



सत्यमेव जयते

भारतीय लेखा एवं लेखा परीक्षा विभाग
कार्यालय महालेखाकार (लेखा परीक्षा) छत्तीसगढ़ रायपुर,
पोस्ट-मांढर, जीरो पॉइन्ट, रायपुर



क्रमांक / सी.ए.डब्ल्यू / एस-2 / A/cs-22/CSPTCL/F-542/D-778

दिनांक 04 / 03 / 2016

प्रति,

प्रबंध निदेशक
छ.ग. राज्य विद्युत पारेषण कम्पनी मर्यादित
विद्युत सेवा भवन, डंगनिया,
रायपुर (छ0ग0)

विषय :- Comments of the Comptroller and Auditor General of India under section 143(6)(b) of the Companies Act, 2013 on the accounts of Chhattisgarh State Power Transmission Company Limited, for the year ended 31 March 2015.

- 00 -

महोदय / महोदया,

उपरोक्त विषय पर कार्यालय का पत्र सूचना / आवश्यक कार्यवाही हेतु प्रेषित किया जा रहा है।

संलग्नक :- यथापरि।

सहायक लेखापरीक्षा अधिकारी
वाणिज्यिक अनुभाग

Ali
4/3/2016

GM (Fin)
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DS
05/03/16

DSM-I
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discuss jointly

9/3





भारतीय लेखा एवं लेखा परीक्षा विभाग
कार्यालय महालेखाकार (लेखा परीक्षा), छत्तीसगढ़, रायपुर
INDIAN AUDIT & ACCOUNTS DEPARTMENT
Office of Accountant General (Audit), Chhattisgarh,
Raipur.

दिनांक

Date: 04/03/2016

To,

The Managing Director,
Chhattisgarh State Power Transmission Company Limited,
Vidyut Seva Bhavan, Danganiya, Raipur


Sub: Comments of the Comptroller and Auditor General of India under section 143(6) (b) of the Companies Act, 2013 on the accounts of Chhattisgarh State Power Transmission Company Limited, for the year ended 31 March 2015.

Sir,

I am to forward herewith the Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of Chhattisgarh State Power Transmission Company Limited, for the year ended 31 March 2015. Six copies of printed annual accounts incorporating the comments of the Comptroller and Auditor General of India may be forwarded to this office after placing the same before the Annual General Meeting along with a copy of the minutes of the AGM.

Encl: As above

Yours faithfully,


Deputy Accountant General
(ES & RS)

पोस्ट - मांडर, जीरो प्वाइंट, रायपुर - 493 111 (छत्तीसगढ़)

Post - Mandhar, Zero Point, Raipur - 493 111 (Chhattisgarh)

फोन / Phone : 2582082 • फैक्स / Fax : 2582505 • ई-मेल / Email : agauchhattisgarh@cag.gov.in

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENT OF CHHATTISGARH STATE POWER
TRANSMISSION COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2015**

The preparation of financial statements of Chhattisgarh State Power Transmission Company Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on these financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 23 December 2015.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) of the Act of the financial statements of Chhattisgarh State Power Transmission Company Limited for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditor and Company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

A. Comments on Financial Position

Balance Sheet

Reserves & Surplus (Note 3.2)

Capital Reserve

SLDC Development Fund – ₹ 25.08 crore

1. As per Chhattisgarh State Electricity Regulatory Commission (Fees and charges of State Load Despatch Centre and other related matters) Regulations, 2012, the Company should treat all the revenues earned from SLDC as income from SLDC and should not transfer any amount to SLDC Development Fund from 2013-14 onwards. However, the Company transferred ₹ 1.76 crore and ₹ 5.88 crore to SLDC Development Fund during 2013-14 and 2014-15 respectively. Non-compliance of above regulation has resulted in overstatement of SLDC Development Fund by ₹ 7.64 crore (Note 3.2) and overstatement of Loss for the period by ₹ 7.64 crore (Prior Period ₹ 1.76 crore and Current year ₹ 5.88 crore).

Assets

Current Assets

Trade Receivables (Note 7.2): ₹ 300.08 crore

2. The Company has changed its Accounting Policy regarding accounting of 'Delay Payment Surcharge' from 'cash basis' to 'accrual basis' during the financial year 2014-15. However, the above 'Trade Receivables' does not include ₹ 29.27 lakh receivable from Chhattisgarh State Power Generation Company Limited and Chhattisgarh State Power Distribution Company Limited towards surcharge on delayed payment of System Operation Charges and Market Operating Charges. This has resulted in understatement of Trade Receivables as well as Revenue from Operations with consequent overstatement of Loss to the extent of ₹ 29.27 lakh.

B. Comments on Disclosure

Notes to Financial Statements


3. The Company had disclosed ₹ 63.85 lakh as other miscellaneous claim lodged by the Company not acknowledged as debt in annual accounts for the year 2013-14. Further, there were other claims amounting to ₹ 84.05 lakh which the Company did not disclose in its accounts. Therefore, the total amount of other miscellaneous claims lodged by the Company not acknowledged as debt as on 31 March 2014 was ₹ 1.47 crore. Though these claims have not been settled, the Company has not disclosed above facts in 'Notes to Financial Statements for the year ended 31 March 2015' as required under Accounting Standard-29.

C. Comments on Auditor's Report

4. In the Qualified Opinion the Auditor's Report inter alia stated that "the financial statements give a true and fair view, in conformity with the accounting principles generally accepted in India, of the state of affairs of Company as at 31st March 2015 and **its profit** and its cash flows for the year ended on that date." However, as the Company has incurred loss during the year 2014-15 the Auditor's opinion should be on **loss** instead of profit. Therefore, Auditor's opinion is factually incorrect to that extent.

**For and on behalf of
the Comptroller and Auditor General of India**

**Place: Raipur
Date: 04.03.2016**


Accountant General (Audit)

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF CHHATTISGARH STATE POWER TRANSMISSION
COMPANY LIMITED**

Report on the Financial Statements:

We have audited the accompanying financial statements of **Chhattisgarh State Power Transmission Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statement

The company's board of director is responsible for the matter's stated in section 134(5) of the Companies Act' 2013 ('the act') with respect to the preparation and presentation of these standalone financial statement that gives a true and fair view of the financial position' financial performance and cash flow of the company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act, read with rule 7 of the companies (accounts) rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the act for safeguarding the assets of the company and for preventing and detecting fraud's and other irregularities; selection and application of appropriate accounting policy; making judgement and estimates that are reasonable and prudent ; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this standalone financial statement based on our audit. We have taken into account the provisions of the Act, the Accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made there under.

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

An audit involves performing procedure to obtain audit evidence about the amounts and the disclosure in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor consider internal financial control relevant to the company's preparation of the financial statement that gives a true and fair view in order to design audit report procedures that are appropriate in the circumstances, but not for the



purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to a basis for our audit opinion on the standalone financial statements.

Basis of Qualified Opinion

- a. **As per Note No. 2(a) the Company is following of cash basis of accounting for certain items of revenues & expenditures. The impact of any difference on account of following of cash method of accounting vis-a-vis mercantile method of accounting on such items is unascertainable; hence we are unable to comment on the impact of the same on the financial statement.**
- b. **As per Note No. 2 (q) (ii) the Company is accounting earned leave encashment expenditure on cash basis which is not in accordance with Accounting Standard 15 "Employee Benefits". Since the valuation for earned leave has not been carried out we are unable to quantify the impact of the same on the Financial Statements.**
- c. **The company does not have party wise details of deposit works amounting to ₹ 375 Crores and corresponding work done reflected under CWIP ₹ 565 Crores. The CWIP contains the details of both works; on account of deposit and own projects of the company. The company has recognized certain income on such deposits works which cannot be verified for its completeness and accuracy in the absence of agreement with parties & party wise balances. Further the reconciliation/adjustment of deposit against works undertaken and reflected under CWIP is pending since long. In absence of details we are unable to quantify the impact of the same in Financial Statement of the current year.**
- d. **The company has long outstanding in GR/IR A/c's (GL No.- L115050, L115051, T000050, T000051, T000052) which in aggregate amounts to ₹ 15.13 Crores, which needs reconciliation & in absence of details we are unable to quantify the impact of the same in the financial statement.**

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, subject to above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of Company as at 31st March 2015 and its profit and its cash flows for the year ended on that date.



