

# **MSEB CONTRIBUTORY PROVIDENT FUND TRUST**

## **ANNUAL REPORT 2023-2024**



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## **FOREWORD**

**To  
All the members,**

*The Board of Trustees of MSEB CPF Trust feels immense pleasure in presenting the Annual Report of the Trust for the year 2023-24.*

*Your Trust is a Common CPF Trust for all four companies i.e. MSEBHCL, MSPGCL, MSETCL & MSEDCL. The employer and employee contribution of all employees of the four companies is deposited in the Trust. There are 83,990 Active Members as on 31.03.2024. The investment of the trust as on 31.03.2024 is Rs.13623 cr. The average return on investment for the year was 7.37% as on 31.03.2024. The EPFO has declared the 8.25% Statutory Rate of Interest for the F.Y.2023 – 24 and actual rate i.e. 8.25% has been credited to the members towards Interest on Contribution.*

*Your trust has made sincere efforts to settle a total of 21711 claims of the members towards settlement of Advance claim , 10%, 100%, Supplementary and 90% Final Settlement during the Financial Year 2023-24. The documentation for availing advances have been simplified and reduced by Trust.*

*Your trust has made sincere efforts to invest Investible surplus within minimum time on all occasion's and Rs.2754 cr. has been invested during the F.Y. 2023-24 fetching the highest prevailing yields in respective category by applying good due diligence.*

*The Trustees sincerely acknowledge the contribution and guidance of the management of employer companies, members and employee representatives. The Trustees wish a happy and contented life to all members who retired during the year.*

**Board of Trustees  
MSEB CPF Trust**

### **BOARD OF TRUSTEES**

Shri. Ashok Phalnikar (Till 31 <sup>st</sup> January 2024) Shri. Anudeep Dighe (From 1 <sup>st</sup> February 2024)	Director (Finance), MSEBHCL Chairman & Trustee of MSEB CPF Trust	3rd Floor, HSBC Bank Building
Shri Arvind M. Bhadikar	Director (HR), MSEDCL, Employer Trustee of MSEB CPF Trust.	5 <sup>th</sup> Floor, Prakashgad, Bandra.
Shri. Sanjay M. Marudkar	Director (Operation), MSPGCL, Employer Trustee of MSEB CPF Trust.	3 <sup>rd</sup> Floor, Prakashgad, Bandra.
Shri. Pankaj Sharma	Chief General Manager (CF), MSPGCL Employer Trustee of MSEB CPF Trust	2 <sup>nd</sup> Floor, Prakashgad, Bandra.
Shri. Chandrashekhar A. Gadre (Till 31 <sup>st</sup> December 2024) Shri. Milind Mahajan (From 1 <sup>st</sup> February 2024)	Chief General Manager (IA), MSEDCL Employer Trustee of MSEB CPF Trust	Ground Floor, Prakashgad, Bandra.
Smt. Anju Gupta	General Manager (F&A), MSETCL, Employer Trustee of MSEB CPF Trust	6 <sup>th</sup> Floor, Prakashganga, Bandra.
Shri Ravindra T. Deokant	Vidyut Shetra Tantrik Kamgar Sanghatana Employee Trustee of MSEB CPF Trust	Karad Division, Ogalewadi Karad, Dist. Satara
Shri Arun G. Mhaske	Maharashtra State Electricity Workers Federation. Employee Trustee of MSEB CPF Trust	Civil Division, Hanuman Nagar, Major Store, Jail Road, Nashik Road.
Shri Dattatray D. Gutte	Maharashtra State Vij Kamgar Congress (INTUC) Employee Trustee of MSEB CPF Trust	Parli Vajinath Sub Division, Beed – 431 515.
Shri Sanjay G. Thakur	Subordinate Engineers Association Employee Trustee of MSEB CPF Trust	Panvel (Rural) Div. Bhandup Zone.
Shri. Kishor K. Ahiwale	Maharashtra State Magasvargiya vidyut Karmachari sanghatana Employee Trustee of MSEB CPF Trust	Pune Rural Circle Block No. 301, 2ndFloor, Adm. Bldg. Rasta Peth, Pune – 411 011.
Shri Sanjay L Dandare	Maharashtra Vij Kamgar Mahasangh Employee Trustee of MSEB CPF Trust	Survey and Investigation Sub Division, II Floor, Prakash Bhavan, Link Road, Sadar, Nagpur – 440001

