

PUKHRAJ & ASSOCIATES
Chartered Accountants



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

Ref – Submission of Statutory Auditors Report & Financial Statements of the Chhattisgarh State Power Holding Company Limited (the Company) for the F.Y.2019-20.

Sir,

Please find enclosed the following reports for Statutory Audit of the CSPHCL FOR THE F.Y. 2019-20:

1. Auditor's Report on Standalone Financial Statements (3 Sets) of the Company for the Financial Year 2019-20.
2. Audited Financial Statements (3 Sets) of the Company for the F.Y. 2019-20.
3. Compliance Certificate for the Financial Year 2019-20.
4. Report of Direction under section 143(5) of the Companies Act, 2013 for the financial year 2019-20.
5. Report of Sector Specific Sub-direction under section 143(5) of the Companies Act, 2013 for the financial year 2019-20.

Date: 28/11/2020

Place: Raipur

For, Pukhraj & Associates
Chartered Accountants
Firm Reg. No. 002013C



Praveen Jain
(Partner)

M.No. 414739

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Chartered Accountants



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COMPLIANCE CERTIFICATE

We have conducted the audit of Standalone Financial Statement of **CHHATTISGARH STATE POWER HOLDING COMPANY LIMITED** ('the Company') for the year ended 31st March, 2020 in accordance with the direction issued by C&AG of India under section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions issued to us.

Date: 28/11/2020

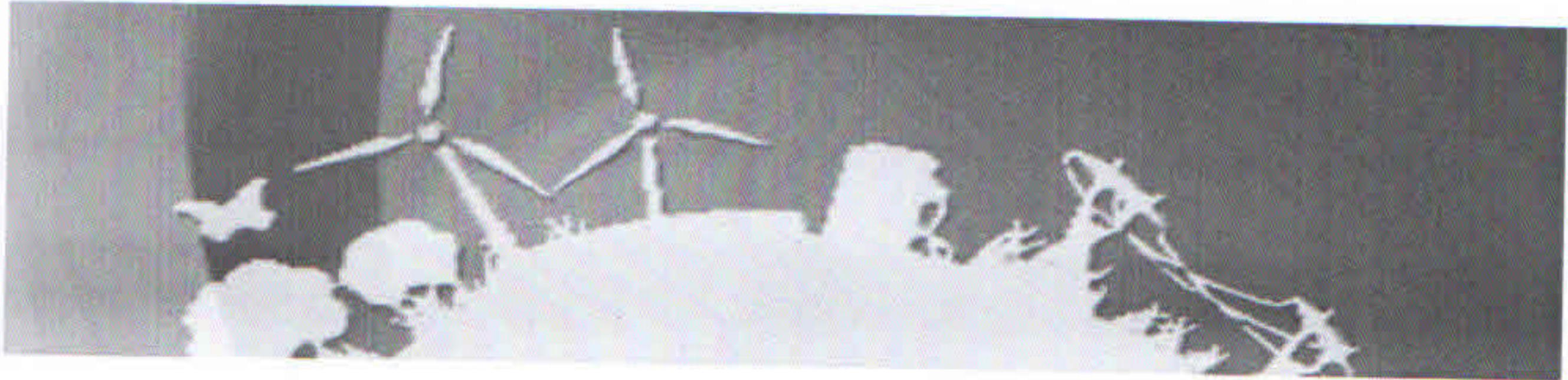
Place: Raipur

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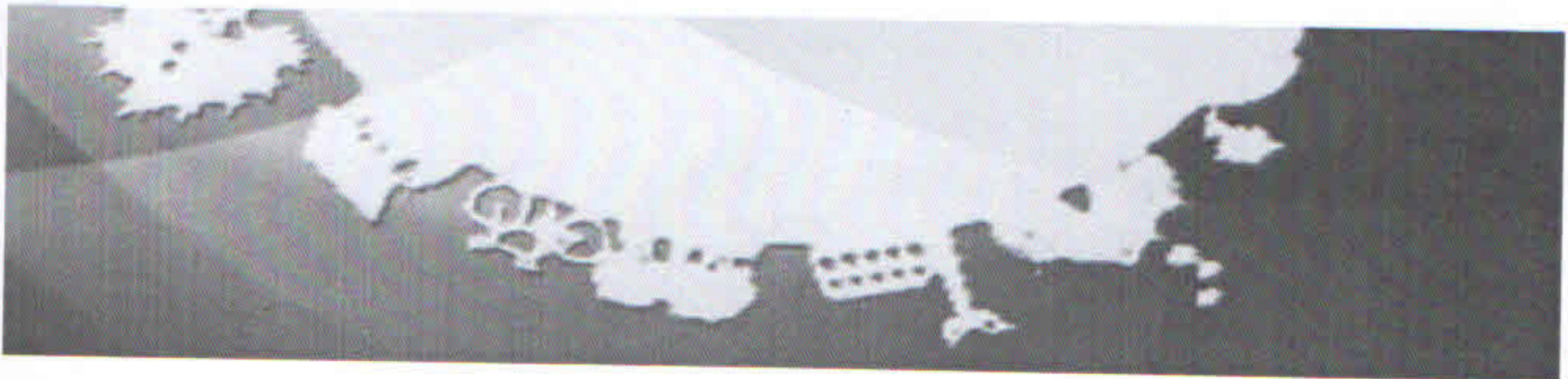
Praveen Jain
(Partner)
M.No. 414739

F.Y. 2019-20



C PHCL

Chhattisgarh State Power Holding Company Limited



FINANCIAL STATEMENT

**CHHATTISGARH STATE POWER HOLDING
COMPANY LIMITED
RAIPUR (C.G.)**

Statutory Auditors: M/s Pukhraj & Associates, Raipur



INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
CHHATTISGARH STATE POWER HOLDING COMPANY LIMITED**

Report on the IND AS financial statements

Opinion

We have audited the accompanying IND AS financial statements of **CHHATTISGARH STATE POWER HOLDING COMPANY LIMITED** ('the Company') which comprise the Balance Sheet as at **31st March 2020**, the Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity for the year then ended and Notes to IND AS financial statements comprising of a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013 ('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, 2020, its profit and cash flows for the year ended on that date.