Emphasis of Matter

- a. We draw attention to Note 2 (a) regarding change in accounting policy with respect to accounting of "Delay Payment Surcharge". The Company has accounted delay payment surcharge amounting to ₹ 14.24 Crores against arrears up to 31st March, 2014. The current year surcharge amounts to ₹ 12.89 Crores. This has resulted in increase in income by ₹ 27.13 Crores.
- b. Attention is drawn to Note 19 regarding Opening Balances of the Company as on 01.01.2009 transferred pursuant to the transfer scheme, from erstwhile CSEB. As per information given to us the opening balances are drawn from unaudited balance sheet of erstwhile CSEB as on 31.12.2008. The said figures though have been audited by C&AG but are yet to be notified by Government of Chhattisgarh State. Accordingly, the opening balances are subject to modification, if any, pursuant to the aforesaid pending notification.
- c. Balances of share application money pending allotment, debentures, loan from state government, inter-company accounts, sundry debtors, loans & advances including government and others and current liabilities including sundry creditors are subject to confirmation and reconciliation. The effect of adjustment arising from reconciliation on the items of financial statement is unascertainable.
- d. Attention is drawn to Note No.38 regarding formation of CSR committee, the Company has not formed CSR Committee, which in our opinion is mandatory for the company as per section 135 of the Companies Act 2013.

Our Opinion is not qualified in respect of above matters

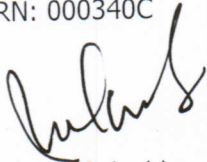
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from examination of those books.
 - c. The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account.

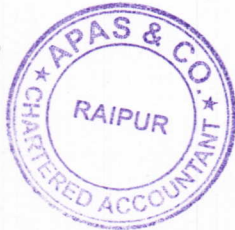


- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. As per notification F No 1/2/2014-CL.-V dated 5th June 2015 Section 164(2), regarding disqualification of Directors, of the Companies Act 2013 does not apply to Government Companies; and
- f. 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 has disclosed the impact of pending litigations on its financial position in its financial statements-Refer Note No.37 to the Financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts-Refer Note 34 to the Financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company- Refer Note No.37 to the financial statements.

For, APAS & Co
Chartered Accountants
FRN: 000340C



Ankush Golechha
(Partner)
M.No. 111980
Raipur

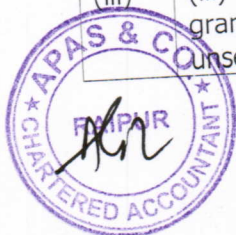


23 DEC 2015

Annexure to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statement for the year ended 31st March 2015, we report that:

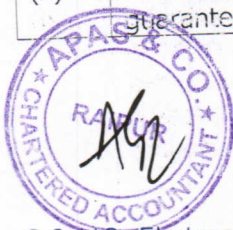
S. No.	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	Fixed Asset Register is being maintained by the company, but it doesn't reflect quantitative details and the separate identity of individual assets (i.e. are not marked with identification codes).
	(b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	As per the explanation given to us, physical verification of Fixed Assets has been conducted, but no records have been produced before us to verify such physical verification hence, we are unable to comment on the reasonableness of intervals of the physical verification.
(ii)	(a) whether physical verification of inventory has been conducted at reasonable intervals by the management;	As per the explanation and information given to us, physical verification of inventory has been conducted by the divisions, but no records have been produced before us to verify such physical verification hence, we are unable to comment on the reasonableness of intervals of the physical verification.
	(b) are the procedures of physical verification of inventory followed by the management reasonable and adequate in relation to the size of the company and the nature of its business? If not, the inadequacies in such procedures should be reported;	Since, we have not been produced the records regarding physical verification of inventory, we are unable to comment on it.
	(c) whether the company is maintaining proper records of inventory and whether any material discrepancies were noticed on physical verification and if so, whether the same have been properly dealt with in the books of account;	Since records for physical verifications have not been produced before us, we are unable to comment on the same.
(iii)	(iii) Whether the company has granted any loans, secured or unsecured to companies, firms or	-----N.A-----



	other parties covered in the register maintained under section 189 of the Companies Act. If so,	
	(a) whether receipt of the principal amount and interest are also regular; and	
	(b) if overdue amount is more than rupees one lakh, whether reasonable steps have been taken by the company for recovery of the principal and interest;	
(iv)	Is there an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services? Whether there is a continuing failure to correct major weaknesses in internal control system.	In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business for the purchase of inventory, fixed assets & services.
(v)	in case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable, have been complied with? If not, the nature of contraventions should be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	According to the information and explanations given to us, the company has not accepted deposits from the public.
(vi)	where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, whether such accounts and records have been made and maintained;	The central government has prescribed the maintenance of cost records under section 148 (1) of companies act 2013. The cost records are not produced before us for our verification.
(vii)	(a) is the company regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added	According to the information & explanation given to us & on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues with the appropriate authorities.

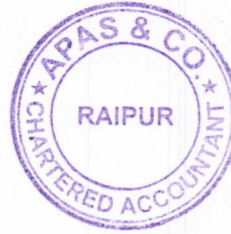


	tax, cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	
	(b) in case dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not constitute a dispute).	Please refer Note no.13 of notes to accounts
	(c) Whether the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, and rules made thereunder has been transferred to such fund within time.	According to the information & explanation given to us the amount which were required to be transferred to the IEPF has been accordingly transferred with the time limit prescribed.
(viii)	Whether in case of a company which has been registered for a period not less than five years, its accumulated losses at the end of the financial year are not less than fifty per cent of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year;	Yes, the company has been registered on 19th day of May 2003 vide Company Regn. No.15820. The company doesn't have accumulated loss at the end of the financial year.
(ix)	Whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported;	The opening balance of bonds and debentures have been allotted to CSPTCL vide notification no.2020/F-21/13/09/13/2/ED dt.29th October 2010 (refer Note No-17 to Notes to Accounts). Also the repayments of dues to debentures and bond holders are taken care by CSPHCL and still pending with CSHPCL. Hence in absence of adequate information/ evidence regarding the repayments of dues, we are unable to comment upon the amount of defaults in repayment of dues.
(x)	whether the company has given any guarantee for loans taken by others	According to the information and explanation given to us, the company has not granted any

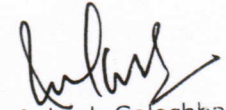


	from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company;	loans or advances against pledge of shares, debentures or other securities.
(xi)	whether term loans were applied for the purpose for which the loans were obtained;	In our opinion and according to the information and explanations given to us, the term loans raised during the year by the Company have been applied for the purpose for which the said loans were obtained as the loans are directly reimbursed to contractors/suppliers of the specified projects.
(xii)	whether any fraud on or by the company has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated.	No.

Date: - 23 DEC 2015
Place: - Raipur



For, APAS & Co
Chartered Accountants
FRN: 000340C


Ankush Golechha
Partner
M.No. 111980

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED

BALANCE SHEET AS AT 31 ST MARCH'2015

Particulars	Note	₹ in Lac	
		Current Year 31.03.2015	Previous Year 31.03.2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3.1	75566	75566
(b) Reserves and surplus	3.2	4808	8252
(c) Money Received against Share Warrants		-	-
(2) Share Application Money Pending Allotment	3.3	5510	5510
(3) Non-current liabilities			
(a) Long-term borrowings	4.1	120339	110414
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	4.2	68881	69080
(d) Long-term provisions	4.3	59205	31804
(4) Current liabilities			
(a) Short-term borrowings	5.1	5357	4989
(b) Trade payables	5.2	3786	3358
(c) Other current liabilities	5.3	31086	31788
(d) Short-term provisions	5.4	4375	3300
TOTAL		378914	344062
II. ASSETS			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible Assets	6.1	247583	229083
(ii) Intangible assets		-	-
(iii) Capital Work-in-Progress	6.2	56547	56625
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (Net)	6.3	-	-
(d) Long-term loans and advances	6.4	261	3282
(e) Other non-current assets	6.5	32527	27801
(2) Current assets			
(a) Current investment		-	-
(b) Inventories	7.1	4809	3927
(c) Trade receivables	7.2	30008	4787
(d) Cash and Bank Balances	7.3	6699	16512
(e) Short-term loans and advances	7.4	130	142
(f) Other current assets	7.5	349	1903
TOTAL		378914	344062

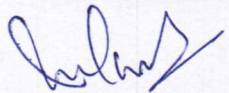
Significant Accounting Policies & Notes to Financial Statements

1 to 39

The accompanying notes are integral part of the Financial Statements

As per our report of even date

For, APAS & Company
FRN No. 000340C



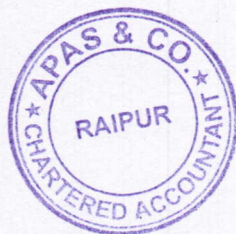
CA Ankush Golechha
Partner

Membership No. 111980

Place: Raipur (CG)

Date :

23 DEC 2015



For and on behalf of the Board of Directors of
Chhattisgarh State Power Transmission Company Limited