## **TRUSTEES' REPORT**

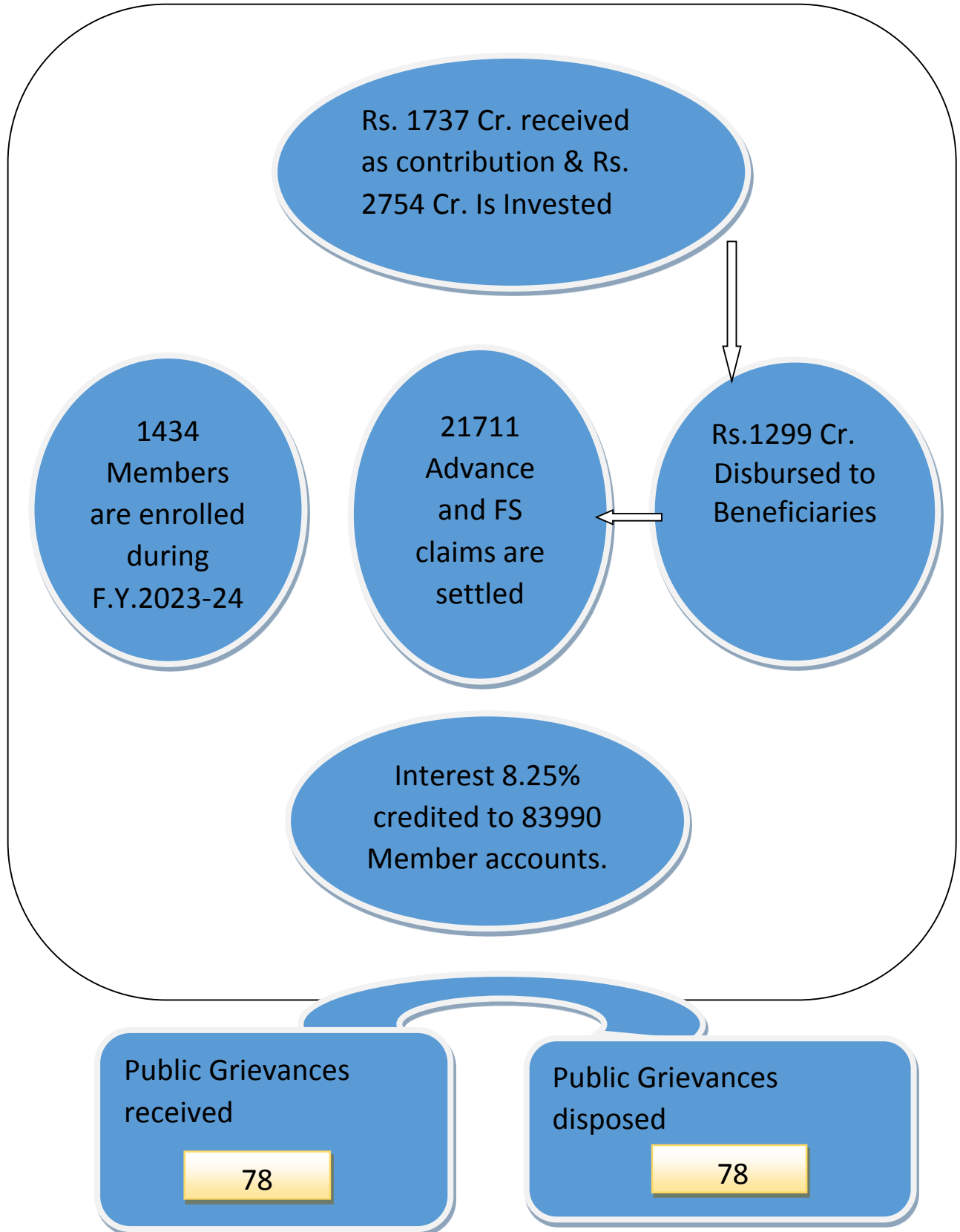
Dear Members,

On behalf of the Board of Trustees of your Trust, I have the privilege to present this Annual report and audited statement of Accounts for the Financial Year ended 31<sup>st</sup> March 2024, together with the Auditors' Report.

### **Highlights for the year 2023-24**

- A total of 21711 claims of the members towards settlement of 10%, 100%, Supplementary, 90% Final Settlement and Refundable & Non – Refundable Advances were settled during the year 2023-24.
- Rs. 1089 Crore as Interest on Contribution had been paid / credited to the members.
- The accounts of the trust has been duly prepared and audited. Income tax return has been filed up-to-date.
- The outstanding position of final settlement claims is 57 as on 31.03.2024.
- The average return on investment for the year was 7.37%.
- The investments of the trust as on 31.03.2024 is Rs.13623 Cr.
- No. of contributing members of trust is 83,990 as on 31.03.2024.
- Subscription from the employers has been received consistently within prescribed time.
- All statutory returns were filed on time.
- Investible surplus has been fully invested within minimum time on all occasions at the rate(s) fetching highest return of the respective category.
- Interest given to members is at par with EPFO i.e. 8.25% on monthly running balance.
- Accounts of the trust are audited by the CA firm as per statutory provisions and further an internal audit by another CA firm is also conducted.