Basis for opinion

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

Emphasis of Matter

- Balances due to Micro & Small Enterprises and its related disclosures which is required to be disclosed in financial statements as per MSMED Act 2006 and Schedule III of Companies Act 2013 has not been disclosed properly in financial statements.
- Cash Flow Statement is not in line with the corresponding IND AS 7 requirements, as there is no cash inflow or outflow from financial activities and no cash outflow from investment, as shown in cash flow statement of preceding year.
- Presentation of balances other than the cash and cash equivalent under financial asset in balance sheet is not in accordance with the disclosure made by the company in note no 10 of financial statement

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Key audit matters

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

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's boards of directors are responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the 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 IND AS financial statements that give a true and fair view of the financial position and financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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Auditor's Responsibility

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

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

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

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

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

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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of Sub Section (11) of Section 143 of the company Act 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(5) of the Act, we give in "Annexure B", a statement on the directions/sub-directions specified by the Comptroller and Auditor-General of India for the Company.
3. Non Compliance of the Act:
 - a. The Board of Directors comprises of six directors consisting of four nominee directors, one managing director and one whole time director, section 149 of the Act requires that one-third of the total number of directors should be independent directors. The company does not have an independent director.
 - b. As per section 204(2) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to obtain 'Secretarial Audit Report' from independent practicing company secretary. As per board minutes, Company has not obtained any secretarial audit report for the financial year 2019-20.
 - c. As per Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies Rules, 2014, the Company is required to form Audit Committee. The Act requires that majority of directors of Audit Committee should be independent, as the Company is not having any independent director in its Board, there is non-compliance of Section 177.
 - d. As per Section 178 of the Companies Act, 2013 the Company needs to comply with the requirements of having Nomination and Remuneration Committee. The Act requires that majority of directors of Nomination and Remuneration Committee should be independent, as the Company is not having any independent director in its Board, there is non compliance of Section 178.
 - e. As per section 135 of the Companies Act, 2013 the Company needs to comply with the requirement of having CSR committee and the same has been formed with effect from 30.08.2019 and it also requires that the committee shall consist of three or more directors out of which at least one director shall be independent director, as the company is not having any independent director in its board and therefore there is non compliance of Section 135 of the Companies Act by the Company.
 - f. The AGM of the Company for adoption of Financial Statements for the years 2017-18 and 2018-19 was not held at the time of certification of accounts by the Statutory Auditor.
 - g. As per the section 138 of the Companies Act, 2013 the company needs to comply with the requirement of internal audit and the same has not been complied with and therefore there is non compliance of Section 138 of the Companies Act by the Company.
4. As required by sub-section (3) of section 143 of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

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- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, the statement of profit and loss and Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts produced;
- d. In our opinion, the aforesaid IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended and
- e. On the basis of written representations received from the Directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- 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 C". Our report expresses unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:-
- i. The Company does not have any pending litigations which would impact its financial position except as stated in Clause vii. of Annexure A of Audit Report.
 - ii. The Company did not have any long-term contracts including derivatives contracts, hence no provision are required for material foreseeable losses; and
 - iii. There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

Date : **18 NOV 2020**
Place : Raipur
UDIN : 20414739AAAACH6953

For, Pukhraj & Associates
Chartered Accountants
Firm Reg. No. 0020136



Praveen Jain
(Partner)
M.No. 414739

ANNEXURE "A" TO THE AUDITOR'S REPORT

For the annexure referred to in our report of even date to the Members of CHHATTISGARH STATE POWER HOLDING COMPANY LIMITED ("the Company") for the year ended on March 31, 2020; we report that:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) The title deeds of immovable properties are held in the name of the company.
- 2) The Company does not have any Inventory in hand. Accordingly, the provisions of clause 3 (ii) (a) & (b) of the Order are not applicable to the Company and hence not commented upon.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on which they become payable.
(b) According to the information and explanations given to us, there are no outstanding dues on account of disputed matters before appropriate authorities.
- 8) Based on our audit procedures and according to the information and explanations given to us, Company has no dues regarding financial institutions, bank, government and debenture holders.

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Praveen Jain

- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, Company is Ltd. therefore, the provisions of clause 3 (xi) of the Order are not applicable to the Company.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the IND AS financial statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the requirement of Section 42 of the Companies Act, 2013 is not applicable to the company.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Date : 18 NOV 2020
Place : Raipur

UDIN: 20414739AAAACH6953

For, Pukhraj & Associates
Chartered Accountants
Firm Reg. No. 002013C



Praveen Jain
(Partner)
M.No. 414739

ANNEXURE "B" TO THE AUDITOR'S REPORT

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. 2019-20:-

S.No.	DIRECTIONS	REPLY
1	Whether the Company has system in place to process all the accounting transaction through IT System? If, yes the implication of processing of accounting transaction outside IT system on the integrity of the accounts along with financial implications, if any, may be stated.	All the accounting transactions have been made through SAP system.
2	Whether there is any restructuring of an existing loans or cases of wavier/write off of debts/ loans/ interest, etc. made by lender to the company due to companys's inability to repay the loan? If yes, the financial impact may be stated.	Not applicable.
3	Whether funds received/ receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	No fund has been received from Central/State agencies in FY 2019-20

Date: 18 NOV 2020
Place: Raipur
UDIN: 20414739 AAAA CH6953

For, Pukhraj & Associates
Chartered Accountants
Firm Reg. No. 002013C



Praveen Jain
Praveen Jain
Partner
M. No.: 414739

ANNEXURE "B" TO THE AUDITOR'S REPORT

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. 2019-20

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

Date: 18 NOV 2020
Place: Raipur

UDIN: 20414739 AAAA CH6953

For, Pukhraj & Associates
Chartered Accountants
Firm Reg. No. 002013C



Praveen Jain

Praveen Jain
Partner

M. No.: 414739

ANNEXURE "C" TO THE AUDITOR'S 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 **March 31, 2020** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date : '18 NOV 2020

