

**Auditor's Report  
&  
Financial Statements of**

**Chhattisgarh State Power Trading Company Limited**  
(A Government of Chhattisgarh Undertaking)  
Ground Floor, Vidyut Sewa Bhawan,  
Dangania, Raipur (C.G.)

**as on & for the year ended on  
31<sup>st</sup> March, 2021.**

## SANJIB JAIN & ASSOCIATES

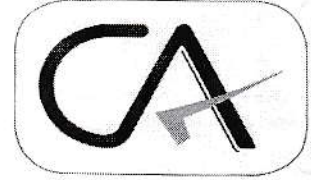
Chartered Accountants

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### Independent Auditor's Report

To,

The Members of,

**Chhattisgarh State Power Trading Company Limited**

**Report on the Audit of Ind AS Financial Statements**

#### Opinion

- 1 We have audited the accompanying Ind AS Financial Statements of **Chhattisgarh State Power Trading Company Limited** ("the company"), which comprise the "**Balance Sheet**" as at **31st March, 2021**, the "**Statement of Profit & Loss (including Other Comprehensive Income)**", the "**Statement of Changes in Equity**" and the "**Statement of Cash Flows**" for the year then ended, and notes to the Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (**hereinafter referred to as "the Ind AS Financial Statements"**).
- 2 In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India, of the "**State of affairs**" of the Company as at **31st March, 2021**, its "**Losses**", its "**Changes in Equity**" and its "**cash flows**" for the year the year ended on that date.

#### Basis for Opinion

- 3 We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter:

- 4 We draw attention to the following matters in the Notes to the financial statements:

##### **(a) Material Uncertainty related to Going Concern:**

*"Note No. 24" in the financial statements, indicates "Details of commission derived from Sale of Power for and on behalf of State Government" where earned net commission income is "NIL" mentioned for non fixation of rate of commission by Govt of Chattisgarh for the power supplied to CSPDCL.*



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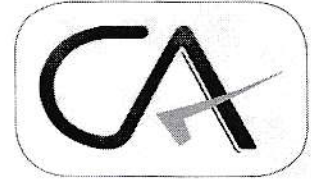
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*The company has accumulated losses and its net worth has been fully eroded, the company has incurred a net loss/net cash loss during the current and previous year(s) and, the company's current liabilities exceeded its current assets as at the balance sheet date. These conditions along with other matters set forth in "Note- 24", indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statements of the company have been prepared on a going concern basis for the reasons stated in the said Note.*

*(b) "Note- 12" in the financial statements which indicate " Other Financial Liabilities (Current Liabilities)" payable to CSPHCL and CSPDCL and "Note - 7" to the financial statements which indicates: other Financial Assets (Current Assets)" receivable from Government of Chhattisgarh which is subject to confirmation and reconciliation.*

Our Opinion is not modified in respect of this matter.

### Key Audit Matters:

- 5 Key audit matters are those matters, in which our professional judgement, was of most significance in our audit of the Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701- Key audit matters are not applicable to the unlisted company.

### Other Information:

- 6 The Company's Board of Directors is responsible for other information. The other information comprises the Directors Report included in the Annual Report but does not include the Ind AS Financial Statements and our auditor's reports thereon.

Our opinion on the Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## **SANJIB JAIN & ASSOCIATES**

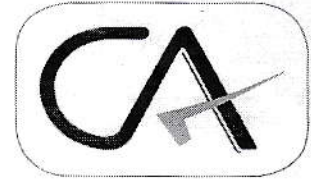
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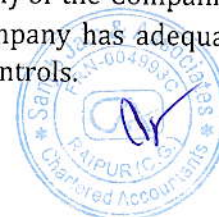
### **Responsibility of Management for the Ind AS Financial Statements:**

- 7 The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, Changes in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.
- 8 In preparing the Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

- 9 Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.
- 10 As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



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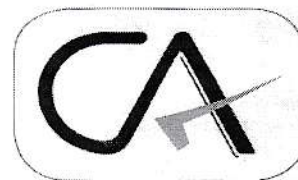
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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 11 We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  - 12 We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
  - 13 From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other Legal and Regulatory Requirements

- 14 As required by the **Companies (Auditor's Report) Order, 2016** ("the order") issued by the Central Government in terms of sub-section [11] of section 143 of the Companies Act, 2013, we give in the "**Annexure -A**", a statement on the matter specified in paragraphs 3 and 4 of the said order.
- 15 **As required by section 143 (3) of the Act, we report that :**
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper book of Accounts as required by law have been kept by the company so far as it appears from our examination of those books.



## SANJIB JAIN & ASSOCIATES

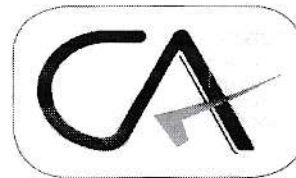
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- c. The **Balance Sheet**, the **Statement of Profit and Loss (including Other Comprehensive Income)**, the **Statement of Changes in Equity** and the **Cash Flow Statement** dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Ind AS Financial Statement dealt with by this report comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Amendment Rules, 2016.
- e. The matter discussed under Material Uncertainty related to Going Concern paragraph above, in our opinion, may have adverse effect on the functioning of the company.
- f. Being a Government Company, pursuant to the Notification No. G.S.R. 463(E) dt. 05/06/2015 issued by Ministry of Corporate Affairs, provision of section 164(2) of the Companies Act, 2013 in respect of disqualification of Directors are not applicable to the company.
- g. With respect to the adequacy of the **Internal Financial Controls** with reference to Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure- B**"
- h. 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) Amendment Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:-
- (i) the company has no pending litigations.
- (ii) the company does not have any long-term contracts including derivative contracts as on **31st March 2021**;
- (iii) the provisions related to Investor Education and Protection funds are not applicable to the company as no dividend declared.
- 16 On the basis of such checks of the books and records of the company, as we considered appropriate and according to the information and explanations given to us, we are enclosing our report in terms of **Section 143(5)** of the Companies Act, 2013, on the **directions and sub-directions** issued by the Comptroller and Auditor General of India in "**Annexure- C**".

PLACE: - RAIPUR

Date: 01/02/2022

FOR, SANJIB JAIN & ASSOCIATES

CHARTERED ACCOUNTANTS

FIRM REGN. NO.-04993C



(PREETAM JAIN)

(M.NO. 408432)

PARTNER

UDIN- 22408432AAAAABV5069

**SANJIB JAIN & ASSOCIATES**

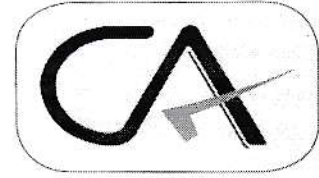
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**ANNEXURE- "A" to the Independent Auditor's Report**Ref: **Chhattisgarh State Power Trading Company Limited**

( Referred to in paragraph 14 under "Report on other Legal and Regulatory Requirements" section of our report of even date )

**[i] In respect of Property Plant and equipments:-**

- [a] The Company has maintained proper records showing full particulars including quantitative details and situation of Tangible Assets.
- [b] All the assets have been physically verified by the management during the year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- [c] There is no Immovable Property held in the name of the Company.
- [ii] The Company does not have any inventory and accordingly the provisions of clauses (ii) of the paragraph 3 of the CARO 2016 is not applicable to the Company.
- [iii] The company has not granted any loans, secured or unsecured to Companies, Firms or LLP or other parties covered in the register maintained under section 189 of the Companies Act'2013. Therefore, the provisions of clause (iii) (a) & (b) has not been applicable.
- [iv] The company has not given any Loans or made Investment or provided Guarantee or Security under the provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause (iv) of the paragraph 3 of the CARO 2016 are not applicable to the Company.
- [v] The company has not accepted any deposits from the public during the period under audit. Therefore the provisions of clause [v] of the companies (Auditor's Report) order 2016 are not applicable to the company.
- [vi] The provision of maintaining Cost Record is not applicable on the company.
- [vii] [a] According to the record of the company, undisputed statutory dues including Provident fund, Employees State Insurance, Income tax, Sales tax, value added tax, Goods and Services Tax, Service Tax, Custom Duty, Excise duty, Cess and other material statutory dues applicable to it have been generally regularly deposited with the appropriate authorities though there has been a slight delay in few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears, as at **31/3/2021** for the period of more than six months from the date they become payable except for the followings:-

S. No.	Particulars	Amount ( in Rs. )	Period
1	Income Tax Liability	19558.00	A.Y. 2013-14
2	TDS	70260.00	F.Y. 2010-11
3	TDS	320.00	F.Y. 2011-12



## SANJIB JAIN & ASSOCIATES

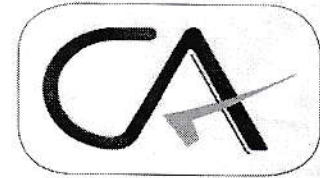
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[b] According to the information and explanation given to us, there are no dues of income tax, sales tax, value added tax, Goods and Services tax, service tax, cess, custom duty and excise duty disputed statutory dues pending as on **31st March, 2021**.

