

MSEB CONTRIBUTORY PROVIDENT FUND TRUST

ANNUAL REPORT

2017-2018



MSEBHOLDING COMPANY LTD



MAHAVITARAN
Maharashtra State Electricity Distribution Co. Ltd



MAHATRANSCO
Maharashtra State Electricity Transmission Co. Ltd.



MAHAGENCO
Maharashtra State Power Generation Co. Ltd.

CONTENTS

SR.NO.	PARTICULARS	PAGE NO.
1	FOREWORD	3
2	BOARD OF TRUSTEES	4
3	TRUSTEE REPORT	5
4	HIGHLIGHTS FOR THE YEAR 2017-18	5
5	ANNUAL INFORMATION OF MSEB CPF TRUST FOR THE F.Y.2017-18	6
6	FINANCIAL POSITION AS ON 31.03.2018	7
7	INVESTMENT POLICY	8-10
8	OUTLOOK & WAY FORWARD	11
9	BALANCE SHEET AS AT 31ST MARCH 2018	12
10	INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31.3.2018	13
11	ANNEXURE 1 – DETAILS OF CLAIMS SETTLED	14
12	ANNEXURE 2 – STATUTORY AUDITOR' REPORT	15-16
13	ANNEXURE 3 – NOTES TO ACCOUNT	17-22
14	CONTACT INFORMATION OF OFFICIALS OF MSEB CPF TRUST	23

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 2017-18.

Your Trust is a Common CPF Trust for all four companies i.e. MSEBHCL, MSPGCL, MSETCL & MSEDCL. All members are contributing their subscription in MSEB CPF Trust. There are 87124 Active Members as on 31.03.2018. The investment of the trust as on 31.03.2018 is Rs.8505 cr. The EPFO has declared the Statutory Rate of Interest @ 8.55% for the F.Y.2017 – 18 and the same has also been declared by MSEB CPF Trust.

Your trust is one among 6000 trusts which are given RANK # 1 by EPFO by evaluating their performance across six criterion related to efficiency and compliance parameters.

Your trust has made sincere efforts to settle a total of 14883 claims of the members towards settlement of 10%, 100%, Supplementary, 90% Final Settlement and Advances during the Financial Year 2017-18. From April 2017 onwards, MSEB CPF Trust has started Direct Payment of CPF balances credited to Members Bank Accounts for Final Settlement and Advances claims. The EPFO has started to provide Universal Account Numbers (UAN) to all the members of the EPFO and same is applicable to the Exempted Trust. On the same line your trust has made sincere efforts to generate and provide Universal Account Numbers (UAN) from the EPFO to all members.

The trust has made sincere efforts to invest Investible surplus within minimum time on all occasions and observing the range and criterion of various investment categories as issued by EPFO as notified by Ministry of Labour & Employment on 23rd April 2015, further amended on 22.09.2016.

The Trustees sincerely acknowledge the contribution of all the superannuated members and wish them a happy and contented retired life

**Board of Trustees
MSEB CPF Trust**

BOARD OF TRUSTEES OF MSEB CPF TRUST

Shri. Sunil Pimpalkhute	Director (Finance), MSEBHCL Chairman & Employer Trustee of MSEB CPF Trust
Shri. K. M. Chirutkar	Executive Director (O&M), MSPGCL Employer Trustee of MSEB CPF Trust
Shri. Pankaj Sharma	Chief General Manager (A), MSPGCL Employer Trustee of MSEB CPF Trust
Shri. C. A. Gadre	Chief General Manager (IA), MSEDCL Employer Trustee of MSEB CPF Trust
Shri A. K. Nale	Chief General Manager (Tech.), MSEDCL Employer Trustee of MSEB CPF Trust
Smt. Anju Gupta	General Manager (F&A), MSETCL Employer Trustee of MSEB CPF Trust
Shri C. N. Deshmukh	Maharashtra State Electricity Workers Federation. Employee Trustee of MSEB CPF Trust
Shri D. H. Dhamankar	Maharashtra Vij Kamgar Mahasangh Employee Trustee of MSEB CPF Trust
Shri. R. S. Kamble	M. S. Magasvargiya Vidyut Kamgar Sanghatana Employee Trustee of MSEB CPF Trust
Shri R. T. Deokant	Vidyut Shetra Tantrik Kamgar Union Employee Trustee of MSEB CPF Trust
Shri Sunil Jagtap	Subordinates Engineering Associates Employee Trustee of MSEB CPF Trust
Shri Sunil Choudhari	Maharashtra State Vij Kamgar, Congress (INTUC) Employee Trustee of MSEB CPF Trust