Place : Raipur

UDIN: 20414739AAAACH6953

For, Pukhraj & Associates
Chartered Accountants
Firm Reg. No. 002013C



Praveen Jain

Praveen Jain
Partner

M. No.: 414739

Chhattisgarh State Power Holding Company Limited

Balance Sheet as at 31st March, 2020

All amounts are in INR unless otherwise stated

Particulars		Note No.	As at March 31, 2020 Amount (Rs.)	As at March 31, 2019 Amount (Rs.)
A	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	4	4,99,83,099.06	5,22,74,611.88
	(b) Capital Work in Progress		-	-
	(c) Investment Property		-	-
	(d) Goodwill		-	-
	(e) Other Intangible assets	3	-	-
	(f) Intangible assets under development		-	-
	(c) Financial Assets			
	(i) Investments	5	59,82,16,56,730.11	59,82,16,56,730.11
	(ii) Trade receivables		-	-
	(iii) Non-Current Bank Balances		-	-
	(ii) Loans	6	2,00,00,000.00	-
	(iii) Other financial assets	7	5,56,39,57,948.58	5,45,41,48,110.58
	(d) Non-current Tax assets	8	3,19,96,036.95	3,26,93,539.15
	(e) Other non current assets	9	-	-
	Total Non - Current Assets		65,48,75,93,814.70	65,36,07,72,991.72
2	Current assets			
	(a) Inventories		-	-
	(b) Financial Assets			
	(i) Investments	10	-	-
	(i) Trade receivables			
	(ii) Cash and cash equivalents	10	28,44,94,962.98	28,45,59,373.62
	(iii) Balances other than (ii) above		-	-
	(iv) Loans	6	2,59,415.00	2,00,41,073.00
	(v) Other financial assets	7	67,52,03,877.40	77,79,82,153.65
	(c) Other current assets	9	14,83,564.00	28,56,112.00
	Total Current Assets		96,14,41,819.38	1,08,54,38,712.27
	(e) Non-Current Assets classified as held for sale			
	Total Assets		66,44,90,35,634.08	66,44,62,11,703.99
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share capital	11	65,91,89,17,570.00	65,91,89,17,570.00
	(b) Other Equity	12	45,26,60,380.45	43,73,95,888.11
	Total equity		66,37,15,77,950.45	66,35,63,13,458.11
2	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	(ii) Trade payables		-	-
	(i) Other financial liabilities	13	-	-
	(b) Provisions	14	-	-
	(c) Deferred tax liabilities (Net)		-	-
	(d) Other non-current liabilities		-	-
	Total Non - Current Liabilities		-	-
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	14	-	-
	(i) Trade payables	15	3,33,12,740.29	3,56,58,875.20
	(ii) Other financial liabilities	13	1,16,61,409.49	3,28,13,225.32
	(b) Provisions	14	7,04,237.20	5,09,538.00
	(c) Current Tax Liabilities (Net)	16	54,96,982.81	56,82,470.00
	(d) Other current liabilities	17	2,62,82,313.83	1,52,34,137.35
	Total Current Liabilities		7,74,57,683.62	8,98,98,245.87
	(f) Liabilities associated with assets held for sale			
	Total Equity and Liabilities		66,44,90,35,634.08	66,44,62,11,703.99
	See accompanying notes to the financial statements			

In terms of our report attached,
For Pukhraj & Associates
Chartered Accountants
FRN - 002013C

Praveen Jain
Partner
Membership No. 414739



UDIN: 20414739AAAA CH6953

For and on behalf of the Board of Directors

Smt. Ujjwala Baghel
Managing Director
DIN No. 08738889

Harsh Gautam
Director
DIN No. 08863877

Sandeep Modi
Chief Financial Officer

Arun Mishra
Company Secretary
Mem. No. ACS:55153

Place : Raipur

Date : 11 NOV 2020

Chhattisgarh State Power Holding Company Limited

Statement of Profit and Loss for the period ended March 31, 2020

All amounts are in INR unless otherwise stated

Particulars	Note No.	year ended March 31, 2020 Amount (Rs.)	year ended March 31, 2019 Amount (Rs.)
I Revenue from operations		-	-
II Other income	18	2,19,17,794.29	1,72,19,601.91
III Total Revenue (I + II)		2,19,17,794.29	1,72,19,601.91
IV EXPENSES			
(a) Employee benefit expense	19	-	-
(b) Finance costs	20	-	-
(c) Depreciation and amortisation expense		-	-
(d) Other expenses	21	18,79,845.00	-
Total Expenses (IV)		18,79,845.00	-
V Profit/(loss) before tax (III - IV)		2,00,37,949.29	1,72,19,601.91
VI Tax Expense			
(1) Current tax	22	54,96,982.81	56,82,470.00
(2) Excess provision for income tax in PY	22	(7,23,525.85)	-
(2) Deferred tax	22	-	-
Total tax expense (VI)		47,73,456.96	56,82,470.00
VII Profit/(loss) after tax (V - VI)		1,52,64,492.33	1,15,37,131.91
VIII Other comprehensive income			
A (i) Items that will not be recycled to profit or loss		-	-
(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		-	-
(ii) Income tax on items that may be reclassified to profit or loss		-	-
IX Total comprehensive income for the Year (VII + VIII)		1,52,64,492.33	1,15,37,131.91
X Earnings per equity share :			
(1) Basic	23	0.0023	0.0018
(2) Diluted	23	0.0023	0.0018

In terms of our report attached.

For Pukhraj & Associates
Chartered Accountants
FRN - 002013C


Praveen Jain
Partner

Membership No. 414739
UDIN: 20414739AAAACH6953

UDIN: 20414739AAAACH6953

Place : Raipur

Date : 118 NOV 2020

For and on behalf of the Board of Directors


Smt. Ujjwala Baghel
Managing Director
DIN No. 08738889


Sandeep Modi
Chief Financial Officer


Harsh Gautam
Director
DIN No. 08863877


Arun Mishra
Company Secretary
Mem. No. ACS:55153



Chhattisgarh State Power Holding Company Limited

Cash Flow Statement as on March 31, 2020

All amounts are in INR unless otherwise stated

Particulars	Note No.	year ended March 31, 2020 Amount (Rs.)	year ended March 31, 2019 Amount (Rs.)
Cash flows from operating activities			
Profit before tax for the year		2,00,37,949.29	1,72,19,601.91
Adjustments for:			
Interest Income		2,16,04,171.49	1,67,99,948.40
Operating Profit before working capital changes		(15,66,222.20)	4,19,653.51
Movements in working capital:			
Increase / (Decrease) in Trade Payables		(23,46,134.91)	73,44,254.81
Increase / (Decrease) in Other Current Financial Liabilities		(2,11,51,815.83)	1,25,11,793.53
Increase / (Decrease) in Other Non Current Financial Liabilities		-	-
Increase / (Decrease) in Other Current Liabilities		1,08,62,689.29	(45,62,530.72)
Increase / (Decrease) in Short Term Provisions		1,94,699.20	(6,76,130.00)
(Increase) / Decrease in Loans - Current		1,97,81,658.00	47,127.00
(Increase) / Decrease in Other Current Financial Assets		10,27,78,276.26	3,91,35,591.36
(Increase) / Decrease in Other Non Current Financial Assets		(10,98,09,838.00)	-
(Increase) / Decrease in Non Current assets		6,97,502.20	1,01,89,170.85
(Increase) / Decrease in Other Current Assets		13,72,548.00	(23,27,759.00)
Cash generated from operations		8,13,362.01	6,20,81,171.34
Income taxes paid		47,73,456.96	56,82,470.00
Net cash generated by operating activities		(39,60,094.95)	5,63,98,701.34
Cash flows from investing activities			
Interest Income		2,16,04,171.49	1,67,99,948.40
(Purchase)/ Transfer of fixed assets		22,91,512.82	32,06,310.91
(Increase)/ Decrease in investments		-	7.73
Net cash (used in)/generated by investing activities		2,38,95,684.31	2,00,06,267.04
Cash flows from financing activities			
application money pending allotment)		-	(1,75,84,17,575.14)
increase/ (decrease) in share capital account		-	1,75,84,17,570.00
Net cash used in financing activities		-	(5.14)
Net increase in cash and cash equivalents		1,99,35,589.36	7,64,04,963.24
Cash and cash equivalents at the beginning of the year		28,45,59,373.97	20,81,54,410.73
Cash and cash equivalents at the end of the year		30,44,94,963.33	28,45,59,373.97
		28,44,94,962.98	28,45,59,373.62

In terms of our report attached,

For Pukhraj & Associates
Chartered Accountants
FRN - 002013C

Praveen Jain
Partner
Membership No. 414739

UDIN: 20414739 AAAACH6953

Place: Raipur

Date: 17th May 2020

For and on behalf of the Board of Directors

Smt. Ujjwala Baghel
Managing Director
DIN No. 08738889

Sandeep Modi
Chief Financial Officer

Harsh Gautam
Director
DIN No. 08863877

Arun Mishra
Company Secretary
Mem. No. ACS:55153

Chhattisgarh State Power Holding Company Limited
Statement of changes in equity for the year ended March 31, 2020
 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, 2019	6,59,18,91,757.00	65,91,89,17,570.00
Changes in equity share capital during the year		
Issue of equity shares	-	-
Balance at 31st March, 2020	6,59,18,91,757.00	65,91,89,17,570.00

In terms of our report attached.