[viii] In our opinion and according to the records of the company examined by us and according to the information and explanations given to us, the company has not defaulted in the repayment of borrowings to CSPHCL.

The Company does not have any borrowings from Financial Institutions and Banks nor has issued any debentures.

[ix] According to the records of the company examined by us, the Company has not raised money by way of Initial Public offer or Further Public Offer (including Debt Instruments). The Company has not availed any term loan. Accordingly, the provisions of clause (ix) of the paragraph 3 of the CARO 2016 are not applicable to the Company.

[x] Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS Financial Statements and according to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

[xi] During the year company has not paid or provided any managerial remuneration as such the Provisions of the clause (xi) of paragraph 3 of the CARO 2016 are not applicable to the company.

[xii] The company is not a nidhi company. Accordingly, paragraph 3 (xii) of the CARO 2016 is not applicable.

[xiii] Based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Ind AS Financial Statements etc., as required by the applicable accounting standards.

[xiv] Based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (xiv) of CARO 2016 is not applicable to the company.

[xv] Based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.

[xvi] The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause (xvi) of the paragraph 3 of the CARO 2016 are not applicable to the Company.

Place: - RAIPUR

Date: 01/02/2022



**FOR, SANJIB JAIN & ASSOCIATES**

CHARTERED ACCOUNTANTS

FIRM REGN. NO.-04993C

**(PREETAM JAIN)**

**(M.NO. 408432)**

PARTNER

UDIN- 22408432AAAABV5069



## **SANJIB JAIN & ASSOCIATES**

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### **ANNEXURE- "B" to the Independent Auditor's Report**

Ref: **Chhattisgarh State Power Trading Company Limited**

(Referred to in paragraph 15(f) of Report on Other Legal and Regulatory Requirements of my report of even date)

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

We have audited the internal financial controls over financial reporting of **Chhattisgarh State Power Trading Company Limited** ("the company") as of **31 March , 2021** in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

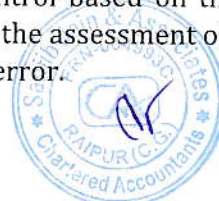
#### **Management's Responsibility for Internal Financial Controls :**

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

#### **Auditors' Responsibility :**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



## **SANJIB JAIN & ASSOCIATES**

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting :**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion :**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting are operating effectively as at **March 31, 2021**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: - RAIPUR

Date: 01/02/2022

**FOR, SANJIB JAIN & ASSOCIATES**

CHARTERED ACCOUNTANTS

FIRM REGN. NO.-04993C



*(Signature)*  
**(PREETAM JAIN)**

**(M.NO. 408432)**

PARTNER

UDIN- 22408432AAAABV5069

**SANJIB JAIN & ASSOCIATES**

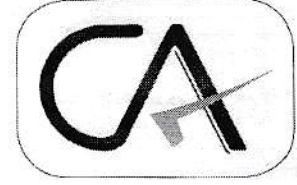
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**ANNEXURE- "C" to the Independent Auditor's Report**

**Directions/Sub-Directions under section 143(5) of the Companies Act 2013 issued by the comptroller & Auditor General of India for "Chhattisgarh State Power Trading Company Limited"**

**ANNEXURE- "1"**

S. No.	Revised Directions	Comments
1	Whether the Company has system in place to process all the accounting transaction through IT? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has its system in place to process all the accounting transactions through IT system except calculation of depreciation of Property, Plant & Equipments which is maintained on a different computer system and has not been interconnected through the interface with financial accounting software of the Company. However, there is no implication of accounting transactions outside IT system on the integrity of the accounts.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the Company's inability to repay the loan? If yes, the financial impact may be stated.	Not Applicable
	Whether such cases are properly accounted for ? ( In case, Lender is a Government company, then this direction is also applicable for statutory auditor of Lender Company).	Not Applicable
3	Whether funds ( Grants/Subsidy etc. ) received/receivable for specific schemes from central/state Government or its agencies were properly accounted for/utilised as per its terms and conditions? List the cases of deviation.	Not Applicable



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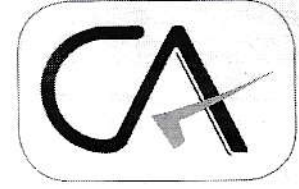
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**ANNEXURE- "2"**

S. No.	Sector specific sub-directions	Comments
1	Adequacy of steps to prevent encroachment of idle land owned by Company may be examined. In case land of the company is encroached, under litigation, not put to use or declared surplus, details may be provided.	The company does not any Immovable Property
2	Where Land acquisition is involved in setting up new projects, report whether settlement of dues done expeditiously and in a transparent manner in all cases. The cases of deviation may please be detailed.	Not Applicable
3	Whether the company has an effective system for recovery of dues in respect of its sales activities and the dues outstanding and recoveries there against have been properly recorded in the books of accounts?	The Company being trading representative (Agent) of the Government of Chhattisgarh, as per the CSEB Transfer Scheme Rules, 2010 has sold and purchased electricity owned by Government of Chhattisgarh on Commission basis. As the rate of commission is yet to be fixed by Government of Chhattisgarh for the power supplied, there is Nil revenue. Accordingly, the company does not have any dues/recoveries for its services.
4	Whether the company has effective system for physical verification, valuation of stock, treatment of non-moving item and according the effect of shortage/excess noticed during physical verification.	The Company does not have any Stock.
5	The effectiveness of the system followed in recovery of dues in respect of sales activities may be examined and reported.	The Company has not earned any income (Commission) from sale of electricity to CSPDCL, as the rate of commission is not yet fixed by Govt of chhattisgarh for the power supplied to CSPDCL. Due to this reason, the company has accumulated losses and its net worth has been fully eroded.



**SANJIB JAIN & ASSOCIATES**

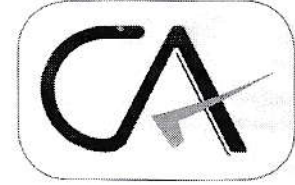
Chartered Accountants

243, 2<sup>nd</sup> Floor, Rishabh Complex,

M.G. Road, Raipur (C.G.)

Off.:- 0771-2292616, 3511619

Email- sanjibjainandassociates@gmail.com

**ANNEXURE- "3"**

S. No.	Directions for additional reporting	Comments
1	<b>Reporting of Following accounting ratios:-</b> 01. Net Worth 02. Return on Investment 03. Return on Capital Employed 04. Net Present value of Government investments in State PSUs.	Negative Not Applicable Negative NIL
2	<b>Corporate Governance issues like-</b> 01. Functioning of audit committee 02. Conduct/Non-conduct of Board Meetings  03. Any other matter	Not Applicable The Company has complied with minimum Board Meeting provisions, as mandated in section 173 of the Companies Act, 2013.  Nil
3	<b>Reporting of Statutory Obligations:-</b> 01. Income Tax Provisions  02. GST Compliance 03. ROC filing requirements	Income tax liability of Rs. 19558/- still outstanding for A.Y. 2013-14. Further, TDS demand of Rs. 70260/- and Rs. 320/- still outstanding.  Complied. Complied.
4	Any other matters incidental and pertaining to statutory audit	Nil

Place: - RAIPUR

Date: 01/02/2022

**FOR, SANJIB JAIN & ASSOCIATES**

CHARTERED ACCOUNTANTS

FIRM REGN. NO.-04993C

**(PREETAM JAIN)****(M.NO. 408432)**

PARTNER

UDIN- 22408432AAAAABV5069

**SANJIB JAIN & ASSOCIATES**

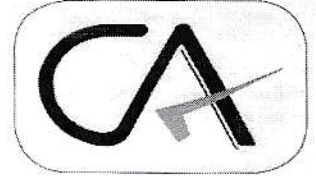
Chartered Accountants

243, 2<sup>nd</sup> Floor, Rishabh Complex,

M.G. Road, Raipur (C.G.)

