

INDEPENDENT AUDITOR'S REPORT

To The Members of
Chhattisgarh Surguja Power Limited

Report on the Financial Statements**Disclaimer of Opinion**

We were engaged to audit the financial statements of **Chhattisgarh Surguja Power Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended.

We do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matters described in the Basis of Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

The company had opening balance of Capital Work in Progress on 1 April 2017 amounting to Rs. 60, 19, 14,952 (including interest on commitment advance). In view of decision taken in its board meeting dated 25th July 2016 the company has adjusted opening balance of Capital Work in Progress amounting to Rs. 60,19,14,952 (including opening interest on commitment advances), expenses amounting to Rs. 5,23,18,927 for earlier years and Rs. 189,99,586 (for FY 19-29) against the commitment advance provided by the procurer states. No interest on commitment advance of procurer states has been provided although such interest was provided till 24th July 2016 last year (Interest till 31st March 2020 amounts to Rs. 7, 92, 89,863 approx). Further interest on balance payable to PFC and PFCL has been provided till 31st December'19. We have not been provided with the balance confirmations as on 31.03.20 from all the procurer states nor any agreements entered into with the procurer states/ documents to ensure that such treatment is in consonance with the original agreement with the procurer states. In case the procurer states do not agree with the balances there would be significant difference in the balances of the parties.

Material Uncertainty related to Going Concern

We draw attention to Note-1 and 16 of the accompanying financial statements as per which the Company is a special purpose vehicle incorporated for the purpose of establishing 4000 MW Ultra Mega Power Project, in the state of Chhattisgarh, however pursuant to decision of Government of Chhattisgarh for closure of UMPP and further directions of Ministry of Power, Govt. of India (MoP) as per which PFC/PFCL has been directed to take necessary action in this regard for closure of the company, accordingly NIL statement of accounts have been prepared for the purpose of striking off the name of the company from records of registrar of companies and therefore the Company is no longer a going concern. Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's



Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 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 financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under section 133 of the Companies Act, 2013 ("the Act") read with relevant issued thereunder. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal control, 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Standalone Financial Statements

Our responsibility is to conduct an audit of the company's financial statements in accordance with Standards on Auditing issued by ICAI and to issue an auditor's report. However because of the matters described in the Basis of Disclaimer section of our audit report, we are not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.



We are independent of the company in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the company.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 paragraph 3 and 4 of the Order, to the extent applicable.
2. We are enclosing our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the **"Annexure B"** on the directions and sub-directions issued by Comptroller and Auditor General of India.
3. As required by Section 143 (3) of the Act, we report that:
 - a) As mentioned in Basis of disclaimer of opinion paragraph we were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Due to the possible effect of the matter described in the Basis of Disclaimer of Opinion Paragraph we are unable to state whether, 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, and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts
 - d) In our opinion, the aforesaid INDAS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules made thereunder.
 - e) Requirement relating to declaration from directors under section 164 (2) is not applicable to the company in terms of exemption vide notification no. 1/2/2014-CL -V dt. 05th June 2015.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure C"**; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. As per explanation/information provided to us there are no pending litigations on the company and hence no disclosures are provided for the same in the financial statements.
- ii. The Company has not made any provision, as required under the applicable law or accounting standards, for material foreseeable losses, as company does not have any long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Luthra & Luthra LLP

Chartered Accountants

FRN: 002081N/N500092


Nilesht Mehta
Partner
M. No: 093847



Place: N. Delhi

Date: 17.12.2020

UDIN : 20093847AAAAE09692

Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2020

1. As the company does not have any fixed assets, clause 3(i) of the order is not applicable to the company.
2. As the company does not hold any inventory, clause 3(ii) of the order is not applicable to the Company.
3. In our opinion and according to the information and explanation given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act 2013.
4. In our opinion and according to the information and explanations given to us, the Company has not given/make any loan, investment, guarantee and security and accordingly provisions of section 185 and 186 of the Act are not applicable.
5. According to the information and explanations given to us the company has not accepted deposits.
6. We were informed that, the central government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the companies Act, 2013.
7.
 - a. According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities during the year.

There were no undisputed amounts payable on account of the above dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
 - b. According to the information and explanation given to us, there is no material due on account of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of dispute.
8. As per the information and explanation given to us, the Company has not taken any loans or borrowing to banks, Government or financial institutions. Accordingly, paragraph 3 (viii) of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.



10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. In our opinion and according to the information and explanations given to us, the Company has not paid/provided for any managerial remuneration during the year as stipulated to section 197 read with Schedule V to the Act, hence clause (xi) of paragraph 3 of the Order is not applicable.
12. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
13. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
15. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Luthra & Luthra LLP

Chartered Accountants

FRN: 002081N/N500092


Nilesh Mehta

Partner

M. No: 093847



Place: N. Delhi

Date: 17.02.2020

UDIN : 20093847AAAAED9692

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT OF CHHATTISGARH SURGUJA POWER LIMITED

The Annexure referred to in our report to the members of Chhattisgarh Surguja Power Limited ('the Company') for the year ended 31st March, 2020.

