



**BAMB TAORI & CO.**  
Chartered Accountants

B-36/5, Shailendra Nagar,  
Raipur (C.G.)  
Ph. No. 0771-2432538,39,40,41.  
E-mail : bambtaori@gmail.com

To,  
The Accountant General (Audit)  
Zero Point, Post Mandhar,  
Raipur (C.G.)

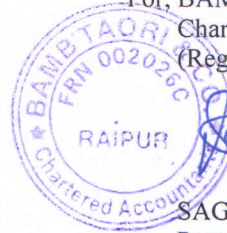
**Ref. - Submission of Auditors Report and Other Reports the statutory audit of Chhattisgarh State Power Holding Company Limited (the Company) for F.Y. 2016-17.**

Sir,

Please find enclosed the following reports for statutory audit of the standalone financial statements of the CSPHCL for the F.Y. 2016-17-

1. Auditors' Report on Standalone Financial Statements of the Company for the financial year 2016-17.
2. Audited Financial Statements of the Company for the financial year 2016-17.
3. Compliance Certificate for the financial year 2016-17.
4. Report of Directions and Sub-directions under section 143(5) of the Companies Act, 2013 for the financial year 2016-17.
5. Report of Sector Specific Sub-directions under section 143(5) of the Companies Act, 2013 for the financial year 2016-17.

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

  
SAGAR JAIN  
Partner

Place : Raipur  
Dated : 23.08.2018



**BAMB TAORI & CO.**  
Chartered Accountants

B-36/5, Shailendra Nagar,  
Raipur (C.G.)  
Ph. No. 0771-2432538,39,40,41.  
E-mail : bambtaori@rediffmail.com

*Company Copy*

**COMPLIANCE CERTIFICATE**

We have conducted the audit of Financial Statements of CHHATTISGARH STATE POWER HOLDING COMPANY LIMITED for the year ended 31st March, 2017 in accordance with the directions/sub-directions issued by the C&AG of India under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions/sub-directions issued to us.

For, BAMB TAORI & CO.  
Chartered Accountants,  
FRN - 002026C



*Sagar Jain*

SAGAR JAIN  
Partner  
(M.No. 420124)

Place : Raipur  
Dated : 13.08.2018



**BAMB TAORI & CO.**  
Chartered Accountants

B-36/5, Shailendra Nagar,  
Raipur (C.G.)  
Ph. No. 0771-2432538,39,40,41.  
E-mail : bambtaori@gmail.com

**REPORT OF DIRECTIONS AND SUBDIRECTIONS UNDER SECTION 143(5) OF COMPANIES ACT 2013**  
**FOR STATUTORY AUDIT OF CHHATTISGARH STATE POWER HOLDING COMPANY LIMITED**  
**(STANDALONE) FOR THE F.Y. 2016-2017**

S.No.	DIRECTIONS	REPLY
1	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment process.	Not applicable to the Company
2	Please report whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	Nil
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	No such cases
4	A report on age-wise analysis of pending legal/ arbitration cases including the reasons of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases(foreign and local) may be given.	As per function and duties of CSPHCL defined under Para-B, Schedule-V, Part II of Chhattisgarh State Electricity Board Transfer Scheme-2010 notified by the Government of Chhattisgarh, CSPHCL is dealing with all pending legal cases pertaining to the reorganization of the erstwhile MPEB and income tax matters of erstwhile CSEB. A list of all such cases pending before various authorities is enclosed. CSPHCL is perusing the matter vigorously for the early settlement of pending legal cases.

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



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

Place : Raipur  
Dated : 13.08.2018



**BAMB TAORI & CO.**  
Chartered Accountants

B-36/5, Shailendra Nagar,  
Raipur (C.G.)  
Ph. No. 0771-2432538,39,40,41.  
E-mail : bambtaori@gmail.com

**REPORT OF DIRECTIONS UNDER SECTION 143(5) OF COMPANIES ACT 2013 FOR STATUTORY AUDIT  
OF CHHATTISGARH STATE POWER HOLDING COMPANY LIMITED (STANDALONE) FOR THE F.Y.  
2016-2017**

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.

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





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

Place : Raipur  
Dated : 13.08.2018



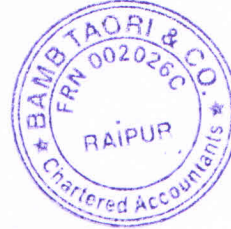
**BAMB TAORI & CO.**  
Chartered Accountants

B-36/5, Shailendra Nagar,  
Raipur (C.G.)  
Ph. No. 0771-2432538,39,40,41.  
E-mail : bambtaori@gmail.com

**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. 2016-2017**

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 steam.

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



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

Place : Raipur  
Dated : 13.08.2018



**INDEPENDENT AUDITORS' REPORT ON STANDALONE IND AS FINANCIAL STATEMENTS**

To,  
The Members,  
Chhattisgarh State Power Holding Company Limited,  
Raipur (C.G.)

**Report On the Standalone Ind AS Financial Statement**

We have audited the accompanying standalone Ind AS financial statements of **Chhattisgarh State Power Holding Company Limited** ("The Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and 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.

**Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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.

This responsibility also includes 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

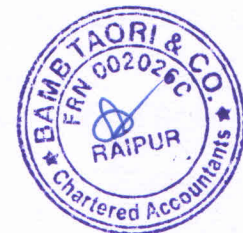
Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under 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 standalone 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 standalone Ind As financial statements are free from material misstatement.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its profit and its cash flow for the year ended on that date.





//2//

*(Chhattisgarh State Power Holding Company Limited for the year ended 31st March, 2017)*

**Report on Other Legal and Regulatory Requirements**

01. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
02. Non-Compliance of the Act:
- (a) The Board of Directors comprises of six directors, consisting of five Nominee Directors and one Managing Director. Section 149 of the Act requires that there should be at least one woman director and one third of the total number of directors should be independent directors. The Company does not have a woman director and independent director.
- (b) As per Section 138 of the Companies Act 2013 with Rule 13(1)(b) of Companies(Accounts) Rules, 2014 the Company is required to appoint the internal auditor. Although the Company has appointed the internal auditor ,but as per the information given to us the Internal Auditor report for the financial year 2016-2017 is not submitted till date.
- (c) 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' form independent practicing company secretary. As per board minutes, Company has not obtained any secretarial audit report for the financial year 2016-17.
- (d) 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.
- (e) 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.
- (f) As per section 135 of the Companies Act, 2013 the Company needs to comply with the requirement of having CSR committee, there is non compliance of Section 135 of the Companies Act by the Company.
02. As required by section 143(3) of the Act, we report, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other Comprehensive Income) and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.;
- (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.