Off:- 0771-2292616, 3511619

Email- sanjibjainandassociates@gmail.com



**“Annexure-C”**

**Compliance Certificate**

We have conducted the audit of accounts of **Chhattisgarh State Power Trading Company Limited, Vidhyut Sewa Bhawan, Dangania, Raipur for the year ended 31st March 2021** in accordance with the directions / sub-directions issued by the C & AG of India under section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/sub- directions issued to us.

PLACE: - RAIPUR  
Date: 01/02/2022

**FOR, SANJIB JAIN & ASSOCIATES**

CHARTERED ACCOUNTANTS

FIRM REGN. NO.-04993C



**(PREETAM JAIN)**

**(M.NO. 408432)**

PARTNER

UDIN- 22408432AAAABV5069

**Chhattisgarh State Power Trading Company Limited**  
(A Subsidiary of Chhattisgarh State Power Holding Company Limited)

**Balance Sheet as at 31st March 2021**

(₹ '00)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>A ASSETS</b>			
1 Non-Current Assets			
(a) Property, Plant and Equipment	4	435.50	297.57
<b>Total Non - Current Assets</b>		<b>435.50</b>	<b>297.57</b>
2 Current Assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	5	487.46	4,156.14
(ii) Bank balances other than (i) above	6	-	-
(iii) Loans & Advances	6	19,350.49	-
(b) Current Tax Assets (Net)	7	2,450.87	2,165.69
<b>Total Current Assets</b>		<b>22,288.81</b>	<b>6,321.83</b>
<b>Total Assets</b>		<b>22,724.31</b>	<b>6,619.40</b>
<b>B EQUITY AND LIABILITIES</b>			
1 Equity			
(a) Equity Share capital	8	5,000.00	5,000.00
(b) Other Equity	9	(17,58,609.06)	(15,23,721.04)
<b>Total Equity</b>		<b>(17,53,609.06)</b>	<b>(15,18,721.04)</b>
2 Liabilities			
Non Current liabilities			
(i) Borrowings	10	-	80,000.00
<b>Total Non Current Liabilities</b>		<b>-</b>	<b>80,000.00</b>
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	-	1,20,000.00
(ii) Other financial liabilities	12	17,70,331.94	13,19,864.40
(b) Other current liabilities	13	6,001.43	5,476.05
<b>Total Current Liabilities</b>		<b>17,76,333.37</b>	<b>14,45,340.45</b>
<b>Total Equity and Liabilities</b>		<b>22,724.31</b>	<b>6,619.40</b>
Significant Accounting Policies and Notes Forming part of the financial statements	1 to 26		

As per our report of even date attached

For, SANJIB JAIN & ASSOCIATES  
Chartered Accountants  
Firm Regn No- 004993C

For and behalf of board of Directors

  
Managing Director  
(Rajesh Verma)  
DIN-08658657

  
Director  
(Nirmal Kumar Bizora)  
DIN- 08678408

  
Company Secretary  
(Arun Mishra)  
M.No. ACS 55153

  
(Preetam Jain)  
Partner  
M.No. 408432

UDIN- 22408432AAAA BV5069

PLACE : RAIPUR  
DATED : 02/02/2022



# Chhattisgarh State Power Trading Company Limited

(A Subsidiary of Chhattisgarh Power Holding Company Limited)

## Statement of Profit and Loss for the year ended 31st March'2021

( ₹ ` 00 )

Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
I Revenue from Operations	14	-	-
II Other Income	15	3,874.16	1,458.84
III Total Revenue (I + II)		<b>3,874.16</b>	<b>1,458.84</b>
IV EXPENSES			
(a) Employee benefit expense	16	209857.88	177863.35
(b) Depreciation expense	4	88.07	45.08
(c) Other expenses	17	28816.24	15080.91
Total Expenses (IV)		<b>238762.19</b>	<b>192989.34</b>
V Profit/(loss) before Exceptional & Extraordinary items (III - IV)		<b>(2,34,888.03)</b>	<b>(1,91,530.50)</b>
VI Exceptional Items	18	-	9.99
VII Profit/(loss) before Tax (V-VI)		<b>(2,34,888.03)</b>	<b>(1,91,520.51)</b>
VIII Tax Expense		-	-
(1) Current tax		-	-
(2) Deferred tax		-	-
Total tax expense (VIII)		-	-
IX Profit/(loss) after tax (V II-VIII)		<b>(2,34,888.03)</b>	<b>(1,91,520.51)</b>
VIII Other comprehensive income		-	-
IX Total comprehensive income for the period ( VII + VIII )		<b>(2,34,888.03)</b>	<b>(1,91,520.51)</b>
X Earnings per equity share:	19		
Basic & Diluted		(4.70)	(3.83)
Weighted Average number of Equity Shares (Face Value Rs.10/- each)		50,000	50,000
XI Significant Accounting Policies and Notes forming part of the financial statements	1 - 26		


As per our report of even date attached,


For, SANJIB JAIN & ASSOCIATES,

Chartered Accountants

Firm Regn No.-004993C

For and on behalf of the Board of Directors

  
Managing Director  
(Rajesh Verma)  
DIN-08658657

  
Director  
(Nirmal Kumar Bizora)  
DIN- 08678408

  
Company Secretary  
(Arun Mishra)  
M.No. ACS 55153



  
(Preetam Jain)  
Partner

Membership No. 408432

UDIN- 22408432AAAA BV 5069

PLACE : RAIPUR

DATED : 01/02/2022





**Chhattisgarh State Power Trading Company Limited**  
(A Subsidiary of Chhattisgarh State Power Holding Company Limited)


**Cash Flow Statement for the year ended 31st March'2021**

(₹ ` 00)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>A. Cash flows from operating activities</b>		
Profit/(Loss) before tax for the year	(2,34,888.03)	(1,91,520.51)
Adjustments for:		
(+) Depreciation	88.07	45.08
(-) Interest Income	(3,874.16)	(1,458.84)
<b>Operating Profit before working capital changes</b>	<b>(2,38,674.12)</b>	<b>(1,92,934.27)</b>
<b>Movements in working capital:</b>		
Increase / (Decrease) in Other Current Financial Liabilities	3,30,467.54	1,93,815.27
Increase / (Decrease) in Other Current Liabilities	525.38	(207.80)
(Increase) / Decrease in Loans - Current	(19,350.49)	13.30
(Increase) / Decrease in Other Current Financial Assets	-	-
(Increase) / Decrease in Current Tax Assets	(285.18)	(136.68)
(Increase) / Decrease in Other Current Assets	-	-
Cash generated from operations	<b>72,683.13</b>	<b>549.81</b>
Income taxes paid	-	-
<b>Net cash ( used in)/ generated from operating activities</b>	<b>72,683.13</b>	<b>549.81</b>
<b>B. Cash flows from investing activities</b>		
Interest Income	3,874.16	1,458.84
(Purchase)/ Transfer of Property, Plant & Equipments	(226.00)	-
Bank Balance not considered as Cash & Cash Equivalents	-	-
<b>Net cash (used in)/generated by investing activities</b>	<b>3,648.16</b>	<b>1,458.84</b>
<b>C. Net cash used in financing activities</b>		
Proceeds/(Repayment) of Other Borrowings	(80,000.00)	-
<b>Net cash (used in)/generated by financing activities</b>	<b>(80,000.00)</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents ( A+B +C )</b>	<b>(3,668.71)</b>	<b>2,008.65</b>
Cash and cash equivalents at the beginning of the year	4,156.15	2,147.50
<b>Cash and cash equivalents at the end of the year ( Refer Note No. 5 )</b>	<b>487.44</b>	<b>4,156.15</b>
<b>The accompanying notes form an integral part of the financial statements</b>		

Note: There is no change in liability arising from financing activities.

