by CSPGCL amounting to Rs. 80.74 Lakh against various orders placed for mitigation of AH, Health recovery of ESP and Renovation of Cold Reheat hangers installed at Unit No. 3&4 of HTPS, Korba.

e. CSPGCL has forfeited security deposit of Rs. 3.57 lakh and has deducted penalty due to poor workmanship & delay in execution of work by M/s. Mohd. Kasim, Korba against order No. 021-10/BLR/T-200/2005/ORD/2341 dated 07.06.05 placed for AOH of ESP of unit No. 3&4 of HTPS Korba. The contractor has resorted to civil suit against the action of CSPGCL; the matter is pending with District Judge, Korba for arbitration.



f. Revenue land of 50.73 Acres was acquired in the year 1981 for ash bund Danganiakhar for HTPS, Korba West. Tahasildar, Katghora has issued a demand note dated 29.11.1996 for Rs. 1,93,14,536/- toward premium and annual ground rent with interest. Meanwhile Tahasildar has seized the Account of MPEB. The action of Tahsildar was challenged in Hon'ble High Court of Jabalpur, wherein stay was granted in favour of erstwhile MPEB. Case was transferred to Hon'ble High Court Bilaspur after formation of Chhattisgarh. CSPGCL has pleaded for notional rent (@ Rs. 1.00) as per order dated 08.07.1997 of Government of Madhya Pradesh. However, Hon'ble High Court Bilaspur vide order dated 02.07.2013 has directed for amicable settlement of matter between the two parties as both the parties are related to State Government. The company has accordingly made representation vide letter no. 04-04/1820 dated 01.01.2015 before Principal Secretary (Revenue) Government of Chhattisgarh for waiver of demand amounting to Rs. 1.93 cr. Representation made to revenue department GOCG has not been considered and conveyed to this office vide letter no.F-8-13/7-1/2016 Naya Raipur dtd. 09.05.2016. Legal advice is being obtained from advocate. As per prevailing norms Government land is allotted to Chhattisgarh power company at token lease of Rs. 1/-.

g. Nagar Palika Nigam, Korba has demanded additional Property tax for HTPS Korba West (F.Y. 2008-09) Rs. 2.17 crs & Rs. 1.89 crs against DSPM (F.Y.2000-01 to 2009-10). Writ petition (No. 1345 & 1248) was filed in Hon'ble High Court Bilaspur, against which Hon'ble High Court vide order No. 36286/14 & 36287/14 has directed not to recover additional property tax from the company by Municipal Corporation, Korba. However, Nagar Palika Nigam has applied for review petition against the said order before the Hon'ble High Court Bilaspur. After legal opinion a reply has been submitted to Nagar Palika Nigam. In another case, wherein, Nagar Nigam Korba has issued also issued demand of Rs. 15.75 crore against property tax of Building and Structure of 1\*500 MW Extn unit of Korba West. This property tax include the tax on cooling tower considering the 20 feet height. The company against the said demand filed representation before the competent authority of Government of Chhattisgarh regarding levy of Property tax claim of Rs. 15.75 crore of which decision is still awaited.

h. The demand of Rs. 36,17,705/- has been raised by Additional Commissioner of Commercial tax Appeal for FY 2008-09. CSPGCL has filed appeal before Appellate Tribunal, Commercial tax. The company has deposited Rs. 12,80,019/- against the said demand before filing appeal.

i. Claim of Rs. 256.10 cr (up to 31st March 2019) has been lodged by SECL against adjustment/deduction of grade slippage, UHV sizing charges, excess amount recovered by CSEB, taxes & duties etc made by the company against the bill of SECL, the company has already accounted for Rs. 152.32 cr in its books of accounts and for balance of Rs. 103.79 cr, SECL is reluctant to accept this deductions. The matter is under correspondence stage with SECL. Further, SECL has also raised claim against interest on delayed payment of Rs. 224.26 crores against which company in earlier years provided Rs. 21.83 crores. However, since the accounts with SECL is subject to reconciliation, the company has not provided any penalty/Interest on delayed payments thereafter.

j. The company through the online system of Income Tax Department has retrieved that an amount of Rs. 1.17 crore is outstanding against TDS liability for Short Deduction/ Short Payment and corresponding interest including late filing fees and interest. The company is in process of obtaining necessary information of such distinguished cases from its decentralized office and Income Tax Department and liability will be provided only after due appraisal on cases to case basis.



- k. M/s Track & Towers Infratech (P) Limited has lodged arbitration case before the sole arbitrator SH T.K. DHAR, Noida of Rs. 1,61,54,521/- Regarding work awarded for execution of earth work in foundation/construction of minor bridges P-way works etc. in connection with construction of 2x250 MW DSPM- TPS Korba East.
- l. M/s ARSS ATLANTA (JV) has lodged claim of Rs. 3568.94 Lakhs which is under arbitration before sole Arbitrator Justice A.P. Deshpandey (Retd.) Nagpur, Sole Arbitrator Court, for payment towards construction of Rail Infra facility for transportation of coal from Naila Railway Station to proposed project site package-III Marwa.
- m. Claim of Rs. 741.49 Lakhs of M/s NCCL T & T (Jr.) for payment towards construction of Rail Infra facility for transportation of coal from Naila Railway Station to proposed site for 2x500 MW, MTTPP. The matter is pending before Hon'ble NCLT Cuttack Orissa.
- n. Claim of Rs. 4.84 Lakhs of M/s Ghaj Construction Ltd. against construction of ROB of size to 2x30M composite bidder (Bridge No. CSEB 21) at Ch: 12446.138 on Champa- Tendubhata road in connection with railway siding work for CSPGCL Marwa. The matter is under corrodence stage.
- o. Claim of Rs. 35.23 Lakhs of CSPDCL for electricity bill of colony street light, pump house, schools, clubs, Erector hostel, VIP guest house etc. Correspondence being made with the officials of CSPDCL for clarification.
- p. Demand was raised by the employees state Insurance Corporation (ESIC) under Section 45A of ESI Act, 1948 on Dr. Shyama Prasad Mukherjee Thermal Power Station, Korba (East) (DSPM) and Hasdeo Thermal Power Station, Korba (West) (HTPS) OF Rs. 3.16 crore the company has already deposited an amount of Rs. 1.52 Crore (Rs. 1.03 Crore for DSPM & Rs. 0.49 Crore for HTPS) for appealing the above demand before Hon'ble Labour Court, Korba the above of Rs. 1.52 Crore has been made during FY 2012-13). The statement of disputed demand are as under :-