Replies to the Directions issued by Comptroller & Auditor General of India to the Statutory Auditors under Section 143(5) of the Companies Act, 2013 for the year ended 31st March 2020:

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.	Yes, the company has system in place to process all the accounting transactions through IT system i.e. Oracle. In our opinion and to the best of our information and according to the explanations given to us, the company has adequate control system to verify the correctness of the entries posted in Oracle.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	There are no cases of waiver/write off of debts/loans/interest etc., hence this clause is not applicable. All balances have been transferred to holding company as on 31 st December 2019 as per note 16 (1) of financial statements.
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	There are no funds received/receivable for specific schemes from Central/state agencies, hence this clause is not applicable

Based on the above facts, in our opinion and to the best of our information and according to the explanations given to us, no action is required to be taken thereon and there is no impact on the accounts and financial statements of the company.

For & on behalf of

Luthra & Luthra LLP

Chartered Accountants

FRN: 002081N/N500092

Nilesh Mehta

Partner

M. No: 093847



Place: N. Delhi

Date: 17.12.2020

UDIN : 20093847AAAAE09692

Annexure – C to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Chhattisgarh Surguja Power Limited** ("the Company") as of 31st March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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


Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **Luthra & Luthra LLP**
Chartered Accountants
FRN: 002081N/N500092


Nilesh Mehta
Partner
M. No: 093847



Place: N. Delhi

Date: 17/12/2020

UDIN: 20093847 A A A A E 0 9 6 9 2

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of M/s. Chhattisgarh Sarguja Power Limited, for the year ending 31st March 2020 in accordance with the directions/ sub-directions issued by the Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the directions/ sub-directions issued to us.

For Luthra & Luthra LLP

Chartered Accountants

FRN No. 002081N/N500092


Nilesch Mehta

Partner

M. No. 093847

**Place: New Delhi****Date: 17.12.2020**

CHHATTISGARH SURGUJA POWER LIMITED
(CIN:U40102DL2006GOI146111)

Balance Sheet as at March 31, 2020

(₹ in Hundreds)

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
(I)	ASSETS			
(1)	Current assets			
	(a) Financial Assets			
	(i) Cash and cash equivalents	4	-	4,126.04
	(b) Financial assets			
	(i) Other financial assets	5	-	21,84,764.55
	Total assets		-	21,88,890.59
(II)	EQUITY AND LIABILITIES			
(1)	Equity			
	(a) Equity Share Capital	6	5,000.00	5,000.00
	(b) Other Equity	7	(5,000.00)	(242.19)
	Total equity		-	4,757.82
(2)	Liabilities			
(1)	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	8	-	21,80,687.24
	(ii) Other financial liabilities	9	-	3,347.54
	(b) Other current liabilities	10	-	98.00
	Total current liabilities		-	21,84,132.78
	Total equity and liabilities		-	21,88,890.59

Significant Accounting Policies


1-3

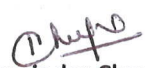
See accompanying notes to the Financial Statements

1 to 25

For & on Behalf of Board of Directors


(Manoj Kumar Rana)
Director
DIN:0226330


(Sanjay Saxena)
Director
DIN:08528999


(Parminder Chopra)
Chairman
DIN:08530587

As per our report of even date

For & on Behalf of

Luthra & Luthra LLP

(Chartered Accountants)

Firm Reg. No: 002081N/N500092


Nilesh Mehta
Partner
M. No : 093847

Place : New Delhi

Date : 17-12-2020

UDIN - 20093847AAAE09692

CHHATTISGARH SURGUJA POWER LIMITED

(CIN:U40102DL2006GOI146111)

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

(₹ in Hundreds)

Particulars	Note No.	For the year ended March 31, 2020	For the Year ended March 31, 2019
Revenue from operations		-	-
Other income		-	-
Total revenue (I)		-	-
Expenses			
Other expenses	11	4,757.81	-
Total expenses (II)		4,757.81	-
Profit/(loss) before tax (I- II =III)		(4,757.81)	-
Tax expense: (IV)			
Current tax		-	-
Deferred tax		-	-
Net Profit /(loss) after tax (III - IV = V)		(4,757.81)	-
Other Comprehensive Income (VI)			
Total Comprehensive Income for the period (V + VI =VII)		(4,757.81)	-
Earnings per equity share : (VIII)			
Basic & Diluted (Par value of Rs.10 each)	13	(9.52)	-

Significant Accounting Policies

1-3

See accompanying notes to the Financial Statements

1 to 25

For & on Behalf of Board of Directors


(Manoj Kumar Rana)
Director
DIN:0226330


(Sanjay Saxena)
Director
DIN:08528999


(Parminder Chopra)
Chairman
DIN:08530587

As per our report of even date

For & on behalf of

Luthra & Luthra LLP

(Chartered Accountants)

Firm Reg. No: 002081N/N500092


Nilesh Mehta
Partner
M. No : 093847



Place : New Delhi

Date : 17-12-2020

UDIN - 20093847AAA AEO 9692

CHHATTISGARH SURGUJA POWER LIMITED
(CIN:U40102DL2006GOI146111)
Statement of cash flows for the year ended March 31, 2020

(₹ in Hundreds)