## ANNUAL INFORMATION OF MSEB CPF TRUST FOR THE F.Y.2023-24



## FINANCIAL POSITION (AS ON 31.03.2024)

(In Rs. Crores)

Particulars	2023-24	2022-23
<b>Capital &amp; Members Contribution</b>		
Reserve Fund	-67.72	-179.27
Contribution	14621.93	13102.41
Unclaimed Deposit Accounts	70.25	71.50
Ex-Employee Fund	36.87	29.32
Provision for Final Settlement (Sanctioned but not disbursed)	-	-
Receivable from companies:		
MSPGCL	59.80	30.43
MSETCL	22.72	26.39
MSEDCL	235.43	199.64
MSEBHCL	0.04	0.05
Provision for Accrued Interest (SSNNL under litigation)	45.91	45.91
<b>Total</b>	<b>15025.23</b>	<b>13326.38</b>
<b>Investment (at Face Value)</b>		
<b>(Prior to 2002 – 03 &amp; DDB 0% Bonds are at Cost)</b>	<b>13623.22</b>	<b>12331.07</b>
Income from Investment	964.77	872.43
Profit on Sale of Securities	-	4.48
Profit on Sale of ETF	144.89	83.73
Other Income	0.17	0.63
<b>Total Income</b>	<b>1109.83</b>	<b>961.27</b>
Interest paid to members	1088.96	977.01
Premium W/Off	10.45	10.73
Accrued Income Written off	-	111.19
Provision for Loss on Investment	78.14	41.62
Other Expenditure	-	-
<b>Total Expenditure</b>	<b>1177.55</b>	<b>1140.55</b>
Excess of Income over Expenditure	-67.72	-179.28
Balance carried over to General Res	-67.72	179.28

### BENEFITS TO MEMBERS

The trust has served to 83990 members. The interest rate given to members is 8.25% for F.Y. 2023-24 which is at par with the interest rate declared by EPFO. During the year, the trust has disbursed an amount of Rs.1299 crores to the members and settled 21711 cases. The details of the same are available in Advance and Final Settlement Section.

