

Independent Auditor's Report

To,
The Members,
CHHATTISGARH STATE POWER GENERATION COMPANY LIMITED,
RAIPUR (C.G.)

Report on the Audit of Standalone Ind AS Financial Statements :**Qualified Opinion**

We have audited the Standalone Ind AS financial statements of **CHHATTISGARH STATE POWER GENERATION COMPANY LIMITED** ("CSPGCL"), Vidyut Sewa Bhawan, Dangania, RAIPUR (CG), which comprise the Balance Sheet as at **31st March 2022**, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the Standalone Ind AS Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit, its changes in equity and its cash flows for the year then ended.

Basis for qualified opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 Act 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 qualified opinion.

We draw attention to :-

- a. The company sells electricity to Chhattisgarh State Power Distribution Company Limited (CSPDCL) and against the same overall outstanding receivable (including surcharge) are ₹ 4020.83 Cr after writing off ₹ 300 Crores on the request of CSPDCL and transferring ₹ 1000 Crores to State Govt A/c as per their order (Prev. Year ₹ 3260.19 Cr) which is pending for confirmation by CSPDCL. The effect of adjustments if any arising out of reconciliation and settlement of these assets and possible profit/losses thereon if any are not ascertainable for want of transaction and balance confirmation. Accordingly, we are unable to comment upon its financial impact on the current year's financial result of the company.
- b. Note No. 47 to the financial statements comprising of Contingent Liabilities: Claims not acknowledged as debts which includes claim made by South Eastern Coal Limited (SECL) for ₹ 220.16 Crores against interest on delayed payment and ₹ 111.42 Crores against adjustment/deduction of grade slippage, UHV, sizing charges, excess amount recovered by the company, taxes & duties etc. As per information and documents provided by the company, the decision on such claims made by SECL is pending before



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ADRM (Alternative Dispute Resolution Mechanism) Committee of Ministry of Coal, GOI. However, as per the management, the final reconciliation of accounts till 31st March 2022 along with the outcome of above unaccounted claim is pending before the committee since earlier years, and in light of no new events in the current year in regards to such old claim and the balances of SECL pending to be reconciled, such claims are continued to be classified as Contingent liabilities. Accordingly, as the balances of SECL are subject to reconciliation, the effect of adjustments arising out of reconciliation and settlement of these liabilities and possible losses thereon are not ascertainable in the absence of respective confirmation statements, we are unable to comment upon its financial impact on the current year's profits of the company.

- c. Note No. 4D of financial statements where company has disposed-off **2x50 MW unit at KTPS Plant** in the current year which were commissioned in 28/03/1968 & 31/10/1968 respectively and in absence of underlying cost and WDV of such units, valuation of units being derecognised is arrived at by taking assumptions to derive cost and WDV of such units. As per the valuation Original Cost is derived to be ₹ 310.28 crores and WDV as on date of de-recognition is calculated as ₹ 126.23 Crores. As the original cost is not verifiable, we are unable to comment upon its financial impact on the current year's profits of the company. Company is maintaining component wise Fixed Asset Register in a manner where identification of asset with the respective Unit is not available. Due to lack of such unit wise identification of Assets, the cost of asset being de-commissioned is not ascertainable and thus requirements of Para 43 of Ind AS 16 w.r.t. determining of Useful life and depreciation for components of assets to be made separately is not met.
- d. Balances of trade payables amounting to ₹ 527.39 Cr (PY ₹ 425.61Cr) (including balance in intermediary code GR/IR aggregating to ₹ 149.40 Cr (PY ₹ 218.33 Cr), Deposits and retention money from suppliers and contractors classified under "Other Financial Liabilities" amounting to ₹ 658.51 Cr (PY ₹ 467.71 Cr), Other Liabilities (including employee) amounting to ₹ 2.23 Cr (PY ₹ 2.77 Cr), Advances to contractor and supplier including capital advances amounting to ₹ 128.69 Cr (PY ₹ 221.85 Cr), Capital Work in Progress (CWIP) amounting to ₹ 154.63Cr (PY ₹ 505.40Cr.), Other Assets" amounting to ₹ 0.74 Cr (PY- ₹ 1.01 Cr), Security deposits received from government and others amounting to ₹ 25.11Cr (PY- ₹ 23.37Cr) are subject to external confirmation and reconciliation. The effect of adjustments arising out of reconciliation and settlement of these advances, deposits and liabilities and possible losses thereon are not ascertainable in the absence of respective confirmation statements. The unavailability of party wise and age-wise balances of the above ledgers restricted our audit procedures in respect of external confirmations. Accordingly, we are unable to confirm and comment on the increment in balances and release of advances and deposits during the year and its financial impact on the current year's profits of the company.

Emphasis of Matters

We invite attention to :

- a. Note No. 45 to the Ind AS financial statement related to decision of Honourable Supreme court passed on 28th February 2019 in relation to the inclusion of certain allowances within the scope of Basic Wages" for the purpose of determining the contribution to Provident Fund under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952.



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- b. Note No. 42 related to true up of accounts. Chhattisgarh State Electricity Regulatory Commission (CSERC) carries a true up of all successor companies post their statutory audit. The CSERC has carried out final true up for FY 2020-21. After the true up, vide Tariff order dtd. 13.04.2022, CSERC has ascertained revenue gap of ₹ 246.21 Cr. (P.Y. Surplus of ₹ 324.03 Crore after adjusting ₹ 5.72 Cr. to next year) including carrying cost. In this matter after effect of order of CSERC dated 22.09.2021 w.r.t. Suo Motto Petition No. 46 of 2021 at para 4 of same the revenue Gap including carrying cost of ₹ 5.72 Crores of prev. year to be dealt in Tariff order of the Company for FY 21-22.
- c. Note No. 4 related to Property, Plant and equipments. Cost of land (freehold/leasehold) of the company for power plants at KTPS, HTPS and DSPM has been notified by GOCG vide notification no 1816/F-21/13/13-2/2014 dated 17th July 2017 on restructuring of erstwhile CSEB. However, company do not have details of area wise cost of land (leasehold/freehold) deployed in these projects. In the absence of necessary lease deeds, the company has amortized its leasehold land at rates prescribed by CSERC under MYT Regulation 2012 instead of amortizing the same over the lease period.
- d. Note No. 7 of the Ind AS financial statement which is detailed about the receivable from State government amounting to ₹ 1000 crores as Loan given which is arrived by reducing the amount of Trade Receivable from Chhattisgarh State Power Distribution Company Ltd. (CSPDCL) against total receivables of ₹ 5320.83 Crores (before writing off the receivable of ₹ 300 crores as per request of CSPDCL and transferring the receivable of ₹ 1000 crores to State Govt A/c) as per order of CG Govt. vide No. 1532/F-13/01/2022/13/2 dated 24th May 2022 where it is proposed to the Company to takeover the receivable of Chhattisgarh State Power Distribution Co. Ltd. (CSPDCL) by the State Govt and to consider as long term Loan to be repaid by the Govt. with interest thereon on matching term of any existing borrowing by the Company of its choice.

Accordingly, the Company opted that the loan from Power Finance Corporation be proportionately be paid by the state government from fiscal year 2022-23 to fiscal year 2028-29 in lieu of reducing the balance of trade receivable of CSPDCL. This has resulted in conversion of Current Asset of ₹ 1000 Crores to Non Current Asset receivable in yearly installments till FY 2028-29 in which next year's i.e FY 2022-23 installment of ₹ 148.31 Crores as considered as current maturity of long term lending classified as current asset. Accordingly, this has resulted to affect the liquidity and cash flows of the Company from short term to long term.

- e. Note No. 26A of the Ind AS financial statement which is detailed about exceptional item for writing off ₹ 300 Crores of receivables from Chhattisgarh State Power Distribution Co. Ltd.(CSPDCL) against trade receivable balance for which relevant justification to write off the same and its relevancy of period of debited sum whether pertains against the current year or previous years, is pending for explanation by the Co. despite the fact when State Govt. has already taken over another liability of CSPDCL of ₹ 1000 Crores against Trade Receivables from CSPDCL (Note No. 7 & 11). This has resulted in reduction of revenue of the Company.
- f. Note No. 26 of the Ind AS financial statement which is detailed about the expenditure incurred by the Company for Corporate social responsibility (CSR) as per section 135 of the Companies Act,2013, the Company has incurred excess expenditure of ₹ 1.27 Crores over and above the prescribed limit under the law considered as Prepaid Expenses. However, the relevant end use evidence/certificate is not in the possession of the Company for the expenditure incurred/disbursed for the same.

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- g. Note No. 22 of the Ind AS financial statement which is detailed about Other Income which includes lease rental income of ₹ 2.95 Crores from Sarguja Rail Corridor Private Limited, for which relevant accounting policy is not detailed/defined by the Company its Standalone Ind AS Financial Statements.
- h. The Company has not held its Annual General Meeting to approve and adopt the audited financial statements alongwith Auditor's Report of FY 2020-21 and therefore relevant necessary compliance are pending in term of section 96 of the Companies Act, 2013.
- i. Note No. "47", "44", "29", "30" and Note 2.18 of financial statements regarding the following issues which have been taken into consideration for the maintenance of accounts and preparation of financial statement:
 - i) Contingent liabilities not provided in Profit and Loss A/c
 - ii) Claims lodged by company not acknowledged as debt
 - iii) Provisional allocation of personnel pursuant to Transfer scheme
 - iv) Final absorption of personnel in Transferee company
 - v) Segmental Reporting

Our opinion is not qualified in respect of the above matters.

Other Matters

According to the information and explanation given to us the Company has appointed Internal Auditors for FY 2021-22 vide their appointment letter dated 11/01/2021 in compliance to Section 138 of Companies Act 2013 with Rule 13(1)(b) of Companies (Accounts) Rules, 2014. However, no Internal Audit report has been furnished to us for our observation.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone 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

The Company's Board of Directors is responsible for the other information.

Our opinion on the Standalone 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 Standalone 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 Standalone 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.

Responsibility of Management for Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, 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

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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 Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Ind AS financial statements.

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

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



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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(5) of the Companies Act, 2013, the Comptroller and Auditor General of India issued directions and sub-directions, We give our comment thereon, in the Annexure 'B'.
3. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, 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 Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) The provision of Section 164(2) of the Companies Act, 2013 are not applicable to this Government Company in view of Notification No. F.No. 1/2/2014-CL-V dated 5th June 2015, issued by the Ministry of Corporate Affairs.
 - (f) With respect to the adequacy of the internal financial controls with reference to Standalone Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'C'.
 - (g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigation on its financial position in its standalone financial statements.



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- ii) Subject to our comment under basis of qualified opinion and the cases mentioned under Note No. 47 "Contingent Liabilities not provided in the Profit and Loss Account", the company has made adequate provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
- iv) i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity, with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- ii) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- iii) Based on the audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- v) The Company has not declared/paid dividend during the year and hence provisions of section 123 of the Companies Act, 2013 are not applicable on the company.

PLACE : RAIPUR
DATED : 22.09.2022



As per our report of even date,
For, A D B & Company,
Chartered Accountants,
ICAI FRN 005593C


(Rajesh Kumar Chawda)
Partner

Membership No. 405675

UDIN: 22405675AUIKSR5913

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in our report to the members of **CHHATTISGARH STATE POWER GENERATION COMPANY LIMITED** for the year ended on 31st March 2022.

We report that:

- i. (a) (A) The company has maintained records showing location wise details fixed assets. *However, quantitative details of assets (including land) are not mentioned in the fixed asset register.* Further, unit wise details of Fixed assets & component wise detail of old assets is not maintained by the company.
(B) The company has not maintained a separate register or any other record reflecting the details of intangible assets held by the company.
(b) The management has explained that physical verification of asset is a perpetual process undertaken at divisional and sub-divisional level. As the relevant records for physical were not produced before us for review, we are unable to comment on the conduct or adequacy of such verification.
(c) *In the absence of necessary information and explanation from the management, we are unable to comment regarding the title deeds of immovable properties, if they exist in the name of the company.*
(d) As per the explanations and relevant documents produced by the management, the Company has not revalued its Property, Plant and Equipment or intangible assets during the year.
(e) *In the absence of necessary information and explanation from the management regarding the title deeds of immovable properties, existing in the name of the company, we are unable to comment regarding the proceedings or any pending cases against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.*
- ii. (a) As informed to us, the management had conducted physical verification of inventory at reasonable intervals and at the end of the financial year. *Report on physical verification of inventory has not been produced before us for verification; we are unable to comment on adequacy and reasonableness of such verification followed by the management in relation to the size of the company and the nature of its business.*
(b) During the year the company has been sanctioned working capital limits in excess of Rs. 5 Crores, in aggregate from the bank on the basis of security of current assets. The company is not in the practice of filing quarterly returns or statements as the same has been waived by the bank. Hence, for reporting under this clause, information from the monthly statements have been set and presented accordingly as per the quarterly chart. The monthly statements or returns are in agreement with the books of accounts other than those as set out below:-



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Bank Name	Working capital limits (₹ crores)	Nature of current assets offered as security	Quarter ended	Amount disclosed statement (₹ crores)	Amount as per books of accounts (₹ crores)	Difference (₹ crores)	Reason for Difference
State Bank of India, Canara Bank & Punjab Nathoinal Bank	1,035.00	Refer Note below*	30.06.2021	2,006.80	3,997.47	(1,990.67)	Amount disclosed in the statements for book debts outstanding within 120/90days as against overall debtors of the Company without aging.
State Bank of India, Canara Bank & Punjab Nathoinal Bank	1,035.00	Refer Note below*	30.09.2021	1,420.01	4,234.47	(2,814.46)	
State Bank of India, Canara Bank & Punjab Nathoinal Bank	1,035.00	Refer Note below*	31.12.2021	1,587.61	4,585.26	(2,997.65)	
State Bank of India, Canara Bank & Punjab Nathoinal Bank	1,500.00	Refer Note below*	31.03.2022	1,741.09	4,020.83	(2,279.74)	

*Against hypothecation of book debts only

- iii. a) The Company has, during the year, granted unsecured loans to one fellow subsidiary Company, One Subsidiary Company and to Govt. of Chhattisgarh During the year the company has not made any investments in, nor provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties. However, the company has granted the following loans during the year:

Name of the party	Relation with the company	Amount of loan given	Balance outstanding at the balance sheet date	Remark
Chhattisgarh State Power Distribution Company Limited	Fellow subsidiary	₹ 200 Crores	Nil	The entire loan amount was repaid during the year with interest of ₹ 0.59 crores.
Uttar Chhattisgarh RajyaVidyutUtpadan Limited	Subsidiary	₹ 0.58Crores	Nil	Entire balance outstanding has been provided for as allowance of bad & doubtful loans.
Govt of Chhattisgarh	Govt	₹ 1000 Cr	₹ 1000 Cr	Pl refer to para'd' of Emphasys of Matters of our audit report



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- b) In respect of aforesaid loan the terms & conditions of the loans provided during the year are not prejudicial to the Company's interests except for the loan given to Uttar Chhattisgarh RajyaVidyutUtpadan Limited (subsidiary) which has been provided for bad and doubtful.
- c) The Company has not entered into a formal written agreement in respect of loans to its subsidiary and fellow subsidiary whereas loan to Govt. of Chhattisgarh is by the order of Govt. of CG as per term of such order (Please refer to PI refer to para'd' of Emphasys of Matters of our audit report). In respect of loan given to theCSPDCL, terms of repayment and interest were clearly defined and the loan was repaid within the stipulated time along with interest of ₹ 0.58crores. However, for the loan given to Uttar Chhattisgarh RajyaVidyutUtpadan Limited, as per information provided to us by the management and relevant records produced before us, loan granted is interest free and is payable on demand. Moreover, during the year company has provided for 100% provision for amount given as loan to the company.
- d) No balance is outstanding in respect of loan to CSPDCL and entire amount of loan to Uttar Chhattisgarh RajyaVidyutUtpadan Limited has been provided as allowance of bad & doubtful loans. Hence, reporting under this clause is not required.
- e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,
- f) The company has granted an interest free loan to its subsidiary Uttar Chhattisgarh RajyaVidyutUtpadan Limited amounting to ₹ 0.58 crores during the year and the same is repayable on demand. However, during the year company has provided for 100% provision for amount given as loan to the company.
- iv) In our opinion and according to the information & explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investment made, and guarantees and security provided by it. The Company has not granted any loans and made any investments, or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013.
- v) The company has not accepted any deposits during the period under audit; hence provision of section 73-76 or any relevant provisions of the Companies Act,2013 is not applicable to company.
- vi) Maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Act, **however as informed to us preparation of such records for the period under audit is still under process.**
- vii) In respect of statutory dues:
- a) According to the information and explanations given to us and on the basis of our examination of the records, the company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state

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insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities except for a few instances which were not material. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2022 for a period of more than six months from the date they became payable.

- b) According to the information and explanation given to us and the records of the company as examined by us there are no dues of Income Tax, Sales tax, Wealth tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess which have not been deposited as on account of disputes Except and otherwise, contingent liability stated in **Note No.47** of the notes to the financial statement.
- viii) According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix)
 - a) In our opinion and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - b) According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender.
 - c) In our opinion and according to the information and explanations given by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
 - d) In our opinion and according to the information and explanations given by the management, No funds have raised on short term basis have been utilized for long term purposes hence reporting under this sub clause is not applicable.
 - e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x)
 - a) Since the company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year under audit, hence under this clause is not applicable.
 - b) The Company has received via private placement an amount of ₹ 50 Crores from the government of Chhattisgarh as a part of their equity investment in the company. The aforesaid amount has been classified as Share Application Money Pending Allotment in the financial statements as shares against the money have not been allotted upto the balance sheet date. Shares against the same have been allotted in the subsequent financial



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year within the limit prescribed in section 42 of Companies Act, 2013. In our opinion and according to the information and explanations given by the management, the company has complied with the requirements of section 42 of section 62 of the companies Act, 2013.

- xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.
- xii) In our Opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, CARO 2020 is not applicable to the Company.
- xiii) According to the information and explanations given to us, the Company has complied with the provisions of sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Ind AS financial statements, as required by the applicable accounting standards;
- xiv) a) According to the information and explanations given by the management, the company has an internal audit department commensurate to the size and nature of its business;
- b) As the Internal Auditors' report is not furnished to us, we are unable to comment thereon.
- xv) On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,



Contd...6...

Chhattisgarh State Power Generation Company Limited // A/cYear : 2021-22

- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- xvii) Based on our examination, the company has not incurred cash losses during the Current or Preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. And accordingly the reporting under Clause 3(xviii) of the Order is not applicable.
- xix) According to the information and explanations given to us and on the basis of the financial ratios (Also refer to Note No. 46 to the standalone financial statements), ageing and expected date of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management, plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing as at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx) The company has during the year spent the amount of Corporate Social Responsibility as required under sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of Standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

PLACE : RAIPUR
DATED : 22.09.2022



As per our report of even date,

For, A D B & Company,
Chartered Accountants,
ICAI FRN 005593C

A handwritten signature in blue ink, appearing to be 'Rajesh Kumar Chawda'.

(Rajesh Kumar Chawda)
Partner
Membership No. 405675

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Directions under Section 143(5) of the Companies Act, 2013 applicable for the accounts of Government Companies for the year 2021-22:

S.No.	Direction	Remark/Comment
1	Whether the company has system in place to process all the accounting transactions through IT system ? 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.	All the accounting transactions have been made through SAP system.
2	Whether there is any restructuring of an existing loans or cases of waiver/write off of debts/loans/interest etc. made by lender to the company due to the company's inability to repay the loan? If yes , the financial impact may be stated .	No restructuring/ waiver/write off of debts/loans/interest etc. have been made in F.Y. 2021-22.
3	Whether funds received / receivable for specific schemes from Central/State agencies were properly accounted for / utilized as per its term and conditions ? List the cases of deviation.	During F.Y. 2021-22, amount of ₹50.00 Crores has been received from State government as a part of equity contribution which is pending for allotment as at 31/03/2022. Further, no fund has been received for specific schemes from Central/ State agencies for F.Y.2021-22



Contd...2...

Chhattisgarh State Power Generation Company Limited // A/cYear : 2021-22

Sector specific Sub- direction under Section 143(5) of the Company Act, 2013 for FY 2021-22.

S.No.	Sub- Direction	Remark/Comment
1	Adequacy 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 declared surplus, details may be provided.	No encroachment of land has been observed in KTPS, HTPS, ABVTPS, DSPM & 1x500 Korba West Ext. in the year 2021-22. However, in case of any encroachment the same have been removed with help of local administration. No litigation on encroachment of land is pending and no surplus land is available to the company. At present, no encroachment in mining lease area exists.
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 awaited.	GP-III coal block is allotted to CSPGCL. There are five project affected villages namely. Dholnara, Karwahi, Khamharia, Milupara and Bajarmuda in GP-III Coal block. An Amount of Rs.100.55 crores for land acquisition of four villages except Bajarmuda has been paid to SDM (Revenue), Gharghodadistt.- Raigarh on date 18.03.2020 for disbursement The balance amount as per multiplying factor 2.0 of Rs.89.60 Crore has been paid for the four villages to SDM (Revenue) Gharghoda,Distt.-Raigarh. Further, SDM (Revenue) Gharghoda,Distt.-Raigarh has issued to demand note of Rs. 457.77 crore for land acquisition of 1 remaining village i.e. Bajarmuda. Further, Sub Divisional officer (Rev.) Gharghoda,Distt.-Raigarh has issued a revise Demand Note of Rs. 415.69 Crore in favour of CSPGCL An amount of Rs. 387.25 Crore has been deposited to SDO (REV.) Gharghoda, Dist. Raigarh Balance 28.42 Crore is to be deposited in due course of time.



Contd...3...

Chhattisgarh State Power Generation Company Limited // A/cYear : 2021-22

3	In the case of Thermal Power projects, compliance of the various pollution Control Acts and the impact thereof including utilization and disposal of ash and the policy of the company in this regard, may be checked and commented upon.	As per pollution control Act, the company have to obtain consent to operate in respect of Air (Prevention & control of pollution) Act, 1981 and Water (Prevention & control of pollution) Act, 1974 from Chhattisgarh Environment Conservation Board (CECB) to run our Thermal Power plant namely: 2x250 MW DSPM TPS (2x250), Korba East 4x210 MW HTPS, Korba West 1x500 MW HTPS, Korba West (Extension) 2x500 MW ABVTPS, Marwa, Janjgir-Champa The detailed status of consent to operate for our thermal power plants depicted in table below: <table border="1"> <thead> <tr> <th>S.No.</th><th>Name of plant</th><th>Status</th></tr> </thead> <tbody> <tr> <td>1</td><td>2x500MW ABVTPS Marwa, Janjgir-Champa</td><td>Obtained, consent valid up to 29.03.2023</td></tr> <tr> <td>2</td><td>1x500 MW HTPS, Korba West (Extension)</td><td>Obtained, consent valid up to 31.08.2022</td></tr> <tr> <td>3</td><td>2x250 MW DSPM TPS, Korba East</td><td>Obtained, consent valid up to 31.07.2022</td></tr> <tr> <td>4</td><td>4x210 MW HTPS, Korba West</td><td>Obtained, consent valid up to 31.08.2022</td></tr> </tbody> </table> *4x50 MW & 2x120 MW KTPS Korba East units decommissioned due to techno economic reasons. The stack emission level of DSPM TPS, ABVTPS, KW Extn. are within limit. Augmentation work of ESP at HTPS is completed on 31.12.2021 to achieve stack emission of 50 mg/Nm³. ETP are working at ABVTPS, DSPM TPS, HTPS, KWExtn for water pollution control. Installation of STP work is completed at HTPS & DSPM and it is in running condition.	S.No.	Name of plant	Status	1	2x500MW ABVTPS Marwa, Janjgir-Champa	Obtained, consent valid up to 29.03.2023	2	1x500 MW HTPS, Korba West (Extension)	Obtained, consent valid up to 31.08.2022	3	2x250 MW DSPM TPS, Korba East	Obtained, consent valid up to 31.07.2022	4	4x210 MW HTPS, Korba West	Obtained, consent valid up to 31.08.2022
S.No.	Name of plant	Status															
1	2x500MW ABVTPS Marwa, Janjgir-Champa	Obtained, consent valid up to 29.03.2023															
2	1x500 MW HTPS, Korba West (Extension)	Obtained, consent valid up to 31.08.2022															
3	2x250 MW DSPM TPS, Korba East	Obtained, consent valid up to 31.07.2022															
4	4x210 MW HTPS, Korba West	Obtained, consent valid up to 31.08.2022															



Contd...4...

		At ABVTPS, trial run and commissioning of STP has already been completed. Regarding operation & maintenance of STP, decision is get to be taken CE(GEN) Marwa. STP for ABVTPS, Colony work is under process. High concentration slurry disposal system/ash water recycling system has already been installed in power stations to meet out the water pollution norms. As per MOEF notification dtd. 31.12.2021 the power projects are required to utilize 100% ash generated from power station. Rs.1000/ MT shall be imposed on unutilized fly ash if it is unable utilized at least 80% ash utilization during end the of financial year. Further penalty of Rs. 1000/ MT shall be imposed if it is unable to utilized at least 100% ash utilization at the end of compliance cycle of 3 years. ➤ Legacy ash- Rs. 1000/ MT shall be imposed during that financial year if the plant has not achieved ash utilization of at least 20% (for 1st year), 35% (for 2nd year), 50% (for 3rd- 10year). If the utilization of legacy ash is not completed at the end of 10 years, an environmental compensation of Rs. 1000/ TON shall be imposed on the remaining unutilized quantity which has not been imposed earlier. The methodology prescribed for disposal of ash includes bricks making in cement industries, construction of roads, bridges etc. by national highway authority/ PWD/CPWD etc. in filling mines etc. the ash generated from Thermal Power Station has been primarily used in filling of low lying area, making bricks and raising height of ash dyke, use by cement industries mostly in ABVTPS Marwa plant. But in spite of continuous effort 100% utilization of ash as stipulated has not been achieved. In order to increase the fly ash utilization, company along with State Govt. are working for promoting use of fly ash in cement industries, abundant mine filling , road construction, fly ash bricks manufacturing etc. in this context, Manikapur open cast mine are partly allocated to CSPGCL for filling the ash. Ash filling in open cast mine is under process.
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Chhattisgarh State Power Generation Company Limited // A/cYear : 2021-22

4	Has the company entered into revenue sharing agreements with private parties for extraction of coal at pitheads and it adequately protects the financial interest of the company?	GarePelma Sector III Coal Block is allotted to CSPGCL by MoC vide vesting order 103/23/2015/NA dtd 14.09.2015. For Mine development and operations, Mine Developer cum Operator (MDO) has been selected. Thereafter M/s GarePelma III COLLIERIES Limited has entered for execution of Coal Mine Services Agreement (CSMA) on dtd. 16.11.2017. Coal production as per approved mining plan of Ministry of coal and dispatch to ABVTPS Marwa CSPGCL has been started and the coal is utilized in power generation there.
5	Does the company have a proper system for reconciliation of quantity/quality of coal ordered and received and whether grade of coal/moisture and demurrage etc. are properly recorded in the books of accounts?	CSPGCL is having SAP ERP system for maintaining records in the book of accounts for cost and quantity of coal and also for demurrages. CSPGCL pay coal cost to SECL as per coal grade analysis report submitted by third party sampler M/s CSIR-CIMFR, cost towards difference in grade is also recorded in books of accounts through SAP system. The company has adequate system of control with regards to availing acceptance of any deduction for quality/grade slippage made from invoices of party. Attention is invited towards Note No.47 of the financial statements wherein claim of Rs. 16940.17 lacs. against grade slippage, UHV, sizing charges, taxes & duties etc has been adjusted against the bill of SECL. Further, Rs. 609 lacs. deducted as compensation for short delivery of coal quantity via SECL to DSPM TPS during FY 2013-14. Further, Due to non-reconciliation of accounts with SECL, the Company has not provided for penalty/Interest on delayed payments raised by the SECL amounting to Rs. 22016 lacs & Other claims of SECL amounting to Rs. 11142.37 lacs in the books of accounts. However, the same has been adequately disclosed under Contingent Liabilities in Note No. 47 to the Financial Statements.
6	How much share of free power was due to the State Government and whether the same was calculated as per the agreed terms and depicted in the accounts as per accepted accounting norms?	CSPGCL exclusively sells power to Chhattisgarh State Power Distribution Company Limited and hence this Sub-direction is not applicable as no share of free power is due to state government.

Contd...6...



Chhattisgarh State Power Generation Company Limited // A/cYear : 2021-22

7	In case of Hydroelectric Projects the water discharge is as per policy/ guidelines issued by the State Government to maintain biodiversity. For not maintaining it penalty paid / payable may be reported?	In case of Hydroelectric Projects of CSPGCL the water discharge is done by WRD as per their requirement. As such no penalty is paid/payable to WRD by CSPGCL in this regard.
8	The Cost incurred on abandoned projects may be quantified and the amount actually written-off shall be mentioned.	The company during the year under consideration has written off Rs. 44.82 Crore against the non-operational coal mine at Gidhmuri&Pithuria, approved for surrender in the Board meeting held on 04 th August'2022 to Ministry of Coal, Government of India without penalty.

**PLACE : RAIPUR
DATED : 22.09.2022**



**As per our report of even date,
For, A D B & Company,
Chartered Accountants,
ICAI FRN 005593C**

**(Rajesh Kumar Chawda)
Partner
Membership No. 405675**

ANNEXURE "C" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of CHHATTISGARH STATE POWER GENERATION COMPANY LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 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 GENERATION COMPANY LIMITED** ("The Company") as of **31st MARCH, 2022**, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.



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Chhattisgarh State Power Generation Company Limited // A/cYear : 2021-22

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

Meaning of Internal Financial Controls over Financial Reporting

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

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.

In our opinion, to the best of our information and according to the explanations given to us, subject to comments made in "Basis of Qualified opinion" paragraph in the main audit report the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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
DATED : 22.09.2022

As per our report of even date,
For, A D B & Company,
Chartered Accountants,
ICAI FRN 005593C




(Rajesh Kumar Chawda)
Partner
Membership No. 405675

Particulars	Note No.	As at 31st March'2022	As at 31st March'2021
A ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	4	9,99,642.13	10,62,474.51
(b) Capital Work in Progress	4A	9,904.48	18,876.82
(c) Intangible Assets	4B	65,046.70	-
(d) Intangible Assets under Development	4C	5,558.69	31,663.03
(c) Financial Assets			
(i) Investments	5	0.00	0.00
(ii) Loans	6	29.11	18.96
(iii) Others financial asset	7	93,335.33	3,232.68
(d) Non Current Tax Assets	8a	37,496.58	38,142.67
(e) Deferred Tax Assets (Net)	8b	10,101.58	-
(f) Other non-current assets	9	2,233.32	10,618.29
(g) Assets held for sale	4D	-	13,288.00
Total Non - Current Assets		12,23,347.92	11,78,314.96
2 Current assets			
(a) Inventories	10	52,948.39	51,942.88
(b) Financial Assets			
(i) Investments	5	-	-
(ii) Trade receivables	11	4,02,082.63	3,26,019.80
(iii) Cash and cash equivalents	12	26,117.23	54,654.26
(iv) Bank balances other than (iii) above	12	2,650.08	4,623.31
(v) Loans	6	82.48	56.09
(vi) Others financial assets	7	21,629.52	3,985.38
(c) Other current assets	9	11,959.26	12,697.02
(d) Assets held for sale	4D	12,622.61	3,819.53
Total Current Assets		5,30,092.21	4,57,798.27
Total Assets		17,53,440.13	16,36,113.23
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	13	2,81,430.43	2,81,430.43
(b) Other Equity	14	25,771.04	(34.90)
Total Equity		3,07,201.47	2,81,395.53
Liabilities			
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	6,01,119.84	6,46,880.51
(ia) Lease Liabilities	16	11.77	10.70
(b) Provisions	17	5,47,029.48	4,81,868.79
(c) Deferred tax liabilities (Net)	8b	-	6,417.70
(d) Other non-current liabilities	20	680.51	695.97
Total Non - Current Liabilities		11,48,841.60	11,35,873.67
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	1,34,773.98	82,374.32
(ii) Trade payables	19	52,739.63	42,560.82
(iii) Other financial liabilities	16	71,972.96	63,631.03
(c) Provisions	17	36,136.63	27,428.74
(d) Other current liabilities	20	1,773.84	2,849.12
Total Current Liabilities		2,97,397.06	2,18,844.03
Total Equity and Liabilities		17,53,440.13	16,36,113.23

See accompanying notes to the financial statements

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For and on behalf of the Board of Directors

For, A D B & Company,
Chartered Accountants
FRN - 005593C



(Rajesh Kumar Chawda)
Partner
Membership No. - 405675
UDIN - 23405675-AUJKSR5913
Place : Raipur
Date : 22-09-2022



(Nirmal Kumar Bizora)
Managing Director
DIN - 08678408

(Ujjawala Baghel)
Director
DIN - 08738889

(Alok Singh)
Chief Financial Officer

Chhattisgarh State Power Generation Company Limited (CIN - U40108CT2003SGC015821)

Statement of Profit and Loss for the period ended 31st March'2022

All amounts are in INR unless otherwise stated

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March'2022	For the year ended 31st March'2021
I Revenue from operations	21	6,50,515.01	6,12,170.98
II Other Income	22	5,039.95	3,373.53
III Total Revenue (I + II)		6,55,554.96	6,15,544.51
IV EXPENSES			
(a) Cost of fuel	23	2,55,964.95	2,73,343.57
(b) Employee benefit expense	24	93,203.94	86,147.75
(c) Finance costs	25	67,110.67	81,480.71
(d) Depreciation and amortisation expense	4	85,121.22	82,785.88
(e) Other expenses	26	63,253.46	60,445.76
Total Expenses (IV)		5,64,654.23	5,84,203.66
V Profit before exceptional items and tax (III-IV)		90,900.73	31,340.85
VI Exceptional items (Income)/Loss	26A	30,000.00	-
VII Profit before tax (V-VI)		60,900.73	31,340.85
VIII Tax Expense			
(1) Current tax		919.81	1,354.81
(2) Deferred tax	8b	3,862.33	11,678.01
(3) MAT Credit Entitlement	8b	(919.81)	(1,354.81)
(4) Income tax for earlier years		-	-
Total tax expense (VIII)		3,862.33	11,678.01
IX Profit/(loss) after tax (VII -VIII)		57,038.40	19,662.84
X Other comprehensive (income)/Expenses (A+B)		36,232.46	15,431.86
A Items that will not be reclassified to profit or loss		-	-
(i) Remeasurements of the defined benefit liabilities / (asset)	26B	55,694.26	23,720.89
(ii) Income tax relating to items that will not be reclassified to profit or loss	8b	(19,461.80)	-8,289.03
B Items that may be reclassified to profit or loss		-	-
(i) Debt instruments through other comprehensive income		-	-
(ii) Income tax on items that may be reclassified to profit or loss		-	-
XI Total comprehensive income for the period (IX-X)		20,805.94	4,230.98
Earnings per share (face value of ₹10 each)	27		
Basic (in ₹)		2.02	0.70
Diluted (in ₹)		2.02	0.70

In terms of our report attached.