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A.	Cash flow from operating activities:		
	Net profit before tax	(4,757.81)	-
	Adjustments		
	Operating Profit before Working Capital changes	(4,757.81)	-
	Adjustments for changes in Working Capital :		
	- Increase/(decrease) other current financial liabilities	(3,347.54)	2,503.79
	- Increase/(decrease) other current liabilities	(98.00)	19.87
	- Increase/(decrease) in other current financial Assets	21,84,764.55	-
	Net Cash generated from operating activities	21,76,561.20	2,523.66
B.	Cash flow from Investing activities:		
	Change in Capital work in progress	-	-
	Net cash from Investing activities	-	-
C.	Cash flow from Financing Activities:		
	Proceeds/(Repayment) of borrowings	(21,80,687.24)	(2,523.66)
	Net cash from financing activities	(21,80,687.24)	(2,523.66)
	Net Increase/(Decrease) in cash & cash equivalents (A+B+C)	-4,126.04	0.00
	Opening Balance Cash and cash equivalents	4,126.04	4,126.04
	Closing Balance Cash and cash equivalents	-	4,126.04
	Comprising of:		
	Balance with banks in current accounts	-	4,126.04

See accompanying notes to the Financial Statements

1 to 25

For & on Behalf of Board of Directors


(Manoj Kumar Rana)
Director
DIN:0226330


(Sanjay Saxena)
Director
DIN:08528999


(Parminder Chopra)
Chairman
DIN:08530587

As per our report of even date

For & on behalf of

Luthra & Luthra LLP

(Chartered Accountants)

Firm Reg. No: 002081N/N500092


Nileshe Mehta
Partner
M. No : 093847

Place : New Delhi

Date 17-12-2020

UDIN - 20093847AAAAE09692

CHHATTISGARH SURGUJA POWER LIMITED
(CIN:U40102DL2006GOI146111)
Statement of Changes in Equity for the year ended March 31, 2020

a. Equity share capital

(₹ in Hundreds)	
Particulars	Amount
Balance at April 01, 2018	5,000.00
Changes in equity share capital during the year	-
Balance at March 31, 2019	5,000.00
Changes in equity share capital during the year	-
Balance at March 31, 2020	5,000.00

b. Other Equity

(₹ in Hundreds)	
Particulars	Amount
Retained earnings	
Balance at April 1, 2018	(242.19)
Total comprehensive income for the year	-
Balance at March 31, 2019	(242.19)
Total comprehensive income for the year	(4,757.81)
Balance at March 31, 2020	(5,000.00)

See accompanying notes to the Financial Statements

1 to 25

For & on Behalf of Board of Directors


(Manoj Kumar Rana)
Director
DIN:0226330


(Sanjay Saxena)
Director
DIN:08528999


(Parminder Chopra)
Chairman
DIN:08530587

As per our report of even date

For & on behalf of

Luthra & Luthra LLP

(Chartered Accountants)

Firm Reg. No: 002081N/N500092


Nilesht Mehta
Partner
M. No : 093847



Place : New Delhi

Date : 17-12-2020

UDIN - 20093847AAAAED9692

1 Corporate Information

Chhattisgarh Surguja Power Limited "the Company" was incorporated on February 10, 2006 under the Companies Act, 1956 as a wholly owned subsidiary of Power Finance Corporation Limited (PFC), a Govt. of India Undertaking in the name of M/s Akaltara Power Limited and the name of the company was changed to Chhattisgarh Surguja Power Ltd (present name) w.e.f December 10, 2009. Certificate for Commencement of Business was issued on April 25, 2008. The Company was incorporated as a special purpose vehicle to facilitate the acquisition of land and complete preliminary work regarding statutory clearances including that of environment, forest, etc. for the purpose of establishing Ultra Mega Power Project of 4000 MW in the state of Chhattisgarh (Project). However, Government of Chhattisgarh vide its Letter No. 1312/R-10/2015/13/2/ED/UMPP dated April 5, 2016 has informed to the Ministry of Power (MoP) its decision to close the project to which MoP has directed PFC to take needful action vide letter dated June 06, 2016. Accordingly, the Board of Directors of Chhattisgarh Surguja Power Limited (CSPL) in its 46th meeting held on July 25, 2016 has approved the closure of CSPL subject to approval of PFC & MoP. Subsequently, Board of PFC in its 350th meeting of board held on August 09, 2016 has approved the closure of CSPL. MoP has given its approval for closure of CSPL vide its letter dated January 16, 2017. Following directions of MoP, during the year, the holding company has taken necessary steps for closure of company and to prepare NIL balance sheet for striking off the name of the company from records of registrar of companies.

2 General

(a) Basis of Preparation and Statement of Compliance

These financial statements have been prepared on historical cost and accrual basis of accounting and are in compliance with the Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and applicable provisions of the Companies Act, 2013. However in view of the fact that the company is to be struck off, the financial statements are not prepared on going concern basis.

The Company's financial statements are presented in Indian Rupees (INR), which is its functional currency.

Amounts in these financial statements have been rounded off to 'nearest hundreds upto two decimal points (unless otherwise indicated).

(b) Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

3 Significant Accounting Policies

(a) Recognition of Income/ Expenditure

Income and expenses (except as stated below) are accounted for on accrual basis.

(b) Borrowing Cost

Borrowing Costs that are attributable to the acquisition, construction of fixed assets which take substantial time to get ready for its intended use are capitalized as part of the cost of such assets to the extent they relate to the period till such assets are ready to be put to use. Other borrowing costs are charged to Statement of Profit and Loss in the year in which they are incurred.

(c) Capital work-in-progress

Expenditure incurred on Land Acquisition/ Survey/ Studies/ Investigation/ Consultancy/ Administration/ Depreciation/Interest etc and other expenditures during construction period is capitalised and treated as Capital-work-in-progress.