For Pukhraj & Associates

Chartered Accountants

FRN - 002013C

Praveen Jain

Partner

Membership No. 414739

UDIN: 20414739AAAA CH6953



For and on behalf of the Board of Directors

Smt. Ujjwala Baghel
 Managing Director
 DIN No. 08738889

Harsh Gautam
 Director
 DIN No. 08863877

Sandeep Modi
 Chief Financial Officer

Arun Mishra
 Company Secretary
 Mem. No. ACS:55153

Place: Raipur

Date: 18 NOV 2020

Chhattisgarh State Power Holding Company Limited
Statement of changes in equity for the year ended March 31, 2020
 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	
Balance at 1st April, 2019	-	-	-	-	-	43,73,95,888.11	43,73,95,888.11
Profit for the year						1,52,64,492.33	1,52,64,492.33
Other comprehensive income for the year, net of income tax						-	-
Total comprehensive income for the year						45,26,60,380.44	45,26,60,380.44
Payment of dividends (Rs X per share)							
Tax on Dividend							
Changes in share application money							
Balance at 31st March, 2020	-	-	-	-	-	45,26,60,380.44	45,26,60,380.44

In terms of our report attached.

For Pukhraj & Associates
 Chartered Accountants
 FRN - 002013C



Praveen Jain
 Praveen Jain
 Partner
 Membership No. 414739

UDIN: 20414739 AAAACH6953

For and on behalf of the Board of Directors

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



Harsh Gautam
 Harsh Gautam
 Director
 DIN No. 08863877

Sandeep Modi
 Sandeep Modi
 Chief Financial Officer

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

Place: Raipur

Date: **18 NOV 2020**

Chhattisgarh State Power Holding Company Limited

Notes to the financial statements

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 in India with its Head Office at Raipur Chhattisgarh. 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.

2.2 Basis of accounting and preparation of financial statements

a. Historical Cost :- 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.

b. Going Concern Concept - The financial statements of the company have been prepared on the premise that its business will continue indefinitely. However, GoCG, Energy Deptt. in its meeting dtd. 19.06.2020 & 27.06.2020 considered the reorganisation of Chhattisgarh State Power Companies & agreed over the merger of Chhattisgarh State Power Holding Company Limited with Chhattisgarh State Power Transmission Company Limited and merger of Chhattisgarh State Power Trading Company Limited with Chhattisgarh State Power Distribution Company Limited. The minutes of the meeting were issued vide no.206/F-29/01/Mu. M.Samiksha/2020/13/2 dtd. 10.07.2020. The Special Secretary, GoCG, Energy Deptt. vide their letter no. 1235/ F-29/05/Mu.M.Sami./2020/ 13/2 dtd. 15.07.2020 has desired for compliance of the said minutes of the meeting dtd. 10.07.2020

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.



Chhattisgarh State Power Holding Company Limited
Notes to the financial statements

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 (in years)
Land - Freehold	-
Office Buildings	60
Residential & Other Buildings	60
Plant, Machinery & Equipments	10 / 13.
Furniture & Fixtures	10
Office Equipments	5
Vehicles	8
Computers	3

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.



Chhattisgarh State Power Holding Company Limited
Notes to the financial statements

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.



Chhattisgarh State Power Holding Company Limited
Notes to the financial statements

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.

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.

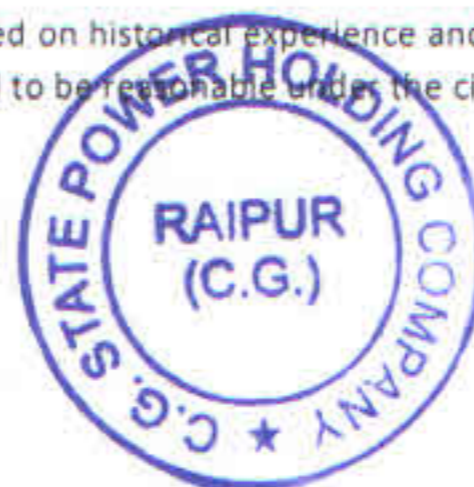
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current 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.



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

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
I. Gross Block										
Balance as at 1st April, 2019	22,20,421.00	4,91,94,392.00	78,94,241.11	4,30,469.00	2,71,064.50	22,18,116.44	24,62,740.44	20,40,397.00	24,73,506.39	6,92,05,347.88
Additions	-	-	-	-	-	-	9,28,116.18	-	1,84,788.00	11,12,904.18
Borrowing cost capitalised	-	-	-	-	-	-	-	-	-	-
Balance as on 31st March, 2020	22,20,421.00	4,91,94,392.00	78,94,241.11	4,30,469.00	2,71,064.50	22,18,116.44	33,90,856.62	20,40,397.00	26,58,294.39	7,03,18,252.06
II. Accumulated depreciation and impairment for the year 2019-2020										
Balance as at 1st April, 2019	-	89,27,560.00	14,07,428.00	-	2,01,713.00	11,24,502.00	20,57,057.00	11,38,189.00	20,74,287.00	1,69,30,736.00
Depreciation / amortisation expense for the year	-	19,66,036.00	3,10,589.00	-	17,094.00	2,51,455.00	4,17,724.00	2,81,760.00	1,59,759.00	34,04,417.00
Balance as at 31st March, 2020	-	1,08,93,596.00	17,18,017.00	-	2,18,807.00	13,75,957.00	24,74,781.00	14,19,949.00	22,34,046.00	2,03,35,153.00
Net block (I-II)										
Balance as on 31st March, 2020	22,20,421.00	3,83,00,796.00	61,76,224.11	4,30,469.00	52,257.50	8,42,159.44	9,16,075.62	6,20,448.00	4,24,248.39	4,99,83,099.06
Balance as on 31st March, 2019	22,20,421.00	4,02,66,832.00	64,86,813.11	4,30,469.00	69,351.50	10,93,614.44	4,05,683.44	9,02,208.00	3,99,219.39	5,22,74,611.88