For and on behalf of the Board of Directors

For, A D B & Company,
Chartered Accountants
FRN - 005593C



(Rajesh Kumar Chawda)
Partner

Membership No. - 405675

UDIN - 22405675AUJKSR5913



(Nirmal Kumar Bizora)
Managing Director
DIN - 08678408

(Ujjawala Baghel)
Director
DIN - 08738889

(Alok Singh)
Chief Financial Officer

Place : Raipur

Date : 22-09-2022

Chhattisgarh State Power Generation Company Limited (CIN - U40108CT2003SGC015821)

Cash Flow Statement for the year ended 31st March'2022

All amounts are in INR unless otherwise stated

(₹ in Lakhs)

Particulars	For the year ended 31st March'2022	For the year ended 31st March'2021
Cash flows from operating activities	20,805.94	4,230.98
Profit after tax for the year		
Adjustments for:		
Tax Expense	-	-
Deferred Tax	(15,599.47)	3,388.98
Depreciation and Amortisation expenses	85,121.22	82,785.88
Interest Income	(1,009.24)	(1,268.76)
Interest Expenses	63,153.79	79,517.21
Operating Profit before working capital changes	1,52,472.24	1,68,654.29
Movements in working capital:		
Increase / (Decrease) in Trade Payables	10,178.81	(1,977.70)
Increase / (Decrease) in Short term borrowings	52,399.66	(1,503.03)
Increase / (Decrease) in Financial Liabilities	8,343.01	(43,874.78)
Increase / (Decrease) in Long term Provisions	65,160.69	36,948.87
Increase / (Decrease) in Other Current Liabilities	(1,075.28)	2,355.98
Increase / (Decrease) in Other Non current Liabilities	(15.47)	(15.47)
Increase / (Decrease) in Short Term Provisions	8,707.90	5,191.60
Increase / (Decrease) in Long Term Borrowings	(45,760.67)	(69,256.96)
(Increase) / Decrease in Loans - Current	(26.38)	0.44
(Increase) / Decrease in Loans - Non Current	(10.15)	71.23
(Increase) / Decrease in Trade receivables	(76,062.83)	19,487.92
(Increase) / Decrease in Inventories	(1,005.51)	(6,571.34)
(Increase) / Decrease in Other Current Assets	(8,065.33)	3,803.85
(Increase) / Decrease in Other Current Financial Assets	(17,644.14)	2,229.66
(Increase) / Decrease in Other Non Current Financial Assets	(90,102.65)	(125.50)
(Increase) / Decrease in Other Non Current Assets	22,319.06	(7,344.13)
Cash generated from operations	79,812.95	1,08,074.91
Income taxes paid	(919.81)	(889.55)
Net cash generated by operating activities	78,893.15	1,07,185.36
Cash flows from investing activities		
Interest Income	1,009.24	1,268.76
Net movement in Fixed Assets incl Intangible Assets	(87,335.54)	(7,568.21)
Net (Increase) / Decrease in Capital WIP Incl Intangible	35,076.68	3,692.77
Net (Increase) / Decrease in Fixed Deposits	1,973.23	(523.74)
Net cash (used in)/generated by investing activities	(49,276.39)	(3,130.42)
Cash flows from financing activities		
Increase/(Decrease) in Share Capital	-	-
Increase/(Decrease) in Share Application Pending allotment	5,000.00	-
Interest Paid	(63,153.79)	(79,517.21)
Net cash used in financing activities	(58,153.79)	(79,517.21)
Net increase in cash and cash equivalents	(28,537.03)	24,537.74
Cash and cash equivalents at the beginning of the year	54,654.26	30,116.52
Cash and cash equivalents at the end of the year	26,117.23	54,654.26

In terms of our report attached.

For, A D B & Company,
Chartered Accountants
FRN - 005593C

(Rajesh Kumar Chawda)
Partner
Membership No. - 405675
UDIN - 22405675 ANIKSR5913

Place : Raipur

Date : 22-09-2022



For and on behalf of the Board of Directors

(Nirmal Kumar Bizora)
Managing Director
DIN - 08678408

(Ujjawala Baghel)
Director
DIN - 08738889

(Alok Singh)
Chief Financial Officer

Statement of changes in equity for the year ended 31st March 2022

All amounts are in INR unless otherwise stated

A. Equity share capital

(1) Current reporting period

Particulars	No of Shares	Balance as at 01st April 2021	Changes in Equity Share Capital due to Prior Period errors	Restated Balance as at 01st April 2021	Changes in equity share capital during the year	Balance as at 31st March 2022
Equity Share Capital (Fully paid up @ ₹10 per share)	2,81,43,04,283	2,81,43,04,43	-	2,81,43,04,43	-	2,81,43,04,43

(2) Previous reporting period

Particulars	No of Shares	Balance as at 01st April 2020	Changes in Equity Share Capital due to Prior Period errors	Restated Balance as at 01st April 2020	Changes in equity share capital during the year	Balance as at 31st March 2021
Equity Share Capital (Fully paid up @ ₹10 per share)	2,81,43,04,283	2,81,43,04,43	-	2,81,43,04,43	-	2,81,43,04,43

b. Other Equity

(1) Current reporting period

Particulars	Share application money pending allotment	Reserves and Surplus		Items of other comprehensive income		Total
		Capital reserve	Retained earnings	Debt instrument through other comprehensive income	Remeasurements of the defined benefit plans	
Balance as at 1st April, 2021 (I)	-	4,359.93	1,08,869.70	-	(1,13,264.53)	(34.90)
Due to Changes in Accounting policy or Prior period errors (II)	-	-	-	-	-	-
Restated Balance as at 1st April, 2021 III - (I+II)	-	4,359.93	1,08,869.70	-	(1,13,264.53)	(34.90)
Profit/(Loss) for the year (IV)	-	-	57,038.40	-	-	57,038.40
Other comprehensive income/(expenditure) for the year, net of income tax (V)	-	-	-	-	(36,232.46)	(36,232.46)
Total comprehensive income for the year {VI= III+IV+V}	-	4,359.93	1,65,908.10	-	(1,49,496.98)	20,771.04
Changes in share application money (VII)	5,000.00	-	-	-	-	-
Balance at 31st March, 2022 (VIII = VI+VII)	5,000.00	4,359.93	1,65,908.10	-	(1,49,496.98)	25,771.04

(2) Previous reporting period

Particulars	Share application money pending allotment	Reserves and Surplus		Items of other comprehensive income		Total
		Capital reserve	Retained earnings	Debt instrument through other comprehensive income	Remeasurements of the defined benefit plans	
Balance as at 1st April, 2020 (I)	-	4,359.93	89,206.86	-	(97,832.67)	(4,265.88)
Reclassification of tax effect of OCI (II)	-	-	-	-	-	-
Sub Total III = (I+II)	-	4,359.93	89,206.86	-	(97,832.67)	(4,265.88)
Due to Changes in Accounting policy or Prior period errors (IV)	-	-	-	-	-	-
Restated Balance as at 1st April, 2020 V - (III+IV)	-	4,359.93	89,206.86	-	(97,832.67)	(4,265.88)
Profit/(Loss) for the year (VI)	-	-	19,662.84	-	-	19,662.84
Other comprehensive income/(expenditure) for the year, net of income tax (VII)	-	-	-	-	(15,431.86)	(15,431.86)
Total comprehensive income for the year {VIII= V+VI+VII}	-	4,359.93	1,08,869.70	-	(1,13,264.53)	(34.90)
Changes in share application money (IX)	-	-	-	-	-	-
Balance at 31st March, 2021 (X = VIII+IX)	-	4,359.93	1,08,869.70	-	(1,13,264.53)	(34.90)
In terms of our report attached.						
For and on behalf of the Board of Directors						

In terms of our report attached.

For, A D B & Company,
Chartered Accountants
FRN - 005593C



(Rajesh Kumar Chawda)
Partner
Membership No. - 405675
Place : Raipur
Date : 22-03-2022

(Nirmal Kumar Bizora)
Managing Director
DIN - 08678408



(Alok Singh)
Chief Financial Officer

(Ujjawala Baghel)
Director
DIN - 08738889

For and on behalf of the Board of Directors

Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

1. Background of Reporting Entity

Chhattisgarh State Power Generation Company limited (the Company) limited by shares is a state government company incorporated under the Companies Act, 1956 (CIN - U40108CT2003SGC015821) and domiciled in India, having its registered office at Vidyut Sewa Bhawan, Daganiya, Raipur (C.G.)-492013 with the main object of Generation of Power and allied activities including operation & maintenance of existing power generation plants as well as installation of new power plants in the State of Chhattisgarh along with Coal Mining activities for captive consumption. The company is not a listed company and its shares are 100% held by another state owned company namely "Chhattisgarh State Power Holding Company Limited" which is also situated in the state of Chhattisgarh.

2. Significant Accounting Policies

2.1 Statement of Compliance

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

2.2 Basis of accounting and preparation of financial statements

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 using another valuation technique.

2.3 Use of estimates

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of valuation of current and deferred tax expense, valuation of defined benefit obligations and provisions and contingent liabilities.



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

2.4 Revenue Recognition

Revenue from Sale of electricity is accounted for based on predefined tariff rates at the beginning of the year as approved by the Chhattisgarh State Electricity Regulatory Commission (CSERC), inclusive of Fuel Adjustment Charges and includes unbilled revenues accrued up to the end of the accounting period which is subject to true up process by CSERC in the subsequent years. Further, Statutory charges such as duty and cess (if any), water charges, State Load Dispatch Centre (SLDC) charges, Start up power etc. shall be recoverable from Chhattisgarh State Power Distribution Company Limited (CSPDCL) on reimbursement basis.

Other income is recognized to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances. Income/Expenditure relating to a prior period, which do not exceed ₹5,00,000 in each case, are treated as income/expenditure of current year.

2.5 Interest Income

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

2.6 Employee Benefits

2.6.1 Short Term Employee Benefits

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

2.6.2 Post-employment benefits: Defined contribution/ benefit plans

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

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



The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

2.6.3 Earned Leave Encashment

The employees of the Company are entitled to compensate absences based on the un-availed leave post retirement of employees on accrual basis based on fair estimates.

2.6.4 Other Long Term Employee Benefits

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.7 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in statement of profit and loss in the period in which they are incurred.

2.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax:

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

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

Deferred tax

Deferred tax is recognized 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 recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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 recognized 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.



Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.9 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 including discount and escalation and any other cost directly attributable of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalized 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 recognized so as to write off the 90% of the cost of assets (other than freehold land) 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 block at the rates notified by the Chhattisgarh State Electricity Regulatory Commission (CSERC) pursuant to Tariff Regulation 2015. Depreciation on additions/deductions to fixed assets is being provided on pro-rata basis from/to the month of acquisition/disposal. Full cost of all small and low value items each costing ₹5000/- or less under all class of assets is fully charged to revenue in the year in which the assets are put to use. No part of the cost of such items is included in the cost of fixed assets and accordingly no depreciation is charged thereon. Depreciation on additions/deletions of assets is provided on pro-rata basis from/up to the period for which the asset is available for use/disposal.

An item of property, plant and equipment is de-recognized 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 recognized in profit or loss.

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

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

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

The company in accordance with the directives of Government of India regarding rehabilitation policy on acquisition of land will provide employment or allowance in lieu of employment to the rehabilitated land owners. The expenditure towards allowance in lieu of employment is being capitalized and added to the cost of land till the execution of registered sale agreement. Such expenditure, if any, incurred



after execution of sale agreement but before the date of commercial operation is capitalized as normal A&G overheads. Such expenditure incurred after commercial operation is charged to revenue.

The useful life is defined in Regulation 3.67 of CSERC MYT Regulation 2015. Further, the "Depreciation" of the Assets is charged in accordance with Regulation 24 applied with the rates and method given in Appendix-I of CSERC MYT Regulation 2015.

2.9.1 Capital Work-in-Progress

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

2.9.2 Impairment of tangible assets

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

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

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



2.9.3 Intangible assets and intangible assets under development

- a) **Initial recognition and measurement** - An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Expenditure on development activities is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to & has sufficient resources to complete development and to use or sell the asset. Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

- b) **Subsequent costs** -Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.
- c) **Amortization** - Intangible asset is amortized on straight-line method over a period of legal right to use/life of mine or 20 years, whichever is lower, as given in the guidelines issued by CSERC in this regard.

2.9.4 Coal Mining Activity

A. Leasehold Land:

Land acquired for mining business under Surface rights conditions, Clause 247 of CG Land Revenue Code 1959 is amortized on the basis of balance useful life of the project. Other leasehold land acquired for mining business is amortized over the lease period or balance life of the project whichever is less.

B. Coal mining exploration costs

Exploration and evaluation costs comprise capitalized costs which are attributable to the search for coal, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter-alia the following:

- researching and analyzing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;
- exploratory drilling, trenching and sampling;
- determining & examining the volume and grade of the resource; and
- surveying transportation and infrastructure requirements.
- Preparation of Geological report after exploration work.
- Preparation of mining plan based on Geological report and get approval from Ministry of Coal through CMPDL remark.
- Preparation of Mine Closure Plan from MoC through CMPDIL Remark.
- Demarcating of Block boundary through DGPS Survey.



Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalized as exploration and evaluation assets (intangible assets under development) and stated at cost less impairment. Exploration and evaluation assets are assessed for impairment indicators at least annually.

Exploration and evaluation expenditure incurred prior to obtaining the mining right or the legal right to explore are expensed as incurred.

C. Development expenditure on coal mines:

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to 'Development of coal mines' under Capital work-in-progress. However, if proved reserves are not determined, the exploration and evaluation costs are derecognized.

The development expenditure capitalized is net of value of coal extracted during development phase. Subsequent expenditure is capitalized only where it either enhances the economic benefits of the development/ producing asset or replaces part of the existing development/producing asset. Any remaining costs associated with the part replaced are expensed.

Mines under development are brought to revenue (date of commercial operation) on occurrence of earliest of the following milestones as given in the Regulation 5 of the principal regulations of Central Electricity Regulatory Commission (Term and Conditions of Tariff) (Second Amendment) Regulations, 2021 notified on dated 19th February'2021:

- a) the first date of the year succeeding the year in which 25% of the Peak Rated Capacity as per the Mining Plan is achieved; or
- b) the first date of the year succeeding the year in which the value of production estimated in accordance with Regulation 7A of the said regulations, exceeds total expenditure in that year; or
- c) the date of two years from the date of commencement of production.

The above is subject to commercial readiness to yield production on a sustainable basis (i.e. when the Company determines that the mining property will provide sufficient and sustainable return relative to its perceived risks and therefore it is considered probable that future economic benefits will flow to the Company).

On being brought to revenue, the assets under capital work-in-progress are classified as a component of property, plant and equipment under 'Mining property'.

Gains and losses on de-recognition of tangible/intangible assets, as referred above, are determined by comparing the proceeds from disposal, if any, with the carrying amount of respective assets and are recognized in the statement of profit and loss.

D. Stripping activity expense/adjustment:

Expenditure incurred on removal of mine waste materials (overburden) necessary to extract the coal reserves is referred to as stripping cost. The Company has to incur such expenses over the life of the mine as technically estimated.



Cost of stripping is charged on technically evaluated average stripping ratio at each mine with due adjustment for stripping activity asset and ratio-variance account after the mines are brought to revenue.

Net of the balances of stripping activity asset and ratio variance at the Balance Sheet date is shown as 'Stripping activity adjustment' under the head 'Non-current assets/Non-current provisions' as the case may be.

E. Mines closure, site restoration and decommissioning obligations:

The Company's obligations for land reclamation and decommissioning of structure consist of spending at mines in accordance with the guidelines from Ministry of Coal, Government of India. However, all the activities & responsibilities regarding Mines closure and Site restoration has been undertaken by the Mine Developer & Operator (MDO) as per the bilateral agreement. Hence company will not provide for such expenditure. Further, to ensure the timely and smooth mines closure, the MDO will deposit adequate amount of deposits with the company within regular interval and after successful completion, the said deposit will be refundable as per the agreement stated in this behalf.

F. Amortization:

On being brought to revenue, the mines closure, site restoration and decommissioning obligations are amortized over the balance life of the mine. Mining property is amortized from the year in which the mine is brought under revenue, in 20 years or life of mine whichever is less as given in Appendix IA - Depreciation Schedule for Integrated Mine of Central Electricity Regulatory Commission (Term and Conditions of Tariff) (Second Amendment) Regulations, 2021 notified on dated 19th February'2021.

2.10 Inventories

Items of inventories are measured at cost (on weighted average basis) or net realizable value whichever is lower. Cost comprises of all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

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

2.11 Provisions and contingencies

2.11.1 Provisions

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. However, as per the adopted accounting policy and considering large number of offices located at various parts of the State, the management has only provided for expenses (Service bills related to repair and maintenance and A&G expenses) for bills/invoices received up to 31st May of the succeeding year but related to period under audit. The methodology will be followed consistently in subsequent years.



2.11.2 Contingencies

A contingent liability is disclosed when there are 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 recognized because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

2.12 Financial Instruments

Financial assets and financial liabilities are recognized 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 recognized immediately in statement of profit and loss.