(d) Property, plant & equipment and depreciation

- (I) The Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. All costs, including expenses incurred to bring the fixed assets into the condition of use are capitalized.
- (II) Items in the nature of Property, plant and equipment acquired under Hire Purchase Agreements are capitalised at their costs even though the legal ownership of such assets does not yet vest with the company. Interest payable under such agreements is charged to Profit and Loss Account as and when the same fall due for payment.
- (III) Depreciation on Property, plant and equipment is provided on written down value method, based on useful life as specified in Schedule II of the Companies Act, 2013 and residual value. Assets costing less than Rs. 5,000 are fully written-off in the year of purchase.



(e) Prior Period Expenses

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

(f) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. The Company considers cash equivalents as all short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Cash Flow Statement

Cash flow Statement is prepared in accordance with the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.

(h) Taxation

Income Tax expense comprises of current and deferred tax. It is recognised in Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, tax is also recognised in OCI or directly in equity.

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of Previous Years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax is measured at the tax rates based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all parts of the asset to be recovered.

(i) Provisions, contingent liabilities and contingent assets

- i. Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, if it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- ii. Where it is not probable that an outflow of economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability in notes to accounts, unless the probability of outflow of economic benefits is remote.
- iii. Contingent Assets are not recognised in the financial statements but are disclosed, where an inflow of economic benefit is probable.
- iv. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

(j) Financial instruments

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

On initial recognition, financial assets and financial liabilities are recognised at fair value plus/ minus transaction cost that are attributable to the acquisition or issue of financial assets and financial liabilities. In case of financial assets and financial liabilities which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in Statement of Profit and Loss.

J.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis.

After initial recognition, financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.



i) **Classification and Measurement of Financial assets (other than Equity instruments)**

a) Financial assets at Amortised Cost:

Financial assets that meet the following conditions are subsequently measured at amortised cost using Effective Interest Rate method (EIR):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

b) Financial assets at Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if both the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

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

A financial asset is measured at FVTPL unless it is measured at amortised cost or FVTOCI, with all changes in fair value recognised in Statement of Profit and Loss.

ii) **Impairment of financial assets**

a) Subsequent to initial recognition, the Company recognises expected credit loss (ECL) on financial assets measured at amortised cost. ECL on such financial assets, other than loan assets, is measured at an amount equal to life time expected losses.

The impairment requirements for the recognition and measurement of ECL are equally applied to Loan asset at FVTOCI except that ECL is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

b) Impairment of Loan Assets and commitments under Letter of Comfort (LoC):

The Company measures ECL on loan assets at an amount equal to the lifetime ECL if there is credit impairment or there has been significant increase in credit risk (SICR) since initial recognition. If there is no SICR as compared to initial recognition, the Company measures ECL at an amount equal to 12-month ECL. When making the assessment of whether there has been a SICR since initial recognition, the Company considers reasonable and supportable information, that is available without undue cost or effort. If the Company measured loss allowance as lifetime ECL in the previous period, but determines in a subsequent period that there has been no SICR since initial recognition due to improvement in credit quality, the Company again measures the loss allowance based on 12-month ECL. ECL is measured on individual basis for credit impaired loan assets, and on other loan assets it is generally measured on collective basis using homogenous groups.

c) The impairment losses and reversals are recognised in Statement of Profit and Loss.

iii) **De-recognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

j.2 **Financial liabilities**

i) All financial liabilities other than derivatives and financial guarantee contracts are subsequently measured at amortised cost using the effective interest rate (EIR) method.

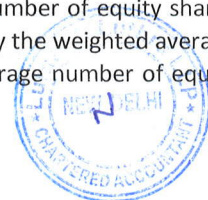
EIR is determined at the initial recognition of the financial liability. EIR is subsequently updated for financial liabilities having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

ii) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

(k) **Earnings per share**

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



CHHATTISGARH SURGUJA POWER LIMITED

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Notes to the Financial Statements for the year ended March 31, 2020

4. Cash and cash equivalents

(₹ in Hundreds)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with Banks: in current accounts	-	4,126.04
	-	4,126.04

5. Other assets

(₹ in Hundreds)

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Current at FVTPL</u>		
Capital Advances for land	-	21,84,217.00
Receivable for Fixed Asset (Orissa Integrated Power Limited)	-	547.55
	-	21,84,764.55



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Notes to the Financial Statements for the year ended March 31, 2020

6. Equity share capital

(₹ in Hundreds)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital		
50,000 equity shares of Rs 10 each (As at March 31, 2019: 50,000)	5,000.00	5,000.00
Issued, subscribed and paid up capital:		
50,000 equity shares of Rs 10 each (As at March 31, 2019: 50,000) fully paid up	5,000.00	5,000.00
	5,000.00	5,000.00

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	Amount	Number of shares held	Amount
Shares outstanding at the beginning of the year	50,000	5,000.00	50,000	5,000.00
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	50,000	5,000.00	50,000	5,000.00

(ii) Rights, preferences and restriction attached to equity shares:

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Detail of equity shares held by

Particulars	No. of Share	Amount
As at March 31, 2020		
Power Finance Corporation Limited*	50,000	5,000.00
As at March 31, 2019		
Power Finance Corporation Limited*	50,000	5,000.00

(iv) Details of shares held by each shareholder holding more than 5% shares in the Company:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	%	Number of shares held	%
Fully paid up equity shares				
Power Finance Corporation Limited, the Holding Company*	50,000	100%	50,000	100%

* Equity shares are held by Power Finance Corporation Limited and through its nominees.