Contribution to be paid by company as per demand	Rs. 316.35 Lakhs
(-) Contribution already paid by company	Rs. 132.39 Lakhs
(-) Amount paid by company for appeal before Labour Court	Rs. 152.40 Lakhs
Balance liability	Rs. 31.56 Lakhs

**C. CSPTCL:**

- i. CSPTCL has filed appeal before Custom, Excise and Service Tax Appellate Tribunal against the following orders of Commissioner (Appeal) Central Excise confirming the demand of excise duty on materials fabricated in fabrication workshop of CSPTCL. In Appeal, CSPTCL has claimed for following CENVAT credits:



Sl. No.	Date of order of commissioner (Appeal)	Amt(in crores) of demand of ED & Cess in order	Amt in crores of CENVAT claimed by CSPTCL
1	E/11116/2010Ex(DBOIANo.13/RPR-II/2010 dtd. 18.02.2010	1.28	1.48
2	E/11117/2010EX(DB)(OIA14/RPR-II/2010 dtd. 18.02.2010)	8.82	8.57
3	E/11118/2010EX(DB)(OIA 15/RPR-II/2010 dtd. 18.02.2010)	1.17	0.72
4	E/281/2010EX(DB)(OIA 49/RPR-II/2010 dtd.30.11.2010)	0.46	0.37
5	E/282/2010EX(DB)(OIA 50/RPR-II/2010 dtd 30.11.2010)	0.21	0.23
6	E/380/2010EX(DB) (OIA 35/RPR-II/2010 dtd 19.04.2011)	0.44	0.36
7	E/58719/2013EX(DB) dtd. 30.04.2013	0.45	Nil
8	E/58720/2013EX(DB) dtd. 30.04.2013	0.9	Nil
9	E/58721/2013EX(DB) dtd. 30.04.2013	0.92	Nil
10	E/58722/2013EX(DB) dtd. 30.04.2013	0.91	Nil

ii. The company through the online system of Income Tax Department has retrieved that an amount of Rs. 0.70 lakh is outstanding against TDS liability (Short Deduction) and corresponding interest of Rs. 0.02 lakh against delay in short deduction and also 10.55 lakh is outstanding against TDS liability (Short Payment) and its corresponding interest is of Rs. 1.02 lakh. The company is in process of obtaining necessary information of such distinguished cases from its decentralized office and Income Tax Department and liability will be provided only after due appraisal on cases to case basis.



iii. Cases have been filed against CSPTCL by various power generators on account of dispute arising due to levy of UI charges with regard to scheduling of power under short term open access by these generators/sellers which in the opinion of the company amounts to embedded generation in state's electricity supply system. The matter is pending before various forum's of which brief detail are provided in table below:

S.No.	Petitioner Name	Subject Matter	Petition No.	Amount involved (Rs. in Cr.)	Forum
1	NSPCL	UI	53/MP/2012 & 462/MP/2014	1.02	CERC, New Delhi
2	BALCO	TC	2067/2014	1.93	Supreme Court of India

Any liability arising in the hands of CSPTCL in respect of afore said cases shall be recovered from CSPDCL.

Details of other miscellaneous cases filed against the company are provided in table below:

S.No.	Particulars of Cases	Amount in Rs
1	W/C case no.42/Fatal of 2014, Compensation due to death of Late Sanju Singh -pending before Court of the Commissioner for workmen's compensation, Labor Court No.01, Jabalpur	10,08,000
2	Case No. 479/2015, Manish Kumar khunte vs Shankar rao pending in MACT Raipurfor accidental loss compensation(motor accident). Against the claimed amount, the court has ordered the insurance company to award the compensation of Rs. 131,900/-.	11,80,000
3	Case No.96/PGA/2013, Gratuity payment to Radheshayam Yadav under The Payment on Gratuity Act, 1972.	20,359
4	Shri Bhagwan Das Bajaj, Contractor Chakradhar Nagar, Raigarh - Hearing Dated 14.12.2018.	1,33,000
5	M/s Agrawal salt co., Bikaner vs CSPTCL pending before High Court at Jodhpur, Rajasthan, since CSPTCL has forfeited Security deposit in lieu of non compliance of terms mentioned in purchase order by petitioner, against which case have been filed against CSPTCL.	3,57,765
6	M/s AV Forgings, Mohali Punjab Vs CE (Trans) & GM (Finance) CSPTCL, Raipur pending before Industrial facilitation council, Punjab since CSPTCL has forfeited Security deposit in lieu of non compliance of terms mentioned in purchase order by petitioner, against which case have been filed against CSPTCL.	4,48,110
7	Phoolchand Chandra v/s CSEB, Tifra, Bilaspur WP (C) No.45/2015 for compensation against Land, tree and crops.	1,36,981
8	CIVIL SUIT No. 3B/2015 Manohar Masih vs CSPDCL pending in district court Mungeli.	6,90,000
9	Case No. U.R./2008, Motor accident claim (Vehicle Number CG 07 ZC 4375)	No Financial Impact
10	Case no. 3033/94, MPEB vs. MS Rijvi, regarding leave for technical employees similar to those of ministerial staff.	No Financial Impact