2.12.1 Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

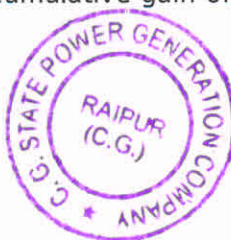
2.12.2 Financial assets at amortized cost

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

2.12.3 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 cash flows and selling financial assets 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.

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 recognized in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.



2.12.4 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 amortized 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 recognized in profit or loss.

2.12.5 Impairment of financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

2.12.6 Classification as debt or equity

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

2.12.7 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 recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.12.8 Financial liabilities

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

2.12.9 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.



2.13 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.

2.14 Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.15 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.

2.16 Contributions, Grants & Capital Subsidies towards Cost of Capital Assets

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

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

Capital subsidies and grants related to depreciable fixed assets are treated as deferred income and are recognized in the profit and loss statement on a systematic and rational basis over the useful life of the asset, i.e., such amounts are allocated to income over the periods and in the proportions in which depreciation on those assets is charged. Accounting for cost of a capital asset is done in the normal course without considering any contribution, subsidy or grants towards the cost of the asset. Depreciation are being charged in the normal course on the 'full cost' of the asset.

Capital subsidies and grants related to non-depreciable assets are credited in capital reserve. However, if a grant related to a non-depreciable asset requires the fulfillment of certain obligations, the grant are credited to income over the same period over which the cost of meeting such obligations is charged to income.



2.17 Expenditure on Project Identification Survey and Feasibility Studies:

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

2.18 Segment Reporting:

The Company is engaged in the business of operation and maintenance of existing power generation plants as well as installation of new power plants in Chhattisgarh State. Considering the nature of the Company's business and operations, there are no other reportable segments (business and/or geographical) in accordance with the requirements of Indian Accounting Standard 108- 'Operating Segments' prescribed under section 133 of the Companies Act, 2013.

2.19 Non-current assets held for sale:

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell. Non-current assets classified as held for sale are not depreciated or amortized from the date when they are classified as held for sale. Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Balance Sheet.

3 Critical accounting estimates and judgments

In the application of the Company's accounting policies, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates are:

Estimation of current tax and deferred tax expense

Estimation of values of contingent liabilities & assets

Estimates and judgment are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



Chhattisgarh State Power Generation Company Limited
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Note No. 4 - Property, plant and equipment

Description of Assets	Land - Leasehold	Land - Freehold	Factory Buildings	Office Buildings	Railway Sidings	Residential & Other Buildings	Roads & Others	Hydraulic Works	Lines & Cable Networks	Plant, Machinery & Equipments	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
I. Gross Block															
Balance as at 1st April, 2021	2,626.85	15,287.20	50,309.18	16,460.63	30,504.44	24,209.20	7,816.09	1,20,541.39	10,844.96	13,90,420.20	581.96	503.50	2,461.60	702.36	16,73,269.56
Additions	-	190.40	201.20	5,042.15	30.07	55.99	279.83	479.97	25.60	13,721.03	47.59	79.79	-	40.94	20,194.55
Disposals/ Retirement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing cost capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2022	2,626.85	15,477.60	50,510.38	21,502.77	30,534.51	24,265.19	8,095.92	1,21,021.36	10,870.56	14,04,141.23	629.55	583.29	2,461.60	743.30	16,93,464.11
II. Accumulated depreciation															
Balance as at 1st April, 2021	664.20	-	11,303.31	2,491.69	6,102.65	8,301.45	1,438.25	38,963.14	6,107.33	5,33,273.81	221.13	179.17	1,236.40	512.51	6,10,795.05
Depreciation / amortisation expense for the year	87.74	-	1,582.02	633.93	1,134.18	673.56	234.44	6,326.08	469.07	71,515.14	34.33	29.82	200.47	86.16	83,026.93
Against Deletion/Retirement of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2022	751.94	-	12,885.34	3,125.62	7,236.84	8,975.01	1,692.69	45,289.22	6,576.40	6,04,788.95	255.45	209.00	1,436.87	598.67	6,93,821.98
Net block (I-II)															
Balance as on 31st March, 2022	1,874.91	15,477.60	37,645.04	18,377.15	23,297.68	15,290.18	6,403.22	75,732.14	4,294.16	7,99,352.28	374.09	374.29	1,024.73	144.64	9,99,642.13
Balance as on 31st March, 2021	1,962.65	15,287.20	39,005.87	13,968.93	24,401.79	15,907.76	6,377.83	81,578.25	4,737.63	8,57,146.39	360.83	324.33	1,225.20	189.86	10,62,474.51

Note No. 4A - Capital Work in Progress

Particulars	Amount as at 31st March 2022	Amount as at 31st March 2021
Capital Work in Progress	9,904.48	18,876.82
Total	9,904.48	18,876.82
Previous Year	18,876.82	24,219.53

For details of hypothecated assets, refer Note No.15 "Non Current Borrowings"

CWIP aging schedule

Particulars	Amount in CWIP for a period of			Total
	Less than 1 Year	1-2 Years	More than 3 Years	
(A) Projects in Progress :				
HTPS- ESP Related and Other Misc Work	3,548.45	-	-	3,548.45
Marwa	1,402.86	-	-	1,402.86
West Extension	2,361.50	-	-	2,361.50
DSPM	1,949.46	-	-	1,949.46
Other Misc Works	642.21	-	-	642.21
(B) Projects temporarily suspended:	-	-	-	-
Total (A+B)	9,904.48	-	-	9,904.48



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

Note No. 4B - Intangible Assets

Particulars	Gross Block				Amortization			Net Block	
	Amount as at 01st April'2021	Additions	Disposals/ Retirement	Borrowing cost capitalised during the year	Balance as at 31st March' 2022	Amount as at 01st April'2021	For the year	Deductions /adjustments	Balance as at 31st March' 2022
Mining Rights - Coal Mine at GP III	-	67,140.99	-	-	67,140.99	-	2,094.29	-	2,094.29
Total	-	67,140.99	-	-	67,140.99	-	2,094.29	-	2,094.29
Previous Year	-	-	-	-	-	-	-	-	-

Note No. 4C - Intangible Assets under Development

Particulars	Amount as at 01st April'2021	Additions	Disposals/ Adjustments	Capitalised during the year	Balance as at 31st March' 2022
Coal Mine at GP III	27,255.76	45,443.92	-	67,140.99	5,558.69
Coal Mine at Gidhmuri & Pithuria	4,407.26	74.94	4,482.20	-	-
Total	31,663.03	45,518.86	4,482.20	67,140.99	5,558.69
Previous Year	30,013.09	6,138.74	4,488.81	-	31,663.03

Intangible Assets under Development aging Schedule

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Coal Mine at GP III	5,543.44	0.99	14.27	-	5,558.69
Projects temporarily suspended	-	-	-	-	-
Total	5,543.44	0.99	14.27	-	5,558.69



Chhattisgarh State Power Generation Company Limited
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All amounts are in INR unless otherwise stated

Note 4D: Assets classified as held for sale

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non- Current	Current	Non- Current
Assets classified as held for sale - KTPS *	12,622.61	-	3,819.53	12,622.61
Assets classified as held for sale - Co-gen Plant #	-	-	-	665.39
Total	12,622.61	-	3,819.53	13,288.00

* Closure of 4 Units 2x50 MW units and 2 Units 2x120 MW units of KTPS

The management has decided to decommission 4 Units of 50 MW plant (FY 17-18 & FY 18-19) and 2 Units of 2*120 MW Plant in FY 20-21 in Korba Thermal Power Station whose date of commissioning, retirement date and book value (net of depreciation) of the plant and its auxiliaries (excluding the assets retained by the company) are as follows:-

Unit	Date of Commissioning	Date of Retirement	Year of Retirement	Book Value ₹ in Lakhs
Unit I	22nd October'1966	05th July'2017	2017-18	1,721.03
Unit II	16th July'1967	07th July'2017	2017-18	1,589.71
Unit III	28th March'1968	14th September'2018	2018-19	1,344.14
Unit IV	31st October'1968	14th September'2018	2018-19	1,344.14
		Total (A)		5,999.03
(-) Book Value of assets sold during the year out of the above(B)			2020-21	(2,510.35)
	Balance assets held for sale out of above (Current) C =(A-B)			3,488.68
Unit V & VI	24th March'1976 & 05th April'1981	31st December'2020	2020-21	12,622.61
		Total (D)		12,622.61
		Plant Assets held for Sale E= (C+D)		16,111.29
(+) Unserviceable Spares of Plant classified as held for sale (Current) (F)			2021-22	330.85
(-) Book Value of assets sold during the year out of the above				(3,819.53)
Assets Classified as held for Sale G=(E+F)				12,622.61

The sale value of ₹ 45 crores is recognized as sales during the year under consideration on the lifting of balance 3 lot of 4*50 MW Plant to the purchaser. The matter of disposal of 2*120 MW units is under process, wherein through online auction, the said plant of 2*120 MW has been agreed to be sold on ₹ 172.30 crores. The sales will be recognized at the time of lifting of material i.e. at the time of transfer of significant risk and reward and the said exercise is pending as at 31.03.2022. From the agreed sale price, it can be concluded that fair value less cost to sell is higher than its carrying amount as on 31st March'2022 and hence there is no need to recognize any impairment loss. Further, depreciation on such assets had been provided only upto the date of decommissioning. Post date of decommissioning, no depreciation has been provided on such assets. The company expects that sale would be complete in the next financial year i.e. FY 22-23 and hence the balance of said plant has been shown under current assets classified as held for sale.

Co-gen Plant: The company pursuant to Agreement for Transfer of 6-MW Co Generation Plant at Kawardha made on 31.03.2022 has given the possession of the said plant to M/s Borhamdeo Sahakari Shakkar Utpadak Karkhana Maryadit on the basis of resolution passed by the BOD of the company on 13th June'2016. Hence, the plant has been derecognized from the books of the company, which was shown under Assets held for sale. Further, 100% revenue from such plant billed to CSPDCL has been provided for in the hands of BBSUKM for the year 2021-22.



Chhattisgarh State Power Generation Company Limited
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All amounts are in INR unless otherwise stated

Note No. 5 - Investments

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Investments in equity instruments at Cost less impairment: Investments in Subsidiary - Unquoted				
1) Uttar Chhattisgarh Rajya Vidyut Utpadan Limited (20 crore Equity Shares (P.Y. 20 crore) of ₹10 each fully paid up) *		5,200.00		5,200.00
Total Investment		5,200.00		5,200.00
(-) Allowance for Expected Credit Loss & Impairment in the value of investment *		5,200.00		5,200.00
Net Investment		0.00		0.00
Total Unquoted Investments	-	0.00	-	0.00

* Impairment of investment in equity shares

"Uttar Chhattisgarh Rajya Vidyut Utpadan Limited" (formerly known as "IFFCO Chhattisgarh Power Limited") is a wholly owned subsidiary company of CSPGCL. At present, the activities of installation of power plant and revenue generation of subsidiary company is yet to be taken and in the near term, the Company does not foresee positive cash inflows. Hence, in accordance with IND AS 19, the Company has impaired its investment and carrying the same at a nominal value of ₹ 1.



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

Note No. 6 - Loans

Particulars	As at 31st March'2022			As at 31st March'2021		
	Current	Non- Current	Total	Current	Non- Current	Total
Loans (Considered good, unless otherwise stated)						
Related Parties\$						
Unsecured	-	192.22	192.22	-	134.22	134.22
Less : Allowance for bad and doubtful loans	-	(192.22)	(192.22)	-	(134.22)	(134.22)
	-	-	-	-	-	-
Employees						
Unsecured	82.48	29.11	111.59	56.09	18.96	75.06
Less : Allowance for bad and doubtful loans	-	-	-	-	-	-
Total	82.48	29.11	111.59	56.09	18.96	75.06

\$ Loan to related party includes interest free loan provided by the company to its Subsidiary Company namely "Uttar Chhattisgarh Rajya Vidyut Utpadan Limited" (formerly known as "IFFCO Chhattisgarh Power Limited").

Note No. 7 - Other financial assets

Particulars	As at 31st March'2022			As at 31st March'2021		
	Current	Non- Current	Total	Current	Non- Current	Total
Financial assets at amortised cost :						
Security Deposits - Government & Others	-	2,510.71	2,510.71	-	2,337.14	2,337.14
Receivable from State Government of Chhattisgarh \$	14,830.65	85,169.35	1,00,000.00	-	-	-
Term deposits (maturity > 12 months) #	-	4,962.84	4,962.84	-	346.76	346.76
Interest Accrued on deposits	755.98	179.37	935.36	1,434.62	35.74	1,470.36
Unbilled revenue	6,042.89	-	6,042.89	2,532.75	-	2,532.75
Inter Company Receivable Account						
Chhattisgarh State Power Holding Company Limited	-	-	-	18.01	-	18.01
Chhattisgarh State Power Distribution Company Limited	-	513.04	513.04	-	513.04	513.04
Total	21,629.52	93,335.33	1,14,964.84	3,985.38	3,232.68	7,218.06

\$ Pursuant to order no. F-13/01/2022/13/2 dated 24.05.2022 wherein Energy department of Government of Chhattisgarh has taken over the liability of Rs. 1000 crore along with interest thereon, in lieu of dues outstanding payable to CSPDCL to the extent of similar amount as on 31.03.2022. CSPGCL has earmarked the equivalent amount of loan drawn from PFC for 1*500 MW korba extension for the purpose, against which the balance repayment is due during the period FY 22-23 to FY 28-29.

All Term Deposits are pledged with various banks for availing LC, Bank Guarantees, margin money and pledged with other Government Departments.



Chhattisgarh State Power Generation Company Limited
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All amounts are in INR unless otherwise stated

Note No. 8a - Non Current Tax Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Income taxes (net of provisions of earlier years)	32,153.91	38,055.73
Income taxes (net of provision for the year)	5,342.68	86.94
Total	37,496.58	38,142.67

Note No. 8b - Deferred Tax Assets/Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Assets	1,82,560.27	1,65,992.61
Deferred Tax Liabilities	1,72,458.70	1,72,410.31
Net Deferred Tax Assets/(liabilities) (Net)	10,101.58	(6,417.70)
Unrecognised Deferred Tax Assets	-	-
Total Deferred Tax Assets (Net)	10,101.58	(6,417.70)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Assets		
Disallowance under the Income Tax Act,1961 (in P&L item)	77,808.65	71,180.01
Disallowance under the Income Tax Act,1961 (in OCI item)	80,300.40	60,838.60
Unabsorbed Depreciation (Brought forward losses)	-	10,442.59
Unadjusted carried forward business losses	-	-
Carryforward of Unused Tax Credits (MAT)	24,451.23	23,531.42
	1,82,560.27	1,65,992.61
Deferred Tax Liabilities		
Depreciation	1,72,458.70	1,72,410.31
	1,72,458.70	1,72,410.31



Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

Note No. 9 - Other non-current and current assets

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non- Current	Current	Non- Current
(a) Capital advances	-	2,233.32	-	10,618.29
(b) Advance to Suppliers & Contractors	10,636.28	-	11,567.13	-
(c) Prepaid Expenses	1,248.75	-	1,028.10	-
(d) Other asset	74.23	-	101.79	-
Total	11,959.26	2,233.32	12,697.02	10,618.29

Note No. 10 - Inventories

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Raw materials		
Coal & Fuel	19,296.75	20,058.15
Stores & Spares	33,420.43	31,686.58
Scrap & Unservicable Materials	231.21	198.14
(b) Material Short/(Excess) pending investigation		
Cost	(0.00)	0.00
Less: Provision	-	-
Total Inventories at the lower of cost or net realisable value	52,948.39	51,942.88

Note- For details of hypothecation, refer Note No.18 "Short Term Borrowings"

Note No. 11 - Trade receivables* \$

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Unsecured, considered good	4,02,082.63	-	3,26,019.80	-
	-	-	-	-
Less: Allowance for Expected Credit Loss	-	-	-	-
Total	4,02,082.63	-	3,26,019.80	-

*Note- Above receivables does not include unbilled revenue of ₹ 6042.89 Lakhs (PY ₹ 2532.75 Lakhs), the same has been classified under Other Financial Assets under Note no. 7.

\$ \$ Pursuant to order no. F-13/01/2022/13/2 dated 24.05.2022 wherein Energy department of Government of Chhattisgarh has taken over the liability of Rs. 1000 crore along with interest thereon, in lieu of dues outstanding payable to CSPDCL to the extent of similiar amount as on 31.03.2022. CSPGCL has earmarked the equivalent amount of loan drawn from PFC for 1*500 MW korba extension for the purpose, against which the balance repayment is due during the period FY 22-23 to FY 28-29.



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Trade Receivables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date to payment					Total
	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	4,02,082.63	-	-	-	-	4,02,082.63
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	4,02,082.63	-	-	-	-	4,02,082.63



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All amounts are in INR unless otherwise stated

Note No. 12 - Cash and cash equivalents and Other Bank Balances

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current Cash and bank balances		
(i) Cash and cash equivalents		
Cash in imprest	11.74	11.55
Balances with Banks	51.16	29,677.91
Term deposits (Maturity < 3 months)*	26,054.34	24,964.80
Cash and cash equivalents as per statement of cash flows	26,117.23	54,654.26
(ii) Other bank balances*		
Balances in scheduled banks in earmarked current account		
Term deposits (Maturity > 3 months and < 12 months)	2,650.08	4,623.31

* All Deposits are pledged with various banks for availing LC, Bank Guarantees, margin money and pledged with other Government Departments.