//3//

*(Chhattisgarh State Power Holding Company Limited for the year ended 31st March 2017)*

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; 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:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements in note 'e' of notes to accounts.
  - ii. The Company do not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Raipur  
Dated : 13.08.2018

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



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



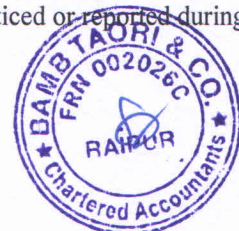


//4//

*(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Chhattisgarh State Power Holding Company Limited for the year ended 31st March 2017)*

**Annexure 'A' to the Independent Auditors' Report**

- (i) In respect of its fixed assets :
- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us by the management, the fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification, hence the question whether the same has been properly dealt with in the books of accounts does not arise.
- (c) As per the management's representation, the title deeds of immovable properties are held in the name of the company.
- (ii) The Company does not have any inventory, the provisions of clause (ii) of the order are not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, hence clause (a), (b) and (c) are not applicable to the Company.
- (iv) The Company has not made any investment and not granted any loans or provided any guarantees or securities to the parties covered under section 185 & 186 of Companies Act, 2013. Hence this clause is not applicable to the Company.
- (v) The Company has not accepted any deposits from the public within the meaning of section 73 to 76 of the Act and rules framed there under to the extent notified.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148 of the Companies Act, 2013 for any products of the Company
- (vii) (a) As informed to us, the provisions of, Excise Duty and Employees State Insurance are not applicable to the Company. According to the information and explanations given to us, no undisputed statutory dues payable in respect of Customs Duty, Provident Fund, Income Tax, Sales Tax, Value Added Tax, Service Tax, Cess and other statutory dues, as applicable, were outstanding as at 31st March, 2017 for a period of more than six months from the date of becoming payable.
- (b) According to the information and explanation given to us, there are no dues of disputed amount of Sales Tax/ Income Tax/ Excise Duty / Cess / Service Tax/ Custom Duty/ Value Added Tax.
- (viii) The Company has not taken any loan or borrowing from financial institution, banks, Government or debenture holder, the provisions of clause (viii) of the order are not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer or term loans, hence the question whether the moneys raised were applied for the purposes for which those were raised does not arise.
- (x) Based upon the audit procedures performed and information and explanations given by management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.





//5//

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Chhattisgarh State Power Holding Company Limited for the year ended 31st March 2017)

**Annexure 'A' to the Independent Auditors' Report**

- (xi) According to the information and explanation given to us and based on our examination of records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause (xii) of the order are not applicable to the Company.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the company, transactions with related parties are in compliance with section 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, hence the provisions of clause (xiv) of the order are not applicable to the Company.
- (xv) As explained to us, the Company has not entered into any non-cash transactions with director or persons connected with him, hence the provisions of clause (xv) of the order are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence the provisions of clause (xvi) of the order are not applicable to the Company.

Place : Raipur  
Dated : 13.08.2018



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

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



//6//

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

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

We have audited the internal financial controls over financial reporting of **Chhattisgarh State Power Holding Company Limited** ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

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





//7//

(Chhattisgarh State Power Holding Company Limited for the year ended 31st March 2017)

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

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

**Opinion**

In our opinion, the Company has, 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 2017, 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.

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



Sagar Jain  
Partner  
(Membership No. 420124)

Place : Raipur  
Dated : 13.08.2018

Particulars		Note No.	As at March 31, 2017 Amount (Rs.)	As at March 31, 2016 Amount (Rs.)	As at 1st April, 2015 Amount (Rs.)
A	<b>ASSETS</b>				
1	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment	4	58,071,459	60,611,996	62,365,883
	(b) Capital Work in Progress		-	-	-
	(c) Financial Assets				
	(i) Investments	5	60,233,449,578	54,660,953,620	54,632,353,620
	(ii) Loans	6	-	-	-
	(iii) Others financial asset	7	7,755,547,051	10,738,456,525	10,738,456,525
	(d) Non-current Tax assets	8	38,534,779	76,570,424	447,536,781
	(e) Other non current assets	9	-	-	-
	<b>Total Non - Current Assets</b>		<b>68,085,602,867</b>	<b>65,536,592,565</b>	<b>65,880,712,809</b>
2	<b>Current assets</b>				
	(a) Inventories				
	(b) Financial Assets				
	(i) Trade receivables	10	163,532,422	232,594,902	42,265,080
	(ii) Cash and cash equivalents		-	-	-
	(iii) Balances other than (ii) above	6	20,180,602	1,588,618,782	2,511,859,341
	(iv) Loans	7	827,896,691	815,397,278	461,712,188
	(v) Others financial asset	9	197,343	1,082,150	123,347
	(c) Other current assets				
	<b>Total Current Assets</b>		<b>1,011,807,058</b>	<b>2,637,693,112</b>	<b>3,015,959,956</b>
	<b>Total Assets</b>		<b>69,097,409,926</b>	<b>68,174,285,677</b>	<b>68,896,672,765</b>
B	<b>EQUITY AND LIABILITIES</b>				
1	<b>Equity</b>				
	(a) Equity Share capital	11	60,860,500,000	59,260,500,000	59,260,500,000
	(b) Other Equity	12	5,475,916,438	2,184,151,364	8,722,636,981
	<b>Total equity</b>		<b>66,336,416,438</b>	<b>61,444,651,364</b>	<b>67,983,136,981</b>
	<b>Liabilities</b>				
2	<b>Non-current liabilities</b>				
	(a) Financial Liabilities				
	(i) Other financial liabilities	13	2,680,740,156	6,541,261,014	647,991,698
	(b) Provisions	14	-	-	-
	<b>Total Non - Current Liabilities</b>		<b>2,680,740,156</b>	<b>6,541,261,014</b>	<b>647,991,698</b>
3	<b>Current liabilities</b>				
	(a) Financial Liabilities				
	(i) Trade payables	15	37,663,587	40,303,535	40,289,420
	(ii) Other financial liabilities	13	17,121,441	96,579,302	75,761,053
	(c) Provisions	14	13,900,824	1,124,058	3,189,561
	(d) Current Tax Liabilities (Net)	16	11,264,393	50,061,348	145,542,043
	(e) Other current liabilities	17	303,086	305,057	762,009
	<b>Total Current Liabilities</b>		<b>80,253,332</b>	<b>188,373,300</b>	<b>265,544,086</b>
	<b>Total Equity and Liabilities</b>		<b>69,097,409,926</b>	<b>68,174,285,677</b>	<b>68,896,672,765</b>
	See accompanying notes to the financial statements				

0 0 (0)

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

For and on behalf of the Board of Directors



Partner

*Sagar Jain*  
SAGAR JAIN

Membership no. 420124

Place :

Raipur

Date :

13.08.2018

*[Signature]*  
Managing Director

*[Signature]*  
Director

*[Signature]*  
Chief Financial Officer

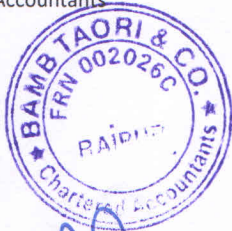
*[Signature]*  
Company Secretary

Chhattisgarh State Power Holding Company Limited  
 Statement of Profit and Loss for the period ended March 31, 2017  
 All amounts are in INR unless otherwise stated

