

Chhattisgarh State Power Holding Company Limited
Notes to the financial statements for the year ended 31st March, 2018
 All amounts are in INR unless otherwise stated

Note 14 - Provisions

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non- Current	Current	Non- Current
(a) Provision for employee benefits				
(1) Pension & Gratuity	0		-	
(2) DA Arrears	1,185,668		13,900,824	
Total Provisions	1,185,668	-	13,900,824	-



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Note No. 15 - Trade payables

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non Current	Current	Non Current
Trade payable for goods & services	12,966,189		9,896,864	
Trade payable for salaries and wages	15,348,431		12,302,089	
Total trade payables	28,314,620	-	22,198,953	-



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Note No. 16 - Current Tax Liabilities (Net)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non Current	Current	Non Current
Provision for Income Tax	15,381,953		11,264,393	
Total - Current Tax Liabilities (Net)	15,381,953	-	11,264,393	-



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Note 17 - Other Liabilities

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non- Current	Current	Non- Current
a. Statutory dues				
Taxes payable (other than income taxes)	3,208,795		2,403,178	
Employee Recoveries and Employer Contributions	6,888,390		4,252,680	
Total Other Liabilities	10,097,185		6,655,858	



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Note 18 Other Income

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Interest income on financial assets at amortised cost		
Bank deposits	11,702,520	13,594,919
On Loans given	233,792	439,654
Rent income	52,506	226,098
Other Recoveries from employees	62,192	54,123
Sale of tender forms	48,800	118,410
Miscellaneous income	377,643	94,485
Total Other Income	12,477,453	14,527,689



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Note 19 Employee Benefits Expense

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Salaries, wages and bonus	257,869,937	229,516,208
Contribution to provident and other funds	3,931,065	3,314,785
Other staff costs	12,826,291	12,954,396
Staff welfare expenses	336,092	2,411,193
Employee Cost -transferred to subsidiaries pursuant to transfer scheme	(274,963,385)	(248,196,581)
Total Employee Benefit Expense	-	-



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Note 20 - Finance Cost

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
(a) Bank charges	216,021	10,685
(b) Interest on Bonds	-	3,481,435
Less: Interest & Finance Charges -transferred to subsidiaries persuant to transfer scheme	(216,021)	(3,492,120)
Total finance costs	-	-



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Note 21 - Other Expenses

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Repairs and maintenance:		
(i) Buildings	-	-
(ii) Others	7,20,334	6,05,837
R&M- transferred to subsidiaries pursuant to transfer scheme	(7,20,334)	(6,05,837)
Power expense	2,37,680	22,68,362
Rent including lease rentals	33,00,000	33,10,000
Insurance charges	33,624	14,400
Vehicle Running, Hiring and Maintenance charges	84,89,188	1,20,29,255
Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	3,21,985	3,07,778
(ii) For Taxation matters	-	-
Other expenses	-	-
(i) Legal and other professional costs	52,79,755	75,02,458
(ii) Other General Expenses	3,00,50,651	2,39,67,238
Admin & Other Exp -transferred to subsidiaries pursuant to transfer scheme	(4,77,66,542)	(4,93,99,490)
Total Other Expenses	-	-

Note: Expenditure on Corporate Social Responsibility

Amount required to be spent by the Company during the year on CSR is Rs. 2,29,124 (2016-17 : Rs.9,87,431) whereas the Company has spent Rs. NIL (2016-17: Rs. NIL).

Note: Payment to auditors

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Auditor's Remuneration (Statutory Audit)	3,21,985	3,07,778
Total	3,21,985	3,07,778



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Note - 22: Current Tax and Deferred Tax

(a) Income Tax Expense

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Current Tax		
Current Income Tax Charge	4,117,560	4,803,290
Adjustments in respect of prior years		-
Deferred Tax		
MAT credit entitlement		
Total Tax Expense recognised in profit and loss account	4,117,560	4,803,290