Description of Assets	Land - Freehold	Office Buildings	Residential & Other Buildings	Roads & Others	Plant, Machinery & Equipments	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
I. Gross Block										
Balance as at 1st April, 2018	22,20,421.00	4,91,94,392.00	78,94,241.11	4,30,469.00	2,71,064.50	19,37,021.92	23,50,980.86	20,40,397.00	24,01,506.40	6,87,40,493.79
Additions	-	-	-	-	-	2,81,094.52	1,11,759.58	-	71,999.99	4,64,854.09
Borrowing cost capitalised	-	-	-	-	-	-	-	-	-	-
Balance as on 31st March, 2019	22,20,421.00	4,91,94,392.00	78,94,241.11	4,30,469.00	2,71,064.50	22,18,116.44	24,62,740.44	20,40,397.00	24,73,506.39	6,92,05,347.88
II. Accumulated depreciation and impairment for the year 2018-2019										
Balance as at 1st April, 2018	-	68,60,512.00	10,81,149.00	-	1,73,609.00	8,32,291.00	17,85,844.00	7,28,476.00	17,97,690.00	1,32,59,571.00
Depreciation / amortisation expense for the year	-	20,67,048.00	3,26,279.00	-	28,104.00	2,92,211.00	2,71,213.00	4,09,713.00	2,76,597.00	36,71,165.00
Balance as at 31st March, 2019	-	89,27,560.00	14,07,428.00	-	2,01,713.00	11,24,502.00	20,57,057.00	11,38,189.00	20,74,287.00	1,69,30,736.00
Net block (I-II)										
Balance as on 31st March, 2019	22,20,421.00	4,02,66,832.00	64,86,813.11	4,30,469.00	69,351.50	10,93,614.44	4,05,683.44	9,02,208.00	3,99,219.39	5,22,74,611.88
Balance as on 31st March, 2018	22,20,421.00	4,22,63,880.00	64,86,813.12	4,30,469.00	97,455.50	11,04,730.92	5,65,136.86	13,11,921.00	6,03,816.40	5,51,54,643.80



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

Note 5 - Investments

Particular	year ended March 31, 2020 Amount (Rs.)			year ended March 31, 2019 Amount (Rs.)		
	QTY	Amounts	Amounts	QTY	Amounts	Amounts
		Current	Non Current		Current	Non Current
Investments Carried at Cost						
Unquoted Investments (all fully paid)						
Investments in Equity Instruments of subsidiaries						
Chhattisgarh State Power Generation Company Limited	2814304283.01		2814304283.11	2814304283.01		2814304283.11
Chhattisgarh State Power Transmission Company Limited	904708158.00		904708158.00	904708158.00		904708158.00
Chhattisgarh State Power Distribution Company Limited	2263103232.00		2263103232.00	2263103232.00		2263103232.00
Chhattisgarh State Power Trading Company Limited	50000.00		50000.00	50000.00		50000.00
Total Unquoted Investments	5982165673.01		5982165673.11	5982165673.01		5982165673.11
TOTAL INVESTMENTS	5,98,21,65,673	-	59,82,16,56,730	5,98,21,65,673.01	-	59,82,16,56,730



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise

Note 6 - Loans

Particulars	year ended March 31, 2020 Amount (Rs.)			year ended March 31, 2019 Amount (Rs.)		
	Current	Non- Current	Total	Current	Non- Current	Total
A. Financial assets classified at amortised cost						
Loans to employees						
- Secured, considered good						
- Unsecured, considered good	2,59,415.00		2,59,415.00	41,073.00		41,073.00
- Doubtful						
Less : Allowance for bad and doubtful loans						
TOTAL	2,59,415.00	-	2,59,415.00	41,073.00	-	41,073.00
Loans to subsidiaries						
- Secured, considered good						
- Unsecured, considered good		2,00,00,000.00	2,00,00,000.00	2,00,00,000.00		2,00,00,000.00
- Doubtful						
Less: Allowance for Credit Losses						
TOTAL	-	2,00,00,000.00	2,00,00,000.00	2,00,00,000.00	-	2,00,00,000.00
GRAND TOTAL	2,59,415.00	2,00,00,000.00	2,02,59,415.00	2,00,41,073.00	-	2,00,41,073.00

Loan to subsidiaries - The loan had been provided to the subsidiary CSPTTr.CL at 0% rate of interest. Competent approval from the Deptt. Of Energy, GoCG has been obtained for the grant of interest free loan. The repayment of the loan shall be in 20 equal monthly installments commencing from April'2020.



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

Note 7 - Other financial assets

Particulars	As at March 31, 2020 Amount (Rs.)		As at March 31, 2019 Amount (Rs.)	
	Current	Non- Current	Current	Non- Current
Financial assets at amortised cost :				
Receivable from CSEB G&PF Trust	-		10,98,09,838.31	
Interest Accrued on deposits	1,39,21,599.96		1,30,35,948.70	
Receivable from CSPTrdCL	-	16,36,450.79	-	16,36,450.79
Receivable from CSPGCL	55,62,86,680.40	4,15,65,14,551.36	55,27,83,178.25	4,13,01,60,190.36
Receivable from CSPTCL	9,17,72,070.64	35,53,72,608.96	8,55,35,269.91	34,43,91,624.96
Receivable from CSPDCL	1,19,10,440.40	1,05,04,34,337.47	1,58,73,918.48	97,79,59,844.47
Other advances	13,13,086.00		9,44,000.00	-
TOTAL	67,52,03,877.40	5,56,39,57,948.58	77,79,82,153.65	5,45,41,48,110.58



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

Note 8 - Tax Assets

Particulars	As at March 31, 2020 Amount (Rs.)			As at March 31, 2019 Amount (Rs.)		
	Current	Non- Current	Total	Current	Non- Current	Total
Income taxes (net of provisions)		3,19,96,036.95	3,19,96,036.95		3,26,93,539.15	3,26,93,539.15
	-	3,19,96,036.95	3,19,96,036.95	-	3,26,93,539.15	3,26,93,539.15



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

Note 9 - Other assets

Particulars	As at March 31, 2020 Amount (Rs.)		As at March 31, 2019 Amount (Rs.)	
	Current	Non- Current	Current	Non- Current
Temporary Advance	14,30,594.00		28,56,112.00	
other receivables	52,970.00			
TOTAL	14,83,564.00	-	28,56,112.00	-