Particulars	Note No.	For the year ended March 31, 2017 Amount (Rs.)	For the year ended March 31, 2016 Amount (Rs.)
I Revenue from operations		-	-
II Other Income	18	14,527,689	3,892,122
III Total Revenue (I + II)		14,527,689	3,892,122
<b>IV EXPENSES</b>			
(a) Employee benefit expense	19	-	-
(b) Finance costs	20	-	-
(c) Depreciation and amortisation expense		-	-
(d) Other expenses	21	-	-
Total Expenses (IV)		-	-
V Profit/(loss) before tax (III - IV)		14,527,689	3,892,122
VI Tax Expense			
(1) Current tax	22	4,803,290	1,116,725
(2) Deferred tax	22	-	-
Total tax expense (VI)		4,803,290	1,116,725
VII Profit/(loss) for the Year (V - VI)		9,724,399	2,775,397
VIII Other comprehensive income			
A (i) Items that will not be recycled to profit or loss		-	-
(a) Equity instruments through other comprehensive income		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that may be reclassified to profit or loss			
(a) Debt instruments through other comprehensive income			
(b) Others			
(ii) Income tax on items that may be reclassified to profit or loss		-	-
IX Total comprehensive income for the Year (VII + VIII)		9,724,399	2,775,397
X Earnings per equity share :			
(1) Basic	23	0	0
(2) Diluted	23	0	0

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

For and on behalf of the Board of Directors



Partner

*[Signature]*

Sagar Jain

Membership no. 420124

Place: Raipur

Date: 13.08.2018

*[Signature]*  
 Managing Director

*[Signature]*  
 Director

*[Signature]*  
 Chief Financial Officer

*[Signature]*  
 Company Secretary

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
<b>Cash flows from operating activities</b>		<b>14,527,689</b>	<b>3,892,122</b>
Profit after tax for the year			
Adjustments for:			
Interest Income		14,034,573	3,358,404
<b>Operating Profit before working capital changes</b>		<b>493,116</b>	<b>533,718</b>
<b>Movements in working capital:</b>			
Increase / (Decrease) in Trade Payables		(2,639,947)	14,114
Increase / (Decrease) in Other Current Financial Liabilities		(79,457,860)	20,818,249
Increase / (Decrease) in Other Non Current Financial Liabilities		(3,860,520,858)	5,893,269,316
Increase / (Decrease) in Other Current Liabilities		(38,798,926)	(95,937,647)
Increase / (Decrease) in Short Term Provisions		12,776,766	(2,065,503)
(Increase) / Decrease in Loans - Current		1,568,438,180	923,240,559
(Increase) / Decrease in Other Current Financial Assets		(12,499,413)	(353,685,090)
(Increase) / Decrease in Other Non Current Financial Assets		2,982,909,474	-
(Increase) / Decrease in Non Current assets		38,035,645	370,966,357
(Increase) / Decrease in Other Current Assets		884,807	(958,803)
<b>Cash generated from operations</b>		<b>609,620,983</b>	<b>6,756,195,271</b>
Income taxes paid		4,803,290	1,116,725
<b>Net cash generated by operating activities</b>		<b>604,817,693</b>	<b>6,755,078,545</b>
<b>Cash flows from investing activities</b>			
Interest Income		14,034,573	3,358,404
(Purchase)/ Transfer of fixed assets		2,540,537	1,753,887
(Increase)/ Decrease in investments		(5,572,495,958)	(28,600,000)
<b>Net cash (used in)/generated by investing activities</b>		<b>(5,555,920,848)</b>	<b>(23,487,709)</b>
<b>Cash flows from financing activities</b>			
application money pending allotment)		3,282,040,675	(6,541,261,014)
increase/ (decrease) in share capital account		1,600,000,000	-
<b>Net cash used in financing activities</b>		<b>4,882,040,675</b>	<b>(6,541,261,014)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(69,062,480)</b>	<b>190,329,822</b>
Cash and cash equivalents at the beginning of the year		232,594,902	42,265,080
<b>Cash and cash equivalents at the end of the year</b>		<b>163,532,422</b>	<b>232,594,902</b>

In terms of our report attached.

For Bamb Taori & Company

Chartered Accountants



Partner

*[Signature]*

Membership no. 420124

Place: Raipur

Date: 13.08.2018

For and on behalf of the Board of Directors

*[Signature]*  
Managing Director

*[Signature]*  
Director

*[Signature]*  
Chief Financial Officer

*[Signature]*  
Company Secretary

Chhattisgarh State Power Holding Company Limited  
 Statement of changes in equity for the year ended March 31, 2017  
 All amounts are in INR unless otherwise stated

a. Equity share capital

	No. of Shares	Amount (Rs.)
Issued and Paid up Capital at 1st April, 2015	5,926,050,000	59,260,500,000
Less: Treasury Shares if any	-	-
Balance at 1st April, 2015	5,926,050,000	59,260,500,000
Changes in equity share capital during the year	-	-
Balance at 31st March, 2016	5,926,050,000	59,260,500,000
Changes in equity share capital during the year		
Issue of equity shares	160,000,000	1,600,000,000
Balance at 31st March, 2017	6,086,050,000	60,860,500,000

In terms of our report attached.

For Bamb Taori & Company  
 Chartered Accountants



Partner

*[Handwritten signature]*

For and on behalf of the Board of Directors

*[Handwritten signature]*  
 Managing Director

*[Handwritten signature]*  
 Director

*[Handwritten signature]*  
 Chief Financial Officer

*[Handwritten signature]*  
 Company Secretary

Membership no. 420124

Place : Raipur

Date : 13.08.2018



**Chhattisgarh State Power Holding Company Limited**  
**Statement of changes in equity for the year ended March 31, 2017**  
 All amounts are in INR unless otherwise stated

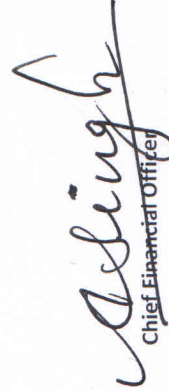
**b. Other Equity**

Particulars	Share application money pending allotment	Reserves and Surplus					Total
		Capital reserve	Securities premium reserve	Capital redemption reserve	General reserve	Retained earnings	
<b>Balance at 1st April, 2015</b>	8,317,637,914	-	-	-	-	404,999,067	8,722,636,981
Profit for the year						2,775,397	2,775,397
Other comprehensive income for the year, net of income tax							
Total comprehensive income for the year						407,774,463	407,774,463
Payment of dividends (Rs X per share)							
Tax on Dividend							
Changes in share application money	(6,541,261,014)						(6,541,261,014)
<b>Balance at 31st March, 2016</b>	<b>1,776,376,900</b>	-	-	-	-	<b>407,774,463</b>	<b>2,184,151,363</b>
Profit for the year							
Changes in share application money							
Other comprehensive income for the year, net of income tax							
<b>Total comprehensive income for the year</b>	<b>3,282,040,675</b>					<b>9,724,399</b>	<b>3,282,040,675</b>
<b>Balance at March 31, 2017</b>	<b>5,058,417,575</b>	-	-	-	-	<b>417,498,862</b>	<b>5,475,916,437</b>

For and on behalf of the Board of Directors

  
 Managing Director

  
 Director

  
 Chief Financial Officer

  
 Company Secretary

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



Partner



Membership no. 420124

Place : Raipur

Date : 13.08.2017

## 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. 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).

## 2 Significant Accounting Policies

### 2.1 Statement of Compliance

The 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 Company 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.