TRUSTEES' REPORT

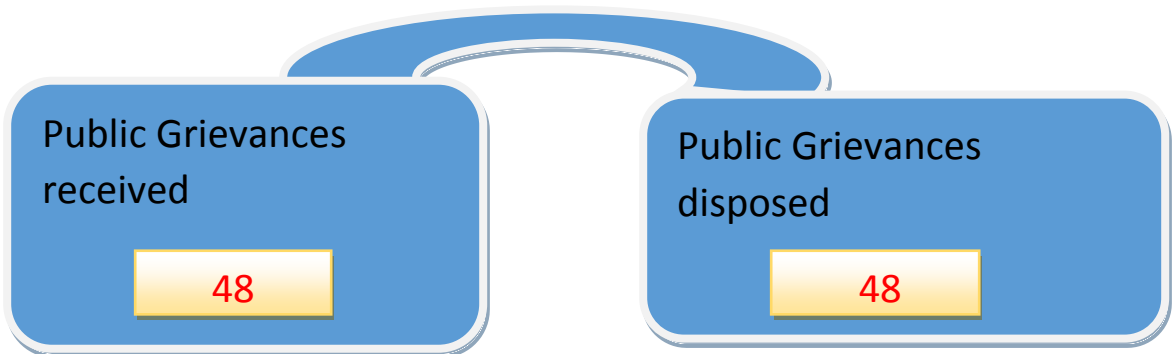
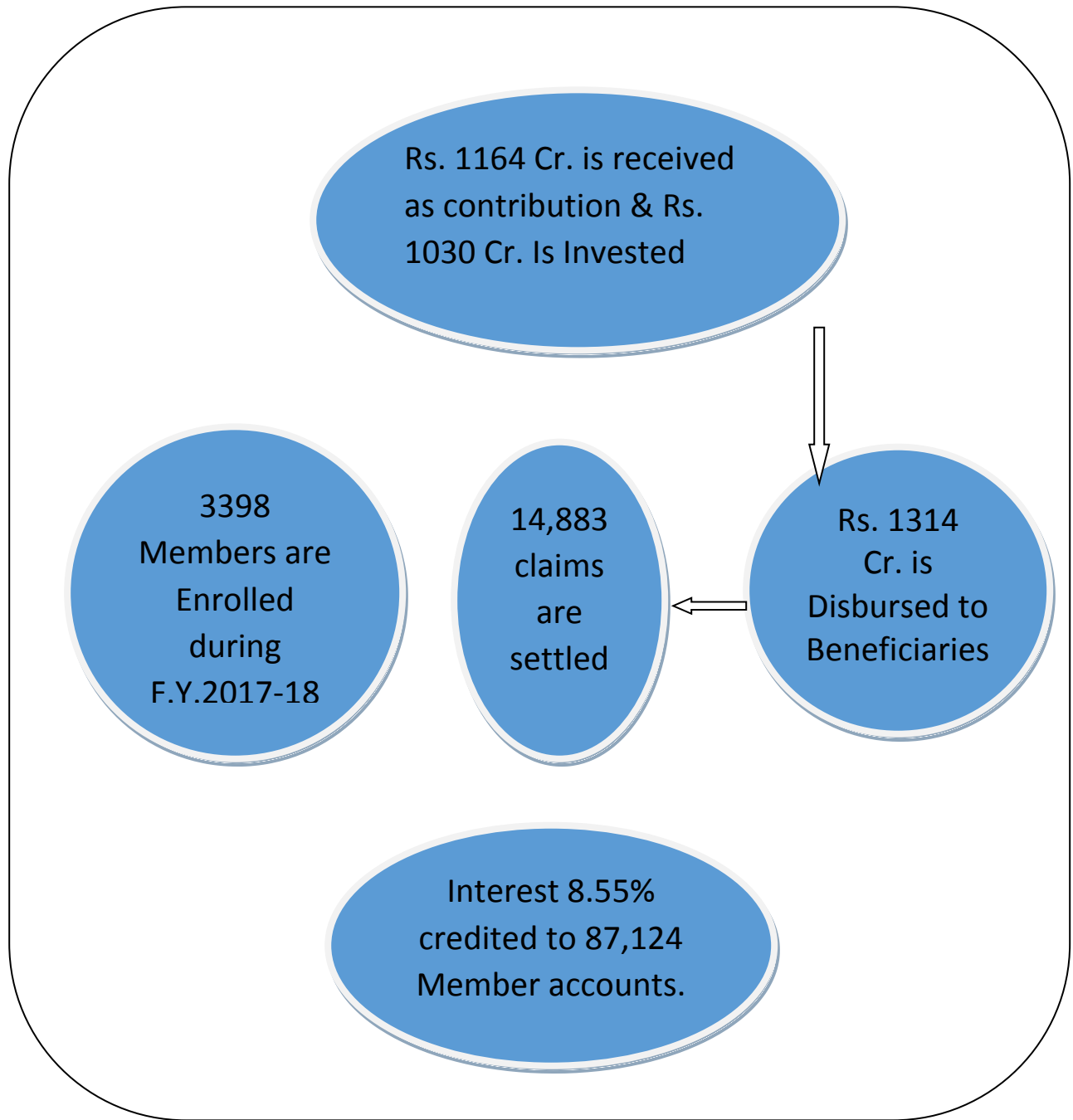
Dear Members,