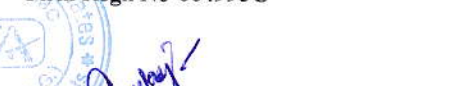
For and behalf of board of Directors

  
**Managing Director**  
(Rajesh Verma)  
DIN-08658657

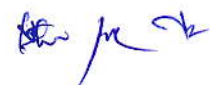
  
**Director**  
(Nirmal Kumar Bizora)  
DIN- 08678408

  
**Company Secretary**  
(Arun Mishra)  
M.No. ACS 55153

As per our report of even date attached,  
For, SANJIB JAIN & ASSOCIATES,  
Chartered Accountants  
Firm Regn No-004993C

  
(Preetam Jain)  
Partner  
M.No.408432  
UDIN- 22408432 AAAABV5069

PLACE : RAIPUR  
DATED : 01/02/2022



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2021**

**A. EQUITY SHARE CAPITAL**

( ₹ 00 )

Particulars	Balance As at 01.04.2019	Changes In Equity Share Capital During The Year	Balance as at 31.03.2020	Balance As at 01.04.2020	Changes In Equity Share Capital During The Year	Balance as at 31.03.2021
Equity Share Capital	5,000.00	-	5,000.00	5,000.00	-	5,000.00

**B. OTHER EQUITY**

( ₹ 00 )

Particulars	General Reserve	Retained Earnings	Other Comprehensive Income	Total
<b>Balance as at 01.04.2019</b>	-	(13,32,200.53)	-	<b>(13,32,200.53)</b>
Profit/(Loss) for the year	-	(1,91,520.51)	-	<b>(1,91,520.51)</b>
Other Comprehensive Income/(Expenses) for the year (Net of Tax)	-	-	-	-
<b>Balance as at 31.03.2020</b>	-	<b>(15,23,721.04)</b>	-	<b>(15,23,721.04)</b>
<b>Balance as at 01.04.2020</b>	-	(15,23,721.04)	-	<b>(15,23,721.04)</b>
Profit/(Loss) for the year	-	(2,34,888.03)	-	<b>(2,34,888.03)</b>
Other Comprehensive Income/(Expenses) for the year (Net of Tax)	-	-	-	-
<b>Balance as at 31.03.2021</b>	-	<b>(17,58,609.08)</b>	-	<b>(17,58,609.08)</b>

**Note:**

01. Refer Note No. 9 for Nature and Purpose of reserves.  
02. The accompanying notes are an integral part of these financial statements.

For and behalf of board of Directors



**Managing Director**  
(Rajesh Verma)  
DIN-08658657



**Director**  
(Nirmal Kumar Bizora)  
DIN- 08678408



**Company Secretary**  
(Arun Mishra)  
M.No. ACS 55153

As per our report of even date attached  
For, SANJIB JAIN & ASSOCIATES,  
Chartered Accountants  
Firm Regn No. 004993C



  
(Preetam Jain)  
Partner  
Membership No. 408432  
UDIN-

UDIN - 22408432 AAAABV5069

PLACE : RAIPUR  
DATED : 01/02/2022



**Notes to the financial statements for the year ended on 31st March 2021**

**1 BACKGROUND**

Chhattisgarh State Power Trading Company Limited (The "Company") is a company incorporated under the Companies Act with the main object of trading of electricity on behalf of Govt. of Chhattisgarh. The Company is a State Government Company. The company is a wholly owned subsidiary of "Chhattisgarh State Power Holding Company Limited"(hereinafter referred to as "CSPHCL") (Collectively referred to as "the Group") and has ability to control its operation and financial policies. It functions within the state of Chhattisgarh. The registered office of company is located at Vidyut Seva Bhawan, Dagania Raipur (C.G).

**2 BASIS OF PREPARATION, MEASUREMENT AND KEY ACCOUNTING ESTIMATES & JUDGEMENTS**

**2.01 Basis of Preparation :**

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

The Financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of its activities and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

**2.02 Basis of measurement**

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

**2.03 Key Accounting Estimates and Judgements**

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

Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each effected line item in the financial statements.



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**Notes to the financial statements for the year ended on 31st March 2021**

The areas involving critical estimates are:

- (a) Depreciation/Amortisation and useful life of Property Plant and Equipment/Intangible Assets
- (b) Recoverability of Trade Receivables
- (c) Provisions
- (d) Impairment of Non-Financial Assets
- (e) Impairment of Financial Assets
- (f) Recognition of Deferred Tax Assets and Liabilities
- (g) Fair value measurement

**(h) Estimation of Uncertainties relating to the Global health pandemic from COVID-19 :**

The impact of COVID-19 on the business operations for the Company for the current year 2020-21 is not significant as those were continuing normally until the nationwide lockdown near the end of the year. Management has performed the assessment of the effect of COVID-19 on the recoverability of the value of assets as the end of the year and liquidity position as well as business activities in the foreseeable future. Based on the assessment, presently there are no significant concerns regarding recoverability of the value of the assets as well as on the liquidity and continuity of the business.

The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements and the company will continue to monitor any material changes to future economic conditions.

**3 SIGNIFICANT ACCOUNTING POLICIES:**

**3.01 Revenue Recognition**

The Company earns revenue primarily from trading of electricity on behalf of Government of Chhattisgarh. Revenue is recognised upon transfer of control of promised products or services to the customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

**\* Revenue from Commission:**

The Company is trading representative engaged in sale & purchase of power for & on behalf of Government of Chhattisgarh & derives commission for such sale accordingly.

**\* Interest Income :**

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

**3.02 Functional & Presentational Currency**

The Financial Statements are prepared in Indian Rupee (INR) which is functional as well as presentation Currency. All values are rounded to the nearest hundreds ( Rs. 00) except when otherwise stated.



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### 3.03 Employee Benefits

#### (a) Defined Contribution Plans

Retirement benefits in the form of New Pension Scheme (NPS) which are defined contribution scheme are charged to the statement of profit and loss for the year when the contributions to the respective funds due. Both the employee and the company make monthly contributions to the New Pension Scheme equal to a specified percentage of the covered employee's salary. The NPS contributions are made to a PFRDA through their respective parent company.

There are no other obligations other than the contribution payable to the respective funds.

#### (b) Defined Benefit Plans

The employees of the company are on deputation from other successor companies namely CSPGCL, CSPDCL, and CSPTCL. Accordingly, any liability arising on the retirement of employees working in the company will be discharged and dealt by the original parent successor company in accordance with the CSEB Transfer Scheme Rules, 2010 and procedures made pursuant to the same. Hence, no provision for retirement benefits has been made in the profit and loss account.

### 3.04 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Tax is recognised in Statement of Profit & Loss, except to the extent that it relates to item recognised in the Other Comprehensive Income in Equity. In this case, the tax is also recognised in other Comprehensive Income or Equity.

#### Current tax:

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

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

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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



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**3.05 Property Plant and Equipment**

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

Freehold land and Assets held for sale are not depreciated.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the Straight line method (SLM) method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation on assets are provided on Straight line method (SLM) method on the gross carrying amount at the rates specified in the Schedule II to the Companies Act, 2013. Depreciation on additions/ deductions to tangible assets is being provided on pro-rata basis from/to the month of acquisition/disposal. Full cost of all small and low value items each costing Rs.5000/- or less under all class of assets is fully charged to revenue in the year in which the assets are put to use. No part of the cost of such items is included in the cost of tangible assets and accordingly no depreciation is charged thereon.