Chhattisgarh State Power Generation Company Limited
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Note No. 13 - Equity share capital

(₹ in Lakhs)

Particulars	As at 31st March'2022		As at 31st March'2021	
	No. of shares	Amount	No. of shares	Amount
Authorised: Equity shares of ₹ 10 each	6,00,00,00,000	6,00,000.00	6,00,00,00,000	6,00,000.00
Issued, Subscribed and Fully Paid: Equity shares of ₹ 10 each	2,81,43,04,283	2,81,430.43	2,81,43,04,283	2,81,430.43
Total	2,81,43,04,283	2,81,430.43	2,81,43,04,283	2,81,430.43

Note 13.1- Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(₹ in Lakhs)

Equity shares	Number of shares	Amount
Balance as at 1st April, 2021	2,81,43,04,283	2,81,430.43
Issued during the year	-	-
Balance as at 31st March, 2022	2,81,43,04,283	2,81,430.43

(ii) Terms/rights attached to Equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

Note 13.2 Details of shares held by holding company

(in Nos)

Particulars	As at 31st March'2022	As at 31st March'2021
Details of shares held by the holding company Fully paid equity shares Chhattisgarh State Power Holding Co. Ltd.	2,81,43,04,213	2,81,43,04,213

Note 13.3 Details of Shares in the company held by each shareholder holding more than 5 % shares and Promoters Shares as at end of the year

Name of Shareholder/Promoters	As at 31st March'2021	
	No. of Shares held	% of Holding
Equity shares Chhattisgarh State Power Holding Co. Ltd.	2,81,43,04,213	100
Total	2,81,43,04,213	100

Note: There is no change in the Shareholding of Promoters during the year.



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

Note No. 14 - Other equity

(₹ in Lakhs)

Paticulars	As at 31st March, 2022	As at 31st March, 2021
Capital Reserves	4,359.93	4,359.93
Retained earnings	1,65,908.10	1,08,869.70
Other Comprehensive Income	(1,49,496.98)	(1,13,264.53)
Share application money pending allotment	5,000.00	-
Total	25,771.04	(34.90)

Nature and purpose of the reserve

Capital Reserve

Capital Reserve was created for waiver of payment of Interest on bonds related with CSEB period.

Retained Earnings

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

Other Comprehensive Income

Remeasurements comprising actuarial gains and losses (net of taxes) are reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Share Application Money Pending Allotment

The Government of Chhattisgarh vide letter no. 262 dated 29.01.2022 has provided ₹ 50 Crore as equity infusion for the purpose of captal expenditure (FGD) in the Thermal Power Plant. The Allotment of Equity Share Capital is pending till 31st March'2022. Hence, the same has been shown as "Share Application Money Pending Allotment" as at 31.03.2022.



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

Note No. 15 - Non Current Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Measured at amortised cost		
Secured Borrowings:*		
(a) Term Loans- Banks		
(1) From State Bank of India	-	735.00
(2) From Punjab National Bank	-	666.67
(b) Term Loans- Other than Banks		
(1) From Power Finance Corporation Limited	5,86,249.22	6,45,478.84
(2) From Rural Electrification Corporation Limited	14,870.63	-
Total Borrowings	6,01,119.84	6,46,880.51

* Nature of Security

Terms of Repayment

A. Against Loan from Power Finance Corporation:

1. Term Loan from Power Finance Corporation amounting to ₹ 4956.39 crores (PY ₹ 5474.81) (including current maturities) are secured by mortgage and charge of moveable and immovable fixed assets both present and future of 2x500 MW Marwa Thermal Power Plant.

Repayable in 60 Quarterly installments commencing from Oct'2016 alongwith present rate of interest ranging from 8.88% to 10.65% per annum.

2. Term Loan from Power Finance Corporation amounting to ₹ 1502.49 crores (PY ₹ 1724.08 crores) (including current maturities) are secured by mortgage and charge of moveable and immovable fixed assets both present and future of 1x 500 MW West Extension Thermal Power Plant.

Repayable in 60 Quarterly installments commencing from Jan'2014 alongwith present rate of interest ranging from 8.88% to 10.40% per annum.

3. Term Loan from Power Finance Corporation amounting to ₹ 166.03 crores (PY ₹ Nil) (including current maturities) are secured by mortgage and charge of moveable/ immovable and Intangible assets both present and future of Gare Pelma Coal Mines.

Repayable in 120 Monthly installments commencing from Nov'2021 alongwith present rate of interest ranging from 8.88% to 9.02% per annum.

4. Term Loan from Power Finance Corporation amounting to ₹ 1.63 crores (PY ₹ 7.22) (including current maturities) are secured by charge of respective present and future moveable fixed assets of Units at Korba West. In addition, the company has created charge on Dual Flue Gas Conditioning system of boilers of Korba West Unit I & II, 220/132 KV, 1x160 MVA Auto transformer No. 2 at KTPS and 12 nos. Gravimetric Raw Coal Feeder at HTPS Korba (W) Unit 3&4.

Loan No., ROI & Outstanding Balance as on 31st March'2022 (In Crore)	Repayment Schedule (Annually - upto 2023)
22104005 ROI:10.75% ₹ 0.12	0.12 Cr
22104007 ROI:10.75% ₹ 1.51	1.51 Cr

If the company serves installments due in time to PFC than lender refunds 0.25% of interest rate charged to the company and hence the effective interest rate would be reduce by 0.25%. Further, during the year under consideration, the company continuing availing the said benefit on account of timely payment.

B. Against Loan from Rural Electrification Corporation:

1. Term Loan from Rural Electrification Corporation amounting to ₹ 166.03 crores (PY ₹ Nil) (including current maturities) are secured by mortgage and charge of moveable/ immovable and Intangible assets both present and future of Gare Pelma Coal Mines.

Repayable in 120 Monthly installments commencing from Nov'2021 alongwith present rate of interest 8.88% per annum on monthly rest basis, with 1 year reset.



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

Note No. 16 - Other Financial Liabilities

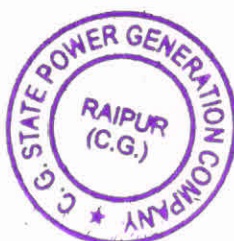
(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
a) Other financial liabilities carried at amortised cost:				
Deposits & Retentions from Contractors & Suppliers	65,851.47	-	46,771.57	-
Rental Deposits	-	11.77	-	10.70
Interest accrued but not due on borrowings	3,017.98	-	14,122.84	-
Interest accrued and due on borrowings	993.14	-	780.93	-
Employee related liabilities & Other Misc liabilities	1,937.55	-	1,917.34	-
Inter Company Payable Account				
Chhattisgarh State Power Transmission Company Limited	(0.00)	-	38.36	-
Chhattisgarh State Power Holding Company Limited	172.82	-	-	-
Total other financial liabilities	71,972.96	11.77	63,631.03	10.70

Note No. 17 - Provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non- Current	Current	Non- Current
(a) Provision for employee benefits				
(1) Pension & Gratuity	30,747.00	5,24,073.16	23,323.00	4,60,604.68
(2) Leave encashment	4,893.97	22,956.33	3,850.52	21,264.11
(3) Bonus & Ex Gratia	279.11	-	255.22	-
(4) DA Arrears	216.56	-	-	-
Total Provisions	36,136.63	5,47,029.48	27,428.74	4,81,868.79



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

Note No. 18 - Short Term Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
A. Secured Borrowings		
(a) Working Capital Demand Loans		
(i) From Bank of Baroda (Against Hypothecation of stock and book debts of the company, applicable rate of interest is 6.00% with annual	15,079.16	-
(ii) From State Bank of India (Against Hypothecation of stock and book debts of the company, applicable rate of interest is 5.75% with annual	23,682.52	95.16
(iii) From Punjab National Bank (Earlier OBC) (Against Hypothecation of stock and book debts of the company, applicable rate of interest is 6.00% with annual	13,777.00	-
(iv) From Canara Bank (Against Hypothecation of stock and book debts of the company, applicable rate of interest is 6.55% with annual	1,177.18	-
B. Current maturities of Long term borrowings		
Power Finance Corporation *	76,404.62	75,132.83
Rural Electrification Corporation *	1,732.50	-
State Bank of India *	-	2,892.00
Punjab National Bank *	-	1,333.33
Government of Chhattisgarh	2,921.00	2,921.00
Total Short term Borrowings	1,34,773.98	82,374.32

(* Refer Note no. 15 for terms, conditions and nature of security.)



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

Note No. 19 - Trade payables

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
(i) MSME	61.36	-	49.62	-
(ii) Others	52,678.27	-	42,511.20	-
Total trade payables	52,739.63	-	42,560.82	-

Trade Payables aging schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	59.69	1.67	-	-	61.36
(ii) Others	52,678.27	-	-	-	52,678.27
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

The company deals with huge number of vendor's and supplier's and hence specific disputed dues with MSME and Others could not be furnished above, however, all the pending cases where disputes are there, has been disclosed under Note No. 47.

Note No. 20 - Other Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non- Current	Current	Non- Current
a. Deferred Rent Income	-	680.51	-	695.97
b. Statutory dues:				
Taxes payable (other than income taxes)	405.66	-	772.90	-
c. Others:				
Provision for Unspent amount of CSR	-	-	1,930.65	-
Others payables	1,368.18	-	145.57	-
Total Other Liabilities	1,773.84	680.51	2,849.12	695.97



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

Note no -21 Revenue from Operations

(₹ in Lakhs)

Particulars	For the year ended 31st March'2022	For the year ended 31st March'2021
(a) Revenue from Sale of Power	5,23,122.02	5,54,859.42
(b) SLDC Charges	585.64	666.83
(c) Water Charges	13,330.90	13,406.00
(d) Delay payment charges	57,750.45	47,288.73
(e) Revenue Surplus/(Deficit) as per tariff order	32,403.00	(22,551.00)
(f) Revenue allowed in ARR for contribution in P&G Trust	23,323.00	18,501.00
Total Revenue from Operations	6,50,515.01	6,12,170.98

Note no -22 Other Income

(₹ in Lakhs)

Particulars	For the year ended 31st March'2022	For the year ended 31st March'2021
(a) Interest income on financial assets at amortised cost		
(i) Bank deposits	1,009.24	1,268.76
(ii) Loans to employees	2.42	6.64
(iii) Deposits with Contractors and Suppliers & Others	295.72	157.91
(b) Rent income	296.48	288.45
(c) Miscellaneous income	664.19	564.90
(d) Interest on Income Tax Refund	359.17	-
(e) Sale of scrap	1,732.25	597.23
(f) Profit on Sale of Fixed Assets - KTPS	680.47	489.65
Total Other Income	5,039.95	3,373.53



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

Note no -23 Cost of fuel

(₹ in Lakhs)

Particulars	For the year ended 31st March'2022	For the year ended 31st March'2021
Cost of Coal Consumed	2,36,501.98	2,45,809.71
HSD, Furnace Oil	5,094.21	5,434.97
Other Fuel Related Cost incl Handling and transportation	13,536.14	21,415.46
Shortage in Coal, Furnace Oil and HSD	832.62	683.42
Total cost of Fuel	2,55,964.95	2,73,343.57

Note no -24 Employee Benefits Expense

(₹ in Lakhs)

Particulars	For the year ended 31st March'2022	For the year ended 31st March'2021
Salaries, wages and bonus	43,737.89	43,543.63
Contribution to provident and other funds	1,597.97	1,403.00
Gratuity & Pension	42,462.43	37,182.14
Leave Encashment	3,689.96	2,751.04
Other staff costs	1,159.16	1,124.19
Staff welfare expenses	564.66	1,092.81
Less: Employee benefit expense capitalised	(8.13)	(949.07)
Total Employee Benefit Expense	93,203.94	86,147.75

Note no -25 Finance Cost

(₹ in Lakhs)

Particulars	For the year ended 31st March'2022	For the year ended 31st March'2021
Interest expense on borrowing		
Term loans	62,838.76	79,249.95
Working capital loans	3,956.88	1,963.51
State Government loans	248.29	248.29
Interest on SRCPL security deposit	1.07	0.97
Bank charges	107.56	91.25
Less: Amounts included in the cost of qualifying assets	(41.88)	(73.25)
Total Finance costs	67,110.67	81,480.71



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

Note no -26 Other Expenses

	(₹ in Lakhs)	
Particulars	For the year ended 31st March'2022	For the year ended 31st March'2021
Repairs and maintenance:		
(i) Plant & machinery	26,586.98	27,209.65
(ii) Building	4,344.68	6,029.17
(iii) Others	762.33	978.13
Power expense	839.83	961.71
Rent, Rates and Taxes	1,256.46	1,237.14
Insurance charges	3.11	1.32
Vehicle Running, Hiring and Maintenance charges	1,016.16	860.67
Lubricants, consumable stores and station supplies	650.78	920.41
Water Charges	13,330.90	13,406.00
SLDC Charges	585.64	666.83
Auditors remuneration \$		
(i) As Auditors	12.39	11.80
(ii) For Taxation matters	2.48	2.36
Other expenses		
(i) Energy Charges to BSSUKM	345.87	329.25
(ii) Legal and other professional costs	437.04	582.35
(iii) Reimbursement of expenses to CSPHCL	1,604.49	1,399.01
(iv) Other General Expenses	10,317.69	3,507.50
(v) Expenses on corporate social responsibility *	1,157.00	2,568.00
Less: Other expenses Capitalised	(0.37)	(225.54)
Total Other Expenses	63,253.46	60,445.76

	(₹ in Lakhs)	
Particulars	For the year ended 31st March'2022	For the year ended 31st March'2021
Auditor's Remuneration:		
for Statutory Audit	12.39	11.80
for Tax Audit	2.48	2.36
Total	14.87	14.16

* Note: Disclosure on Corporate Social Responsibility:

	(₹ in Cr.)	
Particulars	For the year ended 31st March'2022	For the year ended 31st March'2021
(1) Amount required to be spent by the company during the year	11.57	16.84
(2) Amount of expenditure incurred for the year	12.84	-
(3) Excess expenditure transferred to Prepaid expense	(1.27)	-
(4) Shortfall/(Excess) at the end of the year	-	16.84
(5) Total of previous years shortfall	19.31	8.84
(6) Amount of expenditure incurred for previous year's shortfall during FY 21-22	19.31	6.37
(7) Total of previous years shortfall as the end of the year (B)	-	2.47
(8) Total Shortfall/(Excess) at the end of the year (A+B)	-	19.31

(9) Nature of CSR Activities:

- (a) Various works of pump electrification of farmers around river & anicuts in Raigarh District
(b) School Development and Renovation Programme at Durg
(c) School Education Societies of Korba
(d) Various works of pump electrification of farmers around river & anicuts in Janjgir Champa District
(10) No contribution has been made to a trust controlled by the company in relation to CSR expenditure.



Note no -26A Exceptional Items

(₹ in Lakhs)		
Particulars	For the year ended 31st March'2022	For the year ended 31st March'2021
Write off of receivables *	30,000.00	-
Total	30,000.00	-

* The company based on request received from CSPDCL with the intention to provide relief looking to the current situation of the company has written off ₹ 300.00 Crore from the receivables of CSPDCL as per the resolution passed in the Board Meeting held on 25th August'2022.

Note no -26B Other Comprehensive (Income)/Expenses

(₹ in Lakhs)		
Particulars	For the year ended 31st March'2022	For the year ended 31st March'2021
Remeasurements of the defined benefit Obligation:		
Gratuity and Pension	52,730.27	20,593.29
Earned Leave Encashment	2,963.98	3,127.60
Total	55,694.26	23,720.89



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
All amounts are in INR unless otherwise stated

Note 27: Basic / diluted earnings per equity share (EPS) have been calculated as under:

Particulars	For the year ended 31st March'2022	For the year ended 31st March'2021
Profit for the year (in ₹ in Lakhs)	57,038.40	19,662.84
Number of Equity Shares:		
Weighted average number of equity shares outstanding (Numbers) :-		
For basic EPS	2821975516	2814304283
Basic/Diluted EPS (₹)	2.02	0.70
Nominal value of an equity Share (₹)	10.00	10.00

Footnote:

Weighted average number of Equity Shares outstanding during the year:

Particulars	For the year ended 31st March'2022 Numbers	For the year ended 31st March'2021 Numbers
Weighted average number of shares outstanding during the year – for calculating basic EPS	2814304283	2814304283
Add: Weighted average number of potential equity shares that could arise on conversion (5 Cr Shares from 03.02.2022)	7671233	-
Total	2821975516	2814304283



Note 28: Restructuring of Chhattisgarh State Electricity Board:

In exercise of the powers conferred by Section 131 read with sub-section (1) and (2) of Section 133 of the Electricity Act, 2003 (Central Act 36 of 2003), State Government (means the Government of Chhattisgarh) vide notification no. F-21/13/2009/13/2 dt.31.03.2010 notified the Chhattisgarh State Electricity Board Transfer Scheme Rules, 2010 (hereinafter referred to as 'transfer scheme rules') in regard to the transfer of properties, undertakings, interests, rights, obligations, liabilities, personnel and proceedings from Chhattisgarh State Electricity Board (hereinafter referred to as Board) to its Successor Companies viz., Chhattisgarh State Power Generation Company Ltd. (CSPGCL), Chhattisgarh State Power Distribution Company Ltd (CSPDCL), Chhattisgarh State Power Transmission Company Limited (CSPTCL), Chhattisgarh State Power Trading Company Limited (CSPTCL) and Chhattisgarh State Power Holding Company Limited (CSPHCL).