(VIJAY SINGH)
Managing Director
DIN-06528592



(AMAN KUMAR SINGH)
Director
DIN-02860208



(Y.B. JAIN)
CFO
PAN-AEXPJ0405K



(NEHA GYANCHANDANI)
Company Secretary
PAN-AZUPG4196N

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 ST MARCH'2015

Particulars	Note	₹ in Lac	
		Current Year 31.03.2015	Previous Year 31.03.2014
Revenue From Operations (Gross)	8.1	76249	59016
Less: Excise Duty		-	-
I. Revenue From Operations (Net)		76249	59016
II. Other income	8.2	2340	4512
III. Total Revenue (I+II)		78590	63528
IV. EXPENSES			
Cost of materials consumed		-	-
Cost of Services		-	-
Purchases of Stock-in-Trade		-	-
Changes in Inventories		-	-
Employee benefits expense	9.1	18056	13644
Finance costs	9.2	14107	11113
Depreciation and amortization expense	6.1	15823	13208
Other expenses	9.3	4834	5837
Total expenses		52820	43802
V. Profit before exceptional and extraordinary items and tax (III - IV)		25769	19726
VI. Exceptional items	10	-27472	-35429
VII. Profit before extraordinary items and tax (V + VI)		-1703	-15703
VIII. Extraordinary Items		-	-
IX. Profit before prior period item and tax (VII + VIII)		-1703	-15703
X. Prior Period Income /(Expense)	11	-2329	15419
XI. Profit before tax (IX + X)		-4032	-284
XII. Tax expense			
(1) Current tax		-	-
(2) Deferred tax		-	-
XIII. Profit/(Loss) for the period from continuing operations (XI - XII)		-4032	-284
XIV. Profit/(loss) from discontinuing operations		-	-
XV. Tax Expense of discontinuing operations		-	-
XVI. Profit/(loss) from discontinuing operations (after tax) (XIV-XV)		-	-
XVII. Profit (Loss) for the period (XIII + XVI)		-4032	-284
XVIII. Earnings per equity share:			
(1) Basic	12	(0.50)	(0.04)
(2) Diluted	12	(0.50)	(0.04)
Significant Accounting Policies & Notes to Financial Statements	1 to 39		

The accompanying notes are integral part of the Financial Statements

As per our report of even date

For, APAS & Company
FRN No. 000340C



[Signature]
CA Ankush Golechha
Partner
Membership No. 111980
Place: Raipur (CG)
Date: 23 DEC 2015

For and on behalf of the Board of Directors of
Chhattisgarh State Power Transmission Company

[Signature] (VIJAY SINGH) Managing Director
DIN-06528592

[Signature] (AMAN KUMAR SINGH) Director
DIN-02860208

[Signature] (Y.B. JAIN) CFO
PAN-AEXPJ0405K

[Signature] (NEHA GYANCHANDANI) Company Secretary
PAN-AZUPG4196N

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR 2014-15

	Current Year 2014-15 Amount in Rs.	Previous Year 2013-14 Amount in Rs.	₹ in Lac
Cash flow arising from Operating Activities			
Net Profit before Tax and Exceptional Items as per Statement of Profit and Loss:	25769		19726
Add / (Deduct) :			
Depreciation and Amortisation expenses	15857	13208	
Interest Income	-807	-2405	
Interest Expenses	13852	10477	21280
Operating cash profit before working capital changes	54672		41006
Add / (Deduct) :			
Increase / (Decrease) in Short Term Borrowing	367	1139	
Increase / (Decrease) in Trade Payables	429	-1375	
Increase / (Decrease) in Other Current Liabilities	-702	-30078	
Increase / (Decrease) in Short Term Provisions	1075	1651	
(Increase) / Decrease in Inventories	-882	1042	
(Increase) / Decrease in Trade Receivable	-25221	14335	
(Increase) / Decrease in Short Term Loans & Advances	12	-65	
(Increase) / Decrease in Other Current Assets	1554	-423	-13775
Cash generated from operations	31304		27232
Direct Taxes	-	-	-
Net Cash Flow before Exceptional Items	31304		27232
Add: Exceptional Items	-27472		-35429
Cash flow before prior period adjustments	3832		-8197
Add: Prior Period Income/(Expense)	-2329		15419
Cash flow after prior period adjustments	1502		7222
Add / (Deduct) :			
(Increase) / Decrease in Long Term Loans & Advances	3021	6935	
Increase / (Decrease) in Other Long term Liabilities	-199	13156	
Increase / (Decrease) in Other Long term Provisions	27402	-1822	
(Increase) / Decrease in Other Non Current Assets	-4726	-6136	12133
Net Cash Inflow/(outflow) in the course of operating activities after exceptional items and after adjustment of Other Non Current Assets & Liabilities	26999		19355
Cash flow arising from Investing Activities			
Inflow:			
Interest Income	807	2405	2405
Outflow:			
Acquisition of fixed assets	-34357	-49459	
Net (Increase) / Decrease in Capital WIP	78	19080	
Net (Increase) / Decrease in Fixed Deposits	2052	18425	-11954
Net Cash inflow/ (Outflow) in the course of Investing Activities	-31422		-9549
Cash flow arising from Financing Activities			
Inflow :			
Increase / (Decrease) in Other Long term Borrowings	9925	6491	
Increase/(Decrease) in Capital Reserve	-	1149	
Increase/(Decrease) in SLDC Development Fund	588	176	7816
Outflow :			
Interest Paid	-13852		-10477
Net Cash from Financing Activities	-3340		-2661
Net increase in Cash and Cash Equivalents (A+B+C)	-7762		7145
Cash & Cash Equivalents (Opening)	7912		768
Cash & Cash Equivalents (Closing)	150		7912

As per our report of even date
For, APAS & Company
FRN No. 000340C

CA Ankush Golechha
Partner
Membership No. 111980
Place: Raipur (CG)
Date :

23 DEC 2015



For and on behalf of the Board of Directors of
Chhattisgarh State Power Transmission Company Limited

(VIJAY SINGH)
Managing Director
DIN-06528592

(AMAN KUMAR SINGH)
Director
DIN-02860208

(Y.B. JAIN)
CFO
PAN-AEXPJ0405K

(NEHA GYANCHANDANI)
Company Secretary
PAN-AZUPG4196N

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

1. Corporate Information

Chhattisgarh State Power Transmission Company limited (the Company) is a state government company incorporated under the Companies Act, 1956 with the main object of bulk transmission of electricity. The Company is wholly owned subsidiary of Chhattisgarh State Power Holding Company Limited engaged in transmission of power within the state of Chhattisgarh.

2. Significant Accounting Policies

a. Basis of Preparation of Financial Statements

The Company is a Limited Company registered under the Provisions of Companies Act, 1956 and 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.

The financial statements are prepared under the historical cost convention and on accrual basis and in accordance with the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. However, following items are accounted for on cash basis –

- Leave encashment payments to retiring employees.
- Liquidated damages and warranty claims.
- Price escalation payments on works and supply contracts.
- Rental receipt from contractors and employees

Change in accounting policy

The company has changed its accounting policy regarding accounting of "Delay Payment Surcharge" from cash to accrual basis during the current financial year. The company has accounted delay payment surcharge amounting to ₹ 14.24 cr. against arrears upto 31st March'2014. The current year surcharge amounts to ₹ 12.89 cr., accordingly, total income accounted as delay payment surcharge during the relevant year is ₹ 27.13 cr.

b. Going Concern Concept

Financial statements of the Company are drawn up on the premise that its business will continue indefinitely.

c. Use of Estimates

The preparation of financial statements is in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between actual results and estimates are recognized in the period in which results are known / materialized. Examples of such estimates are estimated useful life of assets, provision for doubtful debts, classification of assets/liabilities as current or non-current etc.

d. Consistency Concept

Uniform accounting policies are applied on the similar basis from year to year. Even the accounting policies followed in respect of areas not specifically covered here in, cases where departure from the prescribed accounting policy is permitted, is followed consistently from year to year.

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED

Notes to financial statements for the year ended 31st March, 2015

e. True and fair Presentation

Accounts of the Company present a true and fair view of the financial position and results of operations of the Company. True and fair view implies the disclosure of all information necessary for a readers' understanding of the financial position and results of operations of the Company. Additional information in the accounts or by way of notes is given where it is necessary to ensure true and fair presentation.

f. Offsetting of Assets and Liabilities

In the balance sheet of the Company, assets and liabilities are set off against each other only when a legal right of offset exists. Payables to one party are therefore not set off against receivables from the same-party unless the Company has a legal right to offset the two.

g. Events Occurring after the Balance Sheet Date:

All events or transactions occurring after the date of balance sheet and before the date of the auditors report are treated in the following manner:

Two types of subsequent events and transactions require consideration by the Company:

- a. The first type consists of those events that provide additional evidence with respect to the conditions that existed at the date of the balance sheet and affect the estimates necessary for accrual etc in the process of preparing annual accounts. All information that becomes available prior to the finalization of the annual accounts should be used in evaluating the conditions on which the estimates were based. The annual accounts are adjusted for any changes in estimates resulting from the use of such evidence.
- b. The second type consists of events that provide evidence with respect to conditions that did not exist at the balance sheet date but arose subsequent to that date. These events are not adjusted in the accounts however necessary disclosures are provided in the notes annexed.

h. Revenue Recognition:

Mercantile method of accounting is employed unless otherwise specifically stated. However, where the amount is immaterial /negligible and/or establishment of accrual/determination of amount are not possible, no entries are made for the accrual. Supervision charges received from consumers against deposit work is recognized in profit and loss account only on final capitalization of work.

i. Fixed Assets:

Fixed Assets of the company are recorded in the books of account and disclosed in annual accounts at historical cost. This policy implies that no revaluation of fixed assets is done for adjusting them to replacement cost, current cost etc. All material related cost, labour or contractor charges payable to outsider for work done by them in respect of capital jobs are included in the cost of concerned capital assets.