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

Estimated useful lives of the assets are as follows:

Type of Assets	Useful lives
Furniture & Fixtures	10 years
Computers	3 years

**3.06 Impairment of Non- Financial Assets**

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

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

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

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



*Sanjiv J. Jain*

### 3.07 Provisions and contingencies

#### 3.07.1 Provisions

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

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

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

#### 3.07.2 Contingencies

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

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

### 3.08 Financial Instruments

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

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

### 3.09 Financial Assets

#### (A) Initial Recognition and Measurement

All financial assets are initially recognised at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit and loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

#### (B) Subsequent Measurement

##### (i) Financial assets at amortised cost

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



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**Notes to the financial statements for the year ended on 31st March 2021**

**(ii) Financial assets at fair value through other comprehensive income**

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

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

**(iii) Financial assets at fair value through profit or loss (FVTPL)**

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

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

**(iv) Impairment of financial assets (other than at fair value)**

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

**3.10 Financial liabilities and equity instruments**

**Classification as debt or equity**

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

**3.10.1 Equity Instruments**

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

**3.10.2 Financial liabilities**

**(A) Initial Measurement**

All financial liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**(B) Subsequent Measurement**

All financial liabilities are subsequently measured at amortised cost using the effective interest method, except for loan from CSPHCL which has been received interest free.



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**Notes to the financial statements for the year ended on 31st March 2021**

**3.11 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**3.12 Derecognition of Financial Instruments**

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109. A financial liability ( or a part of a financial liability ) is derecognised from the Company's Balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**3.13 Cash and Cash Equivalents**

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

**3.14 Cash Flow Statement**

Cash flows are reported using the Indirect Method, as set out in IND AS-7 , Statement of Cashflows, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**3.15 Earnings per equity share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e.the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues.



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**Notes to the financial statements for the year ended 31st March, 2021**

**Note No. 4 - Property, Plant and Equipment**

( Refer Note 3.05 for accounting policy on Property Plant & Equipment )

( ₹ ` 00 )			
Description of Assets	Furniture & Fixtures	Computers	Total
<b>I. Gross Carrying Amount</b>			
Balance as at 1st April, 2020	565.08	3,381.00	3,946.08
Additions during the year	226.00	-	226.00
<b>Balance as at 31st March, 2021</b>	<b>791.08</b>	<b>3,381.00</b>	<b>4,172.08</b>
<b>I. Gross Carrying Amount</b>			
Balance as at 1st April, 2019	565.08	3,381.00	3,946.08
Additions during the year	-	-	-
<b>Balance as at 31st March, 2020</b>	<b>565.08</b>	<b>3,381.00</b>	<b>3,946.08</b>
<b>II. Accumulated depreciation and impairment for the year 2020-2021</b>			
Balance as at 1st April, 2020	436.56	3,211.95	3,648.51
Depreciation expense for the year	88.07	-	88.07
<b>Balance as at 31st March, 2021</b>	<b>524.63</b>	<b>3,211.95</b>	<b>3,736.58</b>
<b>II. Accumulated depreciation and impairment for the year 2019-20</b>			
Balance as at 1st April, 2019	391.48	3,211.95	3,603.43
Depreciation expense for the year	45.08	-	45.08
<b>Balance as at 31st March, 2020</b>	<b>436.56</b>	<b>3,211.95</b>	<b>3,648.51</b>
<b>Net carrying amount (I-II)</b>			
<b>Balance as at 31st March, 2021</b>	<b>266.45</b>	<b>169.05</b>	<b>435.50</b>
Balance as at 31st March, 2020	128.52	169.05	297.57

**Note No. 5 - Cash and Cash Equivalents**

( Refer Note 3.13 for accounting policy on Cash & Cash Equivalents )

( ₹ ` 00 )		
Particulars	As at 31st March 2021	As at 31st March, 2020
Cash in imprest	-	-
Balances with Banks in current accounts (CAU)	377.45	4,027.99
Balances with Banks in current accounts (Imprest )	110.01	128.15
<b>Cash and cash equivalent as per balance sheet</b>	<b>487.46</b>	<b>4,156.14</b>
<b>Cash and cash equivalents as per statement of cash flows</b>	<b>Total</b>	<b>487.46</b>
		<b>4,156.14</b>



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**Notes to the financial statements for the year ended 31st March, 2021**

**Note No. 6 - Loans & Advances**

(₹`00)

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	Current	Non-Current	Total	Current	Non-Current	Total
<b>A. Financial assets classified at amortised</b>						
<b>Loans to employees</b>						
- Secured, considered good	-	-	-	-	-	-
- Unsecured, considered good	19,350.49	-	19,350.49	-	-	-
- Which have significant increase in Credit Risk	-	-	-	-	-	-
- Credit Impaired	-	-	-	-	-	-
Less : Allowance for bad and doubtful	-	-	-	-	-	-
<b>TOTAL</b>	<b>19,350.49</b>	<b>-</b>	<b>19,350.49</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note No. 7 - Current Tax Assets**

(₹`00)

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	Current	Non-Current	Total	Current	Non-Current	Total
TDS Receivable	2,450.87	-	2,450.87	2,165.69	-	2,165.69
<b>TOTAL</b>	<b>2,450.87</b>	<b>-</b>	<b>2,450.87</b>	<b>2,165.69</b>	<b>-</b>	<b>2,165.69</b>



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**Chhattisgarh State Power Trading Company Limited** (A Subsidiary of Chhattisgarh Power Holding Company Limited)

Notes to the financial statements for the year ended 31st March, 2021

**Note No. 8 - Equity Share Capital**

( ₹ ` 00 )

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amount	No. of shares	Amount
<b>Authorised:</b>				
Equity shares of Rs. 10 each	2,50,000	25,000.00	2,50,000	25,000.00
<b>Issued, Subscribed and Fully Paid:</b>				
Equity shares of Rs. 10 each	50,000	5,000.00	50,000	5,000.00
<b>Total</b>	<b>50,000</b>	<b>5,000.00</b>	<b>50,000</b>	<b>5,000.00</b>

**Note 8.1- Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity shares	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	Amount	Number of shares	Amount
Balance as at 1st April,	50,000	5,000.00	50,000	5,000.00
Issued during the period	-	-	-	-
<b>Balance as at 31st March ,</b>	<b>50,000</b>	<b>5,000.00</b>	<b>50,000</b>	<b>5,000.00</b>

**(ii) Terms/rights and restrictions attached to Equity shares**

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

Equity shareholders are entitled to dividend proposed by the Board of Directors as approved by the shareholders in the ensuing Annual General Meeting.

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

**Note 8.2**

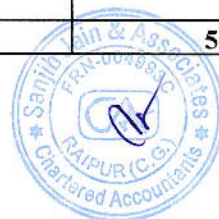
During last 5 years immediately preceding the balance sheet date, no equity shares has been issued pursuant to any contract without payment being received in cash. Further, the company has neither allotted any shares, nor it had bought back any equity during aforesaid period of 5 years.

**Note 8.3 Details of shares held by its Holding Company**

Particulars	As at 31st Mar, 2021	As at 31st Mar, 2020
<b>Fully paid equity shares :</b>		
Chhattisgarh state Power Holding Company Limited ( CSPHCL) (Including 6 nominee share holder holding 10 shares each)	50,000	50,000

**Note 8.4 Details of Shares in the company held by each shareholder holding more than 5 % shares**

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity shares</b>				
Chhattisgarh state Power Holding Company Limited (Including 6 nominee share holder holding 10 shares each)	50,000	100%	50,000	100%
<b>Total</b>	<b>50,000</b>		<b>50,000</b>	



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**Chhattisgarh State Power Trading Company Limited** (A Subsidiary of Chhattisgarh State Power Holding Company Limited)

Notes to the financial statements for the year ended 31st March, 2021

**Note No. 9 - Summary of Other Equity balances**

(Refer Statement of Changes in Equity for detailed movement in other equity balance)

Particulars	( ₹ ` 00 )	
	As at 31st March, 2021	As at 31st March, 2020
(a) General Reserve	-	-
(b) Retained Earnings	(17,58,609.08)	(15,23,721.04)
(c) Items of Other Comprehensive Income - Debt Instruments through Other Comprehensive Income	-	-
<b>Total Rs.</b>	<b>(17,58,609.08)</b>	<b>(15,23,721.04)</b>

**Nature and Purpose of reserves:**

(a) **General Reserve:** The general reserve is a free reserve which is used from time to time to transfer profit from/to retained earnings for appropriation purpose. As the general reserve is created by a transfer from one component of equity to another and is not on item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit & loss.