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 31st March 2018, together with the Auditors' Report.

Highlights for the year 2017-18

- As per EPFO letter dated 21.09.2017 Trust is awarded 1st Rank for online performance evaluation of exempted establishments on the basis of Six Parameters i.e. Transfer of fund before due date, Investment, Remittance to the Trust, Interest Declared, Claim settlement and Audit of Accounts.
- A total of 14883 claims of the members towards settlement of 10%, 100%, Supplementary, 90% Final Settlement and Refundable & Non – Refundable Advances were settled during the year 2017-18
- Rs. 726 Crore as Interest on Contribution had been paid / credited to the members.
- The Accounts of the trust had been prepared and audited. Income Tax return has been filed up-to-date.
- The outstanding position of final settlement claims is 1793 as on 31.03.2018.
- The average return on investment for the year was 8.59%.
- The total investment of the trust as on 31.03.2018 is Rs.8505 Cr.
- No. of contributing members of trust is 87124 Employees as on 31.03.2018
- 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
- Interest given to members is at par with EPFO i.e. 8.55% 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.
- Direct Payment to the subscriber's bank accounts initiated from April 2017.
- Online Nomination system implementation from April 2017.
- Online application for Advance and Final Settlement claims implementation from April 2017.
- Online PF balance view facility and loan status available for employees.
- SMS and Email facility for Inward, Sanctioned and Disbursement of payment for Advance and Final Settlement claims from April 2017.

ANNUAL INFORMATION OF MSEB CPF TRUST FOR THE F.Y.2017-18



FINANCIAL POSITION (AS ON 31.03.2018)

(In Rs. Crores)

Particulars	2017-18	2016-17
Capital & Members Contribution		
Reserve Fund	23.43	21.46
Contribution	9125.54	8531.87
Unclaimed Deposit Accounts	67.73	97.68
Ex-Employee Fund	8.76	-
Provision for Final Settlement (Sanctioned but not disbursed)	2.61	14.70
Receivable/Payables *from companies		
MSPGCL	17.54	*13.57
MSETCL	15.41	*4.76
MSEDCL	64.49	*14.96
MSEBHCL	0.02	0.02
Provision for Accrued Interest (SSNNL under litigation)	45.91	45.91
Total	9371.44	8744.91
Investment (at Face Value)		
(Prior to 2002 – 03 & DDB 0% Bonds are at Cost)	8505.42	8119.05
Income from Investment	709.80	696.26
Income from Dividend (ETF)	2.59	1.27
Profit on Sale of Securities	22.31	0.02
Other Income	3.94	0.31
Total Income	738.64	697.86
Interest paid to members	726.08	687.85
Other Expenditure	10.58	8.68
Total Expenditure	736.66	696.53
Excess of Income over Expenditure	1.98	1.33
Balance carried over to General Reserve	1.98	1.33