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

Note 10 - Cash and cash equivalents

Particulars	As at March 31, 2020 Amount (Rs.)	As at March 31, 2019 Amount (Rs.)
Current Cash and bank balances		
(i) Cash and cash equivalents		
Cash in imprest	1,67,500.00	4,000.00
Cash in transit	-	-
Balances with Banks	2,55,42,911.90	2,73,47,458.62
Term deposits	25,87,84,551.08	25,72,07,915.00
	28,44,94,962.98	28,45,59,373.62
(ii) Other bank balances		
Balances in scheduled banks in earmarked current account	-	-
Margin deposits (earmarked)	-	-
	-	-
Cash and cash equivalent as per balance sheet	28,44,94,962.98	28,45,59,373.62
Cash and cash equivalents as per statement of cash flows	28,44,94,962.98	28,45,59,373.62

The above includes Rs.7.04 lakh being the amount pertaining to the cheque/ DD/PO deposited in the bank but not credited in the bank accounts of the company for more than five years. CSPHCL has been making regular correspondence with the State Bank of India for the recovery of the said value of DDs/Cheques/Postal Orders etc. CSPHCL has also filed a complaint with the Banking Ombudsman in July' 2019. However, the AG Audit during the audit of financial statements for FY 2017-18 have advised for making a provision for bad & doubtful debts for the same. Accordingly, a provision of Rs. 7.04 lakh for bad & doubtful debts has been done during the year which is reflected in schedule 14 : Provisions.



Chhattisgarh State Power Holding Company Limited
Notes to the financial statements for the year ended 31st March, 2020
All amounts are in INR unless otherwise stated

Note 11 - Equity share capital

Particulars	As at March 31, 2020 Amount (Rs.)		As at March 31, 2019 Amount (Rs.)	
	No. of shares	Amount	No. of shares	Amount
Authorised: Equity shares of Rs. 10 each	10,30,00,00,000	1,03,00,00,00,000.00	10,30,00,00,000	1,03,00,00,00,000.00
Issued, Subscribed and Fully Paid: Equity shares of Rs. 10 each	6,59,18,91,757	65,91,89,17,570.00	6,59,18,91,757	65,91,89,17,570.00
Total	6,59,18,91,757	65,91,89,17,570.00	6,59,18,91,757	65,91,89,17,570.00

Note 11.1- (i) 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, 2019	6,59,18,91,757	65,91,89,17,570.00
Issued during the year	-	-
Balance as at 31st March ,2020	6,59,18,91,757	65,91,89,17,570.00

(ii) Terms/rights attached to Equity shares

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

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

Note 11.2 Details of Shares in the company held by each shareholder holding more than 5 % shares/ holding company

Name of Shareholder	As at March 31, 2020 Amount (Rs.)		As at March 31, 2019 Amount (Rs.)	
	*No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares Govt of Chhattisgarh	6,59,18,91,757.00	100.00	6,59,18,91,757.00	100.00
Total	6,59,18,91,757.00	100.00	6,59,18,91,757.00	100.00

*All the above shares are held by 7 no. share holders on behalf of the Govt. of Chhattisgarh.



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

Note 12 - Other equity

Paticulars	As at March 31, 2020 Amount (Rs.)	As at March 31, 2019 Amount (Rs.)
Retained earnings	45,26,60,380.45	43,73,95,888.11
Total	45,26,60,380.45	43,73,95,888.11

Nature and purpose of the reserve

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, 2020

All amounts are in INR unless otherwise stated

Note 13 - Other Financial Liabilities

Particulars	As at March 31, 2020 Amount (Rs.)		As at March 31, 2019 Amount (Rs.)	
	Current	Non Current	Current	Non Current
a) Other financial liabilities carried at amortised cost:				
Deposits & Retentions from Contractors & Suppliers	33,23,425.70		37,14,023.70	
Employee related liabilities	78,44,465.60		1,89,20,810.95	
Other	4,93,518.19		65,468.19	
Inter Company Payable Account				
Chhattisgarh State Power Distribution Company Limited	-		1,01,12,922.48	-
Total other financial liabilities	1,16,61,409.49	-	3,28,13,225.32	-

Employee related liabilities include Rs. 14.56 lakh relating to premium of Group Term Assurance plan. The insurance plan expired in August 2019 and was due for renewal from September' 2019 onwards, which could not be renewed due to unavoidable circumstances. However, the premium continued to be deducted from the salary of employees in anticipation of renewal and the same has been retained in CSPHCL. Any death claims arising during the period of non-insurance shall be paid out of the fund so retained in CSPHCL as the policy pending renewal was a term assurance policy.



Chhattisgarh State Power Holding Company Limited
Notes to the financial statements for the year ended 31st March, 2020
 All amounts are in INR unless otherwise stated

Note 14 - Provisions

Particulars	As at March 31, 2020 Amount (Rs.)		As at March 31, 2019 Amount (Rs.)	
	Current	Non- Current	Current	Non- Current
(a) Provision for employee benefits				
(1) Pension & Gratuity	-		-	
(2) Interim relief	-		-	
(2) DA Arrears	-		5,09,538.00	
(b) Other Provisions				
provision for doubtful debts	7,04,237.20			
Total Provisions	7,04,237.20	-	5,09,538.00	-

The cash & Bank balance as on 31.03.2020 includes Rs.7.04 lakh being the amount pertaining to the cheque/DD/PO deposited in the bank but not credited in the bank accounts of the company for more than five years. CSPHCL has been making regular correspondence with the State Bank of India for the recovery of the said value of DDs/Cheques/Postal Orders etc. CSPHCL has also filed a complaint with the Banking Ombudsman in this regard in July' 2019. However, the AG Audit during the audit of financial statements for FY 2017-18 have adviced for making a provision for bad & doubtful debts for the same. Accordingly, a provision of Rs. 7.04 lakh for bad & doubtful debts has been done during the year.



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

Note No. 15 - Trade payables

Particulars	As at March 31, 2020 Amount (Rs.)		As at March 31, 2019 Amount (Rs.)	
	Current	Non Current	Current	Non Current
Trade payable for goods & services	1,80,00,607.29		1,97,14,751.20	
Trade payable for salaries and wages	1,53,12,133.00		1,59,44,124.00	
Total trade payables	3,33,12,740.29	-	3,56,58,875.20	-



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

Note No. 16 - Current Tax Liabilities (Net)

Particulars	As at March 31, 2020 Amount (Rs.)		As at March 31, 2019 Amount (Rs.)	
	Current	Non Current	Current	Non Current
Provision for Income Tax	54,96,982.81		56,82,470.00	
Total - Current Tax Liabilities (Net)	54,96,982.81	-	56,82,470.00	-



Chhattisgarh State Power Holding Company Limited
Notes to the financial statements for the year ended 31st March, 2020
 All amounts are in INR unless otherwise stated

Note 17 - Other Liabilities

Particulars	As at March 31, 2020 Amount (Rs.)		As at March 31, 2019 Amount (Rs.)	
	Current	Non- Current	Current	Non- Current
a. Statutory dues				
Taxes payable (other than income taxes)	30,58,298.10		33,29,090.00	
Employee Recoveries and Employer Contributions	2,32,24,015.73		1,19,05,047.35	
Total Other Liabilities	2,62,82,313.83	-	1,52,34,137.35	