(b) **Retained Earnings:** Retained earnings are the profits/(losses) that the company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders.

(c) **Debt Instruments through OCI:** The fair value change of the debt instruments measured at fair value through OCI is recognised in Debt Instruments through OCI. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to the Statement of Profit & Loss.

**Note No. 10 - Long-term Borrowings**

(Refer Note 3.10 for accounting policy on Financial Liabilities)

Particulars	( ₹ ` 00 )	
	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured Borrowings-At Amortised Cost</b>		
Loans from related Parties:		
(i) Chhattisgarh State Power Holding Company Limited	-	80,000.00
<b>Total Non-Current Borrowings</b>	<b>-</b>	<b>80,000.00</b>

**Note No. 11 - Borrowings**

(Refer Note 3.10 for accounting policy on Financial Liabilities)

Particulars	( ₹ ` 00 )	
	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured Borrowings-At Amortised Cost</b>		
Loans from related Parties:		
(i) Chhattisgarh State Power Holding Company Limited	-	1,20,000.00
<b>Total Current Borrowings</b>	<b>-</b>	<b>1,20,000.00</b>

**Interest payment terms and terms of repayment:**

(a) The loan has been repaid during F.Y. 2020-21.



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**Chhattisgarh State Power Trading Company Limited** (A Subsidiary of Chhattisgarh State Power Holding Company Limited)

Notes to the financial statements for the year ended 31st March, 2021

**Note No. 12 - Other Financial Liabilities**

( ₹ ` 00 )

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non Current	Current	Non Current
<b>a) Other financial liabilities carried at amortised cost:</b>				
Deposits & Retentions from Contractors & Suppliers	3,728.66	-	2,022.46	-
Employee related liabilities	10,219.65	-	10,857.83	-
Vehicle hiring expense payable	1,616.18	-	1,386.41	-
Consultancy & Professional fees payable	2,910.60	-	4,787.65	-
Auditors Remuneration payable	1,121.00	-	2,333.00	-
Telephone expense payable	-	-	26.87	-
<b>Inter Company Payable Account</b>				
Chhattisgarh State Power Holding Company Ltd.	-	-	16,649.51	-
Chhattisgarh State Power Distribution Company Ltd.	17,49,516.10	-	12,80,866.10	-
Govt Of CG A/c	1,219.74	-	934.57	-
<b>Total other financial liabilities</b>	<b>17,70,331.94</b>	<b>-</b>	<b>13,19,864.40</b>	<b>-</b>

**Note No. 13 - Other Current Liabilities**

( ₹ ` 00 )

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non- Current	Current	Non- Current
Taxes payable	2,993.35	-	2,509.89	-
Employee Recoveries and Employer Contributions	3,008.08	-	2,966.16	-
<b>Total Other Liabilities</b>	<b>6,001.43</b>	<b>-</b>	<b>5,476.05</b>	<b>-</b>



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**Chhattisgarh State Power Trading Co. Limited** (A subsidiary of Chhattisgarh State Power Holding Co. Limited)

Notes to the financial statements for the year ended 31st March, 2021

**Note no -14 : Revenue from Operations**

( Refer Note 3.01 for accounting policy on Revenue Recognition )

( ₹ ` 00 )

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Commission on sale of Electricity (Refer Note No. 22(a) &(b) )	-	-
<b>Total Rs.</b>	-	-

**Note no -15 Other Income**

( Refer Note 3.01 for accounting policy on Revenue Recognition )

( ₹ ` 00 )

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest income *	3,823.95	1,411.04
Rent income	5.31	-
Miscellaneous income	44.90	47.80
<b>Total Other Income</b>	<b>3,874.16</b>	<b>1,458.84</b>

\* Above Interest income includes gross interest earned on bank deposits made on behalf of Govt of CG amounting to Rs.381314/- (Previous Year Rs.136179/-), further TDS has been deducted on deposit under the company's PAN. The company has accounted for TDS deducted on this interest income as TDS Receivable in Note no -7 under the head " Current Assets". Further, the amount of interest has been debited as interest paid to Government of Chhatisgarh in "Other Expense head" Note No16 and a liability has been created for above deducted TDS amount on behalf of Govt of Chhattisgarh in Note 12 under "Other Financial Liabilities".

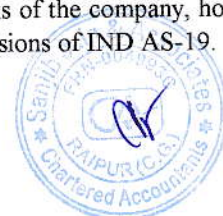
**Note no -16 Employee Benefits Expense**

( Refer Note 3.03 for accounting policy on Employee Benefits )

( ₹ ` 00 )

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salary, wages and bonus *	2,08,072.44	1,74,671.47
Contribution to provident and other funds	1,039.02	2,004.62
Other staff costs	746.42	1,187.26
<b>Total Employee Benefit Expense</b>	<b>2,09,857.88</b>	<b>1,77,863.35</b>

\* At present all Employees of CSPTCL/CSPDCL have been deputed in the Chhattisgarh State Power Trading Company Limited. The employees are deputed by parent companies to CSPTCL for short term and future payment of retirement benefits viz., Provident Fund, Gratuity etc., would be the liability of parent companies. The provision of proportionate share of retirement benefits has not been made in the books of the company, however its provision are subject to compliance by respective deputing companies as per the provisions of IND AS-19.



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**Chhattisgarh State Power Trading Co. Limited** (A subsidiary of Chhattisgarh State Power Holding Co. Limited)

Notes to the financial statements for the year ended 31st March, 2021

**Note no -17 Other Expenses**

( ₹ ` 00 )

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Vehicle Running, Hiring and Maintenance charges	10,919.06	3,400.76
Advertisement expenses	186.61	-
Repairs & Maintenance of PPE	42.50	65.00
Legal and other professional costs	10,842.53	7,784.73
Other General Expenses	1,891.40	1,342.63
Interest on Deposit of Govt Of CG A/c	3,813.14	1,366.79
<b>Payment to Auditors: -</b>		
(i) As Auditors	1,121.00	1,121.00
(ii) Reimbursement of Expenses	-	-
<b>Total Other Expenses</b>	<b>28,816.24</b>	<b>15,080.91</b>

**Note no -18 Exceptional Item**

( ₹ ` 00 )

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Prior period adjustment	-	9.99
<b>Total</b>	-	<b>9.99</b>

Note: During the FY 2018-19 bank had revereted bank charges deducted from the account a part of which was ommitted during the previous year the same has been accounted for during the current year as exceptional item.

**Note no -19 Earning per Share :**

( Refer Note 3.15 for accounting policy on Earnings per share )

( ₹ ` 00 )

Sl. No.	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
i)	Net profit/(Loss) after tax attributable to Equity Share Holders	(2,34,888.03)	(1,91,520.51)
ii)	Weighted Average no. of Equity Shares Outstanding	50,000	50,000
iii)	Basic and Diluted Earnings per Share in Rupees (Face value Rs.10/- per share)	(4.70)	(3.83)

\* The Company has not issued any security which will have the effect of diluting earnings on equity.