11	Case no.236/2013, CSEB vs. Smt. Meena Sharma, regarding more than one successor.	No Financial Impact
12	Case no. 6793/2014, CSEB vs. ManiramTaram, CSEB Balod, to stop recovery of electricity bill.	No Financial Impact
13	Case no. 60A/2015, CSEB vs. JeluramUikey being guarantor in respect of bank loan, to stop recovery of bank loan from salary of the employee.	No Financial Impact
14	Kumari Haseena Begum vs CSEB	No financial Impact
15	K.S Rajput vs CSEB	No financial Impact
16	Maniram Vishwakarma vs CSEB	No financial Impact
17	Shri A K Ankeya, case pending before Labour Court, Bilaspur for re-instatement of employment.	No Financial Impact
18	Division of pension amount between two wives of Late Kedar Suryavanshi pending before Civil Court, Bilaspur	No Financial Impact
19	Case of successor of Late Mrs. Paraskuwar Bai, pending before Civil Court, Korba	No Financial Impact
20	Shri Gayadas Bald S/o Late Dukalu Das, for Job to dependent for private land acquisition, case pending before Chhattisgarh High Court, Bilaspur	No Financial Impact
21	Shri Suman Lal, S/o Late Aghori Lal for Job to dependent for private land acquisition, case pending before Chhattisgarh High Court, Bilaspur	No Financial Impact
22	Shri Rajesh Kumar Beebe, S/o Late Suresh Kumar Beebe for Job to dependent for Private land acquisition, case pending before Chhattisgarh High Court, Bilaspur	No Financial Impact
23	Shri Halder Prasad Pandey, for Job to dependent for Private land acquisition, case pending before Chhattisgarh High Court, Bilaspur	No Financial Impact
24	Shri Vishnuram Dewangan, for Job to dependent for Private land acquisition, case pending before Chhattisgarh High Court, Bilaspur	No Financial Impact
25	Shri Ram Kumar Pandey, Retired Employee, Salary payment for unauthorise absence, pending before Chhattisgarh High Court, Bilaspur.	No Financial Impact
26	Case no. 2323/2012, Chhotelal vs. CSPTCL, regarding Death/Retirement Claim of his elder brother Late Motiram Nishad, pending before Chhattisgarh High Court, Bilaspur.	No Financial Impact
27	Case no. 1114/2015, Praveen Kumar Thakur vs. CSPTCL, Stay by HC order dt. 06.01.2016.	No Financial Impact
28	Case no. 128/1755 Shashi Kiran Gaurha( Alias Harishankar Gaurha) vs CSPTCL regarding case of successor of late Chandrashekhar Gaurha, pending in forum of Civil Court Korba	No Financial Impact

**Note iv :** Details of other miscellaneous cases filed by the company are provided in table below

S.No.	Particulars of Cases	Amount in Rs
1	Case no. 58A/06, CSEB Vs. ShubhashDhupad regarding illegal possession of land.	No financial impact
2	Case no. 1443/04 CSEB Vs. Ashish Roy (Industrial court civil appeal no. 209/MPIR/A-11/2000)	No financial impact

3	Recovery from contractor Johrimal Agrawal for non execution of contract to construct residential houses. District court has awarded decree in favour of the company but recovery is pending due to non-availability of contractor's address.	11,66,403
4	CSEB vs. Vinod Kumar, Motor accident claim	14,976
5	CSEB vs. Baldau Prasad, Motor accident claim	12,660
6	Private Truck dash the compound wall on workshop DnBhilai which damaged the compound wall. A case is lodged against owner and driver of truck.	28,000
7	Niranjan Singh v/s EE, EHT construction division, Motor accident claim.	3,78,119
8	Case no. 1029/2010 CSEB Vs. Jindal Electricity Ltd. Dishonor of cheque (Cheque no 977591 dated 16.06.2010)	40,00,000
9	Case no. 359/2011 CSEB Vs. Jindal Electricity Generation Ltd. Dishonor of cheque (Cheque no 977592 dated 30.06.2010)	40,00,000

**Note v :**

**The company has filed appeal against order of Entry tax, VAT tax and CST Tax authorities. The liability may be arising based on outcome of the case**

Sl. No.	Financial Year	Nature	Gross Tax Liability demanded	Paid Tax Liability/Relief allowed by department	Unpaid Tax Liability
1	2011-12	Entry Tax	2,28,92,440	42,34,588	1,86,57,852
2	2011-12	VAT	1,38,990	1,38,990	-
3	2011-12	CST	10,720	10,720	-
4	2012-13	VAT	9,97,640	9,97,640	-
5	2012-13	CST	16,64,048	16,64,048	-
6	2013-14	Entry Tax	37,11,134	7,42,227	29,68,907
7	2013-14	VAT	9,80,358	9,80,358	-
8	2013-14	CST	8,14,070	8,14,070	-

Note vi : The Registrar of Companies has filed a petition before Hon'ble Court of Chief Judicial Magistrate, Bilaspur (C.G.) (Petition No. 33/18) for delay in filing of Cost Audit Report U/s 148(6) of the Companies Act'2013 for FY 2014-15, which has been served to the company on 30.07.2019. The matter is pending before Hon'ble court. Estimated liability could be from Rs.25,000- 5,00,000/-

Note vii: One Time Settlement of pension liability with MPSEB:

Consequent upon bifurcation of MPEB into MPSEB and CSEB, certain issues related to settlement of pension liability were pending for resolution and as per communique received from CSPHCL, there is a possibility of additional liability during the course of final settlement with MPSEB.