Under rule (3) (j) of the transfer scheme rules "Generation Company" or "CSPGCL" means the Chhattisgarh State Power Generation Company Limited, a company incorporated under the Companies Act, 1956 with the main object of operation and maintenance of existing power generation plants as well as installation of new power plants in Chhattisgarh State. The generation Undertaking shall comprise of the assets, liabilities and proceedings, belonging to the erstwhile Board, concerned and in relation to the generation of electricity.

Further Government of Chhattisgarh vide its notification no. 1686/F-21/13/2009/13/2 dated 08.06.2022 has decided to merge and dissolve the Chhattisgarh State Power Holding Company Limited and Chhattisgarh State Power Trading Company Limited into Chhattisgarh State Power Transmission Company Limited and Chhattisgarh State Power Distribution Company Limited respectively. In this regard, the State Government, in consultation with Governor of Chhattisgarh, has amended the Chhattisgarh State Electricity Board Transfer Scheme Rules'2010 which have come into force with retrospective effect viz 01st April'2022.

Note 29: Provisional allocation of Personnel pursuant to Transfer Scheme:

i. Under rule 8 (b) of the transfer scheme rule, the Personnel of the erstwhile Board shall stand assigned to the services of the Generation Company, Distribution Company, Transmission Company, Holding Company and Trading Company as the case may be on the appointed date, on as is where is basis, namely, that they will continue to serve in the place where they are working on the Appointed date, till further orders of the State Government.

ii. The Personnel transferred to the Transferees, shall be deemed to have entered into an agreement with the Transferee concerned to repay loans, advances and other sums due or otherwise perform obligations undertaken by them to the erstwhile Board which remain outstanding as on the Appointed Date, on the same terms and conditions as contained in the arrangement with the erstwhile Board.

Note 30: Final Absorption of Personnel in Transferee Company

i. As per provision of Transfer Scheme Rule 2010, the State Government shall, in consultation with the Successor Companies, finalize the transfer to and permanent absorption of the Personnel in a Transferee taking into account the suitability, ability and experience of the personnel, number and nature of the vacancies and other relevant factors and issue appropriate orders, as it may think fit, for such permanent absorption.

ii. Accordingly the State Government has constituted a Grievance Committee to receive representations and submit recommendations on transfer and absorption of Personnel to the Successor Companies. The final report of the Grievance Committee is still awaited.



Note 31: Employee benefit Plan

1 Defined Benefit Plan

A separate trust in the name of CSEB Gratuity and Pension Fund Trust has been formed by erstwhile CSEB to mitigate the liability of pension and gratuity of its retiring employees. The trust is recognized under part B of Schedule IV of the Income Tax Act' 1961. After the restructuring of erstwhile board, the successor companies have been contributing their respective share of pension and gratuity liability to the aforesaid trust. Company provides for the share of its deficit in the actual contribution vis-à-vis the stipulated contribution determined on the basis of actuarial valuation in its profit and loss account. The employees of the Company are also entitled to compensated absences based on the unavailed leave balance as well as other long term benefits. The Company records liability based on actuarial valuation computed under projected unit credit method.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

The amounts stated below in this note are ₹ in Crores.

Summary of Membership Data:

Sr No	Particulars	31-03-2022	31-03-2021
i	Gratuity		
	Number of employees Gratuity	3379	3533
	Total Monthly Salary (₹ In Cr)	33.08	34.32
	Average Past Service (Years)	17.55	18.39
	Average Age (Years)	44.87	45.53
	Average remaining working life (Years)	17.13	16.47
	weighted average duration	16.50	15.87
ii	Pension		
	For Active Employees		
	Number of employees Pensioners	1141	1387
	Total Monthly Pension (₹ In Cr)	18.41	21.13
	For Retired Employees		
	Number of Retired Employee	2786	2681
	Total Monthly Pension (₹ In Cr)	16.07	14.35
	For Spouse		
	Number of Spouse	1466	1355
	Total Monthly Pension (₹ In Cr)	4.96	4.24
iii	Leave		
	Leave balance considered on valuation date (No of days)	6,24,107	6,44,106

1.1 Risk associated with the Plan

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

1.2 Principal Actuarial Assumptions:

Sr No	Particulars	31-03-2022	31-03-2021
i	Discount rate (p.a.)	7.23%	6.80%
ii	Future salary Increase for Active Employee	8.00%	6.00%
iii	Pension increase for Retired Employee	6.75%	6.00%

a) Discount Rate:

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

b) Salary Escalation Rate:

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.



1.3 Principal Demographic assumptions:

Sr No	Particulars	31-03-2022	31-03-2021
1	Retirement age (Years)	62	62
2	Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
3	Withdrawal rate		
	Upto 30 Years	0.00%	0.00%
	From 31 to 44 Years	0.00%	0.00%
	Above 44 years	0.00%	0.00%

1.4 The amounts recognised in the financial statements and the movements in the net defined benefit obligations over the year are as follows:

Particulars	₹ in Crores		₹ in Crores	
	Gratuity and Pension		Leave	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Current Service Cost	85.78	78.78	19.82	11.80
Past Service Cost including curtailment Gains/Losses	-	-	-	-
Interest Cost on Defined Benefit Obligation	402.47	374.60	17.08	15.71
Interest Income on Plan Assets	(73.40)	(72.83)	-	-
Amount recognised in statement of profit and loss	414.85	380.55	36.90	27.51
Actuarial gain / (loss) for the year on Defined Benefit Obligation	(530.44)	(252.91)	(29.64)	(31.28)
Actuarial gain / (loss) for the year on Asset	3.14	46.97	-	-
Amount recognised in other comprehensive income	(527.30)	(205.93)	(29.64)	(31.28)

1.5 The amount included in the Balance sheet arising from the entity's obligation in respect of its defined benefits plans as follows:

Particulars	₹ in Crores	
	Gratuity and Pension	
	31-03-2022	31-03-2021
Present value of defined benefit obligation	6,598.64	5,918.74
Fair value of plan assets	1,050.44	1,079.46
Unfunded Liability/provision in Balance Sheet	5,548.20	4,839.28
Bifurcation of the present value of defined benefit obligation at the end of the year		
Current *	416.29	367.93
Non-current	6,182.35	5,550.81

* Current portion is showing as per actuarial report, however, proposed payment by CSERC during FY 21-22 is showing as Current liability in Note No. 17 of the Financials.

1.6 Movement in fair value of the defined Benefit Obligation

Particulars	₹ in Crores		₹ in Crores	
	Gratuity and Pension		Leave	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Opening defined benefit Obligation	5,918.73	5,508.77	251.14	231.04
Current Service cost	85.78	78.78	19.82	11.80
Actuarial (Gain)/Loss on arising from Demographic Assumption	-	-	-	-
Interest cost on defined benefit obligation	402.47	374.60	17.08	15.71
Actuarial (Gain)/Loss on arising from Experience Adjustment	530.44	252.91	29.64	31.28
Actuarial (Gain)/Loss on arising from change in Financial assumptions	(338.79)	(296.32)	(39.18)	(38.68)
Benefits paid	-	-	-	-
Closing defined benefit Obligation	6,598.64	5,918.73	278.50	251.14

Significance of actuarial gain/loss - Recurring significant amount of actuarial gain/loss arising from experience as percentage of PBO in a year indicates that valuation assumptions need reconsideration unless it is caused by some exceptional event during the inter-valuation period.



1.7 Movement in fair value of Plan assets are as follows:

Particulars	₹ in Crores	
	Gratuity and Pension	
	31-03-2022	31-03-2021
Opening fair value of Plan assets	1,079.46	1,070.97
Actual return on Plan assets	76.54	119.80
Employer contribution	233.23	185.01
Benefits paid	(338.79)	(296.32)
Closing fair value of Plan assets	1,050.44	1,079.46

1.7.1 Major categories of plan assets (as percentage of total plan assets):

Particulars	Gratuity and Pension	
	31-03-2022	31-03-2021
Funds Managed by Insurer	100.00%	100.00%
High Quality Corporate Bonds	-	-
Government of India Securities	-	-
Central /State Government Guaranteed securities	-	-
Equity Shares of listed companies/Equity Mutual Fund	-	-
Closing fair value of Plan assets	100.00%	100.00%

1.8 Movement in Net defined Benefit Obligation

Particulars	₹ in Crores	
	Gratuity and Pension	
	31-03-2022	31-03-2021
Opening Net defined benefit Obligation	4,839.27	4,437.80
Total Service Cost	85.78	78.78
Net Interest cost (Income)	329.07	301.77
Actuarial (Gain)/Loss	527.30	205.93
Contribution paid to the fund	(233.23)	(185.01)
Closing Net defined benefit Obligation	5,548.19	4,839.27

1.9 Sensitivity Analysis of the Defined Benefit Obligation

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	₹ in Crores		₹ in Crores	
	Gratuity and Pension		Leave	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Discount Rate				
Impact of increase in 50bps on DBO	(287.04)	(132.62)	(11.35)	(8.51)
Impact of decrease in 50bps on DBO	320.69	135.00	12.57	9.11
Salary Escalation Rate				
Impact of increase in 50bps on DBO	254	134	12.33	9.17
Impact of decrease in 50bps on DBO	(234.05)	(133.93)	(11.34)	(8.50)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.



32. Financial instruments

32.1 Capital management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through non convertible debt securities or 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 of the Company are as given below:

The gearing ratio at end of the reporting period was as follows.

Particulars	(₹ In Lakhs)	
	As at 31st March 2022	As at 31st March 2021
Debt	7,35,893.83	7,29,254.84
(-) Cash and bank balances	(28,767.31)	(59,277.58)
Net debt (i)	7,07,126.51	6,69,977.26
Total Equity (ii)	3,07,201.47	2,81,395.53
Net debt to equity ratio (i/ii)	2.30	2.38

(i) Debt is defined as long-term and short-term borrowings including current maturities of long term debts

(ii) Equity is defined as Equity share capital and other equity including reserves and surplus

32.2 Financial Instruments – Fair values and risk management

Categories of Financial Instruments:

Financial Assets	31 March 2022			31 March 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Trade receivables			4,02,082.63			3,26,019.80
Cash and cash equivalents			26,117.23			54,654.26
Other Bank Balances			2,650.08			4,623.31
Loans			111.59			75.06
Investment			0.00			0.00
Other financial assets			1,14,964.85			7,218.07
Total			5,45,926.38			3,92,590.49
Financial liabilities						
Borrowings			7,35,893.83			7,29,254.84
Trade Payables			52,739.63			42,560.82
Other financial liabilities	692.28		71,972.96	706.67		63,631.03
Total	692.28		8,60,606.42	706.67		8,35,446.68

Management believes that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values, hence the fair value disclosures are not given.



32.3 Financial risk management objectives

The company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's Corporate Treasury function manages the financial risks relating to the operation of the Company. These risks include Interest risk, credit risk and liquidity risk.

32.3.1 Interest rate risk management

Interest rate risk arises from the potential changes in interest rates that may have adverse effects on the Company in the reporting period or in future years. Interest rate risk is the risk that the future cash flows with respect to interest payments on borrowings will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations.

Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for term loans at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans that have floating rates. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on rate of borrowings, as follows:

Financial Year ended on	Increase/decrease in basis points	Effect on profit before tax (₹ In Lacs)
31-Mar-22	50	3,679.47
31-Mar-21	50	3,646.27

32.3.2 Credit risk management

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Financial assets that potentially expose the Company to credit risks are listed below:

Financial Assets	As at 31st March 2022 (₹ In Lakhs)	As at 31st March 2021 (₹ In Lakhs)
Trade Receivables	4,02,082.63	3,26,019.80
Loans	111.59	75.06
Other financial assets	1,14,964.85	7,218.07
Total	5,17,159.07	3,33,312.92

The Management does not expect credit loss in any of the above financial assets and hence no provision for ECL has been created.

32.3.3 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The maturity profile of the financial assets are listed below:

				(₹ In Lakhs)
	Upto 1 Year	1-5 years	5+ years	Total
31-Mar-22				
Borrowings	1,34,773.98	4,20,762.58	1,80,357.26	7,35,893.83
Trade Payables	52,739.63	-	-	52,739.63
Other financial liability	71,972.96	-	11.77	71,984.74
	2,59,486.58	4,20,762.58	1,80,369.03	8,60,618.19
31-Mar-21				
Borrowings	82,374.32	4,06,960.94	2,39,919.58	7,29,254.84
Trade Payables	42,560.82	-	-	42,560.82
Other financial liability	63,631.03	-	10.70	63,641.73
	1,88,566.17	4,06,960.94	2,39,930.28	8,35,457.39



Note 33: Managerial Remuneration

(₹ in Lakhs)

Details	FY 2021-22	FY 2020-21
Salary & Allowances Incl Post retirement Benefit	85.26	150.10
Total	85.26	150.10

Note 34: Consumption of major raw materials:

Particulars	FY 2021-22		FY 2020-21	
	Quantity (in MT)	₹ In crores	Quantity (in MT)	₹ In crores
Coal	1,31,02,242	2,365.02	1,35,27,339	2,458.10
Total	1,31,02,242	2,365.02	1,35,27,339	2,458.10

Note 35: Quantitative details :

Licensed capacity, Installed Capacity & Production details are as under:

Power Plants	Capacity					
	Licensed (in MW)		Installed (in MW) #		Production/Generation (in MU)*	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Hydro	138.70	138.70	138.70	138.70	430.19	461.14
Thermal	3,280.00	3,280.00	2,840.00	2,840.00	15,980.90	16,805.71
Others	-	6.00	-	6.00	4.96	4.73
Total	3,418.70	3,424.70	2,978.70	2,984.70	16,416.05	17,271.58

*Net of Auxiliary Consumption # Installed capacity reduced to 6 MW Co-gen plant due to transfer of such plant to BSSUKM.

Units Sold:

Power Plants	2021-22		2020-21	
	In MU	Value (₹ In Cr.)	In MU	Value (₹ In Cr.)
Hydro	430.19	121.35	461.14	54.52
Thermal	15,980.90	6,345.05	16,805.71	5,490.95
Others	4.96	3.64	4.73	3.13
Total	16,416.05	6,470.05	17,271.58	5,548.59

Note 36 : Balances of State Government Loan, Loans and Advances (assets and liabilities) whether current or non-current and trade receivables and payables and inter-company accounts are subject to confirmation and reconciliation.

Note 37: The company is in process of compiling the details for relevant disclosures of Micro, Small & Medium Enterprises covered under Micro, Small & Medium Enterprises Development Act'2006.

Note 38: The tariff of Electricity generated by CSPGCL is decided by Hon'ble CSERC accordingly sale of electricity to CSPDCL have been made at the rates mentioned in the tariff order issued by Hon'ble CSERC. Further all transactions, if any, with specified associated enterprises are also governed by the tariff regulation. Hence, there is no violation of section 92BA of Income Tax Act regarding specified domestic transactions.

Note 39: CSPGCL and M/s Sarguja Rail Corridor Private Limited (SRCPL) hereinafter referred as "SRCPL" vide MoU dated 03.03.2014 wherein CSPGCL has agreed to facilitate land acquisition process for development of Common Rail Corridor (CRC) for offtake and transport of coal from Hasdeo Arand Coal Fields. Under the MoU, SRCPL is obliged to incur all cost relating to land acquisition, expenditures relating to rehabilitation and resettlement, CSR etc. on behalf of CSPGCL. Upon due completion of land acquisition, the said land was stipulated to be transferred to SRCPL for construction and operation of CRC. Further vide Lease Deed and Operation Agreement both dtd. 29th Oct'2015, CSPGCL has provided to SRCPL under long term lease for period of 50 years on payment of annual lease rents to CSPGCL as per agreed terms. Accordingly, the aforesaid land has been classified as Leasehold Land under Note No. 4 "Property, Plant and Equipment" at nominal value (i.e. Rs. 1/-) considering the fact that all expenditure against procurement of land had been incurred by SRCPL. Further, company has recovered Annual lease rental amounting to ₹ 2.60 Cr. from M/s SRCPL vide lease deed executed on 29.10.2015.

Note 40: The company has fully disclosed the impact of pending litigations on its financial position in its financial statements. Further, the company is not required to transfer any amount to the Investor Education and Protection Fund as required under Companies Act'2013.



Note 41: On 28 March, 2018, Ministry of Corporate Affairs ('MCA') has notified the Ind AS 115, Revenue from contracts with customers. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

1) Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.

2) Retrospectively with cumulative effect of initially applying the standard recognised at the date of initial application (Cumulative catch-up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April, 2018.

The Company has only one customer, which is its fellow Subsidiary namely "CSPDCL" and company accounted its revenue with CSPDCL only as per the guidelines prescribed by the regulator in the tariff order issued time to time and hence no financial implication has been arisen after the introduction of Ind AS 115. The revenue of the company arises only in the state of Chhattisgarh and hence no geographical market segment exists. Contract balances have been mentioned in the note no. 11 & 7 of the financials.

Note 42: The CSERC has carried out final true up for FY 2020-21. CSERC vide Tariff order dtd. 13.04.2022, has ascertained revenue Gap of ₹ 246.21 crore (P.Y. gap of ₹ 324.03 crore) including carrying cost. The CSERC vide Para 13 of Tariff Order dtd. 13.04.2022 has adjusted the gap of ₹ 246.21 crore through its tariff for FY 2022-23 from CSPDCL on a monthly basis, at the rate of Rs. 20.52 Crore per month.