Upon the year ended 31st March, 2016, the company prepared its financial statements in accordance with the requirements of previous GAAP, which included Standards notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the first financial statements of the company under Ind AS. The date of transition to Ind AS is 1st April, 2015.

Refer Note 39 for details of first-time adoption exemptions availed by the Company.

### 2.2 Basis of accounting and preparation of financial statements

The financial statements have been prepared on the historical cost basis except for certain financial instruments (if any) 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.

### 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 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.

### 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

The employees of the company are on deputation from other successor companies namely CSPGCL, CSPDCL and CSPTCL. Accordingly, any liability arising on the retirement of employees working in the company will be discharged and dealt by the original parent successor company; hence no provision for retirement benefit has been made in the profit and loss account.



## 2.7 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.

However, As per Schedule V Part II para (a) (v) of the Chhattisgarh State Electricity Board Transfer Scheme Rules, 2010 all expenses incurred by CSPHCL including Administration and General expenses, legal and consulting fees, etc. shall be shared by other successor companies namely Generation, Transmission, Distribution and Trading Company in the ratio of their respective equity, and there is no difference in book profit of the company during the relevant period viz-a-viz profit computed as per Income Tax Act. Accordingly no provision for deferred tax has been made.

## 2.8 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 cost of assets (other than freehold land) less their residual values over their useful lives, using the written down value (WDV) 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 written down value (WDV) method on the gross block at the rates specified in the Schedule II to the Companies Act, 2013. 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.

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.

Estimated useful lives of the assets are as follows:

Type of Assets	Useful lives
Land - Freehold	30
Office Buildings	30
Residential & Other Buildings	30
Roads & Others	30
Plant, Machinery & Equipments	19
Furniture & Fixtures	16
Office Equipments	16
Vehicles	11
Computers	7

## 2.9 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 Provisions and contingencies

### 2.10.1 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

### 2.10.2 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.

## 2.11 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 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.

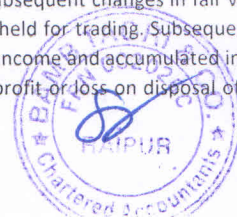
### 2.12.1 Financial assets at amortised cost

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.

### 2.12.2 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.



### 2.12.3 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.

### 2.12.4 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.

## 2.13 Financial liabilities and equity instruments

### 2.13.1 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.

### 2.13.2 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.

### 2.13.3 Financial liabilities

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

### 2.14 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.

### 2.15 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.

### 2.16 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.

### 2.17 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.



## 2.18 Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment'. The amendments are applicable to the Company from 1st April, 2017.

### Amendment to Ind AS 7:

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

The Company is evaluating the requirements of the amendment and its impact on its cash flows, which are not expected to be material.

## 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 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.



Note 4 - Property, plant and equipment

Description of Assets	Land - Freehold	Office Buildings	Residential & Other Buildings	Roads & Others	Plant, Machinery & Equipments	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
<b>I. Gross Block</b>										
Balance as at 1st April, 2016	22,20,421	4,91,94,392	78,94,241	4,30,469	2,71,065	9,37,775	19,08,155	10,77,441	13,65,272	6,52,99,231
Additions	-	-	-	-	-	8,09,510	2,96,301	-	8,51,332	19,57,143
Borrowing cost capitalised	-	-	-	-	-	-	-	-	-	-
Balance as on 31st March, 2017	22,20,421	4,91,94,392	78,94,241	4,30,469	2,71,065	17,47,285	22,04,456	10,77,441	22,16,604	6,72,56,374
<b>II. Accumulated depreciation and impairment for the year 2016-2017</b>										
Balance as at 1st April, 2016	-	24,02,334	3,78,292	-	76,769	1,94,939	7,86,312	3,29,110	5,19,479	46,87,235
Depreciation / amortisation expense for the year	-	22,84,923	3,60,088	-	56,913	3,10,259	5,85,013	2,33,703	6,56,781	44,97,680
Balance as at 31st March, 2017	-	46,87,257	7,38,380	-	1,33,682	5,05,198	13,81,325	5,62,813	11,76,260	80,08,655
<b>Net block (I-II)</b>										
Balance as on 31st March, 2017	22,20,421	4,45,07,135	71,55,861	4,30,469	1,37,383	12,42,087	8,23,131	5,14,628	10,40,344	5,80,71,459
Balance as on 31st March, 2016	22,20,421	4,67,92,058	75,15,949	4,30,469	1,94,296	7,42,836	11,21,843	7,48,331	8,45,799	6,06,11,996

Description of Assets	Land - Freehold	Office Buildings	Residential & Other Buildings	Roads & Others	Plant, Machinery & Equipments	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
<b>I. Gross Block</b>										
Balance as at 1st April, 2015	22,20,421	4,91,94,392	78,94,241	4,30,469	2,48,490	6,81,411	12,44,771	-	4,51,689	6,23,65,883
Additions	-	-	-	-	22,575	2,56,364	6,63,384	10,77,441	9,13,584	29,33,348
Borrowing cost capitalised	-	-	-	-	-	-	-	-	-	-
Balance as on 31st March, 2016	22,20,421	4,91,94,392	78,94,241	4,30,469	2,71,065	9,37,775	19,08,155	10,77,441	13,65,272	6,52,99,231
<b>II. Accumulated depreciation and impairment</b>										
Balance as at 1st April, 2015	-	-	-	-	-	-	-	-	-	-
Depreciation / amortisation expense for the year	-	24,02,334	3,78,292	-	76,769	1,94,939	7,86,312	3,29,110	5,19,479	46,87,235
Balance as at 31st March, 2016	-	24,02,334	3,78,292	-	76,769	1,94,939	7,86,312	3,29,110	5,19,479	46,87,235
<b>Net block (I-II)</b>										
Balance as on 1st April, 2015	22,20,421	4,91,94,392	78,94,241	4,30,469	2,48,490	6,81,411	12,44,771	-	4,51,689	6,23,65,883
Balance as on 31st March, 2016	22,20,421	4,67,92,058	75,15,949	4,30,469	1,94,296	7,42,836	11,21,843	7,48,331	8,45,799	6,06,11,996