The trust has been relentlessly pursuing the members whose claims are not received even after the mandatory three years' time from the date of discontinuance of service and during which interest accrual is allowed. Accordingly, cases of such nature are also settled.

### PROVISIONAL RATE OF INTEREST FOR F.Y. 2023-24 & 2024-25

The trust has adopted the rate of interest @ 8.25% for crediting interest to the member's accounts on CPF accumulation for the FY'2023-24 and also adopted the same i.e. 8.25% as interim rate for the FY'2023-24 and FY' 2024-25 till the declaration of new rate by EPFO. It is in accordance to the notification of Rate of Interest declared by the EPFO, Govt. of India vide letter no. INV-11/2/2021-INV/1460 dated: 31.05.2024.

## **INVESTMENT POLICY**

Total investment made by the Trust in F.Y. 2023-24 is Rs.2754 crore (at Cost Price) which is, made strictly as per prescribed Revised Pattern issued by EPFO. w.e.f. 29.05.2015.

<b>Category</b>	<b>Percentage to be Invested</b>	<b>Amount Invested (Rs.in Crs.)</b>	<b>Percentage Invested (%)</b>
Government Securities and Related Investments	Minimum 45% and up to 65%	1789	65
Debt Instruments and Related Investment	Minimum 20% and up to 45%	553	20
Short – term Debt Instruments and Related Investment	Up to 5%	Nil	Nil
Equities and Related Investments*	Minimum 5% and up to 15%	412	15
Asset backed, Trust Structured and Miscellaneous investment	Up to 5%	Nil	Nil
	Total	2754	100

\* Investment in “Equities and Related investments” has been capped at the up to amount, i.e. 15% of the investment made in Financial Year 2023-24.