Note 43: In view of paragraph 11 of Ind AS-24, no disclosure is required as regards related party relationships with other state controlled enterprises and transaction with such enterprises. Other disclosures as required by Ind AS-24 are as under:

A. List of Related Parties:		
Nature of Relationship	Name of the party	Remarks
Holding Entity (Parent)	Chhattisgarh State Power Holding Company Limited	
Subsidiary	Uttar Chhattisgarh Rajya Vidyut Utpadan Limited (formerly known as "IIFCO Chhattisgarh Power Limited")	
Fellow Subsidiary	Chhattisgarh State Power Distribution Company Ltd	
Fellow Subsidiary	Chhattisgarh State Power Transmission Company Ltd	
Fellow Subsidiary	Chhattisgarh State Power Trading Company Ltd	
Associates	CMDC ICPL Coal Limited - 49% through ICPL	
Key management personnel:	N.K. Bizora (Managing Director)	
Key management personnel:	Shri Alok Singh (Chief Financial Officer)	
Key management personnel:	Arun Mishra	Company Secretary

B: Following are the transactions carried out with Related parties in ordinary course of business:-

(₹ in Lakhs)

Nature of Transaction	Chhattisgarh State Power Holding Co Ltd	Chhattisgarh State Power Transmission Co Ltd	Chhattisgarh State Power Distribution Co Ltd	Uttar Chhattisgarh Rajya Vidyut Utpadan Limited (Subsidiary)	Key Managerial Personal	
					N.K. Bizora	Alok Singh
Revenue from Operations	-		6,50,515.01 (PY 612170.98)	-	-	-
Power Expenses	-		839.83 (PY 961.71)	-	-	-
Administrative & Genral Expenses	1604.49 (PY 1399.01)		-	-	-	-
EITC Charges			1353.60 (PY 1392.53)			
SLDC Charges	-	585.64 (PY 666.83)		-	-	-
Salary/Remunerati on & Pension	-	-	-	-	45.77 (PY 115.29)	39.49 (PY 34.81)
Interest on Short Term loan			59.47 (PY Nil)			
Loans given	-	-	20,000 (PY Nil)	58.00 (PY 61.30)		
Loans repaid			-20,000 (PY Nil)			
Total	1604.49(PY 1399.01)	585.64 (PY 666.83)	6,52,767.91 (PY 6,14,525.22)	58.00 (PY 61.30)	45.77 (PY 115.29)	39.49 (PY 34.81)



Note 44: Details of other miscellaneous claim lodged by the company are given in table below:

a. Non supply of 30 nos. Hopper Wagons: Based on requisition of Coal Transportation division Korba East an open tender was invited by O/o the CE(Gen) Korba East in the year 2004 for purchase of 30 Nos. BG Hopper Wagons meant for Korba East. While finalizing the case, the final accepted terms & condition were to allow 25% interest free advance against corporate guarantee. The said tender was awarded to M/s. Jessop Co. Ltd, Kolkata vide order no. 20-30/KEB/P&W/T-145/03/366 dtd. 07.02.2005 with contract value of ₹ 7.61 Crores. As per the order condition 25% advance i.e. ₹ 1.56 crores was released to the awardee. However, M/s Jessop Co. Ltd, Kolkata had not supplied the desired wagons even after legal notices from erstwhile board and successor company thereafter. The Hon'ble Chhattisgarh High Court of Bilaspur has appointed sole arbitrator in Feb'2012, who has passed judgment in favour of CSPGCL vide order dated 28.06.2015 for an award of ₹ 3.29 cr in favour of CSPGCL. However, M/s Jessop Co. Ltd, Kolkata has filed appeal against the arbitration order before district court, Bilaspur.

b. Final settlement against work order for engineering supply & services for modification & up-gradation of 8.5 E-9 Coal Mills of unit no. 3 & 4 of HTPS: Korba West:

The modification & up-gradation of 12 Nos. 8.5 Mills of 2x210 MW unit 3 & 4 of HTPS Korba West was initiated by CE(Gen) HTPS Korba West. Accordingly order was placed by SE(MM-II) HTPS Korba West vide no. 004-11/BM-II/KWB/2265 dtd. 27.09.2003 to M/s BHEL. However, M/s BHEL could not fulfill the desired guaranteed parameters and accordingly, the erstwhile boards has communicated final settlement amount of ₹ 10,21,72,071/- as per the contract terms vide letter no. 03-03/SE-II/1503 Raipur dtd. 22.04.2006. Case resubmitted for review.

c. CSPGCL has deposited ₹ 2.00 crores with Commissioner Nagar Palik Nigam Korba for construction of fly over bridge at Korba. As the construction work of fly over bridge is not yet started, the Hon'ble CSERC during the business plan directed to defer the above project since parallel road is available to cater the traffic requirement. Accordingly, company has requested to the Collector of Korba to return the deposited amount of ₹ 2.00 crore with interest.

d. CSPGCL has made representation before Mantralaya, Raipur against the unjustified demand on cooling tower raised by the Nagar Nigam Korba relating to property tax of Building and Structures of 1*500 MW Extn unit amounting to ₹ 257 Lacs.

e. CSPGCL has raised claim of Rs. 169.40 Crore for the Grade Slippage in coal supply in KTPS during June'12 to June'16 as per KTPS coal analysis and ₹ 6.09 Crs as compensation for short delivery of coal quantity by SECL to DSPM TPS during FY 2013-14 against Annual Contracted Quantity as per FSA till 31st March'2020. Further, due to lack of joint reconciliation for the year under consideration, claim (if any) for the year could not be ascertained. The matter is under correspondence with SECL.

f. The company has raised a refund claim of ₹ 33.23 Lac before D.F.O. Kathghora (forest department) against the payments made towards forest diversion of 166.129 Hectare & additional land acquisition for construction of 1000 MW Darri Korba Thermal Power Plant.

Note No. 45: The Honourable Supreme court has passed a decision on 28th February 2019 in relation to the inclusion of certain allowances within the scope of Basic Wages" for the purpose of determining the contribution to Provident Fund under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of judgement on the Company, with respect to the period and the nature of allowances to be covered and the resultant impact on the past provident fund liability cannot be reasonably ascertained, at present."



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Note 46: Ratio Analysis

S.No.	Ratio's	Denominator/Numerator	FY 21-22	FY 20-21	% Change	Reason
1	Current Ratio	Current Assets/ Current Liabilities	1.78	2.09	-14.79%	
2	Debt-Equity Ratio	(Non Current Borrowings+Current Borrowings)/ Equity Share Capital	2.61	2.59	0.91%	
3	Debt Service Coverage Ratio	Earnings before Interest , Depreciation, Tax and Exceptional Items/ Total Debt Service	1.63	1.06	53.88%	Revenue is increased due to tariff surplus of ₹324.03 Crore, whereas there were tariff deficit of ₹225.51 Crore in previous year,.
4	Return on Equity Ratio (%)	Profit after tax/ Shareholders Equity	20.27	6.99	190.08%	Due to increase in revenue as stated in S.No. 3 above.
5	Inventory turnover ratio	Not Applicable				
6	Trade Receivables turnover ratio (in days)	Average Receivables (Yearly)/ Per day Turnover	204	181	13.13%	
7	Trade payables turnover ratio (in days)	Average Payables (Yearly)/ Per day Expenditure of Purchases & Other Expenses	54	49	10.70%	
8	Net capital turnover ratio	Net annual sales / Working capital	2.80	2.63	6.26%	
9	Net profit ratio (%)	Net profit after tax / Revenue from operations	8.77	3.21	172.98%	Due to increase in revenue as stated in S.No. 3 above.
10	Return on Capital employed (%)	Earnings before Interest , Depreciation, Tax and Exceptional Items/ (Total Assets-Current Liabilities)	14.64	13.80	6.06%	
11	Return on investment	Not Applicable				



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Note No. 47 – Contingent Liabilities & Commitments

i. Contingent Liabilities:

a. Claims against the company not acknowledged as debt:

S.No.	Particulars of Contingent Liability	Amount of Contingent Liability 2021-22 (₹ in Lakhs)	Amount of Contingent Liability 2020-21 (₹ in Lakhs)
1	<u>Contingent Liabilities arising due to Reorganization of MPEB into MPSEB and CSEB:</u> On bifurcation of erstwhile state of Madhya Pradesh, MPEB had sustained tax loss of ₹ 1,42,246 lacs and ₹ 99,365 lacs in FY 1999-2000 and FY 2000-01 respectively, aggregating to ₹ 2,41,611 lacs. As per section 65 of Madhya Pradesh Reorganization Act (MPRA), the Central Government has been empowered to make rules for bifurcation of these tax losses of MPEB between MPSEB and CSEB. However, no such rules have been made by the Central Government so far. Erstwhile MPEB had filed Income Tax Return for FY 1999-2000 and 2000-01 beyond the due date as prescribed in the Income Tax Act. The MPSEB had filed application for condonation of delay before CBDT. Accordingly the delay in filing of return for AY 2000-01 has been condoned by CBDT, whereas no relief had been granted for AY 1999-2000. CSEB has also moved application for condonation of delay of return filed by MPSEB for these years and CBDT has taken same view as in the application of MPSEB. CSPHCL has filed a writ petition against order of CBDT before Hon'ble High Court of Bilaspur. Any adverse outcome of the case may have financial implication on the successor companies of erstwhile CSEB. In absence of such rules, for the purpose of this computation, CSEB has claimed its share of ₹ 55,498 lacs in the brought forward tax losses of MPEB in power consumption ratio of 77.03:22.97 (MPSEB:CSEB), as laid down by the Central Government in its Notification dated November 4th, 2004 for allocation of current assets and liabilities of MPEB. Board's tax liabilities may vary based on the outcome of Rules to be issued by Central Government u/s 65 of MPRA 2000. Accordingly, any liability arising on non-framing of said rules may have an adverse financial implication on the successor companies of erstwhile CSEB in the ratio prescribed in opening balance sheet for allocation in Net Fixed Assets and CWIP less Loans and Grants (CSPGCL:CSPTCL:CSPDCL:: 47.82: 13.73: 38.45) The demand has been raised against CSEB by Income Tax department after income assessment of AY 2003-04 & onwards. The Board has filed appeal against these orders and cases are pending before various authorities. The liability may arise based on outcome of these cases. The year wise gross disputed demand and tax paid against such liabilities are as under :-		



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	S.No.	Assessment Year	Authority before which case is pending	27738	27738
	1	2003-04	Pending before Hon'ble High Court of Chhattisgarh & Appellate Tribunal, Mumbai		
	2	2006-07	Income Tax Appellate Tribunal (ITAT), Mumbai has passed order in favour of CSEB. However, IT department misinterpreted the above factual and legal position and the orders of CIT (Appeal) and ITAT, assessed the income at ₹ 84075 Crs & served a demand notice of ₹ 26960 crore. The appeal filed against above demand notice before CIT (Appeal) has also been rejected. The final Hearing before ITAT, Mumbai, completed on 1.9.2015, order awaited.		
	3	2008-09	The matter is pending before CIT (Appeal), Raipur		
				9219	9219
2	After the re-organization of the erstwhile MPEB and subsequent formation of successor boards i.e. MPSEB and CSEB, the matter regarding apportionment of pension and gratuity liabilities between the two boards has not been settled so far. The pension and gratuity liabilities were to be apportioned between MPSEB and CSEB in accordance with Schedule - VI of the M.P. Reorganization act - 2000 and settled on yearly basis. In a meeting convened by Ministry of Power, Government of India at New Delhi on 22.12.2008, it was mutually agreed between MPSEB and CSEB that the pension liability shall be settled between MPSEB and CSEB under one time settlement. The actuary firm, M/s Thanawala Consultancy Services was appointed on mutual consent of MPSEB and CSPHCL for carrying out actuarial valuation for the purpose of calculating the one time settlement amount. The firm had submitted its draft report. However certain discrepancies were observed in the data furnished by MPSEB which were likely to impact the settlement amount to a considerable extent. This was brought to the notice of actuary firm and MPPMCL and it was requested to verify and furnish the corrected data. MPPMCL has not made available the correct data. GoI, MoP have been requested to insist upon MPPMCL for rectification of pensioners data as also for settlement of all pending issues having financial implication. BoD of CSPHCL in its meeting dt.05-05-2018 has decided that in the event MPPMCL do not rectify the relevant data, CSPHCL may agree to CSEB's liability towards one time pension settlement payable to MPSEB limited to ₹ 18000lacs as on 01-11-2000 (value date ₹ 38977lacs as on 31-03-12). Accordingly, the net amount payable by successor companies of CSEB after			16670	16670



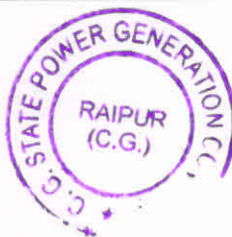
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adjustment of receivable under various head is as under :-

Sl. No.	Particulars	Amount (₹ in Lakhs)
1	Payable to MPSEB towards one time pension settlement (as on 31.03.2012)	38977
Less: Receivable from MPSEB (as on 31.03.2012)**		
2(i)	Remittance of Revenue from RAOs during 15/11/2000 to 30/11/2000 to Jabalpur of erstwhile MPEB*	8839
(ii)	SLR/PP Bond liability	6652
(iii)	Excess settlement of liability towards IDBI/SIDBI	428
(iv)	Interest on the REC's refund excess settlement amount of ₹ 21500lacs Cr. From the period 01/01/2010 to 28/12/2010	936
(v)	Excess payment to Canfin withheld by MPSEB	69
Subtotal (i to v)		16924
Less :		
3	CSEB's share of GTIS Transferred by LIC to MPPMCL	5383
Net Payable to MPSEB (1-2-3)		16670

** Payable in respect of items at S. No. 2(ii) to 2(v) has been accepted by MPPMCL. However, payable in respect of item at S. No. 2(i) not accepted as on date.

- As such the provision for liability to the tune of ₹ 16670 lacs has been made in books by concerned power companies in the ratio prescribed in opening balance sheet for allocation of employees related liabilities (CSPGCL: CSPTCL: CSPDCL :: 26.83%:10.61%:62.56%). However, the balance liability, if any based on actual settlement on this account shall devolve on successor companies, i.e. CSPGCL, CSPTCL and CSPDCL.

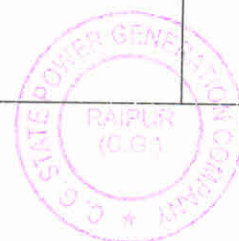


Chhattisgarh State Power Generation Company Limited

Notes to the financial statements for the year ended 31st March'2022

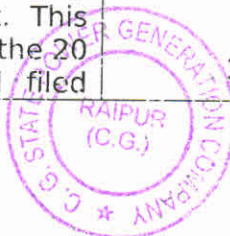
All amounts are in INR unless otherwise stated

3	Asstt. Labour Commissioner had levied building & construction cess @1% on the complete cost of construction of 1x500 MW Korba West Extn. and 2x500 MW Marwa TPP as per Building and Other Construction Workers' Welfare Cess Act, 1996 amounting to ₹ 2816lacs (approx.) for Korba West Extn. and ₹ 5260lacs (approx.) for Marwa TPP. Hon'ble High Court, Bilaspur has granted stay on the Writ Petition filed by the company against levy of building construction cess and also directed to start de novo proceedings for re-assessment of the BOCW cess. In this regard, ₹ 658 lacs and ₹ 990 lacs has already been paid for Korba West Extn. and Marwa TPP respectively. The balance ₹ 2158 lacs and ₹ 4270 lacs for Korba West Extn. and Marwa TPP respectively has therefore been kept on hold till finality of case.	2158 & 4270	2158 & 4270
4	The disputed water charges claimed by Water Resource Department have not been paid by CSPGCL and representation has been made to the State Government of Chhattisgarh for waiver. Details of power station wise disputed demands are as under:		
	a) <u>HTPS, Korba West</u> - WRD has charged evaporation loss @5% of water discharged, however, the said loss is not in line with norms of 0.5% fixed by Central Govt., CSPGCL has therefore made representation before WRD and also GOCG. Moreover, there are disputes with regard to measurement of water quantity.	16383	16230
	b) <u>HBHPS, Machadoli</u> - Actual run beyond the schedule period, matter represented with WRD for waiver.	65	65
	c) <u>KTPS, Korba East</u> - WRD raised water charges bill as per allocated quota as per terms of agreement. However, the actual consumption of water is very less and therefore CSPGCL passes bills of WRD on the basis of actual water consumption. CSPGCL, has made an application with GoCG for waiver of additional claim of WRD along with evaporation loss.	117988	112784
	d) <u>1x500 MW Korba West Extension</u> - WRD has charged amount due to non-execution of agreement for allotted quantity. During the year under consideration, the company has provided for penalty of ₹ 1091 Lacs.	4355	3853
	e) <u>Mini Hydel</u> - WRD has charged amount due to non-execution of agreement for allotted quantity. However, agreement of Mini Hydel has been made on 26.10.2019. The amount has been provided for during the year under consideration.	-	26
	However it would be pertinent to mention that as per regulation no. 40.1(c) of MYT Regulation 2012 issued by CSERC, water charges shall be pass through tariff on reimbursement basis.		
5	CSPGCL has deducted ₹ 3.76 lacs due to poor workmanship & delay in execution of work by M/s. Mohd. Kasim, Korba against order No. 021-10/BLR/T-200/2005/ORD/2341 dated 07.06.05 placed for AOH of ESP of unit No. 3&4 of HTPS Korba. The contractor has resorted to civil suit against the action of CSPGCL; The district court of Korba vide MJC no.45/2012 gave	3.76	3.57