Note 5 - Investments

Particular	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	QTY	Amounts*		QTY	Amounts*		QTY	Amounts*	
		Current	Non Current		Current	Non Current		Current	Non Current
<b>Investments Carried at Cost</b>									
<b>Unquoted Investments (all fully paid)</b>									
Investments in Equity Instruments of subsidiaries									
Chhattisgarh State Power Generation Company Limited	2,40,40,53,190	24,04,05,31,900	22,44,05,31,900	2,24,40,53,190	22,44,05,31,900	2,24,40,53,190	22,44,05,31,900		22,44,05,31,900
Chhattisgarh State Power Transmission Company Limited	75,56,59,956	7,55,65,99,560	7,55,65,99,560	75,56,59,956	7,55,65,99,560	75,56,59,956	7,55,65,99,560		7,55,65,99,560
Chhattisgarh State Power Distribution Company Limited	2,26,31,03,232	22,63,10,32,320	22,63,10,32,320	2,26,31,03,232	22,63,10,32,320	2,26,31,03,232	22,63,10,32,320		22,63,10,32,320
Chhattisgarh State Power Trading Company Limited	50,000	5,00,000	5,00,000	50,000	5,00,000	50,000	5,00,000		5,00,000
<b>Investments in Equity Instruments of JV's</b>									
IFFCO Power Company Limited		41,17,92,840	41,17,92,840		41,17,92,840	3,83,19,284	38,31,92,840		38,31,92,840
<b>Share application money-pending allotment</b>									
Chhattisgarh State Power Generation Company Limited		4,10,25,10,935	43,68,37,000		43,68,37,000		43,68,37,000		43,68,37,000
Chhattisgarh State Power Transmission Company Limited		1,49,04,82,023	55,10,35,000		55,10,35,000		55,10,35,000		55,10,35,000
Chhattisgarh State Power Distribution Company Limited		-	63,26,25,000		63,26,25,000		63,26,25,000		63,26,25,000
<b>TOTAL INVESTMENTS</b>	<b>5,42,28,66,378</b>	<b>60,23,34,49,578</b>	<b>54,66,09,53,620</b>	<b>5,26,28,66,378</b>	<b>54,66,09,53,620</b>	<b>5,30,11,85,662</b>	<b>54,63,23,53,620</b>		<b>54,63,23,53,620</b>







Chhattisgarh State Power Holding Company Limited

Notes to the financial statements for the year ended 31st March, 2017

All amounts are in INR unless otherwise stated

Note 7 - Other financial assets

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Financial assets at amortised cost :						
Claims receivable from PF trust	11,56,34,046		11,24,09,596		11,24,09,596	
Interest Accrued on deposits	23,014		41,644			
Receivable from CSPTrdCL		3,40,88,076		3,40,88,076		3,40,88,076
Receivable from CSPGCL	56,59,72,088	7,37,70,67,350	55,81,93,146	7,37,70,67,350	33,32,83,844	7,37,70,67,350
Receivable from CSPTCL	4,92,09,407	34,43,91,625	4,71,89,805	3,32,73,01,099	1,60,18,748	3,32,73,01,099
Receivable from CSPDCL	9,61,81,911		9,66,82,287			
Other advances receivable in cash	8,75,000		8,80,800			
Others	1,224					
<b>TOTAL</b>	<b>82,78,96,691</b>	<b>7,75,55,47,051</b>	<b>81,53,97,278</b>	<b>10,73,84,56,525</b>	<b>46,17,12,188</b>	<b>10,73,84,56,525</b>



Chhattisgarh State Power Holding Company Limited  
 Notes to the financial statements for the year ended 31st March, 2017  
 All amounts are in INR unless otherwise stated

Note 9 - Other assets

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Other advances	1,97,343	-	10,82,150	-	1,23,347	-
<b>TOTAL</b>	<b>1,97,343</b>	<b>-</b>	<b>10,82,150</b>	<b>-</b>	<b>1,23,347</b>	<b>-</b>



Chhattisgarh State Power Holding Company Limited  
 Notes to the financial statements for the year ended 31st March, 2017  
 All amounts are in INR unless otherwise stated

Note 8 - Tax Assets

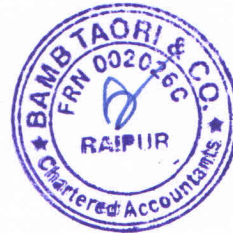
Particulars	As at 31st March, 2016		As at 31st March, 2016		As at 1st April, 2015		
	Current	Non-Current	Current	Non-Current	Current	Non-Current	Total
Income taxes (net of provisions)		3,85,34,779		7,65,70,424		44,75,36,781	44,75,36,781
	-	3,85,34,779	-	7,65,70,424	-	44,75,36,781	44,75,36,781



Chhattisgarh State Power Holding Company Limited  
Notes to the financial statements for the year ended 31st March, 2017  
All amounts are in INR unless otherwise stated

Note 10 - Cash and cash equivalents

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Current Cash and bank balances</b>			
(i) Cash and cash equivalents			
Cash in imprest	4,000	3,000	3,000
Cash in transit	-	-	-
Balances with Banks	2,13,16,596	1,65,25,753	1,73,87,899
Term deposits (original maturity < 3 months)	14,22,11,826	21,60,66,149	2,48,74,181
	16,35,32,422	23,25,94,902	4,22,65,080
(ii) Other bank balances			
Balances in scheduled banks in earmarked current account	-	-	-
Term deposits	-	-	-
Margin deposits (earmarked)	-	-	-
	-	-	-
<b>Cash and cash equivalent as per balance sheet</b>	16,35,32,422	23,25,94,902	4,22,65,080
Bank overdrafts	-	-	-
Cash and bank balances included in a disposal group held for sale	-	-	-
<b>Cash and cash equivalents as per statement of cash flows</b>	16,35,32,422	23,25,94,902	4,22,65,080



Chhattisgarh State Power Holding Company Limited  
Notes to the financial statements for the year ended 31st March, 2017  
All amounts are in INR unless otherwise stated

Note 11 - Equity share capital

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
<b>Authorised:</b> Equity shares of Rs. 10 each	10,30,00,00,000	1,03,00,00,00,000	10,30,00,00,000	1,03,00,00,00,000	10,30,00,00,000	1,03,00,00,00,000
<b>Issued, Subscribed and Fully Paid:</b> Equity shares of Rs. 10 each	6,08,60,50,000	60,86,05,00,000	5,92,60,50,000	59,26,05,00,000	5,92,60,50,000	59,26,05,00,000
<b>Total</b>	6,08,60,50,000	60,86,05,00,000	5,92,60,50,000	59,26,05,00,000	5,92,60,50,000	59,26,05,00,000

Note 10.1- Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	Number of shares	Amount
Balance as at 1st April, 2015	5,92,60,50,000	59,26,05,00,000
Issued during the year		
Balance as at 31st March, 2016	5,92,60,50,000	59,26,05,00,000
Issued during the period	16,00,00,000	1,60,00,00,000
Balance as at 31st March, 2017	6,08,60,50,000	60,86,05,00,000

(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

Note 10.2 Details of Shares in the company held by each shareholder holding more than 5 % shares/ holding company

Name of Shareholder	No. of Shares held	% of Holding
Govt of Chhattisgarh	6,08,60,50,000	100
<b>Total</b>	<b>6,08,60,50,000</b>	<b>100</b>



Chhattisgarh State Power Holding Company Limited  
 Notes to the financial statements for the year ended 31st March, 2017  
 All amounts are in INR unless otherwise stated

Note 12 - Other equity

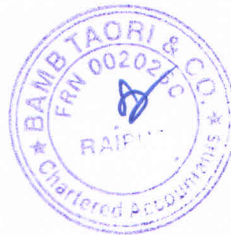
Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Retained earnings	41,74,98,862	40,77,74,464	40,49,99,067
Share application money pending allotment	5,05,84,17,575	1,77,63,76,900	8,31,76,37,914
<b>Total</b>	<b>5,47,59,16,438</b>	<b>2,18,41,51,364</b>	<b>8,72,26,36,981</b>

Nature and purpose of the reserve  
 Securities Premium Reserve:

Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Retained Earnings

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



Chhattisgarh State Power Holding Company Limited  
Notes to the financial statements for the year ended 31st March, 2017  
All amounts are in INR unless otherwise stated

Note 13 - Other Financial Liabilities

Particulars*	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
a) Other financial liabilities carried at amortised cost:						
Deposits & Retentions from Contractors & Suppliers	38,33,131		39,57,896		45,57,566	
Employee related liabilities	34,02,286		60,52,000		1,19,15,541	
Bond Liability payable to SECL on behalf of CSPDCL	28,83,126		8,09,61,403		-	
Other	70,02,898		56,08,003		2,76,73,327	
Inter Company Payable Account						
Chhattisgarh State Power Distribution Company Limited		2,68,07,40,156		6,54,12,61,014	3,16,14,619	64,79,91,698
<b>Total other financial liabilities</b>	<b>1,71,21,441</b>	<b>2,68,07,40,156</b>	<b>9,65,79,302</b>	<b>6,54,12,61,014</b>	<b>7,57,61,053</b>	<b>64,79,91,698</b>





Chhattisgarh State Power Holding Company Limited  
 Notes to the financial statements for the year ended 31st March, 2017  
 All amounts are in INR unless otherwise stated

Note 14 - Provisions

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
(a) Provision for employee benefits						
(1) Pension & Gratuity	0				20,89,972	
(2) DA Arrears	1,39,00,824		11,24,058		10,99,589	
<b>Total Provisions</b>	<b>1,39,00,824</b>	<b>-</b>	<b>11,24,058</b>	<b>-</b>	<b>31,89,561</b>	<b>-</b>



Chhattisgarh State Power Holding Company Limited  
 Notes to the financial statements for the year ended 31st March, 2017  
 All amounts are in INR unless otherwise stated

Note No. 15 - Trade payables

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Trade payable for goods & services	3,76,63,587		3,92,47,176		2,82,62,139	
Trade payable for salaries and wages	0		10,56,359		1,20,27,281	
<b>Total trade payables*</b>	<b>3,76,63,587</b>	<b>-</b>	<b>4,03,03,535</b>	<b>-</b>	<b>4,02,89,420</b>	<b>-</b>



Chhattisgarh State Power Holding Company Limited  
 Notes to the financial statements for the year ended 31st March, 2017  
 All amounts are in INR unless otherwise stated

Note No. 16 - Current Tax Liabilities (Net)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
	Provision for Income Tax (net of advance tax)	1,12,64,393	-	5,00,61,348	-	14,55,42,043
<b>Total - Current Tax Liabilities (Net)</b>	<b>1,12,64,393</b>	<b>-</b>	<b>5,00,61,348</b>	<b>-</b>	<b>14,55,42,043</b>	<b>-</b>



Chhattisgarh State Power Holding Company Limited  
 Notes to the financial statements for the year ended 31st March, 2017  
 All amounts are in INR unless otherwise stated

Note 17 - Other Liabilities

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
a. Statutory dues						
Taxes payable (other than income taxes)	1,89,878		1,30,333		1,94,361	
Employee Recoveries and Employer Contributions	1,13,208		1,74,724		5,67,648	
<b>TOTAL OTHER LIABILITIES</b>	<b>3,03,086</b>		<b>3,05,057</b>		<b>7,62,009</b>	



Chhattisgarh State Power Holding Company Limited  
 Notes to the financial statements for the year ended 31st March, 2017  
 All amounts are in INR unless otherwise stated

Note 18 Other Income

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Interest income on financial assets at amortised cost		
<i>Bank deposits</i>	1,35,94,919	16,33,760
<i>On Loans given</i>	4,39,654	17,24,644
Rent income	14,598	13,085
Other Recoveries from Contractors Suppliers	5,040	1,980
Miscellaneous income	4,73,478	5,18,653
<b>Total Other Income</b>	<b>1,45,27,689</b>	<b>38,92,122</b>



Chhattisgarh State Power Holding Company Limited  
Notes to the financial statements for the year ended 31st March, 2017  
All amounts are in INR unless otherwise stated

Note 19 Employee Benefits Expense

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Salaries, wages and bonus	22,95,16,208	19,08,14,621
Contribution to provident and other funds	33,14,785	27,68,484
Other staff costs	1,29,54,396	1,36,90,485
Staff welfare expenses	24,11,193	11,03,474
Employee Cost -transferred to subsidiaries pursuant to transfer scheme	(24,81,96,581)	(20,83,77,065)
<b>Total Employee Benefit Expense</b>	-	-



Chhattisgarh State Power Holding Company Limited  
 Notes to the financial statements for the year ended 31st March, 2017  
 All amounts are in INR unless otherwise stated

Note 20 - Finance Cost

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
(a) Bank charges	10,685	4,027
(b) Interest on Bonds	34,81,435	-
Less: Interest & Finance Charges -transferred to subsidiaries pursuant to transfer scheme	(34,92,120)	(4,027)
Total finance costs	-	-

Note

1. Other borrowing costs would include costs that are not covered withing the calculation of EIR.
2. The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is to be disclosed.



Chhattisgarh State Power Holding Company Limited

Notes to the financial statements for the year ended 31st March, 2017

All amounts are in INR unless otherwise stated

Note 21 - Other Expenses

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Repairs and maintenance:		
(i) Plant & machinery	-	-
(ii) Buildings	-	-
(iii) Others	6,05,837	1,29,476
R&M- transferred to subsidiaries pursuant to transfer scheme	(6,05,837)	(1,29,476)
Power expense	22,68,362	2,68,006
Rent including lease rentals	33,10,000	22,90,481
Insurance charges	14,400	14,800
Vehicle Running, Hiring and Maintenance charges	1,20,29,255	1,64,87,645
Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	3,07,778	2,84,625
(ii) For Taxation matters	-	-
Other expenses		
(i) Legal and other professional costs	75,02,458	76,71,451
(ii) Other General Expenses	2,39,67,238	2,82,07,826
Admin & Other Exp -transferred to subsidiaries pursuant to transfer scheme	(4,93,99,490)	(5,52,24,834)
<b>Total Other Expenses</b>	<b>-</b>	<b>-</b>

Note: Payment to auditors

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Auditor's Remuneration (Statutory Audit)*	2,59,875	2,47,500
<b>Total</b>	<b>2,59,875</b>	<b>2,47,500</b>





Chhattisgarh State Power Holding Company Limited  
 Notes to the financial statements for the year ended 31st March, 2017  
 All amounts are in INR unless otherwise stated

Note - 22: Current Tax and Deferred Tax

Particulars	For the year ended	
	31 March, 2017	31 March, 2016
<b>(a) Income Tax Expense</b>		
<b>Current Tax</b>		
Current Income Tax Charge	48,03,290	12,86,506
Adjustments in respect of prior years		(1,69,781)
<b>Deferred Tax</b>		
MAT credit entitlement		
<b>Total Tax Expense recognised in profit and loss account</b>	<b>48,03,290</b>	<b>11,16,725</b>



Chhattisgarh State Power Holding Company Limited  
Notes to the financial statements for the year ended 31st March, 2017  
All amounts are in INR unless otherwise stated

Note 23 Basic / diluted earnings per equity share (EPS) have been calculated as under:

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(Rs.)	(Rs.)
Net Profit/(Loss) as per Profit & Loss Account available for Equity Shareholders	97,24,399	27,75,397
Weighted Average number of Ordinary Share Outstanding for Basic EPS	5,92,64,88,356	5,92,60,50,000
Add: Weighted Average number of Potential Equity shares on account of Share Application Money	50,58,41,758	17,76,37,690
Cumaltive Weighted Average number of Ordinary Share Outstanding for Diluted EPS	6,43,23,30,114	6,10,36,87,690
<b>Earnings per Share</b>		
Basic	0.0016	0.0005
Diluted	0.0015	0.0005



**Note 24: Restructuring of Chhattisgarh State Electricity Board:**

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), 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) (l) 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 24.1: Provision regarding sharing of expenses of CSPHCL by subsidiary power companies:**

As per Schedule V Part II para (a) (v) of the transfer scheme rules, all expenses incurred by the Holding Company including Administration and General expenses, legal and consulting fees, etc. are required to be shared by Generation Company, Transmission Company, Distribution Company and Trading Company in the ratio of their respective equity. Accordingly expenses of CSPHCL have been apportioned in equity ratio and shared by above successor companies.

**Note 24.2: Opening Balances transferred pursuant to transfer scheme:**

The Government of Chhattisgarh vide notification no. 1816/F-21/13/13-2/2014 dated 17.07.2017 has notified the final opening balance sheet as on 01st January' 2009 of CSPHCL. The revised opening balance sheet as compare to provisional opening balance sheet (vide notification no.2020/F-21/13/09/13/2/ED dt.29th October'2010) are as under :-

Sl. No.	Particulars	Rs. in Crs		
		Notification No.: 2020/F-21/13/09/13/2 /ED dt.29th October'2010	Notification No.: 1816/F-21/13/13-2/2014 dated 17.07.2017	Difference
<b>ASSETS</b>				
A	Fixed Assets	9.33	9.33	-
B	Less: Depreciation	0.57	0.57	-
C	Net Assets	8.76	8.76	-
D	Investment in subsidiary company	3,762.05	3,760.27	1.78
E	Investment	491.93	491.93	-
F	Stock	4.76	4.76	-
G	Cash & Bank	-96.14	-96.14	-
H	Inter company Receivable/Payable	96.07	96.07	-
I	Loans & Advance	1.96	1.96	-
J	Sundry Receivable	217.02	217.02	-
K	Other Current Liabilities	-8.73	-8.73	-
	<b>Total Assets (C to K)</b>	<b>4477.68</b>	<b>4475.9</b>	<b>1.78</b>
<b>LIABILITIES</b>				
A	Surplus + Equity Adjustment	4,477.68	4,475.90	1.78
	<b>Total Liabilities</b>	<b>4,477.68</b>	<b>4,475.90</b>	<b>1.78</b>

Accordingly, the necessary adjustment for the difference in figures of assets and liabilities as per Final notification vis-a-vis provisional have been given effect in Financial statement.

**Note 24.3: 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.

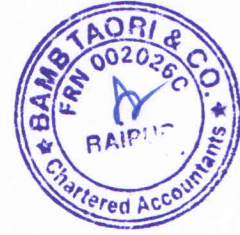
iii. However, all employees of CSPHCL are working on deputation basis and as such there is no employee who belongs to this company.

**Note 24.4:** 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.



**Note 24.5: Share Capital Suspense A/c**

The total share capital of CSPHCL as on 31/03/2017 is Rs. 6591.89 crore. This includes share capital of Rs. 4475.90 crore provided by Govt. of Chhattisgarh vide notification 1816/F-21/13/13-2/2014 dated 17.07.2017 as on 01-01-2009, and Rs. 900 crore, Rs.704 crore ,Rs. 22 crore and Rs.490 crore infused by state Govt during FY 2011-12, 2012-13, 2013-14 and 2016-17 respectively. However, out of Rs. 6591.89 crore of total share capital, the issued & paid up share capital is to the tune of Rs. 6086.05 crore only and balance Rs. 505.84 crore has been kept under share capital suspense account, which includes Rs. 330 crore equity infused during FY 2016-17 for which issuance of share certificate is under process. Rs. 175.84 crore is related to final opening balance which has been notified on dt. 17.07.2017. The action regarding issuance of pending share certificate of Rs. 175.84 in being taken.



**Note 25 : Specified Bank Notes Disclosure (SBNs)**

In accordance with the MCA notification G.S.R 308(E) dated March 30, 2017 details of specified bank Notes (SBN) and other Denomination Notes (ODN) held and transacted during the period from November 8, 2016 to December 30, 2016 is given below:

Particulars	Specified Bank notes (Rs.)	Other denomination notes (Rs.)	Total (Rs.)
Closing cash in hand as on November 8, 2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on December 30, 2016	-	-	-



**Note 26 - Financial instruments****26.1 Capital management**

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to shareholders through the optimisation of Equity balance. Equity balance is defined as Equity share capital and other equity including reserves and surplus.

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 issuance of equity share capital.

**26.2 Financial instruments – Fair values and risk management****Categories of Financial Instruments:**

	31 March 2017			31 March 2016			1st April 2015		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>									
Cash and cash equivalents			16,35,32,422			23,25,94,902			4,22,65,080
Loans			2,01,80,602			81,53,97,278			2,51,18,59,341
Other financial assets			8,58,34,43,742			11,55,38,53,803			11,20,01,68,713
<b>Total</b>			<b>8,76,71,56,767</b>			<b>12,60,18,45,983</b>			<b>13,75,42,93,134</b>
<b>Financial liabilities</b>									
Trade Payables			3,76,63,587			4,03,03,535			4,02,89,420
Other financial liabilities			2,69,78,61,597			6,63,78,40,316			72,37,52,751
<b>Total</b>			<b>2,73,55,25,184</b>			<b>6,67,81,43,850</b>			<b>76,40,42,172</b>

**26.3 Financial risk management**

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 credit risk and liquidity risk.



### 26.3.1 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:

Financial Assets	As at 31st March 2017 (Rs.)	As at 31st March 2016 (Rs.)	As at 1st April 2015 (Rs.)
Loans	2,01,80,602	1,58,86,18,782	2,51,18,59,341
Other financial assets	8,58,34,43,742	11,55,38,53,803	11,20,01,68,713
<b>Total</b>	<b>8,60,36,24,344</b>	<b>13,14,24,72,585</b>	<b>13,71,20,28,055</b>

### 26.3.2 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

	Upto 1 Year	1-5 years	5+ years	Total
<b>March 31, 2017</b>				
Trade Payables	3,39,68,159	36,95,429		3,76,63,587
Other financial liability	1,46,68,634	2,68,31,92,963	-	2,69,78,61,597
	<b>4,86,36,793</b>	<b>2,68,68,88,391</b>		<b>2,73,55,25,184</b>
<b>March 31, 2016</b>				
Trade Payables	4,00,25,072	2,78,462		4,03,03,535
Other financial liability	9,49,26,177	6,54,29,14,138		6,63,78,40,316
	<b>13,49,51,249</b>	<b>6,54,31,92,601</b>		<b>6,67,81,43,850</b>
<b>April 1, 2015</b>				
Trade Payables	3,99,45,729	3,43,691		4,02,89,420
Other financial liability	7,26,79,927	65,10,72,824		72,37,52,751
	<b>11,26,25,656</b>	<b>65,14,16,515</b>		<b>76,40,42,172</b>