**D. CSPDCL:**

i: The Jurisdictional Assistant Commissioner of Income Tax has raised a tax demand of Rs. 113.06 crore vide order dt.30/12/2011 passed for Assessment Year 2009-10. The company has sought partial relief against said demand from Commissioner of Income Tax (Appeal) and now the outstanding demand including interest is Rs. 36.20 Crore. The company aggrieved from the order of CIT (A) has preferred an appeal to Income Tax Appellate Tribunal, who have granted stay against recovery of said demand. The matter is pending before ITAT, Mumbai Bench.

ii: The demand has been raised against the company by the Commercial Tax Department after assessment of FY 2010-11 & onwards. The Company has filed appeal against order and cases are pending before The Vanijya Kar Tribunal. The liability may arise based on outcome of the case. The year wise gross disputed demand against such liabilities are as under :-

Sl. No.	Financial Year	Gross Tax Liability disputed in lakh	Remark
1	2010-11	63.79	The Commercial tax department is of the view that liability of VAT exists against Meter Rent considering it as "Transfer of Right to use any Goods". The department has adjusted entry tax refund of Rs. 2.77 lakh against the said outstanding demand. Further, company has deposited Rs. 3.61 lakh before filing appeal before the first appellate authority i.e. Additional Commissioner (Appeal). The first appellate authority has decided the case against the company and now company has paid 20% of Balance Demand i.e., Rs. 11.27 Lakh & filed an appeal before Vanijya Kar Tribunal.
2	2011-12	76.49	The Commercial tax department is of the view that liability of VAT exists against Meter Rent considering it as "Transfer of Right to use any Goods". Further, company has deposited Rs. 1.03 lakh before filing appeal before the first appellate authority i.e. Additional Commissioner (Appeal). The first appellate authority has decided the case against the company and now company has paid 20% of Balance Demand i.e., Rs. 13.58 Lakh & filed an appeal before Vanijya Kar Tribunal.

iii. M/s Balco filed an Appeal before Appellate Tribunal case no. 325/2017 regarding methodology of computing Cross subsidy surcharge payable by EHV( Extra High Voltage) Consumer availing supply through open access from other sources. The matter is in under consideration with the Tribunal & financial implication has yet to be decided.

iv.: There are various appeal matters which are pending before various court of laws i.e. APTEL/Commission/High Court, the details of which are enumerated as under:

S.No.	Name of Parties	Reference of Matter (Appeal No.)	Authority Begore which case is pending	Nature of Dispute	Amount involved (in Lakh)
1	M/s Vandana Global Ltd	265/2015	CSERC	Backing Down Instructions	28.89
2	M/s Vandana Vidvut Ltd	247/2015	SC	Deduction from bill has been challenged	33.05



3	M/s Godavari Power & Ispat Ltd.	22944/2017	SC	APTEL has given order on 27.09.2017. As per this order CSS will be applicable at 50% of the normal rate and POC charges payable at normal rate. CSPDCL and Godavari Power both have challenged this order before Supre Court. CSPDCL's contention is that CSS is applicable 100% rate ,, where as Godavari Power's contention is that the POC is not at all payable. And the POC Charges already paid during FY 2009-10 be adjusted against CSS.	Amount could not be quantified
4	M/s S K S Ispat Ltd.	3038/2018	SC	APTEL has given order on 27.09.2017. As per this order CSS will be applicable at 50% of the normal rate and POC charges payable at normal rate. CSPDCL and S K S Ltd both have challenged this order before Supre Court. CSPDCL's contention is that CSS is applicable 100% rate ,, where as SK S Ltd's contention is that the POC is not at all payable.	Amount could not be quantified
5	M/s Salasar Steel and Power Ltd.	1598/2018	SC	APTEL has given order on 27.09.2017. As per this order CSS will be applicable at 50% of the normal rate and POC charges payable at normal rate. CSPDCL and Salasar Steel Ltd both have challenged this order before Supre Court. CSPDCL's contention is that CSS is applicable 100% rate ,, where as Salasar's contention is that the POC is not at all payable.	Amount could not be quantified
6	M/s Rajaram Maize Products- Solar division	172/2018	APTEL	M/s Rajaram Maize Products- Solar division has preferred this Appeal against Commission's order dtd.03.03.2017 & 14.11.2017 where by Commission has disallowed about 71,85,400 Units injected by the Appellant for any adjustment . If order comes against CSPDCL, then either payment is to be made to Rajaram for these units at the rate decided by APTEL/Commission or adjustment is to be granted towards banking for consumption of the same at Starch Plant.	Amount could not be quantified
7	M/s Sharda Energy & Minerals Ltd.	42/2018	CSERC	Refund of CSS amount recovered by CSPDCL	172.77
8	CREDA , CSPDCL	30/2018, 17/2019 and 64/2018	CSERC	RPO for period FY 2013-14 to 2017-18	Amount could not be quantify



		D B Power	43/2017	CSERC	Rate of variable charges for supply of power.	Amount could not be quantify
9		D B Power	43/2017	CSERC		
10		M/s Balco	325/2017	CSERC	Methodology for Computing Cross Subsidy Surcharge	Amount could not be quantify
11		M/s Real Power Pvt. Ltd.	Appeal No. 339/2016		Parallel Operation Charges	32.01
12		M/s Monnet Ispat & Energy Pvt Ltd	Petition No. 51/2016(M)		Revision of Power Purchase bill for July-14	62.70
13		M/s API Ispat Ltd	Appeal No. 321/2016		Cross Subsidy Charges	19.85
14		M/s Ind Synergy Ltd	Petition No. 38/2016 (D)		Billing Arrears	495.13
15		M/s Chhattisgarh Hydro Power Ltd.	Petition No. 72/2019	CSERC	Payment of Electricity Duty & Water Royalty Charges	128
16		M/s Jindal Steel & Power Ltd.	Petition No. 9528/2014	SC	Unschedule Interchange Charges	502
17		Various Parties	10 Petitions bearing No. 14,15,20,21,23,26,31,55,56,60 & 61 (all of 2019)	CSERC	Billing of VCA Charges	Amount could not be quantify

v. Outstanding Letter of Credit issued against Power Purchase as on 31st March'19 is Rs. 90.60 Crore (PY Rs. 91.34 Crore).

vi. CSPDCL has filed various Appeal vide no. 17/2015, 18/2015 & 106/2016 in respect of FY 2011-12, 2012-13 & 2013-14 respectively regarding quantum of Renewal Power Obligation (RPO) for reduction of carbon emission under National Action plan announced by Government of India for climate change. Further, the company has filed petition before CSERC in the related matter for FY 2014-15.