Taxes payable (GST) of Rs 37,68,853/- of FY 2018-19 was although paid in GST cash ledger but reduced from GST credit ledger in monthly return. However same has been rectified through DRC – 03 on 05/08/2020. Since same has a neglecting effect neither balance of cash ledger nor effective balance of credit ledger is reflected. Company does not maintain GST cash ledger in books, company directly debits Profit and Loss as and when payment is made. Sum of Rs 9,22,867/- pertains to excess amount paid in cash ledger but debited in books



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

Note 18 Other Income

Particulars	year ended March 31, 2020 Amount (Rs.)	year ended March 31, 2019 Amount (Rs.)
Interest income on financial assets at amortised cost		
Bank deposits	2,15,90,897.49	1,67,35,257.40
On Loans given	13,274.00	64,691.00
Rent income	1,98,787.00	1,67,561.00
Other Recoveries from employees	33,953.00	71,852.42
Sale of tender forms	53,122.00	60,476.00
Miscellaneous income	27,760.80	1,19,764.09
Total Other Income	2,19,17,794.29	1,72,19,601.91



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

Note 19 Employee Benefits Expense

Particulars	year ended March 31, 2020 Amount (Rs.)	year ended March 31, 2019 Amount (Rs.)
Salaries, wages and bonus	25,99,35,690.01	26,45,39,189.63
Contribution to provident and other funds	45,36,936.00	45,60,706.98
Other staff costs	1,77,47,834.02	1,45,37,103.05
Staff welfare expenses	21,78,989.00	3,83,546.00
Employee Cost -transferred to subsidiaries pursuant to transfer scheme	(28,43,99,449.03)	(28,40,20,545.66)
Total Employee Benefit Expense	-	-



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

Note 20 - Finance Cost

Particulars	year ended March 31, 2020 Amount (Rs.)	year ended March 31, 2019 Amount (Rs.)
(a) Bank charges	13,855.48	16,993.64
(b) Interest on Bonds	-	-
Less: Interest & Finance Charges -transferred to subsidiaries pursuant to transfer scheme	(13,855.48)	(16,993.64)
Total finance costs	-	-



Chhattisgarh State Power Holding Company Limited
Notes to the financial statements for the year ended 31st March, 2020
All amounts are in INR unless otherwise stated

Note 21 - Other Expenses

Particulars	year ended March 31, 2020 Amount (Rs.)	year ended March 31, 2019 Amount (Rs.)
Repairs and maintenance:		
(i) Buildings		-
(ii) Others	6,51,994.76	8,26,978.02
R&M- transferred to subsidiaries pursuant to transfer scheme	(6,51,994.76)	(8,26,978.02)
Power expense	20,64,500.56	2,37,310.00
Rent including lease rentals	35,19,000.00	35,40,000.00
Rates and taxes	73,877.00	-
Insurance charges	35,740.00	49,050.00
Vehicle Running, Hiring and Maintenance charges	67,29,431.93	66,63,861.20
Doubtful Debts provided for amount receivable from SBI	7,04,237.20	
Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	3,71,700.00	3,38,660.00
Other expenses		
(i) Legal and other professional costs	4,35,13,288.20	50,24,629.24
(ii) Other General Expenses	3,58,39,470.20	3,70,39,118.22
Admin & Other Exp -transferred to subsidiaries pursuant to transfer scheme	(9,28,51,245.09)	(5,28,92,628.66)
CSR Expenses	18,79,845.00	
Total Other Expenses	18,79,845.00	-

Note: Expenditure on Corporate Social Responsibility

The CSR expenses required to be spent during FY 2019-20 is Rs. 2,94,832/- (PY Rs. 207114/-). The amount spent during FY 2019-20 is Rs. 18,79,845/- (PY NIL).

As per the provisions of section 135 of the companies Act, 2013, the company shall spend, in every financial year, at least 2% of the average net profits (as per section 198) of the company made during the three immediately preceding financial years.

The company was required to incur CSR expenditure starting from FY 2014-15 as the provisions related to CSR came into effect from 1st April, 2014. However, the company could not incur CSR expenditure as the company could not constitute CSR committee due to non appointment of independent director(s) on the board of CSPHCL.

As per the meeting held with Deputy director & Inspector, CSR cell, MCA (New Delhi) on 11th July, 2019, it was decided to constitute CSR committee without independent directors as the company is an unlisted company. In the above meeting, it was decided that CSPHCL to frame its CSR policy and incur the required CSR expenditure in education sector latest by December, 2019. Accordingly a CSR committee was formed in the board meeting held on 27.07.2019.

The company was required to incur CSR expenditure as follows :-

Financial year	Average Net profit as per section 198 of companies Act, 2013	Requirement of minimum CSR expenditure as per section 135
2014-15	13,98,67,477	27,97,350.00
2015-16	8,32,81,357	16,65,627.00
2016-17	4,94,28,157	9,88,563.00
2017-18	1,15,12,807	2,30,256.00
2018-19	1,03,55,682	2,07,114.00
Total		58,88,910.00



The Board of CSPHCL, at its 59th meeting held on 18th October, 2019, approved the CSR expenditure for promoting education on programme "Development and distribution of career guidance booklets and training and development of trainers in all Girls High and Higher secondary schools in chhattisgarh of INR 5,888,910.

Pursuant to the above approval, a MOU was signed between CSPHCL and India Education collective (IEC) on 25th November, 2019 whereby CSPHCL undertakes to support the project financially to the tune of INR 5,696,500.

The company spent INR 1,879,845 on the CSR expenditure in FY 2019-20. The remaining amount could not be spent in FY 2019-20 due to a pandemic named corona infected by virus Covid-19. The NGO "India Education collective", could not supply the booklets & other materials due to all the educational institutions being closed due to a nationwide lockdown being imposed by the Government of India.

The total amount required to be spent by CSPHCL till 31.03.2020 was Rs. 61,83,742/- (including for FY 2019-20). However, the amount spent till 31.03.2020 was Rs. 18,79,845/- as detailed above.