**Note 27: Managerial Remuneration**

Remuneration paid to directors including Managing Director	Apr' 16 to March' 17	Apr' 15 to March' 16
	(in Rs)	(in Rs)
Salary & Allowances	25,41,948/-	28,18,898/-
<b>Total</b>	<b>25,41,948/-</b>	<b>28,18,898/-</b>

**Note 28:** Sitting fees paid to the Directors including Managing Director is Rs. Nil

**Note 29:** Balances of Sundry Debtors, Creditors and inter-companies are subject to confirmation and reconciliation.

**Note 30:** In the opinion of the Company, current assets, loans and advances are good and recoverable and approximately of the values, if realized in the ordinary course of business unless and to the extent stated otherwise in the Accounts.

**Note 31:** In absence of relevant details disclosures of Micro, Small & Medium Enterprises as covered in the Micro, Small & Medium Enterprises Act, 2006 have not been made. Company has neither received any claims for interest nor provided any interest payable to Micro & Small Enterprises.

**Note 32:** Contingent liability not provided in the profit and loss account during the relevant period is Nil.

**Note 33:** No assets have been identified as impaired during the financial year 2015-16 and as such no requirement has arisen for charging to profit & loss accounts.

**Note 34:** As per provisions under Transfer Scheme Rules all Joint Venture projects have been transferred to CSPHCL. However, state govt vide notification dt 01.10.2013 has made amendment in transfer scheme and reallocated IFFCO Chhattisgarh Power Ltd to CSPGCL. The legal process for transfer of equity investment made by CSPHCL in JV project to CSPGCL has already been initiated. Pending transfer of share certificate in name of CSPGCL, the equity investment has been shown in the books of CSPHCL.

**Note 35:** The company is an investment company of Government of Chhattisgarh and as such the company does not have any reportable business segments.

**Note 36:** The CSPHCL has provided loan from time to time to its subsidiaries namely CSPGCL, CSPDCL and CSPTCL. As per decision taken by Board of Directors of CSPHCL in its meeting held on dt. 7/09/2012, no interest is being charged on these loans.

**Note 37:** In view of paragraph 11 of Ind AS-24, no disclosure is required as regards related party relationships with other state controlled enterprises and transaction with such enterprises. Other disclosures as required by Ind AS-24 are as under:

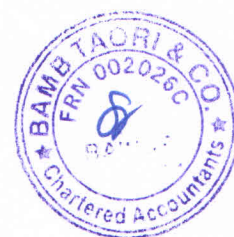
A. List of Related Parties:		
Key management personnel:	Shri. Shivraj Singh IAS Shri Anoop kumar Garg	Chairman Managing Director

**B:** Transactions carried out with key management personnel, their relatives and their enterprises where transactions have taken place, in ordinary course of business:

Name of Related Party	Nature of relationship	Apr'15 to March'16 (In Rs.)	Apr'16 to March'17 (In Rs.)
Shri. Shivraj Singh IAS	Chairman	42,000	42,000
Shri Anoop kumar Garg	Managing Director	27,76,898	24,99,948
	<b>Total</b>	<b>28,18,898</b>	<b>25,41,948</b>

**Note 38: Significant Events after the Reporting Period**

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.





# Chhattisgarh State Power Holding Company Limited

## Notes to the financial statements for the year ended 31st March, 2017

All amounts are in INR unless otherwise stated

### Note 39: Explanation of Transition to Ind AS and effect of Ind AS adoption

#### 39.1 First-time adoption-mandatory exceptions, optional exemptions

##### a Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as detailed below.

##### b Derecognition of financial assets and liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2015 (the transition date).

##### c Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

##### d Deemed cost for PPE, investment property and intangible assets

The Company has elected to restate retrospectively generally all its property, plant and equipment and intangible assets as per the Ind AS 16 on transition date (as at 1st April, 2015).

##### e Investments in subsidiaries, joint ventures and associates

The Company has elected to adopt the carrying value under previous GAAP as on the date of transition i.e. 1st April, 2015 in its separate financial statements and use that carrying values as its deemed cost as of the transition date.

#### 39.2 Reconciliation of total equity as at 31st March, 2016 and 1st April, 2015

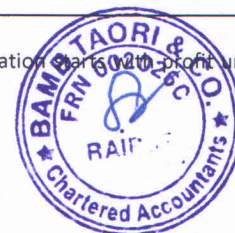
	As at 31 March 2016	As at 1 April 2015
Total equity / shareholders' funds under previous GAAP	59,668,274,464	59,665,499,067
<b>Adjustments:-</b>		
Share application Money Pending allotment transferred to Other Equity*	1,776,376,900	8,317,637,914
<b>Total adjustment to equity</b>	<b>1,776,376,900</b>	<b>8,317,637,914</b>
<b>Total equity under Ind AS</b>	<b>61,444,651,364</b>	<b>67,983,136,981</b>

\* Under Previous GAAP, Share application Money Pending allotment was shown separately on the face of Balance Sheet

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

	As at 31 March 2016
Profit as per previous GAAP *	2,775,397
<b>Adjustments:-</b>	
Total effect on transition to Ind AS	-
<b>Profit for the year as per Ind AS</b>	<b>2,775,397</b>
Other comprehensive income for the year (net of tax)	-
<b>Total comprehensive income under Ind AS</b>	<b>2,775,397</b>

\* Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.



39.4 Reconciliation of cash flow between previous IGAAP and IndAS as on 31 March 2016

	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per IndAS
Cash flow from/(used in) operating activities	6,755,078,545	-	6,755,078,545
Cash flow from/(used in) investing activities	(23,487,709)	-	(23,487,709)
Cash flow from/(used in) financing activities	(6,541,261,014)	-	(6,541,261,014)
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>190,329,822</b>	<b>-</b>	<b>190,329,822</b>
Cash and cash equivalents at the beginning of the year	42,265,080	-	42,265,080
<b>Cash and cash equivalents at the end of the year</b>	<b>232,594,902</b>	<b>-</b>	<b>232,594,902</b>

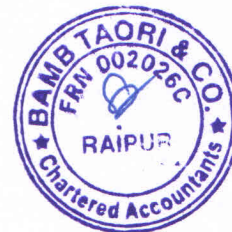
**Note 40: Approval of financial statements**

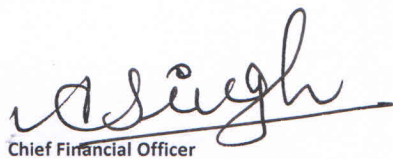
The financial statements were approved for issue by the board of directors on 27-06-2018.

For and on behalf of the Board of Directors

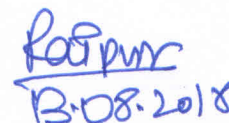
  
Managing Director

  
Director



  
Chief Financial Officer

  
Company Secretary

  
B.08.2018