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

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

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED

Notes to financial statements for the year ended 31st March, 2015

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

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

j. Impairment of Assets

Impairment loss is provided to the extent the carrying amount exceeds their recoverable amount. An impairment loss is charged to the profit & loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

k. Investment:

Current investments are carried at the lower of cost or quoted/ fair value computed category wise. Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

l. Contributions, Grants & Capital Subsidies towards Cost of Capital Assets

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

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

Consumer's contribution, capital subsidies and grants related to non-depreciable assets are credited in capital reserve. However, if a grant related to a non-depreciable asset requires the fulfillment of certain obligations, the grant are credited to income over the same period over which the cost of meeting such obligations is charged to income. Consumers' contributions, capital subsidies and grants related to specific fixed assets are presented in the balance sheet by showing the contribution as a deduction from the gross value of the relevant asset.

m. Expenditure on Project identification Survey and Feasibility Studies:

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

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

n. Depreciation:

The Company has provided depreciation on straight line method to the extent of 90% of the cost of asset following the rates notified by the Chhattisgarh State Electricity Regulatory Commission (CSERC) pursuant to Tariff Regulation'2012.

Depreciation on additions/deletions of assets is provided on pro-rata basis from/up to the period for which the asset is available for use/disposal.

o. Inventories:

Items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any. Cost comprises of all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Weighted average method for valuation of inventories has been followed by the company consistently since inception.

Accounting for all materials transactions are in the same period in which the physical event of receipts and issues etc has taken place. Similarly, liability for all materials received and accepted by the company is created in the month in which the materials are accepted. Shortages/ Excesses found during the course of physical verification or otherwise are transferred under account head namely "Stock excess/ shortage pending investigation" classified under inventories. The cases of such excesses/ shortages are referred to a committee formed for the very purpose, balance under these account heads are transferred to profit and loss account only after final disposal of the case from the said committee, however pending disposal of cases, provision is created against the net shortages.

p. Intangible Assets:

Intangible assets are stated at cost including the expenses related to the development of asset less accumulated amortization.

q. Retirement Benefits:

(i) Short Term Employee Benefits

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

(ii) Post-employment benefits: Defined contribution/ benefit plans

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

However, earned leave encashment has been accounted on cash basis i.e. actual payments to retiring employees are charged in the profit and loss account.

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

r. Borrowing Cost:

Interest and other costs in connection with the borrowing of the funds to the extent related/attributed to the acquisition/construction of qualifying fixed assets are capitalized upto the date when such assets are ready for its intended use and other borrowing costs are charged to Profit & Loss Account.

s. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. However, as per the adopted accounting policy and considering large number of offices located at various parts of the State, the management has only provided for expenses (Service bills related to repair and maintenance and A&G expenses) for bills/invoices received up to 30th April of the succeeding year but related to period under audit. The methodology will be followed consistently in subsequent years.

Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements. This accounting practice is in accordance with AS-29 "Provision, Contingent Liabilities and Contingent assets" issued by the Institute of Chartered accountants of India.

t. Foreign Currency Transaction:

All foreign currency transactions are accounted for at the rates prevailing on the dates of the transaction. Foreign currency assets/ liabilities are translated at the year end rates as applicable. Any income or expense on account of exchange rate difference either on settlement or on translation is recognized in the profit or loss account.

u. Prior Period Items and Extra-Ordinary Items

Adjustments arising due to errors or omissions in the financial statements of earlier years are accounted under "Prior Period".

v. Earning per Share

In determining earning per share, the company considers the net profit/ loss after tax. The number of shares used in computing basic and diluted earnings per share is the weighted average number of shares outstanding during the period and equivalent number of shares held under "Share Application Money Pending Allotment" account.

w. SEGMENT REPORTING

Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different services and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Inter segment Transfers:

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

The Corporate and Other segment includes general corporate income and expense items which are not allocated to any business segment.

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

x. Provision for Current and Deferred Tax:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses or disallowances of expenses under Income Tax Act, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. Further, the company recognizes deferred tax assets only to the extent that it has timing differences the reversal of which will result in sufficient income to absorb the recognized deferred tax liability.

At each balance sheet date the Company re-assesses the unrecognized deferred tax assets and reviews the carrying amounts of deferred tax assets for the purposes of recognizing the same as per recognition principles.

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

NOTE 3: SHAREHOLDER'S FUNDS

Note 3.1: SHARE CAPITAL

Particulars	As at 31 March 2015		As at 31 March 2014		₹ in Lac
	Number	Amount	Number	Amount	
Authorised Shares					
Equity Shares of Rs.10 par value	20000	200000	20000		200000
Issued, Subscribed & Fully Paid Up					
Equity Shares of Rs.10 each	7557	75566	7557		75566
Total	7557	75566	7557		75566

The company is a State Government undertaking and a wholly owned subsidiary of Chhattisgarh State Power Holding Co. Ltd.

The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity share is entitled for dividend and one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders

Details of Shares Held by Holding Company

Particulars	Nature of Relationship	As at 31 March 2015	As at 31 March 2014
		Number	Number
Equity Shares			
Chhattisgarh State Power Holding Co. Ltd.	Holding Company	7557	7557
		7557	7557

Reconciliation of the number of Shares Outstanding

Particulars	Equity Shares	
	As at 31 March 2015	As at 31 March 2014
	Number	Number
Shares outstanding at the beginning of the year	7557	7557
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Any other movement (please specify)	-	-
Shares outstanding at the end of the year	7557	7557

Disclosure relating to shareholder holding more than 5% of the equity.

Name of Shareholder	Equity Shares			
	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Chhattisgarh State Power Holding Company Ltd	7557	100	7557	100

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

Note 3.2: RESERVES & SURPLUS

Particulars	₹ in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
1. CAPITAL RESERVE		
a. SLDC Development Fund		
Balance as per last financial statements	1920	1744
Add: Direct Receipts in Fund	105	143
Add: Transfer related to Previous years	200	-
Add: Transferred during the year	283	33
	<u>2508</u>	<u>1920</u>
b. Capital Reserves		
Balance as per last financial statements	1149	-
Add: Transferred during the year	-	1149
	<u>1149</u>	<u>1149</u>
2. SURPLUS		
Balance as per last financial statements	5,183	5467
Add: Profit (Loss) for the year	(4,032)	(284)
Closing Balance	<u>1,151</u>	<u>5183</u>
Total	4808	8252

Note 3.3: SHARE APPLICATION MONEY PENDING ALLOTMENT

Particulars	₹ in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Share Application Money Pending Allotment	5510	5510
Total	5510	5510

- a. The Government of Chhattisgarh vide notification no.2020/F-21/13/09/13/2/ED dt.29th October'2010 has notified the opening balance sheet as on 01st January'2009 of CSPTCL (also refer note no.18), wherein, Government has proposed an equity share capital of ₹655.10 cr. Further, it has been stipulated that said equity shall be issued in favour of Chhattisgarh State Power Holding Co. Ltd
- b. As per the said notification, figures derived for opening balance sheet are from the unaudited balance sheet of erstwhile CSEB as on 31st December'2008 and are subject to audit by the Comptroller and Auditor General of India. Accordingly, opening balances notified by the government are subject to modifications, if any, arising during the course of statutory audit. Audit of erstwhile CSEB has been finalized by CAG during the month of 17th May'2012, however revision in opening balance sheet is yet to be notified by Government.
- c. Accordingly, Company has issued equity to the extent of 600.00 cr at face value of Rs.10 per share to CSPHCL and withheld balance of 55.10 cr. as share application till final notification of opening balance. Since the share application money pertains to 01st January'2009, relevant provision regarding "Issue of share capital" etc under Companies Act'2013 or rules framed therein are not applicable.

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

NOTE 4: NON CURRENT LIABILITIES

Note 4.1: LONG TERM BORROWINGS

Particulars	₹ in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Secured Loans		
Rupee Term Loan from Power Finance Corporation Limited <i>Refer Note A below for nature of security and terms of repayment</i>	111649	106592
Rupee Term Loan from NABARD <i>Refer Note B below for nature of security and terms of repayment</i>	8166	2253
Unsecured Loans		
Loans from State Government <i>(The above unsecured loan from Govt of Chhattisgarh is repayable in equated annual installment of Rs.10.45 cr. The applicable ROI is 8.9% per annum.)</i>	524	1569
Total	120339	110414

A. Against Loan from Power Finance Corporation:

Nature of Security

Term Loan from Power Finance Corporation amounting to ₹1239.33 cr. (PY ₹1175.85 cr) (including current maturities) are secured by first charge in favour of the corporation by way of hypothecation on the newly financed assets under the project and part of existing asset.