CHHATTISGARH SURGUJA POWER LIMITED

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Notes to the Financial Statements for the year ended March 31, 2020

7. Other equity

(₹ in Hundreds)

Particulars	As at March 31, 2020	As at March 31, 2019
Retained earnings		
Balance at the beginning of the year	(242.19)	(242.19)
Total comprehensive income for the year	(4,757.81)	-
Balance at the end of the year	(5,000.00)	(242.19)

8. Borrowings (Current)

(₹ in Hundreds)

Particulars	As at March 31, 2020	As at March 31, 2019
Loan and advances from related party	-	9,24,827.58
Power Finance Company Limited, holding company		
Current Maturities of Long Term Borrowings		
Commitment Advance (Unsecured)		
Chhattisgarh State Power Dist Co. Ltd.	-	1,80,935.61
Govt of Dadar & Nagar Haveli	-	8,554.91
Govt of Daman & Diu	-	8,614.36
Gujarat Urja Vikas Nigam Limited	-	24,920.81
Maharashtra State Electricity Distribution Co. Ltd.	-	78,967.03
MP Power Trading Co. Ltd.	-	38,454.20
Office of the Chief Electrical Engineer, Govt. of GOA	-	34,520.25
Interest Accrued but not due to related party	-	8,80,892.50
(Power Finance Corporation Ltd., Holding Company)		
	-	21,80,687.24

9. Other financial liabilities (Current)

(₹ in Hundreds)

Particulars	As at March 31, 2020	As at March 31, 2019
Expenses payable	-	843.75
Payable to PFC Consulting Ltd.	-	2,503.79
	-	3,347.54



10. Other current liabilities

(₹ in Hundreds)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues payable	-	98.00
	-	98.00

11. Other expenses

(₹ in Hundreds)

Particulars	For the year ended March 31, 2020	For the Year ended March 31, 2019
Bank Charges	2.42	-
Interest Expense	4,374.06	-
Interest on TDS	0.89	-
Legal & Professional Charges	251.12	-
Office Expense	35.39	-
Printing & Stationary	1.89	-
Misc. Expenses	92.04	-
	4,757.81	-



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Notes to the Financial Statements for the year ended March 31, 2020

12 - EXPENDITURE RECOVERABLE FROM PROCURERS

(₹ in Hundreds)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Consultancy Charges & Professional Fee	-	538.94
Legal & Professional Fees	-	349.92
Conference & Meetings	-	51.09
Telephone Expenses	-	2.28
Tours & Travelling Expenses	-	210.85
Printing & Stationery Expenses	-	0.38
Audit Fee	-	921.88
Other Administrative Expenses	-	327.77
Sub-total (A)	-	2,403.11
Interest to PFC (refer note 16.2)	1,89,969.82	2,23,390.21
Sub-total (B)	1,89,969.82	2,23,390.21
Total (A+B)	1,89,969.82	2,25,793.32

13. Earnings per share

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic and diluted Earning Per Share		
Face value per Equity Share	10	10
Net Profit / (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	(4,757.81)	-
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	50,000	50,000
Basic and diluted Earning Per Share	(9.52)	-
There are no dilutive instruments issued by the company.		



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Notes to the Financial Statements for the year ended March 31, 2020

14. Financial Instruments

(1) Capital management

The company manages its capital to ensure that it will be able to meet capital requirement related to acquisition of land and expenses related to preliminary work regarding statutory clearances including that of environment, forest etc. for the purpose of establishing Ultra Mega Power Project of 4000 MW in state of Chhattisgarh Project. Company funds its operations through amount borrowed from its holding company, Power Finance Corporation and amount received as commitment advance from Power Procuring Utilities (Procurers).

The entity is not subject to any externally imposed capital requirements.

The Company's board reviews the capital structure on need basis. The funding requirements are met through a mixture of borrowings and advances. The Company's policy is to use short term and long-term borrowings to meet anticipated funding requirements.

(i) Categories of financial instruments

Particulars	(₹ in Hundreds)	
	As at March 31, 2020	As at March 31, 2019
Financial assets		
Cash and bank balances*	-	4,126.04
Other financial assets*	-	-
Financial liabilities		
Borrowings*	-	21,80,687.24
Other financial liabilities*	-	3,347.54
Recorded at FVTPL		
Loans*	-	21,84,764.55

*All balances have been transferred/adjusted by holding company as per note 16.1 of financial statements in view of closure of company.

(ii) Financial risk management objectives

The Company's corporate treasury function monitors and manages the financial risks relating to the operations of the Company by analyzing exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest risk and other price risk), credit risk and liquidity risk.

(iii) Market Risk

The Company's activities expose it primarily to the financial risks of changes in interest rates (see note vi below).

Market risk exposures are measured using sensitivity analysis.

There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

(iv) Interest rate risk management

The Company is exposed to interest rate risk because it borrow funds at the rate of interest under category of " State Sector Borrowers (Category 'A') as determined from time to time (fluctuating rate of interest) .

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

(v) Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Sensitivity analysis for a 100 basis points fluctuation in interest and all other variables were held constant is explained below:

Particulars	(₹ in Hundreds)	
	Year ended March 31, 2020	Year ended March 31, 2019
Impact for Profit or Loss	-	-
Impact for Other comprehensive income	-	-

(vi) Other price risks

The company is not exposed to price risk as it does not hold any investments .

(vii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The company does not have any credit risk since there are no assets.