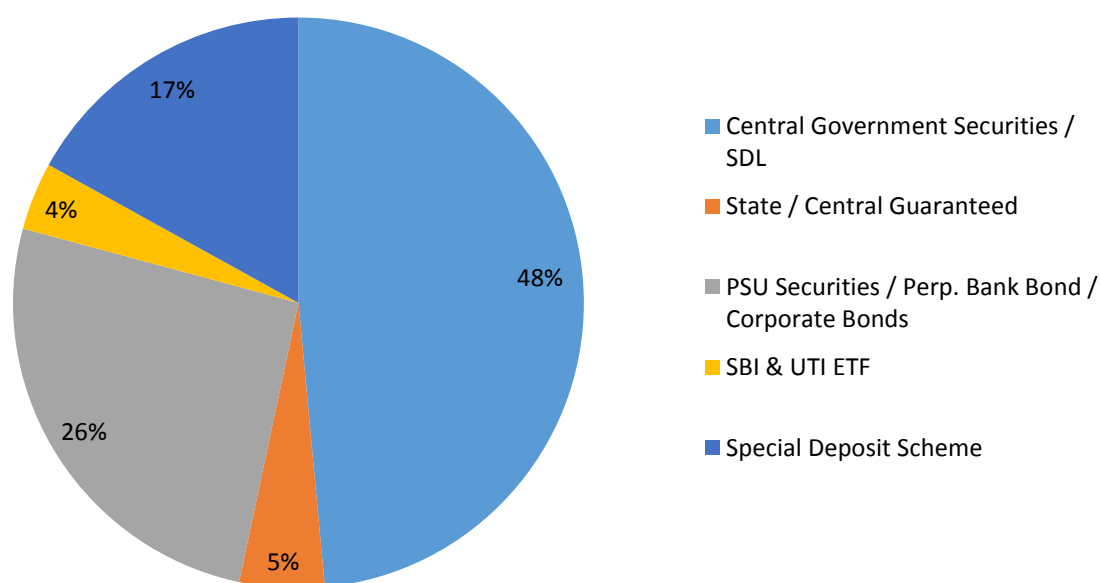


### DETAILS OF INVESTMENTS: As on 31st March, 2024

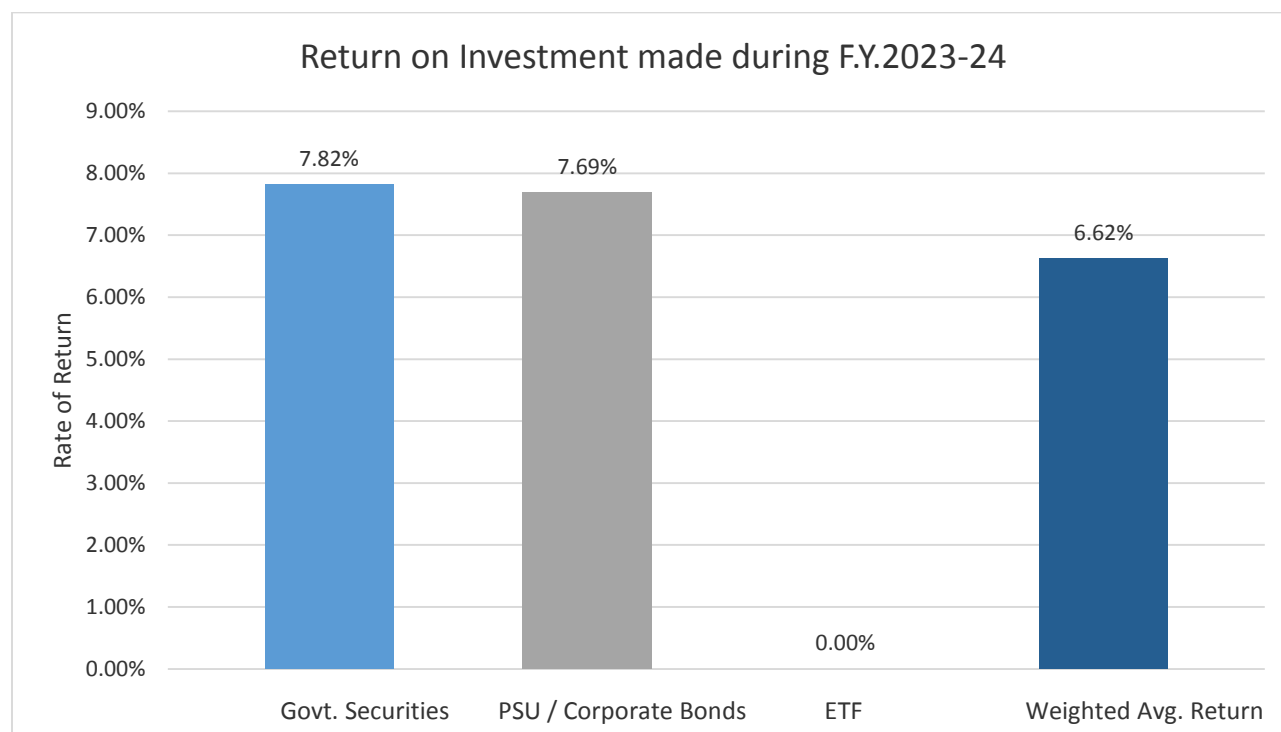
(Amount in Rs. Crore)

Sr. No.	Category	Face Value	Cost Price	Fair Value	Proportion in Total investment
1	Central Government Securities / SDL	6610.65	6697.52	6690.92	48.52%
2	State / Central Guaranteed	655.90	671.38	648.97	4.81%
3	PSU Securities / Perp. Bank Bond /Corporate Bonds	3522.71	3553.15	3318.98	25.86%
4	SBI / UTI ETF	522.76	522.76	592.33	3.84%
5	Special Deposit Scheme	2311.21	2311.21	2311.21	16.97%
	<b>Total</b>	<b>13623.23</b>	<b>13756.02</b>	<b>13562.41</b>	<b>100%</b>

### Investment of MSEB CPF Trust as on 31.03.2024



The Chart depicts the Return on Investment for fresh investments made during Financial Year 2023-24



*Note : 15% of the investible surplus is invested in ETF, however its gain is not shown above as the same will only be realized after selling of ETF, not on Mark-to-Market basis.*

(As per EPFO, the minimum rate of interest for the F.Y. 2023-24 is 8.25%)

### **AUDITOR**

M/s. Amit ray & Company, Chartered Accountants, Mumbai were appointed as Statutory Auditor for the Financial Year 2023-24.