Terms of Repayment

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

Particulars of Loan	Balance as at Mar'15 (Cr.)	ROI (%)
22103001-Power Evacuation system for 2x250 MW Korba(E) TPS	139.21	12.25
C2603001-CSPTCL-Loan proposal for 132 KV Patan substation	6.20	12.25-12.50
C2603002-CSPTCL-Loan proposal for 132 KV Magarlod substation	5.51	12.25-12.50
C2603003-Construction of 132/33 KV S/S Balod and Associated EHV lines	6.05	12.25 -12.50
C2603004-132/33 KV S/S Pandariya & Asso. EHV lines for transmission	8.01	12.25 -12.50
C2603005-132/33 KV S/S Mana & Asso. EHV lines for transmission network	8.57	12.25 -12.50
C2603007-132/33 KV S/S Rasmada & Asso. EHV Lines for transmission lines	5.32	12.50
C2603008-Construction of 132/33 KV S/S Bhanupratappur	40.18	12.25 -12.50
C2603009-CSPTCL-Loan proposal for Power Evacuation of Korba(W) St.III	506.65	12.25 -12.50
C2603010-Power Evacuation System from 2x500 MW Marwa TPP.	357.55	12.25 -12.50
C2603011-CSPTCL - 220/132 KV S/S at Saraipali	52.52	12.25 -12.50
C2603012-Procurement of RTUS For EHV S/S	2.91	12.25
C2603013-132 KV S/S Kondagaon & Associated EHV lines	5.23	12.25 -12.50
C2603014-220KV S/S Mungeli & Associated EHV lines	25.06	12.25 -12.50
C2603015-S/S Girwani & Associated EHV lines	7.25	12.25 -12.50
C2603016-132/33 KV Pratappur Substation and lines	7.48	12.25 -12.50
C2603018-Installation of 160 MVA Addl. transformer at various EHV S/S	9.30	12.25
C2603019-Installation of 63/40 MVA Addl. transformer at various S/S	17.99	12.25
C2603020-132/33 KV Sakara substation and lines	4.81	12.25
C2603021-Jajjalpur substation and lines	9.32	12.25
C2603022-132/33 S/S Pulgaon, Durg and Associated EHV lines	5.17	12.25
C2603023-132/33 KV S/S Gandai and Associated EHV lines	9.04	12.25
Total	1,239.33	

B. Against Loan from NABARD:

Nature of Security

Term Loan from NABARD amounting to ₹ 81.66 cr (PY ₹22.53 cr) are secured by first charge in favour of the corporation by way of hypothecation on the newly financed assets under the project and part of existing asset.

Particulars of loan and Terms of Repayment

The loan is raised for construction of 132/33 KV S/S at Koni, Prathariya, Gariyaband, Baloda Bazar and Sarona and will be repayable in 15 years including moratorium period of 3 year in quarterly installments commencing from May'2016 and at ROI of 11% pa.

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

Note 4.2: OTHER LONG TERM LIABILITIES

Particulars	₹in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Deposit Works	37510	37697
Chhattisgarh State Power Holding Company Limited (Holding Co.)	31371	31383
Total	68881	69080

Note 4.3: LONG TERM PROVISIONS

Particulars	₹in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Provision for employee benefits		
Provision for Wage Revision (Interim Relief)	406	-
Provision For Pension & Gratuity	58800	31804
Total	59205	31804

NOTE 5: CURRENT LIABILITIES

Note 5.1: SHORT TERM BORROWINGS

Particulars	₹in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Secured		
Loans repayable on demand from Bank		
Cash Credit Limits:		
Bank of Baroda	1931	4989
<i>(Against Hypothecation of Inventories and book debts and bears interest @ 10.70% p.a.)</i>		
IDBI Bank	2926	1
<i>(Against Lien on Fixed Deposits and bears interest @ 9.96% p.a.)</i>		
Unsecured		
Loans and advances from related parties		
Chhattisgarh State Power Holding Company Ltd.	500	-
<i>(Interest free loan repayable in 10 equal installments commencing from April'15)</i>		
Total	5357	4989

Note 5.2: TRADE PAYABLES

Particulars	₹in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Trade Payables against Stores, O&M Supplies and Services	3786	3358
Total	3786	3358

Regarding disclosure on Micro Small and Medium Enterprises refer note no.31.

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

Note 5.3: OTHER CURRENT LIABILITIES

Particulars	₹ in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
a. Current Maturities of Long Term Debts		
Debtentures	336	336
Loans from State Government	1045	1045
Power Finance Corporation	12284	10993
	<u>13664</u>	<u>12373</u>
b. Interest accrued and due on borrowings	402	436
c. Interest accrued but not due on borrowings	3113	2952
d. Other Payables		
Deposits & Retentions from Contractors & Suppliers	9750	13263
Other Liabilities including Employees Related Liabilities	1041	734
Inter Company Payable Account		
Chhattisgarh State Power Distribution Company Limited	1053	-
Chhattisgarh State Power Holding Company Limited	2062	2030
	<u>13,907</u>	<u>16,027</u>
Total	31086	31788

Note 5.4: SHORT TERM PROVISIONS

Particulars	₹ in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Provision for employee benefits		
Provision for DA Arrears	94	152.12
Provision for Wage Revision (Interim Relief)	609	-
Contribution towards Pension and Gratuity Liability of Retired Employees	3673	3,148.00
Total	4375	3300

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

NOTE 6: NON CURRENT ASSETS

Note 6.1: FIXED ASSETS

Note 6.1: Tangible Assets

Particular	Balance as at 1st April 2014	Additions	Gross Block Deletions/Transfer*	Balance as at 31st March 2015	Balance as at 1st April 2014	Accumulated Depreciation Deletions/Transfer*	Balance as at 31st March 2015	NET BLOCK	
								Net Block as at 31st March 2015	Net Block at 31st March 2014
Tangible Assets (Under Lease)									
Leasehold Land	888	-	-	888	122	30	152	735	765
Tangible Assets									
Land	33	-	-	33	-	-	-	33	33
Factory Buildings	2171	242	-	2413	630	73	703	1710	1541
Office Buildings	1161	14	-	1174	186	39	225	949	974
Residential & Other Buildings	643	3	-	646	242	21	263	382	401
Hydraulic Works	37	13	-	50	26	2	28	22	11
Roads & Others	259	145	-	404	33	12	44	360	226
Plant, Machinery & Equipments	142104	18697	-	160802	35924	7406	43363	117438	106180
Lines & Cable Networks	153564	15,243	-	168807	34813	8212	43025	125782	118751
Furniture and Fixtures	228	0	-	228	187	2	189	39	41
Office Equipments	117	-	-	117	82	6	87	29	35
Vehicles	113	-	-	113	103	0	103	10	10
Others									
Computer	623	-	-	623	509	21	530	93	114
Total (i)	301940	34357	-	336297	72857	15823	88714	247583	229083
Previous Year (i)	252480	49459	-	301940	59649	13208	72857	229083	192831

* Pursuant to AG memo related to shortfall in depreciation pertaining to previous years

Note 6.2: Capital Work In Progress

Particulars	Balance as at 31st March 2015	Balance as at 31st March 2014
Capital Work In Progress	56547	56625
Total	56547	56625
Previous Year	56625	75705

₹ In Lac

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

Note 6.3: DEFERRED TAXES

Particulars	in ₹	
	Current Year 31.03.2015	Previous Year 31.03.2014
Deferred Tax Assets:		
Disallowances u/s 40a of the Income Tax Act,1961	105	2
Disallowances u/s 40 A (7) of the Income Tax Act,1961	17393	9125
Disallowances u/s 37 of the Income Tax Act,1961	97	72
Unabsorbed Depreciation under Income Tax Act	7609	7977
Carry Forward Business Loss Under Income Tax Act	8924	11961
	34127	29137
Deferred Tax Liabilities	23527	19116
Depreciation		
However, deferred tax asset recognized only to the extent of deferred tax liability pursuant to accounting policy disclosed under note no 36 of the Financial Statement	23527	19116
Net Deferred Tax Asset	-	-

Note 6.4: LONG TERM LOANS & ADVANCES

Particulars	₹in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Unsecured, Considered Good		
Loans and Advances against Capital Works	249	3267
Loans and Advances to Employees	13	15
Less: Provision for doubtful advances	-	-
Total	261	3282

Note 6.5: OTHER NON-CURRENT ASSETS

Particulars	₹in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Unsecured, Considered Good		
Deposits With Government & Others	323	226
Claim Receivable from Government of Chhattisgarh	4155	4155
Advance Income Tax including TDS (net of provision)	28049	23421
Total	32527	27801