vii M/s Fatehpuria Transformers & Switchgears (P) Ltd., Jaipur (a supplier of Distribution and Power Transformer in CSPDCL) have filed 13 nos. cases on 30.11.2015 in the MSME Council of Rajasthan at Jaipur, for claiming interest of total Rs. 964.66 lakh on Delayed payment under Micro Small and Medium Enterprises Development Act 2006, against various orders placed by CSEB/CSPDCL. Reply from CSPDCL has been submitted to MSME Council, Jaipur. Hearing of case at MSME, Jaipur is due.

viii M/s Swastik Copper (P) Ltd., Jaipur (a supplier of Distribution and Power Transformer in CSPDCL) have filed 05 nos. cases in 2017 at MSME Council of Rajasthan, Jaipur, for claiming interest of total Rs. 112.00 lakh on delayed payment under Micro Small and Medium Enterprises Development Act 2006, against various orders placed by CSEB/CSPDCL. Reply from CSPDCL has been submitted to MSME Council, Jaipur. Hearing of case at MSME, Jaipur is due.



ix. M/s Century Infrapower Pvt. Ltd. (a supplier of Distribution and Power Transformer in CSPDCL) have filed 05 nos. cases in at MSME Council of Rajasthan, Jaipur, for claiming interest of total Rs. 238.02 lakh on delayed payment under Micro Small and Medium Enterprises Development Act 2006, against various orders placed by CSEB/CSPDCL. Reply from CSPDCL has been submitted to MSME Council, Jaipur. Hearing of case at MSME, Jaipur is due.

**x. Details of MSME Cases Filed by Various Other Firms**

Sr. No.	Name of Firm	Location of MSME Council	Order No. & date	Claimed Amount ( Rs. In Lakh)	Case No.
1	M/s Bharat Electricals Bhaneshwar	Cuttak (Orissa)	924 Dt. 21.12.2004	127.96	37/2017
2	M/s Tirupati Conductors Pvt. Ltd., Mancheswar Ind. Estate, Bhubaneswar	Cuttak (Orissa)	100 DT. 09.08.2004	425.99	39/2018
3	M/s A.V. Forging Mohali	Chandigarh	02-03/CE(S&P)/SEPI/ASE(P)/7 73 Dt. 07.02.2004	18.81	330/2013
4	M/s Industries Panchkula, Haryana	Chandigarh	02-03/ED(S&P)DTRs/DDUGJY/ 2692 Dt. 22.08.2016	13.28	721/18/23670-A Dt.
5	M/s Ganapati Infrapower Pvt. Ltd.	Jaipur	02-03/CE(S&P)Dist.Trans/TS-472/2498 Dt. 16.10.2014	52.15	05.11.2018 Notice of Firm GIPL/Mktg./18-19/D-47 Dt 17.07.2018
6	M/s PP Industries Bhatinda	Bhatinda	2352 Dtd. 29.07.2013/ 2340 Dtd. 16.07.2013/ 2499 Dtd. 16.10.2014/ 2656 Dtd. 08.03.2016/ 2693 Dtd. 22.08.2016/	175.57	Mktg/MSEFC/06/18/86 3/10678-A Dtd. 30.07.2018

xi M/s Capital Transformers has claimed refund of Rs. 81.65 lakh deducted by CSPDCL against delay in supply of Transformers. Arbitration clause has been invoked by the firm for which Hon'ble High Court has appointed Shri V.K. Shriwastava as arbitrator.



xii. The company through the online system of Income Tax Department has retrieved that an amount of Rs. 4.04 Crore is outstanding against TDS liability (Short Deduction/ Short Payment) and corresponding interest of Rs. 0.46 Crore against delay in short deduction/ short payment. The company is in process of obtaining necessary information of such distinguished cases from its decentralized office and Income Tax Department and liability will be provided only after due appraisal on cases to case basis.

xiii. Employees of the company filed cases before High Court of Bilaspur, the details are as under:

- a) Dr. Hemlata Pathak- Against Two Advance Increment in view of her enhanced educational qualification (Ph.D.), the case is rejected by ED (HR). Petition filed by the petitioner to claim annual increment w.e.f. June' 1988 instead of Nov'1988.
- b) Claim has been lodged on the company by an ex-employee (R P Nayak) against termination of service on proven criminal offence under PC Act 1988 and the case is pending before the Honorable High Court of Bilaspur.

xiv. Additional Director General of GST Intelligence Bhopal Zonal Unit have issued SCN dated 18-10-2018 demanding service tax of Rs 94.59 Crore on Meter Rent, Compensation Charges Penalty Recovered from contractors, Parallel Operation Charges, and non tariff miscellaneous charges etc. as follows :

F.Y.	SERVICE TAX DEMAND Rs. In Crores
2013-14	39.95
2014-15	14.49
2015-16	15.47
2016-17	19.43
2017-18 (UPTO June)	5.25
<b>Total</b>	<b>94.59</b>

The company has filed writ petition before Hon'ble High Court of Bilaspur, Chhattisgarh.

31.17 Additional Director General of GST Intelligence Raipur Unit have issued SCN dated 16.10.2019 demanding service tax Rs .13.26 Crore on System Strengthening Charges as follows :

F.Y.	SERVICE TAX DEMAND Rs. In Crores
2014-15	2.15
2015-16	3.03
2016-17	6.47
2017-18 (UPTO June)	1.61
<b>Total</b>	<b>13.26</b>

The company has filed writ petition before Hon'ble High Court of Bilaspur, Chhattisgarh.