## **OUTLOOK & WAY FORWARD**

MSEB CPF Trust has been making all out efforts to ensure continuous improvement in its systems and services provided its members. It will be our endeavor to settle PF claims and to give advances to members in shortest possible time. Standardization of systems and processes has been undertaken to a larger extent and further improvements are still being carried on. Further, efforts are also being undertaken to trace the members whose accounts are dormant in order to ensure settlement of their outstanding claims.

**BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2024**

Rs. in Lakhs

PARTICULARS	As on March 31, 2024		As on March 31, 2023	
	AMOUNT	T.AMOUNT	AMOUNT	T.AMOUNT
<b>SOURCES OF FUND</b>				
GENERAL RESERVE		-6772		-17928
CONTRIBUTION		1472905		1320324
<b>Total Rs.</b>		<b>1466133</b>		<b>1302396</b>
<b>APPLICATION OF FUNDS</b>				
Investments		1347108		1233107
Investments receivable on ILFS		3468		0
Investments receivable on Reliance Capital		11746		0
<b><u>Current Assets, Loans &amp; Advances.</u></b>				
Arranger Fixed Deposit	43		43	
Saving Bank Account with HDFC Ltd.	4510		7399	
Saving Bank Account with SBI & Yes Bank	3		0	
Receivables				
MSPGCL	5980		3043	
MSETCL	2272		2639	
MSEDCL	23543		19964	
MSEBHCL	4		5	
Unamortized Premium Account	9679		8121	
Interest Accrued but not due on Investment	30778		28160	
Interest Accrued and Due on Investment	1274		0	
TDS Receivable	38		0	
Receivable on Sale of ETF	25815		0	
Interest Accrued and Due (under litigation)	4591		4591	
<b>Total (a)</b>	<b>108530</b>		<b>73965</b>	
<b><u>Current Liabilities and Provisions</u></b>				
Security Deposit	47		45	
Sundry CPF Suspense A/c	4		4	
Amount Payable under litigation (SSNNL Case)	4591		4591	
TDS Payable	77		36	
<b>Total (b)</b>	<b>4719</b>		<b>4676</b>	
		103811		69289
		<b>1466133</b>		<b>1302396</b>

# INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024

Rs. in Lakhs

PARTICULARS	SCHEDULE	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
<b>INCOME</b>			
Interest on Investments		96355.14	87106.37
Interest on Savings Bank A/cs		121.90	136.72
Profit on Sale of Securities		-	448.44
Profit on Sale of ETF(SBI & UTI)		14489.46	8373.01
Other Income		16.47	62.91
<b>Total</b>	<b>I</b>	<b>110982.97</b>	<b>96127.45</b>
<b>EXPENDITURE</b>			
Interest on Employee's Contribution, Voluntary Contribution & Employers Contribution		108896.16	97701.17
Premium on investments written off during the year		1044.64	1073.07
Accrued Income Written Off		-	11118.61
Provision for Loss on Investment		7813.98	4162.43
Other Expenses		0.05	0.04
<b>Total</b>	<b>II</b>	<b>1,17,754.83</b>	<b>114055.32</b>
<b>Excess of Expenditure over Income for the year</b>	<b>I - II</b>	<b>6,771.86</b>	<b>17927.87</b>
<b>Balance carried over to General Reserve</b>	<b>III</b>	<b>(6,771.86)</b>	<b>(17927.87)</b>