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

NOTE 7: CURRENT ASSETS

NOTE 7.1: INVENTORIES

Particulars	₹ in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Stores & Spares	4839	3891
Scrap & Unservicable Material (Valued at purchase cost or net realizable value whichever is lower)	43	36
Add: Material Shortage/(Excess) pending investigation	212	212
Less: Provision for Material Shortage pending investigation <i>Refer Note No. 32</i>	285	212
Total	4809	3927

NOTE 7.2: TRADE RECEIVABLES

Particulars	₹ in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Trade receivables outstanding for a period less than six months Unsecured, considered good unless stated otherwise	30008	4787
Unsecured, considered doubtful	-	-
Trade receivables outstanding for a period exceeding six months Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
Total	30008	4787

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

Note 7.3: CASH & BANK BALANCES

Particulars	₹in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Cash and cash equivalents		
a. Balances with Banks		
Balances with banks in Current Accounts	149	276
Deposits with Original Maturity of less than three months #	-	7636
b. Cash in hand		
a. Cash in Imprest	1	1
b. Fund/ Cash in transit	-	-
Total	150	7912
a. Other Bank Balances		
Deposits with Original Maturity of more than three months but less than twelve months#	6548	8600
Total	6548	8600
Total	6699	16512

#The above deposit includes deposits pledged against Overdraft facilities of which detail are as follows:

Particulars	₹in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Against Overdraft Facilities	6548	7629
Total	6548	7629

Note 7.4: SHORT TERM LOANS & ADVANCES

Particulars	₹in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Unsecured, Considered Good		
Others		
Loans & Advances To Employees	114	110
Others	16	31
	130	142
Less: Provision for doubtful loans and advances	-	-
Total	130	142

Note 7.5: OTHER CURRENT ASSETS

Particulars	₹in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Interest accrued but not due on Fixed Deposits	292	467
Other Current Assets	19	43
Inter Company Receivable Account (Fellow Subsidiary)		
Chhattisgarh State Power Generation Company Ltd.	-	1355
Chhattisgarh State Power Distribution Company Limited	38	38
Total	349	1903

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

NOTE 8: INCOME

Note 8.1: REVENUE FROM OPERATIONS

Particulars	₹ in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Sales of Services		
Transmission Charges	72423	57780
Income from State Load Dispatch Centre	1396	1269
Total Sales	73819	59049
Less: Transfer to SLDC Fund pursuant to CSERC Regulations	283	33
Net Sales	73536	59016
Other Operating Revenues		
Delay Payment Surcharge	2713	-
<i>Refer Note No.2 (a)</i>	2713	-
Total	76249	59016

Note 8.2: OTHER INCOME

Particulars	₹ in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Interest Income		
Interest on FDR	807	2223
Interest on Loan to Chhattisgarh State Power Generation Ltd.	-	182
Interest on Advance to Contractors & Suppliers	83	272
Interest on Staff Loans & Advances	13	12
	903	2689
Rental Income		
Net Income from Sale of Scrap	179	282
Other Miscellaneous Income	84	220
Other Recoveries from Contractors/ Suppliers	1095	1227
	79	94
Total	2340	4512

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

Note 9.1: EMPLOYEE BENEFIT EXPENSES

Particulars	₹in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Salaries and incentives:		
Salary & Wages	14467	13079
Other Staff Costs	145	193
Earned Leave Encashment to Retired Employees	86	232
Wage Revision (Interim Relief)	1014	-
Gratuity & Pension	3148	1512
Contribution to Provident Fund & Other Funds	269	166
Staff Welfare Expenses	168	146
	19297	15329
Less: Employee Cost Capitalized	1241	1685
Total	18056	13644

Note 9.2: FINANCE COSTS

Particulars	₹in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Interest expense:		
Interest on State Government Loan	206	295
Interest on Debentures	46	46
Interest on PFC Loan	14506	13404
Interest on Nabard Loan	670	123
Interest on Working Capital Loan	254	635
Bank Charges	1	1
	15683	14504
Less: Interest & Finance Charges Capitalized	1576	3391
Total	14107	11113

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

Note 9.3: OTHER EXPENSES

Particulars	₹ in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Rent	1	1
Rates & Taxes	417	1051
Insurance	1	1
<i>Repairing & Maintenance:</i>		
Plant & Machinery	1663	2390
Building & Civil Works	384	193
Others	53	62
Electricity Charges (Office & Other Consumption)	653	64
Service Contract including Legal & Professional Charges	279	262
Vehicle Running, Hiring and Maintenance	415	393
A & G Expenses of CSPHCL	392	344
Provision for Shortages in Inventory	72	212
Other Miscellaneous Expenses	668	1102
Auditor's Remuneration		
Statutory Audit Fees	4	3
Tax Audit Fees	1	0.34
	5002	6080
Less: Administration & Other Expenses Capitalised	168	242
Total	4834	5837

Note 10 : Exceptional Item

Particulars	₹ in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Income:	-	-
Expense:		
Provision against deficit in Gratuity & Pension liability upto 31st March'2013	27472	-
Adjustment of Surplus as per Tariff Order	-	35429
Total	-27472	-35429

Note 11 : Prior Period Income /(Expenses)

Particulars	₹ in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Income:		
Excess Write of Debtor vide MYT Order 13-14	-	9579
Other Income related to Previous Year	98	5481
Excess transfer to SLDC development fund during FY 12-13	51	-
Excess Interest Charged on Bonds & Debentures	-	559
	149	15619
Expenses:		
Depreciation	33	-
Employee Costs	42	130
Electricity Charges (Office & Other Consumption)	1843	-
Other Charges including shortfall in transfer to SLDC development fund for FY 13-14	560	70
	2478	200
Net Prior Period Income/(Expense)	-2329	15419

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

Note 12: EARNINGS PER SHARE

Particulars	₹ in Lac	
	Current Year 31.03.2015	Previous Year 31.03.2014
Net Profit/(Loss) as per Profit & Loss Account available for Equity Shareholders	-4032	-284
Weighted Average number of Ordinary Share Outstanding	7557	7557
Add: Weighted Average number of Potential Equity shares on account of Share Application Money	551	551
Cumulative Weighted Average number of Ordinary Share Outstanding for Basic EPS		
1. For Basic Earnings per Share of ₹10 each	8108	8108
2. For Diluted Earnings per Share of ₹10 each	8108	8108
Earnings per Share		
Basic	-0.50	-0.04
Diluted	-0.50	-0.04

13. Contingent liability not provided in the profit and loss account are as follows:

1. Contingent Liabilities arising due to Reorganization of MPEB into MPSEB and CSEB

- i. On bifurcation of erstwhile state of Madhya Pradesh, MPEB had sustained tax loss of ₹ 1,422.46 Cr and ₹ 993.65 Cr in FY 1999-2000 and FY 2000-01 respectively, aggregating to ₹ 2,416.11 Cr. As per section 65 of Madhya Pradesh Reorganization Act (MPRA), the Central Government has been empowered to make rules for bifurcation of these tax losses of MPEB between MPSEB and CSEB. However, no such rules have been made by the Central Government so far.
- ii. In absence of such rules, for the purpose of this computation, CSEB has claimed its share of ₹ 554.98 Cr in the brought forward tax losses of MPEB in power consumption ratio of 77.03:22.97 (MPSEB:CSEB), as laid down by the Central Government in its Notification dated November 4th, 2004 for allocation of current assets and liabilities of MPEB. Board's tax liabilities may vary based on the outcome of Rules to be issued by Central Government u/s 65 of MPRA 2000. Accordingly, any liability arising on non-framing of said rules may have an adverse financial implication on the successor companies of erstwhile CSEB.
- iii. After the re-organization of the erstwhile MPEB and subsequent formation of successor boards i.e. MPSEB and CSEB, the matter regarding apportionment of pension and gratuity liabilities between the two boards has not been settled so far. The pension and gratuity liabilities were to be apportioned between MPSEB and CSEB in accordance with Schedule - VI of the M.P. Reorganization act - 2000 and settled on yearly basis. In a meeting convened by Ministry of power, Government of India on 22.12.2008 at New Delhi, it was mutually agreed between MPSEB and CSEB that the pension liability shall be settled between MPSEB and CSEB under one time settlement. The actuary firm, M/s Thanawala Consultancy Services was appointed on mutual consent of MPSEB and CSPHCL for carrying out actuarial valuation for the purpose of calculating the one time settlement amount. The firm had submitted its draft report. However certain discrepancies were observed in the data furnished by MPSEB which were likely to impact the settlement amount to a considerable extent. This was brought to the notice of actuary firm and MPSEB and it was requested to verify and furnish the corrected data. MPSEB has not made available the correct data. As such the liability in this regard cannot be ascertained at present. However, total liability of CSEB on this account shall devolve on successor companies, i.e. CSPGCL, CSPTCL and CSPDCL.
- iv. Erstwhile MPEB has filed Income Tax Return for FY 1999-2000 and 2000-01 beyond the due date as prescribed in the Income Tax Act. The MPSEB had filed application for condonation of delay before CBDT. Accordingly the delay in filing of return for AY 2000-01 has been condoned by CBDT, whereas no relief had been granted for AY 1999-2000. CSEB has also moved application for condonation of delay of return filed by MPSEB for these years and CBDT has taken same view in the application of MPSEB. CSPHCL has filed a writ petition against order of CBDT before Hon'ble High Court of Bilaspur, any adverse outcome of the case will have financial implication on the successor companies of erstwhile CSEB.