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

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	(Rs.)	(Rs.)
Net Profit/(Loss) as per Profit & Loss Account available for Equity Shareholders	8,359,894	9,724,399
Weighted Average number of Ordinary Share Outstanding for Basic EPS	6,416,050,000	6,086,050,000
Add: Weighted Average number of Potential Equity shares on account of Share Application Money	175,841,758	505,841,758
Cumaltive Weighted Average number of Ordinary Share Outstanding for Basic/Diluted EPS	6,591,891,758	6,591,891,758
Earnings per Share		
Basic	0.0013	0.0015
Diluted	0.0013	0.0015



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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 (CSPTTrCL) 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: 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 24.3: 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 25: Share Capital Suspense A/c

The total share capital of CSPHCL as on 31/03/2018 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. 6416.05 crore only and balance Rs. 175.84 crore has been kept under share capital suspense account. 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 is being taken.



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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 2018		31 March 2017	
	FVTPL	FVTOCI	Amortised Cost	FVTPL
Financial Assets				
Cash and cash equivalents			20,81,54,410	
Loans			2,00,88,200	
Other financial assets			6,27,12,65,856	
Investment			59,82,16,56,738	
Total	-	-	66,32,11,65,204	-
Financial liabilities				
Trade Payables			2,83,14,620	
Other financial liabilities			2,03,01,432	
Total	-	-	4,86,16,052	-
				Amortised Cost
				16,35,32,422
				2,01,80,602
				8,58,34,43,742
				60,23,34,49,578
				69,00,06,06,344
				2,21,98,953
				2,70,69,73,459
				2,72,91,72,412

The management has classified the current and non-current portion of amounts receivable. The non-current portion represents the amount which company does not expect to receive within next 12 months and hence they are classified as non-current. However, these receivables do not have a fixed maturity following which the receivables are not discounted.



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:

	As at 31st March 2018 (Rs.)	As at 31st March 2017 (Rs.)
Financial Assets		
Loans	2,00,88,200	2,01,80,602
Other financial assets	6,27,12,65,856	8,58,34,43,742
Total	6,29,13,54,056	8,60,36,24,344

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
March 31, 2018				
Trade Payables	2,83,14,620			2,83,14,620
Other financial liability	2,03,01,432			2,03,01,432
	4,86,16,052			4,86,16,052
March 31, 2017				
Trade Payables	2,21,98,953			2,21,98,953
Other financial liability	2,62,33,304	2,68,07,40,156		2,70,69,73,459
	4,84,32,257	2,68,07,40,156		2,72,91,72,412



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Note 27: Managerial Remuneration

Remuneration paid to directors including Managing Director	Apr' 17 to March' 18 (in Rs)	Apr' 16 to March' 17 (in Rs)
Salary & Allowances	6,72,344/-	25,41,948/-
Total	6,72,344/-	25,41,948/-

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 2017-18 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 completed and hence it is no longer shown as an equity investment 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 Ankit Anand IAS Shri Anoop kumar Garg	Chairman Managing Director (July'17 to Mar'18) Managing Director (Apr'17-June'17)
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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'17 to March'18 (In Rs.)	Apr'16 to March'17 (In Rs.)
Shri. Shivraj Singh IAS (Retd.)	Chairman	42,000	42,000
Shri Anoop kumar Garg	Managing Director	630,344	2,499,948
Shri Ankit Anand IAS	Managing Director	-	-
Total		672,344	2,541,948

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.

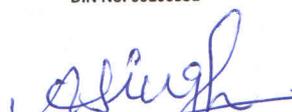
Note 39: Previous year figures have been regrouped and re-classified where necessary to make them comparable.

Note 40: The Financial Statements were approved for issue by the board of directors on 26.02.2019.

For and on behalf of the Board of Directors


 Shailendra Kumar Shukla
 Managing Director
 DIN No. 00106531


 Ajay Kumar Dubey
 Director
 DIN No. 01889114


 Alek Singh
 Chief Financial Officer


 Arun Mishra
 Company Secretary
 Mem. No. ACS:55153

For Bamb Taori & CO.
 Chartered Accountants
 FRN - 002026C

Sagar Jain
 Partner
 Membership No. 420124



Place : Raipur
 Date : 18.03.2019

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