BENEFITS TO MEMBERS

The trust is serving to more than 87000 members. The interest rate given to members is 8.55% for F.Y. 17-18 which is at par with the interest rate declared by EPFO. During the year, the trust has disbursed an amount of Rs.1314.11 crores to the members and settled 14,883 cases. The further details of the same is 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. 2018-19

The trust has adopted the rate of interest @8.55% for crediting interest to the member's accounts on CPF accumulation for the FY'2017-18 and also adopted the same i.e. 8.55% as interim rate for the FY'2018-19 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. Invest. I/CBT Agenda/ROI/2017-18/4153 dated: 25.05.2018,

INVESTMENT POLICY

Total investment made by the Trust in F.Y. 2017-18 is Rs.1029.54 Crore (at Cost Price) which is, made strictly as per prescribed Revised Pattern issued by EPFO. w.e.f. 29.05.2015.

Category	Percentage to be Invested	Amount Invested (Rs.in Crs.)	Percentage Invested (%)
Government Securities and Related Investments	Minimum 45% and up to 65%	463.51	45.02
Debt Instruments and Related Investment	Minimum 20% and up to 45%	411.73	39.99
Short – term Debt Instruments and Related Investment	Up to 5%	Nil	Nil
Equities and Related Investments*	Minimum 5% and up to 15%	154.30	14.99
Asset backed, Trust Structured and Miscellaneous investment	Up to 5%	Nil	Nil
	Total	1029.54	100

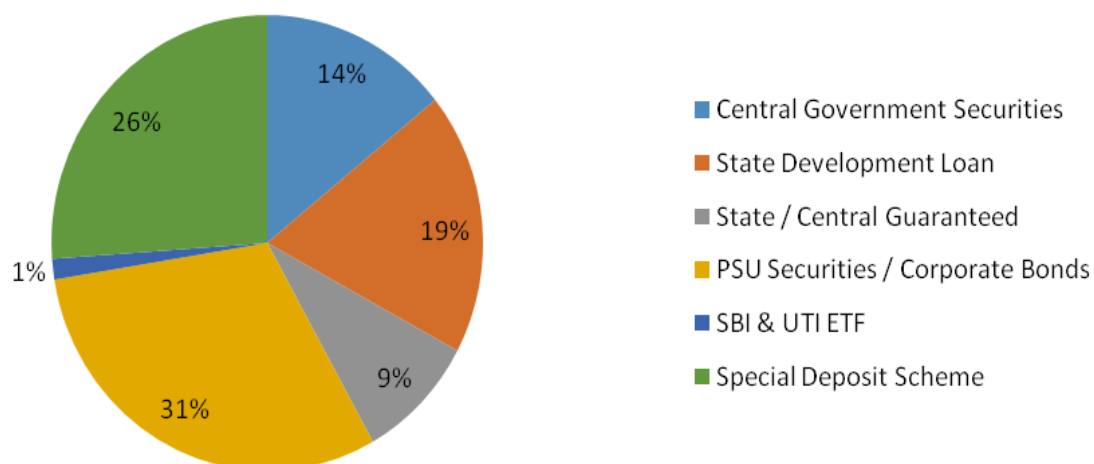
* Investment in “Equities and Related investments” has been capped at the up to amount, i.e. 15% of the investment made in Financial Year 2017-18.