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

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

Sl. No.	Assessment Year	Gross Tax Liability demanded in Crores	Unpaid Tax Liability in Crores	Authority before which case is pending
1	2003-04	277.38	144.81	Pending before Hon'ble High Court of Chhattisgarh & Appellate Tribunal, Mumbai
2	2006-07	373.36	246.60	Income Tax Appellate Tribunal (ITAT), Mumbai has passed order in favour of CSEB. However, jurisdictional Assessing Officer has wrongly interpreted the above factual and legal position and also the orders of CIT (Appeal) and ITAT, and has assessed the income at ₹ 840.75 Crs & served a demand notice of ₹ 269.60 crore in the matter. The appeal filed against above demand notice before CIT (Appeal) has been dismissed. The matter is pending before Appellate Tribunal, Mumbai
3	2007-08	168.49	-	The matter is pending before CIT (A) / ITAT.
4	2008-09	92.19	-	
5	2009-10	266.49	-	

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

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

Sl. No.	Date of order of commissioner (Appeal)	Amt in crores of ED & Cess in order	Amt in crores of CENVAT claimed by CSPTCL
1	E/1116/2010Ex(DBOIANo.13/RPR-II/2010 dtd. 18.02.2010	1.28	1.48
2	E/1117/2010EX(DB)(OIA14/RPR-II/2010 dtd. 18.02.2010)	8.82	8.57
3	E/1118/2010EX(DB)(OIA 15/RPR-II/2010 dtd. 18.02.2010)	1.17	0.72

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

Sl. No.	Date of order of commissioner (Appeal)	Amt in crores of ED & Cess in order	Amt in crores of CENVAT claimed by CSPTCL
4	E/281/2010EX(DB)(OIA 49/RPR-II/2010 dtd.30.11.2010)	0.46	0.37
5.	E/282/2010EX(DB)(OIA 50/RPR-II/2010 dtd 30.11.2010)	0.21	0.23
6.	E/380/2010EX(DB) (OIA 35/RPR-II/2010 dtd 19.04.2011)	0.44	0.36
7.	E/58719/2013EX(DB) dtd. 30.04.2013	0.45	Nil
8.	E/58720/2013EX(DB) dtd. 30.04.2013	0.90	Nil
9.	E/58721/2013EX(DB) dtd. 30.04.2013	0.92	Nil
10.	E/58722/2013EX(DB) dtd. 30.04.2013	0.91	Nil

14. The company through the online system of Income Tax Department has retrieved that an amount of ₹ 84.10 Lacs is outstanding against TDS liability (Short Deduction/ Short Payment) and corresponding interest of ₹ 43.16 Lacs against delay in short deduction/ short payment and the late filing fees including interest amounting to ₹ 4.38 Lacs. 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.
15. The Deputy Commissioner, Central Excise Division –II Bhilai, vide order no. 13/2006 dtd. 11.10.2006 have rejected the CSPTCL's claim for refund of excise duty of ₹ 2,78,57,023/- on the ground of unjust enrichment. Accordingly, CSPTCL has filed an appeal for the refund of ₹ 2,78,57,023/-
16. Cases have been filed against CSPTCL by various power generators on account of dispute arising due to levy of UI charges with regard to scheduling of power under short term open access by these generators/sellers which in the opinion of the company amounts to embedded generation in state's electricity supply system. The matter is pending before various forum's of which brief detail are provided in table below:

S.No.	Petitioner Name	Subject Matter	Petition No.	Amount involved (₹ in Cr.)	Forum
1	BALCO	UI	134/MP/2011	11.88	Review petition pending before Appellate Tribunal, New Delhi
2	NSPCL	UI	53/MP/2012 & 462/MP/2012	1.02	CERC, New Delhi
3	MIEL	UI	563/MP/2014	0.47	CERC, New Delhi
4	ACPCL	UI	06/2015 (D)	1.02	CSERC, Raipur
5	BALCO	TC	2067/2014	1.93	SCI

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

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

S.No.	Particulars of Cases	Amount in ₹
1	M/s Agrawal salt co., Bikaner vs CSPTCL pending before High Court at Jodhpur, Rajasthan, since CSPTCL has forfeited Security deposit in lieu of non compliance of terms mentioned in purchase order by petitioner, against which case have been filed against CSPTCL.	3,57,765/-
2	M/s AV Forgings, Mohali Punjab Vs CE (Trans) & GM (Finance) CSPTCL, Raipur pending before Industrial facilitation council, Punjab since CSPTCL has forfeited Security deposit in lieu of non compliance of terms mentioned in purchase order by petitioner, against which case have been filed against CSPTCL.	4,48,110/-
3	Manohar Maseeh vs CSEB Case no. A36/2008 dt.05/11/2003 for compensation due to death of worker Amit Maseeh in tapping work at Bhilai	6,90,400/-
4	Laxmibai w/o Shri Raghunath vs MPEB petition no. 37/1999 for compensation against physically disability caused during office work	3,30,000/-
5	Writ Petition no.2865/2010 filed by CSPTCL against excess property tax demand by Municipal Corporation, Jagdalpur vide order no. 3039 & 3040 dt. 15.12.2009	22,44,522/-

18. 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), State Government (means the Government of Chhattisgarh) vide notification no. F-21/13/2009/13/2 dt.31.03.2010 notified the *Chhattisgarh State Electricity Board Transfer Scheme Rules, 2010* (hereinafter referred to as 'transfer scheme rules') in regard to the transfer of properties, undertakings, interests, rights, obligations, liabilities, personnel and proceedings from Chhattisgarh State Electricity Board (hereinafter referred to as Board) to its Successor Companies viz., Chhattisgarh State Power Generation Company Ltd. (CSPGCL), Chhattisgarh State Power Distribution Company Ltd (CSPDCL), Chhattisgarh State Power Transmission Company Limited (CSPTCL), Chhattisgarh State Power Trading Company Limited (CSPTCL) and Chhattisgarh State Power Holding Company Limited (CSPHCL).

Under rule (3) (ae) of the transfer scheme rules "Transmission Company" or "CSPTCL" means the Chhattisgarh State Power Transmission Company Limited, a company incorporated under the Companies Act,1956 with the main object of undertaking the transmission of electricity in the State of Chhattisgarh and to function as State Transmission Utility and perform SLDC functions as per the provisions of the Act.

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

19. Opening Balances transferred pursuant to transfer scheme:

The Government of Chhattisgarh vide notification no.2020/F-21/13/09/13/2/ED dt.29th October'2010 has notified the opening balance sheet as on 01st January'2009 of CSPTCL of which detail is an under:

Sl. No.	Particulars	₹ In crores.
ASSETS		
1	Fixed Assets	892.82
2	Less: Depreciation	236.41
3	Net Assets	656.41
4	CWIP	373.03
5	Investment	14.31
6	Stock	8.54
7	Cash & Bank	0.19
8	Inter company Receivable/Payable	(10.56)
9	Loans & Advance	128.54
10	Sundry Receivable	1.28
11	Other Current Liabilities	(173.59)
12	Subsidy Receivable from Government	41.54
	Total Assets	1,039.69
LIABILITIES		
1	Surplus + Equity Adjustment	625.51
2	Reserve and Reserve Funds	29.60
3	<i>Sub Total: Shareholder Equity</i>	<i>655.11</i>
4	Total Funds from State Gov.	92.44
5	Payment Due on Capital Liabilities	56.34
6	Capital Liabilities	235.80
	Total Liabilities (C to F)	1,039.69

- i. As per the said notification, figures derived for opening balance sheet are from the unaudited balance sheet of erstwhile CSEB as on 31st December'2008 and are subject to audit by the Comptroller and Auditor General of India. As informed by CSPHCL, audit of erstwhile CSEB upto 31st Dec'08 has been completed by CAG during the month of May'2012, however revised opening balance are yet to be notified by the state government.

20. Provisional allocation of Personnel pursuant to Transfer Scheme:

- i. Under rule 8 (b) of the transfer scheme rule, 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.
- 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.

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

21. Final Absorption of Personnel in Transferee Company

- i. As per provision of Transfer Scheme Rule 2010, the State Government shall, in consultation with the Successor Companies, finalize the transfer to and permanent absorption of the Personnel in a Transferee taking into account the suitability, ability and experience of the personnel, number and nature of the vacancies and other relevant factors and issue appropriate orders, as it may think fit, for such permanent absorption.
- ii. Accordingly the State Government has constituted a Grievance Committee to receive representations and submit recommendations on transfer and absorption of Personnel to the Successor Companies. The final report of the Grievance Committee is still awaited.