## **ANNEXURE – 1**

### **Details of claims settled during the year 2023-24**

**TABLE 1: Amount - wise details (Rs. in Crore)**

<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
Amount paid towards Non Refundable Advance	288	262
Amount paid towards Refundable Advance	228	246
Amount paid towards 90% Final Settlement	298	327
Amount paid towards 10% , 100% Supplementary Final Settlement	485	708
<b>Total</b>	<b>1299</b>	<b>1543</b>

**TABLE 2: No. of claims wise details**

<b>Sr. No.</b>	<b>Settled Claims</b>	<b>No. of Cases (2023-24)</b>	<b>No. of Cases (2022-23)</b>
1	Non- Refundable Advance	8501	8858
2	Refundable Advance	8074	9224
3	90% Final Settlement	775	895
4	10%, 100% & Supplementary Final Settlement cases	4361	3353
	<b>Total</b>	<b>21711</b>	<b>22330</b>

## ANNEXURE-II

**amit ray & co.**  
CHARTERED ACCOUNTANTS

Add : 401/403, D Definity, Nr.  
Goregaon Rly. Stn. Goregaon  
East, Mumbai-400 063.  
Phone : 022-40146981  
9167441068 / 9167441048  
Email : nagrao57@gmail.com  
admin@amitrayco.in  
jitendra@amitrayco.in  
Website : www.amitrayco.in

### INDEPENDENT AUDITOR'S REPORT

To,  
The Trustee's  
Maharashtra State Electricity Board's  
Contributory Provident Fund Trust

We have audited the financial statements of Maharashtra State Board's Contributory Provident Fund Trust ("The Trust"), which comprise the balance sheet as at March 31, 2024, the statement of Income & Expenditure, and notes to the financial statements, including a summary of significant accounting policies.

#### Auditors Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Trust as at March 31, 2024 and its excess of Expenditure over Income for the year ended on that date.

We have conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent from the Trust in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules 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 audit opinion on the financial statements.

#### Trust's Responsibilities for the Financial Results

The Statement has been prepared on the basis of the accepted accounting principles generally accepted in India in respect of financial statements. The Trustees are responsible for the preparation and presentation of the Statement that gives a true and fair view of the Excess of Expenditure over Income for the year ended March 31, 2024. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Applicable Act for safeguarding of the assets of the Trust and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate Internal Financial Controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Trustees are responsible for assessing the Trust'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 the Trustee's either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Trustees are also responsible for overseeing the Company's financial reporting process.

HO : 5-B, Sardar Patel Marg, Prayagraj 211001  
Also At : New Delhi, Bangalore, Kolkata, Chittorgarh, Pune, Dehradun, Lucknow, Guwahati



### **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the users taken on the basis of these financial statements.

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

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

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

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

### **Emphasis of Matters**

We draw attention to the following matters in the notes to the accompanying financial results for the Financial Year ended March 31, 2024:

1. Note no. 4 relates to the amounts receivable from employers as of March 31, 2024, pertaining to subscription dues and the shortfall in the Income & Expenditure Account.





2. Note no. 13 in connection with amount of provision on certain Investments made in Companies which have been admitted to Corporate Insolvency Resolution Process (CIRP).

**Report on Other Legal and Regulatory Requirements**

We report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. Except for the effects of the matter described in the Emphasis of Matter paragraph above, 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. Except for the effects of the matter described in the Emphasis of Matter paragraph above, in our opinion, the aforesaid financial statements comply with the Accounting Principles generally accepted in India.
- d. The Trust has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 15 to the financial statements.

For Amit Ray & Company  
Chartered Accountants  
FRN 000483C



FCA Nag Bhushan Rao  
Senior Partner  
Membership No.: 073144  
UDIN: 24073144BKBJRO8111  
Date: 24-09-2024  
Place: Mumbai

**THANK YOU**