DETAILS OF INVESTMENTS: As on 31st March, 2018

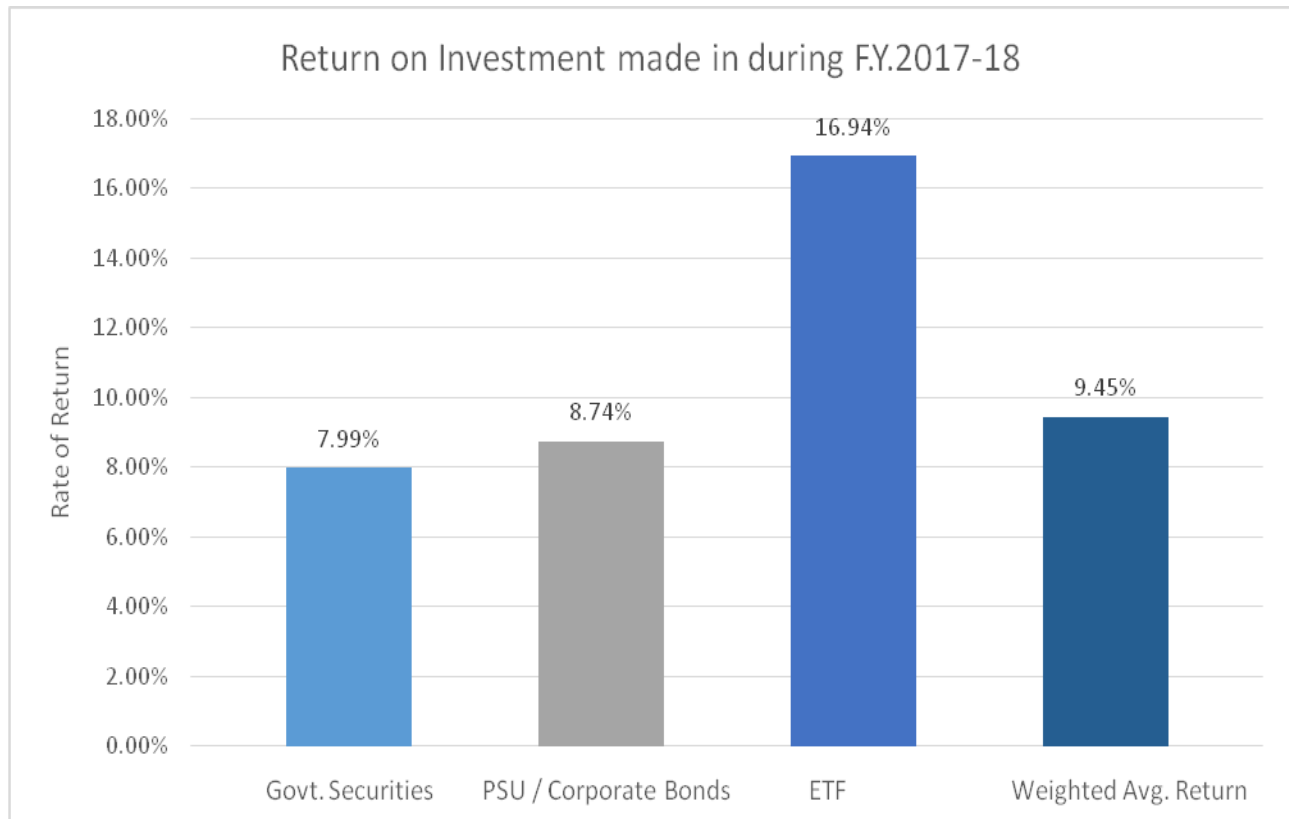
(Amount in Rs. Crore)

Sr. No.	Category	Face Value	Cost Price	Fair Value	Proportionate in Total investment
1	Central Government Securities	1256.28	1227.67	1287.37	14.19%
2	State Development Loan	1650.99	1707.42	1725.72	18.65%
3	State / Central Guaranteed	798.76	460.99	458.96	9.03%
4	PSU Securities / Corporate Bonds	2705.14	2762.54	2802.68	30.56%
5	SBI / UTI ETF	129.09	129.09	124.90	1.46%
6	Special Deposit Scheme	2311.21	2311.21	2311.21	26.11%
	Total	8851.47	8598.92	8710.84	100%

Face Value of Investment of MSEB CPF Trust as on 31.03.2018



The Chart depicts the Return on Investment for fresh investments made during Financial Year 2017-18



(As per EPFO, the minimum rate of interest for the F.Y. 2017-18 is 8.55%)

AUDITORS

M/s. A N A R & Co. Chartered Accountants, Thane were appointed as Statutory Auditor for the Financial Year 2017-18.