**Chhattisgarh State Power Holding Company Limited**

Notes to the consolidated financial statements for the year ended 31st March, 2019

**Note 31: Employee benefit Plan**

**1 Defined Benefit Plan**

A separate trust in the name of CSEB Gratuity and Pension Fund Trust has been formed by erstwhile CSEB to mitigate the liability of pension and gratuity of its retiring employees. The trust is recognized under part B of Schedule IV of the Income Tax Act' 1961. After the restructuring of erstwhile board, the successor companies have been contributing their respective share of pension and gratuity liability to the aforesaid trust. Company provides for the share of its deficit in the actual contribution vis-à-vis the stipulated contribution determined on the basis of actuarial valuation in its profit and loss account. The employees of the Company are also entitled to compensated absences based on the un availed leave balance as well as other long term benefits. The Company records liability based on actuarial valuation computed under projected unit credit method.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

**Summary of Membership Data:**

Sr No	Particulars	CSPGCL		CSPTCL		CSPDCL	
		As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2019	As at 31 March, 2018
i	<b>Gratuity</b>						
	Number of employees Gratuity	4,069	3,981	1,535	1,624	8,677	9,232
	Total Monthly Salary (Rs in crs)	35.57	35.61	13.11	13.25	60.23	62.11
	Average Past Service (Years)	19.12	20.87	21.31	21.19	19.91	20.14
	Average Age (Years)	46.12	47.64	47.56	47.38	46.39	46.59
	Average remaining working life (Years) weighted average duration	15.88	14.36	14.44	14.62	15.61	15.41
		15.26	13.81	13.88	14.05	15.00	14.80
ii	<b>Pension</b>						
	<b>For Active Employees</b>						
	Number of employees Pensioners	1,933	2,187	1,535	984	4,454	5,073
	Total Monthly Pension (Rs in crs)	24.60	25.94	13.11	10.19	41.90	45.24
	<b>For Retired Employees</b>						
	Number of Retired Employee	2,429	2,190	869	790	4,116	3,900
Total Monthly Pension (Rs in crs)	7.60	7.91	2.98	3.18	16.11	14.25	
iii	<b>For Spouse</b>						
	Number of Spouse	1,217	1,217	598	567	3,598	3,900
	Total Monthly Pension (Rs in crs)	3.35	3	1.36	1.20	7.72	6.92
	<b>Leave</b>						
	Leave balance considered on valuation date	7,29,239.00	7,84,243.00	3,27,419.00	3,44,067.00	17,66,251.00	19,19,440.00

**1.1 Risk associated with the Plan**

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.



**1.2 Principal Actuarial Assumptions:**

Sr No	Particulars	31 March, 2019	31 March, 2018
i	Discount rate (p.a.)	7.61%	7.73%
ii	Salary Escalation rate (p.a.)	6.00%	6.00%
iii	Pension Escalation rate (p.a.)	4.00%	4.00%

a) Discount Rate:

b) Salary Escalation Rate:

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors

**1.3 Principal Demographic assumptions:**

Sr No	Particulars	31 March, 2019	31 March, 2018
1	Retirement age (Years)	62	62
2	Mortality rates inclusive of provision for disability	100% of IALM (2006 - 08)	100% of IALM (2006 - 08)
3	<b>Withdrawal rate</b>		
	Upto 30 Years	0%	0%
	From 31 to 44 Years	0%	0%
	Above 44 years	0%	0%
4	<b>Leave Availability Rate</b>	2.50	2.50
	Leave Lapse rate while in service	Nil	Nil
	Leave Lapse rate on exit	Nil	Nil
	Leave encashment Rate while in service	5.00	5.00

**1.4 The amounts recognised in the financial statements and the movements in the net defined benefit obligations over the year are as follows:**

Particulars	CSPGCL			CSPTCL			CSPDCL		
	Amount in Rs. Crs			Amount in Rs. Crs			Amount in Rs. Crs		
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018	31 March, 2019	
Current Service Cost	82.09	78.76	10.66	33.37	26.85	4.06	119.80	17.51	
Past Service Cost including curtailment Gains/Losses	-	-	-	-	-	-	-	-	
Interest Cost on Defined Benefit Obligation	357.04	302.40	18.93	120.89	109.30	7.64	494.43	34.48	
Interest Income on Plan Assets	(105.76)	(95.09)	-	(40.61)	(40.91)	-	(212.28)	-	
<b>Amount recognised in statement of profit and loss</b>	<b>333.37</b>	<b>286.07</b>	<b>29.59</b>	<b>113.65</b>	<b>95.23</b>	<b>11.70</b>	<b>401.95</b>	<b>51.99</b>	
Actuarial gain / (loss) for the year on Defined Benefit Obligation	(450.75)	(340.97)	28.15	(38.99)	(49.04)	17.08	(123.57)	71.81	
Actuarial gain / (loss) for the year on Asset	(20.01)	65.73	-	(7.69)	(14.91)	-	(3.40)	-	
<b>Amount recognised in other comprehensive income</b>	<b>(470.76)</b>	<b>(275.25)</b>	<b>28.15</b>	<b>(46.68)</b>	<b>(63.95)</b>	<b>17.08</b>	<b>(169.28)</b>	<b>71.81</b>	



1.5 The amount included in the Balance sheet arising from the entity's obligation in respect of its defined benefits plans as follows:

Particulars	CSPGCL		CSPTCL		CSPDCL	
	Amount in Rs. Crs		Amount in Rs. Crs		Amount in Rs. Crs	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
Present value of defined benefit obligation	5,077.37	4,618.84	1,612.86	1,563.93	7,144.37	6,932.69
Fair value of plan assets	1,178.14	1,368.11	473.78	525.30	3,107.36	3,124.48
Unfunded Liability/provision in Balance Sheet	3,899.23	3,250.73	1,139.08	1,038.63	4,037.01	3,808.21
Bifurcation of the present value of defined benefit obligation at the end of the year						
Current	394.28	290.64	110.40	104.80	744.15	516.09
Non-current	4,683.09	4,328.21	1,502.46	1,459.12	6,400.22	6,416.59