(viii) Liquidity risk management

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



CHHATTISGARH SURGUJA POWER LIMITED
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Notes to the Financial Statements for the year ended March 31, 2020

14. Financial Instruments

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2020;

(₹ in Hundreds)

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More Than 5 years	Due Date not specified	Total contracted cash flows
Financial Liabilities						
Borrowings*	-	-	-	-	-	-
Other financial liabilities*	-	-	-	-	-	-

*All balances have been transferred/adjusted by holding company as per note 16.1 of financial statements in view of closure of company.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2019;

(₹ in Hundreds)

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More Than 5 years	Due Date not specified	Total contracted cash flows
Financial Liabilities						
Borrowings	21,80,687.24	21,80,687.24	-	-	-	21,80,687.24
Other financial liabilities	3,347.54	3,347.54	-	-	-	3,347.54

The table below provides details regarding the contractual maturities of financial assets as at 31 March 2020:

(₹ in Hundreds)

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More Than 5 years	Due Date not specified	Total contracted cash flows
Financial Assets						
Loans*	-	-	-	-	-	-
Other financial assets*	-	-	-	-	-	-

*All balances have been transferred/adjusted by holding company as per note 16.1 of financial statements in view of closure of company.

The table below provides details regarding the contractual maturities of financial assets as at 31 March 2019:

(₹ in Hundreds)

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More Than 5 years	Due Date not specified	Total contracted cash flows
Financial Assets						
Loans	-	-	-	-	-	-
Other financial assets	21,84,764.55	21,84,764.55	-	-	-	21,84,764.55

(xi) Fair value of financial assets and financial liabilities:

(₹ in Hundreds)

Particulars	Fair value hierarchy	As at March 31, 2020		As at March 31, 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Cash and cash equivalents	Level 2	-	-	4,126.04	4,126.04
Loans	Level 2	-	-	-	-
Other financial assets (FVTPL)	Level 2	-	-	21,84,764.55	21,84,764.55
Financial Liabilities					
Borrowings	Level 2	-	-	21,80,687.24	21,80,687.24
Other financial liabilities	Level 3	-	-	3,347.54	3,347.54

The fair value of financial assets and liabilities approximate with the carrying amount recognized in the financial statements. There was no transfer between Level 1, Level 2 and Level 3 in the year. The carrying amount of financial assets and financial liabilities measured at amortised cost in the Ind AS financial statements are a reasonable approximation of their fair value since the Company does not anticipate that carrying value would be significantly different from the values that would eventually be received or settled.



CHHATTISGARH SURGUJA POWER LIMITED

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Notes to the Financial Statements for the year ended March 31, 2020

15 STATEMENT OF TRANSACTIONS WITH RELATED PARTIES

15.1 Name of related parties and description of relationship:

Holding Company			
1	Power Finance Corporation Limited (PFCL)		
Fellow Subsidiary			
1	PFC Consulting Limited	2	REC Limited (RECL)
3	REC Power Distribution Company Ltd (through RECL)	4	REC Transmission Projects Company Limited (through RECL)
5	Power Equity Capital Advisors (Pvt) Limited (PECAP)*		
Associate of Fellow Subsidiary			
1	Tanda Transmission Company Limited	2	Shongtong Karcham-Wangtoo Transmission Limited
3	Bijawar-Vidarbha Transmission Limited	4	Vapi II North Lakhimpur Transmission Limited
5	Karur Transmission Limited	6	Koppal-Narendra Transmission Limited
7	Meerut-Simbhavali Transmission Limited (transferred to PGCIL on 19th December, 2019)	8	Bikaner-Khetri Transmission Limited transferred to ATL on 19th September, 2019
9	Bhuj-II Transmission Limited transferred to PGCIL on 16th October, 2019	10	Fatehgarh-II Transco Limited transferred to PGCIL on 14th October, 2019
11	Lakadia-Vadodara Transmission Project Limited transferred to Sterlite on 26th November, 2019		
Associate through PFCL			
1	Coastal Maharashtra Mega Power Limited (through PFCL)	2	Sakhigopal Integrated Power Company Limited (through PFCL)
3	Ghogarpalli Integrated Power Company Limited (through PFCL)	4	Coastal Karnataka Power Limited (through PFCL)
5	Orissa Integrated Power Limited (through PFCL)	6	Deoghar Mega Power Limited (through PFCL)
7	Tatiya Andhra Mega Power Limited (through PFCL)	8	Coastal Tamil Nadu Power Limited (through PFCL)
9	Deoghar Infra Limited (through PFCL)	10	Odisha Infrapower Limited (through PFCL)
11	Bihar Infrapower Limited (through PFCL)	12	Bihar Mega Power Limited (through PFCL)
13	Jharkhand Infrapower Limited (through PFCL)	14	Cheyyur Infra Limited (through PFCL)
Associate through RECL			
15	Mandar Transmission Limited (through RECL)	16	Chandil Transmission Limited (through RECL)
17	Koderma Transmission Limited (through RECL)	18	Dumka Transmission Limited (through RECL)
19	Dinchang Transmission Limited (through RECL)	20	Bhind-Guna Transmission Limited (through RECL) - transferred to PGCIL on 11th September 2019
21	Ajmer Phagi Transco Limited (through RECL) -transferred to PGCIL on 3rd October, 2019	22	Udupi Kasagode Transmission Limited (through RECL) - transferred to Sterlite Grid on 12th September, 2019
23	WRSS XXI (A) Transco Limited (through RECL) - transferred to Adani Transmission Limited on 14th October, 2019	24	Khetri Transco Limited (through RECL)- transferred to PGCIL on 29th August 2019
25	Lakadia Banaskantha Transco Limited (through RECL) - transferred to Adani Transmission Limited on 13th November, 2019	26	Rampur Shambhal Transco Limited - Incorporated on 02.05.2019 and transferred to Power Grid Corporation of India Limited (PGCIL) on 12th December, 2019
27	Jam Khambaliya Transco Limited (through RECL) - transferred to Adani Transmission Limited on 13th November, 2019		
Joint Venture			
1	Energy Efficiency Services Limited (through PFCL)	2	Creighton Energy Limited (through EESL)
3	EESL EnergyPro Assets Limited (through EESL)	4	Edina Acquisition Limited (through EESL)
5	Anesco Energy Services (South) Limited (through EESL)	6	Edina Limited (through EESL)
7	EPAL Holdings Limited (through EESL)	8	Edina Australia Pty Limited (through EESL)
9	Edina Power Services Limited (through EESL)	10	Stanbeck Limited (through EESL)
11	Edina UK Limited (through EESL)	12	Edina Power Limited (through EESL)
13	Armoura Holdings Limited (through EESL)	14	Edina Manufacturing Limited (through EESL)
15	EPSP Trigenation Private Limited (through EESL)	16	NEESL Private Limited (through EESL)