Note : Payment to auditors

Particulars	year ended March 31, 2020 Amount (Rs.)	year ended March 31, 2019 Amount (Rs.)
Auditor's Remuneration (Statutory Audit)	3,71,700.00	3,38,660.00
Total	3,71,700.00	3,38,660.00

Note : Exceptional Items

Particulars	year ended March 31, 2020 Amount (Rs.)	year ended March 31, 2019 Amount (Rs.)
Doubtful Debts provided for amount receivable from SBI	7,04,237.20	-
Total	7,04,237.20	-



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

Note - 22: Current Tax and Deferred Tax

(a) Income Tax Expense

Particulars	year ended March 31, 2020 Amount (Rs.)	year ended March 31, 2019 Amount (Rs.)
Current Tax		
Current Income Tax Charge	54,96,982.81	56,82,470.00
Adjustments in respect of prior years	(7,23,525.85)	
Deferred Tax		
MAT credit entitlement		
Total Tax Expense recognised in statement of profit and loss	47,73,456.96	56,82,470.00



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

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

Particulars	year ended March 31, 2020 Amount (Rs.)	year ended March 31, 2019 Amount (Rs.)
	(Rs.)	(Rs.)
Net Profit/(Loss) as per Profit & Loss Account available for Equity Shareholders	1,52,64,492.33	1,15,37,131.91
Weighted Average number of Ordinary Share Outstanding for Basic EPS	6,59,18,91,757.00	6,54,94,97,032.00
Add: Weighted Average number of Potential Equity shares on account of Share Application Money	-	4,23,94,725.00
Cumaltive Weighted Average number of Ordinary Share Outstanding for Basic/Diluted EPS	6,59,18,91,757.00	6,59,18,91,758.00
<i>Earnings per Share</i>		
Basic	0.0023	0.0018
Diluted	0.0023	0.0018



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

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. The equity ratio of the 4 subsidiaries as on 31.03.2020 (& as on 31.03.2019) is 47.04% : 15.12% : 37.83% : 0.001%. So the share of expenses of CSPTCL Company would be negligible. So the expenses have been shared between three subsidiaries i.e. CSPGCL, CSPTCL and CSPDCL only.

The expenses on CSR have not been transferred to the above mentioned subsidiaries as this expense is a company specific expense which is to be calculated based on the average profits of the company and is required to be spent by the company on which the provisions of CSR are applicable as per Companies Act. The transfer of the same to the subsidiary companies will have an effect of inflating their CSR expenses against the actual amount required to be spent by them as per their average profits. Hence, the same has been reflected in the Profit & Loss account of CSPHCL.

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 A/c

The total share capital of CSPHCL as on 31/03/2020 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.



Chhattisgarh State Power Holding Company Limited

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

All amounts are in INR unless otherwise stated

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:

	As at March 31, 2020			As at March 31, 2019		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Cash and cash equivalents			28,44,94,962.98			28,45,59,373.62
Loans			2,59,415.00			2,00,41,073.00
Other financial assets			6,23,91,61,825.98			6,23,21,30,264.23
Investment			59,82,16,56,730.11			59,82,16,56,730.11
Total	-	-	6,52,39,16,203.96	-	-	6,53,67,30,710.85
Financial liabilities						
Trade Payables			3,33,12,740.29			3,56,58,875.20
Other financial liabilities			1,16,61,409.49			3,28,13,225.32
Total	-	-	4,49,74,149.78	-	-	6,84,72,100.52

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 March 31, 2020 Amount (Rs.)	As at March 31, 2019 Amount (Rs.)
Financial Assets		
Loans	2,02,59,415.00	2,00,41,073.00
Other financial assets	6,23,91,61,825.98	6,23,21,30,264.23
Total	6,25,94,21,240.98	6,25,21,71,337.23

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, 2020				
Trade Payables	3,33,12,740.29			3,33,12,740.29
Other financial liability	1,16,61,409.49			1,16,61,409.49
	4,49,74,149.78	-	-	4,49,74,149.78
March 31, 2019				
Trade Payables	3,56,58,875.20			3,56,58,875.20
Other financial liability	3,28,13,225.32			3,28,13,225.32
	6,84,72,100.52	-	-	6,84,72,100.52



Chhattisgarh State Power Holding Company Limited
Notes to the financial statements for the year ended 31st March, 2020
All amounts are in INR unless otherwise stated

Note 27: Managerial Remuneration

Remuneration paid to directors including Managing Director	Apr'19 to March'20 (In Rs.)	Apr'18 to March'19 (In Rs.)
Salary & Allowances	1,03,04,098.00	74,18,744.00
Total	1,03,04,098.00	74,18,744.00

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 notes to 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 for in the Profit & Loss account :- The company through the online system of Income Tax Department has retrieved that an amount of Rs.1.46 Lacs is outstanding against TDS liability (Short Deduction) and corresponding interest of Rs. 0.56 Lacs against short deduction and also Rs. 1.43 Lacs is outstanding against TDS liability (Short Payment) and its corresponding interest is of Rs. 1.38 Lacs and Rs. 0.12 lacs is outstanding against TDS liability interest on late payment. The company is in process of obtaining necessary information of such distinguished cases from its decentralized office and Income Tax Department and liability will be provided only after due appraisal on cases to case basis.

Note 33: No assets have been identified as impaired during the financial year 2019-20 and as such no requirement has arisen for charging to profit & loss accounts.

Note 34: The company is an investment company of Government of Chhattisgarh and as such the company does not have any reportable business segments.

Note 35: 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 36: 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 Shailendra Kumar Shukla	Chairman (Jan'2019 to March'2020)	
Shri Subrat Sahu, I.A.S.	Chairman (March'2020 onwards)	
Shri Shailendra Kumar Shukla	Managing Director (Feb'2019 to March' 2020)	
Shri Mohammed Qaiser Abdulhaque, I.A.S.	Managing Director (31st March' 2020 onwards)	
Shri Ajay Kumar Dubey	Whole Time Director (P&A) - upto September'2019	
Shri Alok Singh	Chief Financial Officer upto October'2019	
Shri Sandeep Modi	Chief Financial Officer - October'2019 onwards	
Shri Arun Mishra	Company Secretary	

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'19 to March'20 (In Rs.)	Apr'18 to March'19 (In Rs.)
Shri. Shivraj Singh IAS (Retd.)	Chairman	-	33,250.00
Shri Shailendra Kumar Shukla	Chairman & Managing Director	39,02,594.00	-
Shri Ajay Kumar Dubey	Whole Time Director (P&A)	23,01,090.00	38,25,032.00
Shri Alok Singh	Chief Financial Officer	18,90,364.00	31,60,462.00
Shri Sandeep Modi	Chief Financial Officer	15,89,650.00	-
Ms. Neha Gyanchandani	Company Secretary	-	1,20,000.00
Shri Arun Mishra	Company Secretary	6,20,400.00	2,80,000.00
	Total	1,03,04,098.00	74,18,744.00

Note 37: 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 38: Previous year figures have been regrouped and re-classified where necessary to make them comparable.

Note 39: The Financial Statements were approved for issue by the board of directors on 18.11.2020

For Pukhraj & Associates
Chartered Accountants
FRN - 002013C
Praveen Jain
Partner
Membership No. 414739



For and on behalf of the Board of Directors

Smt. Ujjwala Baghel
Managing Director
DIN No. 08738889

Sandeep Modi
Chief Financial Officer



Harsh Gautam
Director
DIN No. 08863877

Arun Mishra
Company Secretary
Mem. No. ACS:55153

UDIN: 20414739 AAAACH6953

Place: Raipur
Date:

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