1.6 Movement in fair value of the defined benefit obligation

Particulars	CSPGCL		CSPTCL		CSPDCL	
	Amount in Rs. Crs		Amount in Rs. Crs		Amount in Rs. Crs	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
Opening defined benefit obligation	4,618.84	4,131.20	244.93	1,563.93	1,493.11	6,754.54
Current Service cost	82.09	78.76	10.66	33.37	26.85	119.80
Past Service Cost including curtailment Gains/Losses	-	-	-	-	-	-
Interest cost on defined benefit obligation	357.04	302.40	18.93	120.89	109.30	494.43
Actuarial (Gain)/Loss on arising from Experience Adjustment	416.48	437.41	(29.87)	26.12	89.31	24.29
Actuarial (Gain)/Loss on arising from change in Financial assumptions	34.26	(96.44)	1.72	12.87	(40.26)	(150.13)
Benefits paid	(431.35)	(234.49)	-	(144.32)	(114.37)	(310.25)
Closing defined benefit obligation	5,077.37	4,618.84	246.37	1,612.86	1,563.93	6,932.69

Significance of actuarial gain/loss - Recurring significant amount of actuarial gain/loss arising from experience as percentage of PBO in a year indicates that valuation assumptions need reconsideration unless it is caused by some exceptional event during the inter-valuation period.

1.7 Movement in fair value of Plan assets are as follows:

Particulars	CSPGCL		CSPTCL		CSPDCL	
	Amount in Rs. Crs		Amount in Rs. Crs		Amount in Rs. Crs	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
Opening fair value of Plan assets	1,368.11	1,299.11	525.30	558.89	3,124.48	2,900.02
Actual return on Plan assets	85.74	160.82	32.92	26.00	195.82	208.88
Employer contribution	155.64	142.67	59.88	54.78	355.20	325.83
Benefits paid	(431.35)	(234.49)	(144.32)	(114.37)	(568.14)	(310.25)
Closing fair value of Plan assets	1,178.14	1,368.11	473.78	525.30	3,107.36	3,124.48





**1.7.1 Major categories of plan assets (as percentage of total plan assets):**

Particulars	Gratuity and Pension	
	31 March, 2019	31 March, 2018
Funds Managed by Insurer	44.47%	42.85%
High Quality Corporate Bonds	19.95%	21.86%
Government of India Securities	0.00%	0.00%
Central /State Government Guaranteed securities	29.19%	29.50%
Equity Shares of listed companies/Equity Mutual Fund	6.39%	5.79%
<b>Closing fair value of Plan assets</b>	<b>100.00%</b>	<b>100.00%</b>

\*Note: The allocation % corresponding to FY 2017-18 has been corrected in the disclosures being made in FY 2018-19. However, the same was reported erroneously in previous year's disclosures to Financial statements.

Particulars	CSPGCL		CSPTCL		CSPDCL	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
<b>Opening Net defined benefit Obligation</b>	<b>3,250.73</b>	<b>2,832.09</b>	<b>1,038.63</b>	<b>934.22</b>	<b>3,808.21</b>	<b>3,854.52</b>
Total Service Cost	82.09	78.76	33.37	26.85	120.35	119.80
Net Interest cost (Income)	251.28	207.31	80.28	68.38	294.37	282.15
Actuarial (Gain)/Loss	470.76	275.25	46.68	63.95	169.28	(122.44)
Contribution paid to the fund	(155.64)	(142.67)	(59.88)	(54.78)	(355.20)	(325.83)
<b>Closing Net defined benefit Obligation</b>	<b>3,899.22</b>	<b>3,250.73</b>	<b>1,139.08</b>	<b>1,038.63</b>	<b>4,037.01</b>	<b>3,808.21</b>

**1.9 Sensitivity Analysis of the Defined Benefit Obligation**

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	CSPGCL		CSPTCL		CSPDCL	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
<b>Discount Rate</b>						
Impact of increase in 50bps on DBO	(143.21)	(126.09)	(6.95)	(45.49)	(201.51)	(217.82)
Impact of decrease in 50bps on DBO	153.65	129.88	7.46	48.81	216.20	233.61
<b>Salary Escalation Rate</b>						
Impact of increase in 50bps on DBO	155.31	130.49	7.54	49.34	218.54	236.41
Impact of decrease in 50bps on DBO	(145.97)	(128.66)	(7.08)	(46.37)	(205.39)	(222.26)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.



## Chhattisgarh State Power Holding Company Limited

Notes to the consolidated financial statements for the year ended 31st March, 2019

Note 32: Particulars of subsidiaries, associates and joint ventures considered in the preparation of the consolidated financial statements:

	Principal Activity	Country of Incorporation	Percentage of holding and voting power	
			As at 31 March, 2018	As at 31 March, 2017
<b>a. Subsidiaries (held directly)</b>				
1.Chhattisgarh State Power Generation Company Ltd. (CSPGCL)	Power Generation	India	100%	100%
2.Chhattisgarh State Power Transmission Company Ltd. (CSPTCL)	Power Transmission	India	100%	100%
3.Chhattisgarh State Power Distribution Company Ltd. (CSPDCL)	Power Distribution	India	100%	100%
4.Chhattisgarh State Power Trading Company Ltd. (CSPTTr.CL)	Trading Others	India	100%	100%
<b>b. Subsidiaries (held indirectly)</b>				
1.CSPGCL AEL PARSA COLLIERIES LIMITED	Develop and Operate Coal Block	India	51%	51%
2.M/s IFFCO Chhattisgarh Power Limited	Establish a coal based thermal power plant	India	100%	26%
<b>C. Joint Venture (held indirectly)</b>				
1.CMDC ICPL Coal Limited	Ensuring reliable supply of coal for Power Project	India	49%	

Note 33: As per Schedule III of the Companies Act 2013, the required information on subsidiaries is provided in the following table:

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income	
	As percentage of consolidated net assets	Amount in Rs. Lakhs	As percentage of consolidated profit or loss	Amount in Rs. Lakhs	As percentage of consolidated OCI	Amount in Rs. Lakhs	As percentage of Total Comprehensive Income	Amount in Rs. Lakhs
<b>Parent</b>								
1. Chhattisgarh State Power Holding Company Limited	73.52%	6,63,563.13	0.16%	115.37	0.00%	-	0.66%	115.37
<b>Subsidiaries</b>								
1.Chhattisgarh State Power Generation Company Ltd. (CSPGCL)	27.93%	2,52,057.32	91.37%	67,181.92	79.13%	(44,261.00)	130.27%	22,920.92
2.Chhattisgarh State Power Transmission Company Ltd. (CSPTCL)	14.35%	1,29,547.41	14.53%	10,682.51	3.44%	(1,925.66)	49.77%	8,756.85
3.Chhattisgarh State Power Distribution Company Ltd. (CSPDCL)	-15.20%	(1,37,211.97)	-5.75%	(4,226.77)	17.43%	(9,746.77)	-79.42%	-13,973.54
4.Chhattisgarh State Power Trading Company Ltd. (CSPTTr.CL)	-0.15%	(1,327.20)	-0.31%	(224.83)	0.00%	-	-1.28%	-224.83
5.CSPGCL AEL PARSA COLLIERIES LIMITED	0.00%	-	0.00%	-	0.00%	-	0.00%	-
6.M/s IFFCO Chhattisgarh Power Limited	-0.45%	-4054.7			0.00%	0		
<b>Total</b>	<b>100.00%</b>	<b>9,02,573.99</b>	<b>100.00%</b>	<b>73,528.20</b>	<b>100.00%</b>	<b>(55,933.43)</b>	<b>100.00%</b>	<b>17,594.77</b>
Adjustments on Consolidation				25,129.82		-		25,129.82
<b>Grand Total</b>		<b>3,14,632.75</b>		<b>98,658.02</b>		<b>(55,933.43)</b>		<b>42,724.59</b>



**Note 34 : Capital Commitments (estimated amounts due and remaining to be executed)**

**CSPGCL**

The Company has ascertained the estimated amounts due and remaining to be executed on capital contracts amounting to Rs. 664.75 Crore (PY: Rs. 1,093.18 Crore) at the end of financial year 2018-19.

**CSPTCL**

Capital contracts amounting to Rs.301.38 Crores (PY Rs. 301.38 crores) are pending to be executed as on 31st March,2019.

**CPSDCL :-**

Estimated value of contracts remaining to be executed against capital commitments is Rs. 783.73 crore (PY Rs. 1654.98 crore) as at end of the year.

**IFFCO CHHATTISGARH**

Estimated value of contracts remaining to be executed against capital commitments is Rs.6.83 crore (P.Y. Rs.30.51 crore) as at end of the year. It includes capital commitment on account of unexecuted portion of work order placed regarding consultancy work for Forest Clearance. It also includes capital commitment on account of contractual value of consultancy contracts, for which Notice to Proceed (NTP) has been issued.

**Note 35: Note on business combination as per Ind AS 103**

M/s CSPGCL AEL Parsa Collieries Limited (CAPCL) is a Joint Venture Company with CSPGCL holding 51% cashless equity and M/s Adani Enterprises Ltd. (AEL) holding 49% equity. Thus, CAPCL is a subsidiary Company of CSPGCL. The above JV Company was incorporated as a Special Purpose Vehicle (SPV) for development and operations of Parsa Coal Block situated in District. Sarguja (Ambikapur) in Chhattisgarh. However, the Hon'ble Supreme Court has de-allocated 204 Coal Blocks across India which includes Parsa Coal Block also. Subsequently, the Ministry of Coal (MoC), Government of India, vide special ordinance, has re-allocated the Parsa Coal Block to M/s Rajasthan Rajya Vidyut Utpadan Nigam limited (RRVUNL). Thus, CAPCL does not have any business activity after de-allocation of Parsa Coal Block. As a result of de-allocation of coal block, the purpose for which the CAPCL was incorporated stands frustrated. Accordingly, a Termination Agreement was executed between AEL and CSPGCL on 19.09.2018 for winding-up the CAPCL. In view of the above, the Board of Directors of CAPCL, in its meeting held on 26.09.2018 has decided to make an application for striking off the name of the Company under section 248 of the Companies Act, 2013. Accordingly, CAPCL has filed Form STK-2 on 28.03.2019 with the registrar of Companies for strike off the name of the Company. The application is under process at Registrar of Companies. Therefore, the financial statements of CAPCL have not been considered for consolidation for FY 2018-19

ICPL (IFFCO Chhattisgarh Power Limited) is a wholly owned subsidiary company of CSPGCL. At present, the activities of installation of power plant and revenue generation of subsidiary company is yet to be taken and in the near term, the Company does not foresee positive cash inflows. Hence, in accordance with IND AS 19, the Company has impaired its investment during FY 2017-18 and carrying the same at a nominal value of ` 1. During FY 2017-18 the assets & liabilities of ICPL were consolidated on the basis of the valuation report. The corresponding figures as per the financial statements of ICPL for FY 2018-19 of the same assets & liabilities as were considered for consolidation for FY 2017-18 have been considered for consolidation for FY 2018-19.



**Note 36: Events after the reporting period**

There are no subsequent events between the year ended 31 March 2018 and signing of financial statements which have material impact on the financials of the Company other than the events disclosed in the relevant notes.

**Note 37.**

The un-reconciled difference on elimination of intra group transaction for Rs. 14549.38 lakhs has been adjusted against retained earning in the financial statements.

**Note 38.**

Previous year's figures are regrouped and reclassified wherever necessary to make it comparable.

**Note 39.**

The Financial Statements were approved for issue by the board of directors on 18.11.2020

In terms of our report attached.  
For Bamb Taori & Company  
Chartered Accountants




Sagar Jain  
Partner  
Mem. No. 420124

UDIN: 20420124AATAA CO 9292

Date:  
Place:

RAIPUR  
26 NOV 2020

For and on behalf of the Board of Directors



Harsh Gautam  
Managing Director  
DIN No. 08863877



Ujjwala Baghel  
Director  
DIN No. 08738889



Arun Mishra  
Company Secretary  
Mem. No. ACS:55153



Sandeep Modi  
Chief Financial Officer