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
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	judgement favouring CSPGCL against which the aggrieved party went for appeal before the High Court of Chhattisgarh (appeal no .ARBA No.42/2019)		
6	Revenue land of 50.73 Acres was acquired in the year 1981 for ash bund Danganiakhar for HTPS, Korba West. Tahasildar, Katghora has issued a demand note dated 29.11.1996 for ₹ 1,93,14,536/- toward premium and annual ground rent with interest. Meanwhile Tahasildar has seized the Account of MPEB. The action of Tahasildar was challenged in Hon'ble High Court of Jabalpur, wherein stay was granted in favour of erstwhile MPEB. Case was transferred to Hon'ble High Court Bilaspur after formation of Chhattisgarh. CSPGCL has pleaded for notional rent (@ ₹ 1.00) as per order dated 08.07.1997 of Government of Madhya Pradesh. However, Hon'ble High Court Bilaspur vide order dated 02.07.2013 has directed for amicable settlement of matter between the two parties as both the parties are related to State Government. The company has accordingly made representation vide letter no. 04-04/1820 dated 01.01.2015 before Principal Secretary (Revenue) Government of Chhattisgarh for waiver of demand amounting to ₹ 193 lacs Representation made to revenue department GOCG has not been considered and conveyed to this office vide letter no.F-8-13/7-1/2016 Naya Raipur dtd. 09.05.2016. Legal advice is being obtained from advocate. As per prevailing norms Government land is allotted to Chhattisgarh power company at token lease of ₹ 1/-.	193	193
7	Nagar Palika Nigam, Korba has demanded additional Property tax for HTPS Korba West (F.Y. 2008-09) ₹ 217 lacs & ₹ 189 lacs against DSPM (F.Y.2000-01 to 2009-10). Writ petition (No. 1345 & 1248) was filed in Hon'ble High Court Bilaspur, against which Hon'ble High Court vide order No. 36286/14 & 36287/14 has directed not to recover additional property tax from the company by Municipal Corporation, Korba. However, Nagar Palika Nigam has applied for review petition against the said order before the Hon'ble High Court Bilaspur. After legal opinion a reply has been submitted to Nagar Palika Nigam. The case has been decided in FY 21-22 and company has paid the amount of Rs. 440.89 Lacs in the case of DSPM and Rs. 297.05 Lacs in the case of HTPS. Further, Commissioner of Nagar Palik Nigam Korba has imposed penalty for year 2009-10 amounting to ₹ 345.37 Lacs & for year 2021-22 amounting to ₹ 50.44 Lacs against which company has filed an application for waiver of the same on 18.10.2021. The decision is awaited. In another case, wherein, Nagar Nigam Korba has issued also issued demand of ₹ 2096 lacs against property tax of Building and Structure of 1*500 MW Extn. unit of Korba West. This property tax include the tax on cooling tower considering the 20 feet height. The company against the said demand filed	395.81 2096	406 395.81 2090



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
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	representation before the competent authority of Government of Chhattisgarh regarding levy of Property tax claim of ₹ 2090 lacs of which decision is still awaited.		
8	The demand of ₹ 36,17,705/- has been raised by Additional Commissioner of Commercial tax Appeal for FY 2008-09. CSPGCL has filed appeal before Appellate Tribunal, Commercial tax. The company has deposited ₹ 12,80,019/- against the said demand before filing appeal. The case has been settled during the year under consideration against the company and hence amount has been provided in the books of accounts.	-	36
9	Claim of ₹ 26395.37 Lacs has been lodged by SECL against adjustment/deduction of grade slippage, UHV, sizing charges, excess amount recovered by CSEB, taxes & duties etc made by the company against the bill of SECL. Out of the above mentioned amount ₹ 15252.99 lacs are withheld from suppliers bill. Contingency is made for balance amount of Rs.11142.37 Lacs. SECL is reluctant to accept these deductions. The matter is under correspondence stage with SECL. Further, SECL has also raised claim against interest on delayed payment of ₹ 24200.00 Lacs against which company in earlier years provided ₹ 2183.69 Lacs, however, since the accounts with SECL is subject to reconciliation, interest payment will be provided only when books of both the parties are finalized.	11,142.37 and 22,016.31	11,142.37 and 22,016.31
10	The company through the online system of Income Tax Department has retrieved that an amount outstanding against TDS liability for Short Deduction/ Short Payment and corresponding interest including late filing fees and interest. The company is in process of obtaining necessary information of such distinguished cases from its decentralized office and Income Tax Department and liability will be provided only after due appraisal on cases to case basis.	70.45	123.52
11	M/s Sweta Construction 388,Indira Vihar T.P Nagar,Korba has lodged claim for Rs.265.88 lacs towards construction of 36 unit D type staff quarters including internal water supply, sanitation and electrification & construction of road,culvert & drain of all types of staff quarters at Marwa. The matter is pending in Supreme court of India vide Appeal no.(Civil)176420 of 2019.	265.88	265.88
12	M/s ARSS ATLANTA (JV) has lodged claim of ₹ 3568.94 Lakhs which is under arbitration before Sole Arbitrator Justice A.P. Deshpandey (Retd.) Nagpur, Sole Arbitrator Court, for payment towards construction of Rail Infra facility for transportation of coal from Naila Railway Station to proposed project site package-III Marwa.Case is under process in sole Arbitrator.	3568.94	3568.94
13	Claim of CSPDCL for electricity bill of colony street light, pump house, schools, clubs, Erector hostel, VIP guest house etc. Correspondence being made with the officials of CSPDCL for clarification.	104.84	70.41



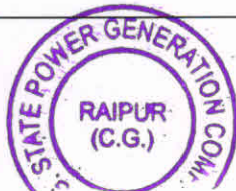
Chhattisgarh State Power Generation Company Limited
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14	A Claim has been lodged by prior allottee of GP III Coal mines, M/s Goa Industrial Development Corporation (GIDC) in Hon'ble Part time Tribunal at Bilaspur, Chhattisgarh amounting to ₹ 34680 Lacs (including interest upto 31.08.2017) against which ₹ 11474 Lacs has already been deposited by CSPGCL to concern department towards land compensation, geological report, tree cutting etc. as per decision taken in meeting on 04.10.2017 chaired by Secretary Mineral resource department of Government of Chhattisgarh. The case is pending.	232.06	-																					
15	Demand was raised by the employees state Insurance Corporation (ESIC) under Section 45A of ESI Act, 1948 on Dr. Shyama Prasad Mukherjee Thermal Power Station, Korba (East) (DSPM) and Hasdeo Thermal Power Station, Korba (West) (HTPS) of ₹ 609.61 lacs the company has already deposited an amount of ₹ 152.40 lacs (₹ 103.39 lacs for DSPM & 49.01 lacs for HTPS) for appealing the above demand before Hon'ble Labour Court, Korba the above of ₹ 152.40 lacs has been made during FY 2012-13). The statement of disputed demand are as under :- <table><tr><td>Contribution to be paid by company as per demand</td><td>₹ 609.61 Lakhs</td></tr><tr><td>(-) Contribution already paid by company</td><td>₹ 132.39 Lakhs</td></tr><tr><td>Balance liability</td><td>₹ 477.22 Lakhs</td></tr><tr><td>Amount paid by company for appeal before Labour Court</td><td>₹ 152.40 Lakhs</td></tr></table>	Contribution to be paid by company as per demand	₹ 609.61 Lakhs	(-) Contribution already paid by company	₹ 132.39 Lakhs	Balance liability	₹ 477.22 Lakhs	Amount paid by company for appeal before Labour Court	₹ 152.40 Lakhs	477.22	172.20													
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(-) Contribution already paid by company	₹ 132.39 Lakhs																							
Balance liability	₹ 477.22 Lakhs																							
Amount paid by company for appeal before Labour Court	₹ 152.40 Lakhs																							
16	M/s Tecpro Systems Ltd, BOP package contractor of 1x 500MW Korba West TPP invoked arbitration as per contract clause for adjudication before Arbitral Tribunal on settlement of following matters: <table><tr><th>S.No.</th><th>Claim on account of:</th><th>Amount in Lacs</th></tr><tr><td>1</td><td>Additional cost incurred</td><td>27697</td></tr><tr><td>2</td><td>Certain extra work order dtd 31.12.2016</td><td>17351</td></tr><tr><td>3</td><td>Extra claim for ECHP</td><td>1502</td></tr><tr><td>4</td><td>Retention Money</td><td>5179</td></tr><tr><td>5</td><td>Invocation of BG</td><td>16833</td></tr><tr><td></td><td>Total</td><td>68562</td></tr></table> The matter is pending before Arbitral Tribunal.	S.No.	Claim on account of:	Amount in Lacs	1	Additional cost incurred	27697	2	Certain extra work order dtd 31.12.2016	17351	3	Extra claim for ECHP	1502	4	Retention Money	5179	5	Invocation of BG	16833		Total	68562	68,562	12,225
S.No.	Claim on account of:	Amount in Lacs																						
1	Additional cost incurred	27697																						
2	Certain extra work order dtd 31.12.2016	17351																						
3	Extra claim for ECHP	1502																						
4	Retention Money	5179																						
5	Invocation of BG	16833																						
	Total	68562																						
17	Directorate General of GST Intelligence has issued show cause notice dated 30 th April 2020 levying service tax on water charges paid to Chhattisgarh water Resource department for the period April 2016 to June 2017. For KTPS Korba East Plant Rs.3111 lacs, DSPM Korba East Rs.438 lacs, HTPs Korba West Rs.709 lacs ,Korba West Extn Rs.458 lacs and Marwa ABVTPS Rs.172 lacs. Time period of 90 days was requested in order submit the necessary reply to the department on 18 th June 2020.	4,888.00	4,888.00																					



Chhattisgarh State Power Generation Company Limited
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18	The M.D.O. M/s Gare palma III collieries Ltd after decision of 1st and 2nd stage joint management committee, has issued notice through their advocate for Amicable settlement of claims as per clause no. 42.3 of coal mine service agreement under arbitration and conciliation act 1996 for gale palma sector III coal mine.				629.66	-												
19	The Income tax department after the scrutiny assessment determined tax to be paid by the company and being aggrieved by the order of Income Tax Department, the company filed an appeal before Commissioner (Appeals) along with rectification application before assessing officer. Based on the fact of the case, company is of view that no tax will be paid by the company and hence no provision for the same has been made in the books of accounts and the matter is pending before the authorities. The year wise details are as under: <table><tr><th>S.No.</th><th>Assessm ent Year</th><th>Authority which case is pending before</th><th>Remarks</th></tr><tr><td>1</td><td>2017-18</td><td>Pending before Commissioner (Appeal)</td><td>Due to non- consideration of MAT Report.</td></tr><tr><td>2</td><td>2018-19</td><td>Pending before Commissioner (Appeal)</td><td>The case been settled in favour of company in Appellate Tribunal and department has not moved for further appeal.</td></tr></table>				S.No.	Assessm ent Year	Authority which case is pending before	Remarks	1	2017-18	Pending before Commissioner (Appeal)	Due to non- consideration of MAT Report.	2	2018-19	Pending before Commissioner (Appeal)	The case been settled in favour of company in Appellate Tribunal and department has not moved for further appeal.	811.65	811.65 - 13966.60
S.No.	Assessm ent Year	Authority which case is pending before	Remarks															
1	2017-18	Pending before Commissioner (Appeal)	Due to non- consideration of MAT Report.															
2	2018-19	Pending before Commissioner (Appeal)	The case been settled in favour of company in Appellate Tribunal and department has not moved for further appeal.															
20	M/s Solid Material Conveying System Pvt Ltd has filed a case before District and Session Court, Bilaspur vide case no. MJC Civil/207/2019 against the forfeiture of Security Deposit amount of ₹ 17.91 Lac due to poor quality work at Marwa Plant. The company has also not processed the bills from Jan-19 to April-19 amounting to ₹ 137.33 Lac. The matter is pending before court.				155.24	155.24												
21	The Southern Power Distribution Company of Telangana Ltd (SPDCTL) filed an appeal before the Appellate Tribunal for Electricity vide Appeal No. 391/2018 against the order passed by CSERC dated 07.07.2018 on approval of capital cost, true up of ARR and tariff determination for Marwa Thermal Power Plant. The company has no direct Power Sale Agreement with SPDCTL. The company sells electricity only to CSPDCL and denying of being respondent in the said appeal. The matter is under preliminary stage and it is not possible to ascertain the financial implication of the case.																	
22	Various cases have been filed against the company by the employees before District and Session Court, High Court of Chhattisgarh and other forums, the amount of contingent liability in this regard is not ascertainable.																	



Chhattisgarh State Power Generation Company Limited
Notes to the financial statements for the year ended 31st March'2022
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b. Guarantees:			
S.No.	Particulars	2021-22 (₹ in lakhs)	2020-21 (₹ in lakhs)
1	Bank Guarantees Provided	33667.25	29934.87
c. Other money for which the company is contingently liable:			
NIL			
ii. Commitments:			
S.No.	Particulars	2021-22	2020-21
a.	Estimated amount of contracts remaining to be executed on capital account and not provided for	₹ 406.72 Crores	₹ 399.03 Crores
b.	Uncalled liability on shares and other investments partly paid	-	-
c.	Other commitments	-	-

Note No. 48: MoEF vide Notification dated 25.01.2016, for 100% Fly Ash Utilization – an order was issued by National Green Tribunal Principal bench, New Delhi on dated 20.11.2018, wherein penalty has been imposed on all the Thermal Power Stations who have failed to dispose off 100% fly ash up to 31.12.2017 and due to that order CSPGCL is liable to pay penalty of ₹ 10 Crores in lieu of “Environmental damage charges”. Afterwards, on 18.04.2019 CSPGCL presented an action plan before the Hon’ble Joint Committee headed by Joint Secretary, HSMD, MoEF&CC and requested before the committee to extend the time limit for imposing cost of damage charges upto Financial Year 2020-21 instead of December’2017 and also not to penalize CSPGCL. The company on a conservative approach had already provided ₹ 10.00 Crores in its books of accounts in the year 2018-19.

The order has been passed by Principal bench of National Green Tribunal on 12.02.2020 directed all the TPP’s to comply with the 100% fly ash utilization and instructed to form a joint Committee comprising of MoEF&CC, CPCB, IIT Roorkee and any other member considered necessary may submit quarterly progress report on recommendations of Expert Committee of Niti Aayog for enhanced utilization of fly ash in various sectors: mines, roads, cement, industries and bricks etc., along with its implementation status.

Based on the order, the Central Pollution Control Board has issued demand to the TPP’s of company for non-utilization of 100% fly ash in FY 2018-19 & FY 2019-20 amounting to ₹ 11.00 Crore. Review petition before National Green Tribunal has been filed on 24.08.2020. However, the company has already provided the ₹ 11.00 Crore till FY 2019-20. The review application No. 27/2020 was disposed off by order dated 28.09.2020 against which Civil Appeal was filed before the Hon’ble Supreme Court for relief as Civil Appeal No. 225 of 2019 and “set aside” the order of Hon’ble NGT regarding imposition of penalty. Hence, company has write back the provision of ₹ 11.00 Crore in the year under consideration.

Further, Central Government vide its Gazette notification of MoEF&CC dated 31.12.2021, which superseded its previous notices regarding fly ash utilization by thermal power stations and environment compensation for non-compliance are redefined. The effect of said gazette notification including financial impact in the books of account is not quantified at this stage.



Note No. 49: Perform Achieve Trade (PAT) – PAT Scheme has been introduced for Energy Intensive Industries to improve energy efficiency and facilities cost effectiveness by certifying energy saving that could be traded due to its market based mechanism. In this scheme, an Energy Saving Certificate (ESCert) will be issued by Ministry of Power/BEE for a one tone of oil equivalent of energy savings achieved, over and above the target savings and such certificates will be traded in Indian Energy Exchange (IEX) and Power Exchange of India (PXIL). Under this scheme, three-year cycle has been followed and on the basis of performance compliance, the liability to purchase such certificates or power to sale such certificates arises. The present cycle of company is from 2019-20 to 2021-22 and at present total 117412 ESCerts (Energy Saving certificate) for PAT Cycle – V, Target year 2021-22 is required to be purchased for ABVTPS Marwa. M&V Audit (Monitoring and Verification Audit) is under process. ESCerts will be issued to Designated Agency & Bureau of Energy Efficiency (BEE) and final approval by Central Government. Therefore there may be change in quantity of ESCerts, so exact nos of ESCerts cannot be quantify now. After issuance, ESCerts trading will be done through Power Exchange platform as per guidelines of BEE. Trade value of ESCerts depends on demands & supply of ESCerts, hence value of one ESCerts can also be not quantified till this stage. Further, company on a conservative approach has provided ₹1000/- per certificate and hence provision of ₹ 11.74 Cr has been made during the year under consideration.

Note No: 50 - Significant Events after the Reporting Period

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

Note No: 51 – Previous year figures have been regrouped wherever found necessary.

Note No: 52 – Approval of Financial Statements

The Financial Statements for the Financial Year 2020-21 are yet to be approved in the AGM. Accounts for FY 2021-22 of the company were approved for issue by the board of directors on 22nd September'2022.

In terms of our report attached

For and on behalf of the Board of Directors

For, A D B & Company,
Chartered Accountants
FRN – 005593C



(Rajesh Kumar Chawda)
Partner
Membership No. – 405675

Place: Raipur (C.G.)

Date: 22-09-2022

UDIN: 22405675AUIKSR5913



(Nirmal Kumar Bizora)
Managing Director
DIN – 08678408

(Ujjawala Baghel)
Director
DIN- 08738889

(Alok Singh)
Chief Financial Officer