22. Employees Retirement Benefit

In accordance with the policy mentioned in point no. q (ii) of the significant accounting policy above, the company has contributed their share of pension and gratuity liability to the extent allowed by CSERC in its tariff order which amounts to ₹ 31.48 crores. The company had also provided ₹ 274.72 crores being share of its deficit in the actual contribution vis-a-vis the stipulated contribution determined on the basis of actuarial valuation carried out for 31st March'2015 in its profit and loss account during current financial year. Provision of arrears of ₹ 274.72 cr. has been classified as "exceptional item" in Profit and Loss.

23. The Company is in the process of ascertaining the estimated amounts due and remaining to be executed on capital contracts for the financial year 2014-15.
24. Carrying amount at which the fixed asset is recognized in the balance sheet after deducting accumulated depreciation (amortization) generally exceeds the recoverable amount of the asset hence no provision for impairment of assets has been made.
25. Expenditures/Earnings in foreign currency:

Particulars	2014-15 (₹)	2013-14 (₹)
Equivalent INR of Capital Expenditure in USD (\$)	Nil	Nil

26. Details of Electricity transmitted in MUs and Rs in crores:

Energy Transmitted	FY 2014-15		FY 2013-14	
	In MU	₹ in cr	In MU	₹ in cr
For CSPDCL & Other Power Utilities (i.e. energy output from CSPTCL's system)	20,666.46	724.23	18,537.74	577.80
SLDC's revenue	-	13.96	-	12.69
Total	20,666.46	738.19	18,537.74	590.49

27. Managerial Remuneration:

Details	2014-15 (₹)	2013-14 (₹)
Salary & Allowances	24,46,526	22,33,573
Other Benefits	44,366	35,592
Total	24,90,892	22,69,165

28. Balance Sheet, Statement of Profit & Loss Account and Cash Flow statement read together with the notes to the financial statement thereon, are drawn up so as to disclose the information required under section 133 of the Companies Act, 2013, as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

29. Being a State Government Company, the company has not entered into any transaction with any company that are covered under section 186 of the Companies Act'2013.
30. Balances of State Government Loan, Debentures and Liability against Deposit Works are subject to confirmation and reconciliation.
31. In the absence of necessary schedules of suppliers and contractors during the period, relevant disclosures of Micro, Small & Medium Enterprises covered under Micro, Small & Medium Enterprises Act, 2006 could not be compiled and disclosed.
32. Inventories of ₹ 48.82 cr. (refer Note 7.1) Includes shortage of ₹ 0.72 cr., identified during the course of internal audit; the shortage has been adequately provided in the current year profit and loss
33. CSERC carries out true up exercise of accounts of all successor companies including SLDC post their statutory audit. CSERC vide its Tariff order dated 23/05/2015 has determined net surplus in the hands of CSPTCL and SLDC amounting to ₹ 83.82 cr and ₹ 1.92 respectively after true up for F.Y. 2013-14. CSERC vide para no. 5.5 and 6.4.1 of the aforesaid order has directed for adjustment of ₹ 83.82 cr in the hands of CSPTCL and ₹ 1.92 cr against SLDC, to be adjusted against tariff for F.Y. 2015-16. Considering the directives of the regulator, company has not made/provided for any adjustment during F.Y. 2014-15.
34. The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Subject to the notes regarding depreciation, other notes and the method of accounting followed by the Company, provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes. Further the company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts in its financial statements.
35. In view of paragraph 9 of AS-18, no disclosure is required as regards related party relationships with other state controlled enterprises and transaction with such enterprises. Other disclosures as required by AS-18 are as under:

Remuneration paid to directors including Managing Director:

Name of Related Party	Nature of relationship	2014-15 (₹)	2013-14 (₹)
Shri Vijay Singh	Managing Director/ Key Management Person	24,90,892	22,69,165

36. In compliance of accounting standard relating to "Accounting for Taxes on Income" (AS-22) issued by the Institute of Chartered Accountants of India and pursuant to accounting policy mentioned in note no. 2 (x), in the absence of virtual certainty, the company has recognized deferred tax asset arising out of timing differences on account of unabsorbed depreciation, carry forward losses, and disallowances under the Income Tax Act only to the extent of deferred tax liability arising during the year. Component wise details is being provided under Note no. 6.3.
37. The company has fully disclosed the impact of pending litigations on its financial position in its financial statements. Further, the company is not required to transfer any amount to the Investor Education and Protection Fund as required under Companies Act'2013.
38. The company has not formed CSR committee which otherwise is mandatory under section 135 of The Companies Act'2013, since, there is no independent director appointed in Board upto 31st March'2015, however, management is in process of taking necessary measures to resolve the above deficiency.

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

39. The Company is a state government undertaking having two separate line of activity i.e. transmission chgs and Income from State Load Dispatch Centre (SLDC). As per Para 27 (a) of AS 17 i.e. "Segmental Reporting", a business segment should be identified as a reportable segment if it's revenue from sales to external customers and from transactions with other segments is 10 percent or more of the total revenue, external and internal, of all segments. However, pursuant CSERC requirement company has voluntarily disclose segmental results of its two segments namely transmission charges and SLDC:

Particulars	Transmission	SLDC	Total	₹ in Lac
Segment Revenue:				
I. Sale of Services	72,423	1,113	73,536	
II. Delay Payment Surcharge	2,713	-	2,713	
III. Other Income	2,340	-	2,340	
III. Total Segment Income	77,476	1,113	78,590	
Previous year	62,292	1,236	63,528	
Segment Expenses:				
Employee Benefit Expenses (Excl Gratuity and Pension)	14,354	554	14,908	
Depreciation	15,755	69	15,823	
Other Expenses (allocable to the segments)	1,642	113	1,755	
IV (a). Total Segment Expenses	31,750	736	32,486	
Previous year	26,703	727	27,431	
Segmental Operating Income	45,726	377	46,103	
Unallocable Expenses				
Other Expenses			3,079	
Gratuity and Pension			3,148	
Finance Costs			14,107	
IV (b). Total Unallocable Expenses			20,334	
V. Profit before exceptional and extraordinary items and tax (III -(IV(a)+(b)))			25,769	
VI. Exceptional items			27,472	
VII. Profit before extraordinary items and tax (V + VI)			1,703	
VIII. Extraordinary Items			-	
IX. Profit before prior period item and tax (VII + VIII)			1,703	
X. Prior Period Income /(Expense)			2,329	
XI. Profit before tax (IX + X)			4,032	
XII. Tax expense				
(1) Current tax			-	
(2) Deferred tax			-	
XIII. Profit/(Loss) for the period from continuing operations (XI - XII)			4,032	
XIV. Profit /(loss) from discontinuing operations			-	
XV. Tax Expense of discontinuing operations			-	
XVI. Profit/(loss) from discontinuing operations (after tax) (XIV-XV)			-	
XVII. Profit (Loss) for the period (XIII + XVI)			4,032	
Particulars	Transmission	SLDC	Total	
Segment Assets:				
Allocable Assets:				
Tangible Assets	247,101	482	247,583	
Capital Work In Progress	56,276	271	56,547	
Trade receivables	29,644	364	30,008	
Cash and Bank Balance	6,699	-	6,699	
	339,720	1,117	340,837	
Unallocable Assets:				
Long-term loans and advances			261	
Other non-current assets			32,527	
Inventories			4,809	
Other current assets			130	
Short-term loans and advances			349	
			38,077	
Total Assets			378,914	

CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED
Notes to financial statements for the year ended 31st March, 2015

Particulars	Transmission	SLDC	Total	₹ in Lac
Segment Liabilities:				
Allocable Liabilities:				
SLDC Development Fund	-	2,508		2,508
	-	2,508		2,508
Unallocable Liabilities:				
Share Capital				75,566
Reserves & Surplus (Excluding SLDC Dev. Fund)				2,300
Share Application Money Pending Allotment				5,510
Long-term borrowings				120,339
Other Long term liabilities				68,881
Long-term provisions				59,205
Short-term borrowings				5,357
Trade payables				3,786
Other current liabilities				31,086
Short-term provisions				4,375
				<u>376,406</u>
Total Liabilities				378,914

The accompanying notes are integral part of the Financial Statements

As per our report of even date

For, APAS & Company
FRN No. 0003405

CA Ankush Golechha
Partner
Membership No. 111980
Place: Raipur (CG)
Date :

23 DEC 2015



For and on behalf of the Board of Directors of
Chhattisgarh State Power Transmission Company Limited

(VIJAY SINGH)
Managing Director
DIN-06528592

(Y.B. JAIN)
CFO
PAN-AEXPJ0405K

(AMAN KUMAR SINGH)
Director
DIN-02860208

(NEHA GYANCHANDANI)
Company Secretary
PAN-AZUPG4196N