Key Managerial Persons (KMP)**				
S. No.	Name	Designation	Date of appointment	Date of cessation
1	Shri C.Gangopadhyay	Chairman	30.01.2017	30.05.2019
2	Shri Alok Sud	Director	25.05.2017	31.07.2019
3	Shri N.B.Gupta****	Chairman	20.05.2019	30.06.2020
4	Smt Parminder Chopra*****	Chairman	01.07.2020	Continuing
5	Shri Yogesh Juneja	Director	17.02.2010	14.08.2020
6	Shri Manoj Kumar Rana	Director	14.08.2020	Continuing
7	Shri S.Mulchandani	Director	21.09.2016	31.08.2020
8	Shri Mohan Lal	Director	08.09.2020	Continuing
9	Shri Sanjay Saxena	Director	16.08.2019	Continuing
10	Shri Satish V. Chavan***	Director	05.02.2018	Continuing

* Under process of striking off

** Employee of the Holding Company (PFC) and deployed on Part Time basis

*** From power procuring states

**** Redesignated as Chairman, post cessation of Shri C.Gangopadhyay

***** Redesignated as Chairman, post cessation of Shri N B Gupta

15.2 Details of Transactions:

15.2.1 Transactions with Related Party:

(₹ in Hundreds)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest accrued (PFC)	1,94,109.57	2,23,269.66
Expenses Reimbursement to PFCCL	618.06	2,503.79

15.2.2 Outstanding balances with Related Party:

(₹ in Hundreds)

Particulars	As at March 31, 2020	As at March 31, 2019
Payable to PFCCL*	-	2,503.79
Borrowings *	-	9,24,827.58
Interest accrued but not due *	-	8,80,892.50
Receivable from OIPL*	-	547.55

*All balances have been transferred/adjusted by holding company as per note 16.1 of financial statements in view of closure of company.

Compensation of Key Management Personnel:

The employees in the company are on contractual terms as per agreement entered with the Holding Company (PFC). No sitting fees has been paid to the directors.



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Notes to the Financial Statements for the year ended March 31, 2020

16 As stated in note 1 on corporate information, in view of directions of Ministry of Power for closure of company and to take necessary steps in this regard, the financial statements are not prepared on going concern basis. Since PFC was the nodal agency for formation of the company as SPV company and to work upto its transfer to successful bidder, on getting directions from MoP for closure of SPV, necessary steps have been taken for closure of the company. Accordingly, balance sheet of company with NIL assets and liabilities has been prepared by adopting the following methodology:

(a) In the event, a Procurer(s) had not paid fully or had paid partial Commitment Advance (CA) in the UMPP then the amount recoverable from that Procurer(s) in a UMPP is adjusted against the amount payable to "Other Procurer(s)" in that UMPP itself in proportion of their power allocation and the balance amount will be receivable from that Procurers.

(b) In the event, an amount is still to be recovered from a Procurer(s) in a UMPP after adjustment as per Para (a) above then the amount recoverable is adjusted against the amount payable to that Procurer(s) in any other UMPP(s).

(c) After taking into account the above adjustments, the surplus amount payable to Procurer(s) would be adjusted towards the amount recoverable from that Procurer(s) in other Operating UMPP(s) and any surplus thereafter would be paid to the Procurer(s).

In view of the above methodology, the following adjustments has been made:

16.1 Advance of Rs. 21,84,217 hundreds (after adjusting administrative charges) was given by the company to Govt of Chhattisgarh (GoC) for acquisition of land for the project but in view of closure of company, GoC was requested to refund the advance amount including interest. In this regard, Special Secretary Energy Department, Chhattisgarh has also asked Collector Surguja, Chhattisgarh to repay this advance amount of Land vide its letter no. 2501/F-21/24/2013/13/2 dated 04/11/2019. Since no confirmation was received from GoC towards interest payment, interest income was not accounted for in the financial statements. Further, no confirmation/ communication has been received regarding refund of advance and payment of interest after Nov'19.