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**Notes to the financial statements for the year ended 31st March, 2021****NOTE - 20 : Fair Value Measurement****(a) Financial instruments****(1) Capital management**

The Company manages its capital as per the guidelines of Government of Chhattisgarh to ensure that it will be able to continue as going concern. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

The funding requirements are met through other long-term /short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The Capital components and Gearing ratio at end of the reporting period was as follows:-

( ₹ ` 00 )

Particulars	31-03-2021	31-03-2020
Debt	-	2,00,000.00
Less: Cash and bank balances	487.46	4,156.14
Net debt (a)	(487.46)	1,95,843.86
Total Equity (b)	(17,53,609.06)	(15,18,721.04)
Net debt to equity ratio ( a/b )	(0.00)	0.13

**(2) Financial instruments – Fair values and risk management****Categories of Financial Instruments:**

( ₹ ₹ 00 )

Financial Assets	31 March 2021			31 March 2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Cash and cash equivalents	-	-	487.46	-	-	4,156.14
Loans	-	-	19,350.49	-	-	-
Other financial assets	-	-	-	-	-	-
<b>Total</b>	-	-	<b>19,837.95</b>	-	-	<b>4,156.14</b>
<b>Non-Current liabilities</b>						
Borrowings	-	-	-	-	-	80,000.00
<b>Financial liabilities</b>						
Borrowings-short term	-	-	-	-	-	1,20,000.00
Other financial liabilities	-	-	17,70,331.94	-	-	13,19,864.40
<b>Total</b>	-	-	<b>17,70,331.94</b>	-	-	<b>15,19,864.40</b>

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

**(3) Financial risk management objectives and Policies**

The company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks which are credit risk and liquidity risk.

**3.1 Credit risk management**

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Credit Risk arises principally from unbilled Revenue , Loans, Cash & Cash Equivalents and deposits with banks.

The Company is working as a nominated agency of GoCG and primarily sells electricity to CSPDCL on back to back basis. The main source of income is commission on sale of power on behalf of GoCG. Unbilled Revenue primarily relates to the Company's right to consideration for work completed but not billed at the reporting date. As the commission rate is yet to be fixed by the State Government, company cannot billed for commission income. Thus , there is concentration of Credit Risk.

The Company has given loans/advances to employees. Loans to employees are in the nature of unsecured loans.



**Notes to the financial statements for the year ended 31st March, 2021**

Financial assets that potentially expose the Company to credit risks are listed below:

( ₹ ` 00 )

Financial Assets	As at 31st March 2021	As at 1st April 2020
Loans & Advances	19350.49	0.00
<b>Total</b>	<b>19350.49</b>	<b>0.00</b>

**3.3 Liquidity Risk Management**

Liquidity Risk is the risk that suitable sources of funding for the company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

As the Company is backed by continuing financial support from its Holding Company, as such there is no Liquidity Risk. Further, Management monitors rolling forecasts of the company's liquidity position ( comprising undrawn borrowing facilities ) and cash and cash equivalents on the basis of expected cash flows.

( ₹ ` 00 )

Particulars	Upto 1 Year	1-5 years	5+ years	Total
<b>31st March 2021</b>				
Borrowings	-	-	-	-
Other financial liability	17,70,331.94	-	-	17,70,331.94
	<b>17,70,331.94</b>	-	-	<b>17,70,331.94</b>
<b>31st March 2020</b>				
Borrowings	1,20,000.00	80,000.00	-	2,00,000.00
Other financial liability	13,19,864.40	-	-	13,19,864.40
	<b>14,39,864.40</b>	<b>80,000.00</b>	-	<b>15,19,864.40</b>

**3.4 Other Risk Management**

In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. This assessment is not based on any mathematical model but an assessment considering the nature of activity , impact immediately seen in the demand outlook of the activity and the financial strength of the customers in respect of whom amounts are receivable.

**NOTE - 21 : Unrecognised items:**

( ₹ ` 00 )

Particulars	F.Y. 2020-21	F.Y. 2019-20
<b>(a) Contingent Liabilities :</b>		
The company has demand on account of TDS of Rs. 59141.53/- for FY 2020-21 and Rs. 70575/- for prior financial years which is subject matter of reconciliation/rectification.	1297.17	705.8

**NOTE - 22 :****(a) Restructuring of Chhattisgarh State Electricity Board:**

In exercise of powers conferred by the 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. F21 /13/2009/13/2 dated 31.03.2010 notified by the state Chhattisgarh State Electricity Transfer Scheme Rule, 2010 (hereinafter referred as to transfer scheme rules and regard to the transfer of properties , undertaking, interests, rights, obligation, liabilities, personnel, and proceedings from Chhattisgarh State Electricity Board (hereinafter referred as to as board ) to its successor companies wise Chhattisgarh State Power Generation Company Limited(CSPGCL) Chhattisgarh State Power Distribution Company Limited (CSPDCL) Chhattisgarh State Power Transmission Company Limited (CSPTCL) Chhattisgarh State Power Trading Company Limited (CSPTCL) & Chhattisgarh State Power Holding Company Limited(CSPHCL).



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**Chhattisgarh State Power Trading Company Limited** (A Subsidiary of Chhattisgarh State Power Holding Company Limited)

**Notes to the financial statements for the year ended 31st March, 2021**

Under Rule (3) (aa) of the transfer scheme rules "Trading Company" or CSPTTrCL means the Chhattisgarh State Power Trading Company Limited. A company incorporated under The Companies Act 1956 with the main object of trading of electricity on behalf of Govt. of Chhattisgarh. Further, vide Para (g) of part II of schedule VI of transfer scheme, the trading company shall act as an authorized representative of Government of Chhattisgarh to exercise the power vested in the trading company under the Scheme. And, as per Schedule-V, Part-II of Transfer Scheme, 2010 under title "a. Functions and duties of Holding Company" it is stated that "..... the Holding Company shall hold equity up to one hundred percent (100%) in each of the ..... and Chhattisgarh State Power Trading Company Limited (Trading Company)".

The above read with actual share holding patterns of CSPTTrCL and provisions of Companies Act, 2013, would indicate that CSPTTrCL is a subsidiary to CSPHCL.

- (b) The Company is trading representative engaged in sale & purchase of power for & on behalf of Government of Chhattisgarh & derives commission for such sale accordingly. The Board of Directors of the company is chief operating decision maker (CODM), which monitors the operating results of the company for the purpose of making decisions about resources allocation and performance assessment. The CODM has not identified any reportable business segments.

**NOTE - 23 : Related Party Disclosure :**

**Disclosures as required by IND AS-24 "Related Party Disclosures" is as follows:-**

<u>i) Name of Related Parties</u>	<u>Relationship ( KMP )</u>	
1. Shri Ankit Anand (IAS)	Chairman	w.e.f 01.12.2020
2. Shri Subrat Sahoo (IAS)	Chairman Retired	17.03.2020 to 30.11.2020
3. Shri Rajesh Verma	Managing Director	w.e.f. 27.04.2020
4. Shri Amitabh Jain (IAS)	Director	26.12.2016 to 30.11.2020
5. Smt. Alarmelmangai D. (IAS)	Director	w.e.f. 07.01.2021
6. Shri Gaurav Dwivedi (IAS)	Managing Director (Retired)	01.07.2019 to 24.04.2020
7. Shri Mohd. Qaiser Abdul Haque	Director Retired	12.02.2019 to 04.08.2020
8. Shri Nirmal Kumar Bizora	Director	w.e.f 04.05.2020
9. Shri Harsh Gautam	Director	w.e.f 08.01.2021
10. Shri Arun Mishra	Company Secretary	

(Key managerial persons details are covered for the year/Prev. year and updated upto date of signing date of financial statement)

**ii) Holding, Subsidiaries and Associates Relationship**

- CG State Power Holding Co. Limited - Holding Company
- CG State Power Distribution Co. Ltd. - Another Subsidiary to Holding Company

**iii) Related Party Transactions**

In view of the exemption granted to state controlled enterprises as regards related party relationship with other state controlled enterprises and transaction with such enterprises, no such disclosure under the Indian Accounting Standard (Ind AS-24) on Related Party Disclosure is required.

As per Ind AS 24, following are the disclosures regarding nature and amount of significant transactions.