The said advance amount of Rs. 21,84,217 hundreds has been transferred to holding company after netting off balance of commitment advance payable to procurers. The matter for recovery of advance amount alongwith interest will further be taken up with GoC and on recovery of the same, the liability of balance amount of commitment amount payable to procurers will be discharged .

16.2 The Company has been paying interest to PFC Ltd. on the expenses incurred by them on behalf of the company from their funds utilized for the project at rates and policy of the holding company. The rate of interest charged on the utilized amount of funds is as applicable in PFC Ltd. for the Project Loan/Schemes (Generation) for Borrowers under category "State Sector Borrowers (Category 'A') as determined from time to time on "monthly average short term deposit rate of PFC Ltd." In view of closure of the company, Interest expenses on utilized portion payable to holding company has been booked upto 31.12.2019 (being the cut-off date for preparation of NIL balance sheet) which amounts to Rs 1,94,343.88 in hundred (Previous Year Rs 2,23,390.21 in hundred) which is payable to PFC /PFCCCL Ltd. on amount spent by them. Out of Rs. 1,94,343.88 in hundred, Rs. 1,89,969.82 in hundred has been adjusted against the commitment advance payable to procurers in proportion to their allocated share of power in the project and remaining interest Rs. 4,374.06 hundred (Previous Year Rs. NIL) has been charged in Statement of Profit & Loss to prepare the NIL Balance Sheet.

16.3 (a) As decided by Board of Directors of the Company, during the Financial Year 2017-18 the liability of interest payable to Procurers on utilized portion of commitment advance was reversed from CWIP and the balance amount of CWIP was adjusted against the commitment advance contributed by the Procurers in proportion to their allocated share of power in the project. In subsequent year also, the expenditure incurred was adjusted against the commitment advance. In view of proposed strike off of the company and preparation of NIL balance sheet of the company as on 31.03.2020, expenditure incurred during the year amounting to Rs. 4,757.81 hundreds (previous year Rs. NIL) including the interest of Rs. 4,374.06 in hundred as mentioned in Note 16.2 above has been charged to Statement of Profit & Loss and the same has been disclosed in Note 11.

(b) In preparation of financial statements for preceding financial years 2017-18 and 2018-19, there was an inadvertent clerical error in note 14 of FY 2017-18 and note 19 of 2018-19 respectively wherein it was stated that adjustment of CWIP and expenditure against commitment advance is "subject to the confirmation by the respective procurer". As the same is not as per the decision/resolution passed by the Board of Directors of CSPL, it has been corrected in current financial year in Note 16.3 (a) above.



CHHATTISGARH SURGUJA POWER LIMITED

(CIN:U40102DL2006GOI146111)

Notes to the Financial Statements for the year ended March 31, 2020

17 The expenses appearing as other Administrative Expenses are mainly allocated by PFCL/PFCCL to SPVs as per assessment of expenditure made by these companies. Original Supporting bills in respect of such expenditure incurred by the PFCL/PFCCL are in the name of PFCL/PFCCL and retained by them of which copies are available with the Company. PFCL/PFCCL is complying with all statutory provisions relating to the 'Deduction of tax at source and Goods & Service tax etc. as applicable to these expenses.

18 Since there are no employees in the company, the obligation as per Ind AS- 19 do not arises.

19 Commitments:

(₹ in Hundreds)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Estimated amounts of contracts remaining to be executed on capital account, and not provided for (net of advances):	-	-
(b) Other commitments	-	-

20 Contingent Liabilities and Contingent assets

(₹ in Hundreds)

Particulars	As at March 31, 2020	As at March 31, 2019
Contingent liabilities of the company and claims against the company not acknowledged by the company as certified by the management for the period Further, No contingent assets and contingent gains are probable to the company.	-	-

21 The Particulars of dues to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), based on the information available with the Company:-

(₹ in Hundreds)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of accounting period	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act 2006	-	-
(d) the amount of interest accrued and remaining unpaid at the end of accounting period	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act 2006	-	-

22 Auditors Remuneration

(₹ in Hundreds)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Statutory Audit Fees (including GST)*	921.88	921.88

*Audit fees for FY 2019-20 shall be paid by the Holding Company, since the company is under the process of striking off.



CHHATTISGARH SURGUJA POWER LIMITED

(CIN:U40102DL2006GOI146111)

Notes to the Financial Statements for the year ended March 31, 2020

23 Segment Information

The board of directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company. The Company is mainly incorporated with the objects of generation of power and presently engaged in setting up of power plant and all activities of the Company revolve around this main business as a single unit. Further there are no geographical segments as all the operations of the Company are in India. Therefore, there is no separate reportable segment for the Company as per the requirement of Ind AS 108 "Operating Segments".

24 Other Disclosures:


- (a) Expenditure in foreign currency- NIL
- (b) Income in foreign exchange- NIL

25 Approval of Financial Statements

The Financial Statements for the year ended 31st March 2020 were approved by the Board of Directors and authorised for issue on 17-12-2020.

For & on Behalf of Board of Directors


(Manoj Kumar Bana)
Director
DIN:0226330


(Sanjay Saxena)
Director
DIN:08528999


(Parminder Chopra)
Chairman
DIN:08530587

As per our report of even date
For & on Behalf of
Luthra & Luthra LLP
(Chartered Accountants)
Firm Reg. No: 002081N/N500092


Nileshe Mehta
Partner
M. No : 093847



Place : New Delhi
Date : 17-12-2020

UDIN - 20093847AAAAE09692