( ₹ ` 00 )

Sl No	Name of Related Parties	Type of Relationship	Paid/ Payable against expenses	Received/ Other Receivable	Closing Balance
1	Govt of Chhattisgarh (Refer Note (i))			285.18	1,219.74 (934.57)
2	C.G.State Power Holding Company Limited	Holding Company	2,00,000.00 36,000.00 - -	- - - -	- 19,350.49 (2,00,000.00) (16,649.51)
3	C.G. State Power Distribution Co. Limited	Subsidiary of Holding Company	4,68,650.00 (1,98,650.00)	- -	17,49,516.10 (12,80,866.10)
4	Shri Rajesh Verma	Managing Director	18,766.61 (0)		

( ) denotes the previous year figures



**Chhattisgarh State Power Trading Company Limited** (A Subsidiary of Chhattisgarh State Power Holding Company Limited)

**Notes to the financial statements for the year ended 31st March, 2021**

**NOTE - 24 :**

**(a) Sale and purchase of power owned by Government of Chhattisgarh:**

The company being trading representative (agent) of the Government of Chhattisgarh, as per the CSEB Transfer Scheme rules' 2010 has purchased and sold electricity owned by Government of Chhattisgarh :-

S.No	Particulars	FY 2020-21		FY 2019-20	
		Units (KWh)	Amount ( ₹ '00)	Units (KWh)	Amount ( ₹ '00)
1	M/s. ACB (India) Pvt.Ltd(270MW)	56584950.00	905359.20	76594768.75	1225516.30
2	M/s. Spectrum Coal & Power Ltd.	4694581.25	93329.30	13221750.00	211548.00
3	M/s . Jindal Power Ltd.	401930325.00	6245788.22	335934450.75	5374958.21
4	M/s. ACB (India) Pvt.Ltd(30MW)	8602843.31	137645.49	9998721.53	159979.54
5	M/s KSK Mahanadi Power Ltd.	479119940.00	7665919.04	359834180.00	5757346.88
6	M/s Raigarh Energy Generation Ltd.	131163712.50	2098619.40	22172562.50	354761.00
7	M/s D.B.Power Ltd.	323803134.73	7082319.16	293177694.39	4690843.11
8	M/s SKS Power Generation Ltd.	101015152.50	1616242.44	87735112.50	1403761.80
9	M/s BALCO	388666250.00	6375151.92	599957878.21	4859233.20
10	M/s Maruti Clean Coal Power Ltd.	73181975.00	1170911.60	65926550.00	1054824.80
11	M/s S.V.Power Ltd.	0.00	0.00	7401452.00	118423.23
12	M/s Raipur Energy Generation Ltd.	223617420.44	3577878.72	0.00	0.00
13	M/s Sai Leela	31977500.00	511640.00	0.00	0.00
14	M/s TRN Energy Pvt.Ltd.	69957789.03	1119324.62	14420723.85	230731.58
15	M/s Lanco Amarkantak Power Ltd.	176001253.57	2087706.83	65594484.43	1049511.75

During the year CSPTrdCL on behalf of Govt. of CG purchased power from aforesaid Independent Power Producers (IPPs) & supplied all the power to CSPDCL on rate to rate basis, where CSPDCL has released payment in CSPTrdCL: Govt of C. G. A/c. Further, CSPTrdCL on behalf of Govt. of CG A/c. released payments to above respective IPPs.

**(b) : Details of commission derived from Sale of power for and on behalf of State Government:**

The company has earned net commission income (excluding GST) ₹ Nil during the relevant period from supply of electricity to CSPDCL on behalf of the State Government. As the rate of commission is yet to fixed by Government of Chhattisgarh for the power supplied to CSPDCL. As per Power Sale Agreements (Back-to-back PPA) executed with CSPDCL and clause pursuant to Trading Margin (as tabulated below) states that "CSPTrdCL shall charge a Trading Margin, if decided to recovered from CSPDCL by the GoCG from Time to Time, over and above the Applicable Tariff".

S.No.	Particulars	Power Sale Agreement Executed on dated	Clause of Trading Margin
1	M/S. ACB (India) Pvt.Ltd. (270 MW )	23-04-2015	Clause : 5.2:- CSPTrdCL shall charge a Trading Margin. If decided to be recovered from CSPDCL by the GOCG from time to time , over and above the Applicable tariff.
2	M/S. Spectrum Coal & Power Ltd.	23/04/2015 & 10/10/2018	
3	M/S. Jindal Power Ltd.	23-04-2015	
4	M/S. ACB (India) Pvt.Ltd. (30 MW )	23-04-2015	
5	M/S. KSK Mahanadi Power Ltd.	15-06-2015	
6	M/S. Korba West Power Co. Ltd.	05-05-2015	
7	M/S. D.B. Power Ltd.	05-01-2011	
8	M/S. BALCO	05-05-2015	
9	M/S. Maruti Clean Coal Power Ltd.	23-05-2015	
10	M/S. S.V. Power Ltd.	25-03-2017	
11	M/S. TRN Energy Pvt. Ltd.	25-03-2017	
12	M/S. Lanco Amarkantak Power Ltd.	20-04-2018	
13	M/S. SKS Power Generation	30-08-2018	
14	M/s Raipur Energen Ltd.	21-07-2020	

(c) The financial statements of the company have been prepared on a going concern basis in view of continuing financial support from its holding company and for the reasons stated in note no. 24.



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Notes to the financial statements for the year ended 31st March, 2021

**NOTE - 25 : Transaction with Government of C.G Account & Reconciliation**

		( ₹ ` 00 )	
S.No.	Particulars	F.Y. 2020-21	F.Y. 2019-20
1	Opening Balance	934.57 cr	797.89 Cr.
2	Transactions during the year:-		
	- Receivables against expenses	0	0
	- TDS liability on a/c of Interest on FDR	285.18 Cr.	136.68 cr
3	Closing Balance	1219.75 Cr.	934.57 cr

The company has accounted for gross interest earned on bank deposit made on behalf of Govt of CG amounting to Rs. 3,81,314/- considered as revenue receipt/income and correspondingly Interest paid to GoCG A/c. Relevant TDS being in the name of company are considered as liability which is credited in the GoCG A/c

**NOTE - 26 : Other :**

- (a) In opinion of the Board current assets, loans and advances are good and recoverable and approximately of values, if realized in ordinary course of business unless and to the extent stated otherwise in the accounts.
- (b) **Post Reporting Events:** No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation of financial statements.
- (c) **New and Amended Standards :** The company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.
- (d) **Recent Accounting Developments :** Ministry of Corporate Affairs ("MCA") notifies amendments to the existing standards viz. Ind AS 116, 103, 1, 8, 107 & 109. There is no such impact of amendments which would have been applicable from April 1, 2020.
- (e) The Financial Statement of F.Y 2020-21 were approved for issue by the BOD on 3rd January 2022. The management and the authorities have the power to amend the financial statements in accordance with section 130 & 131 of the Companies Act, 2013.
- (f) Previous period's figures have been regrouped, reclassified and rearranged wherever necessary to match the current year's figures.
- (g) Note - 1 represents Corporate Information, Note - 2 represents Basis of Preparation, measurement and key accounting estimates & judgements, Note -3 represent Significant Accounting Policies, Note 4 to 13 form part of Balance Sheet as at 31st March 2021 and 14 to 18 form part of Statement of Profit and Loss for the year ended 31st March 2021 and Note - 19 to 26 represents Additional Notes to the Financial Statements

Signature to Note 1 to 26

For and behalf of board of Directors

  
**Managing Director**  
 Rajesh Verma  
 DIN-08658657

  
**Director**  
 Nirmal Kumar Bizora  
 DIN- 08678408

  
**Company Secretary**  
 Arun Mishra  
 M.No. ACS 55153

**As per our report of even date attached,  
 For, SANJIB JAIN & ASSOCIATES,  
 Chartered Accountants  
 Firm Regn NO- 004993C**

  
  
**(Preetam Jain)**  
**Partner**  
 Membership No. 408432  
 UDIN- 22408432AAAABV5069

PLACE : RAIPUR  
 DATED : 01/02/2022