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.

(Sunil Pimpalkhute)
Chairman, MSEB CPF Trust

BALANCE SHEET AS AT 31st MARCH 2018

Rs. in Lakhs

PARTICULARS	SCHEDULE	As at March 31, 2018		As at March 31, 2017	
		AMOUNT	T.AMOUNT	AMOUNT	T.AMOUNT
SOURCES OF FUND					
GENERAL RESERVE	I		2343.47		2145.65
CONTRIBUTION	II		920202.67		862954.33
Total Rs....	I+II		922546.14		865099.98
APPLICATION OF FUNDS					
Investments	III		850542.25		811905.4
<u>Current Assets, Loans & Advances.</u>					
Arranger Fixed Deposit			30		30
Saving Bank Account with HDFC Ltd.			2163.19		1.79
Saving Bank Account with SBI			0.11		0.11
Receivables					1.91
	MSPGCL		1753.59		
	MSETCL		1540.82		
	MSEDCL		6449.29		
	MSEBHCL		1.88		
Unamortized Premium Account			6219.02		5325.63
Interest Accrued but not due on Investment			54138.34		52633.6
Bank Charges Receivable			0		0.02
TDS Receivable			0.03		0.04
Interest Accrued and Due (under litigation)			4591.35		4591.35
Total (a)			76887.62		62584.45
<u>Current Liabilities and Provisions</u>					
Provision for Final Settlement			0.88		1061.59
Prior Period Provisions for Final Settlement			259.70		377.5
Security Deposit			30.55		30.54
Payable to Companies					
	MSPGCL		0		1357.10
	MSETCL		0		475.91
	MSEDCL		0		1495.88
TDS Payable			1.25		
Amount Payable under litigation (SSNNL Case)			4591.35		4591.35
Total (b)			4883.73		9389.87
	IV		72003.89		53194.58
	III+IV		922546.14		865099.98

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2018

Rs. in Lakhs

PARTICULARS	SCHEDULE	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
INCOME			
Interest on Investments		70948.73	69626.29
Interest on Savings Bank A/cs		31.19	20.45
Dividend on SBI Nifty & Sensex ETF		258.86	127.44
Profit on Sale of Securities		2230.52	2.63
Other Income		394.47	9.80
Total	I	73863.77	69786.61
EXPENDITURE			
Interest on Employee's Contribution, Voluntary Contribution & Employers Contribution		72608.03	68785.41
Premium on investments written off during the year		1057.91	868.38
Total	II	73665.94	69653.79
Excess of Income over Expenditure for the year	I-II	197.83	132.82
Balance carried over to General Reserve	III	197.83	132.82

ANNEXURE – 1

Details of claims settled during the year 2017-18

TABLE 1 : Amount -wise details

(Rs. in Crore)

Particulars	2017-18	2016-17
Amount paid towards Refundable Advance	163.05	166.46
Amount paid towards Non Refundable Advance	10.12	8.19
Amount paid towards 90% Final Settlement	710.89	790.33
Amount paid towards 10% & 100% Final Settlement	429.70	488.96
Amount paid towards Supplementary Final Settlement	0.34	6.12
Total	1314.10	1460.06

TABLE 2 : No. of claims wise details

Sr. No.	Settled Claims	No. of Cases (2017-18)	No. of Cases (2016-17)
1	Non- Refundable Advance	276	252
2	Refundable Advance	6847	7767
3	90% Final Settlement	2961	3675
4	100% Final Settlement	874	762
5	10% Final Settlement	2943	4420
6	10% & 100% Death Cases	299	382
7	Supplementary Final Settlement	683	12938
	Total	14883	30196

ANNEXURE - 2
A N A R & CO.
CHARTERED ACCOUNTANTS

29/01, Jai Jui CHS, Vasant Vihar, Pokhran Road, Thane West, Thane 400 610

Independent Auditors' Report

To the trustees of **Maharashtra State Electricity Board's Contributory Provident Fund**

Report on the Financial Statements

We have audited the attached Balance Sheet of **Maharashtra State Electricity Board's Contributory Provident Fund**, as at 31st March, 2018 and also the Income and Expenditure Account for the year ended 31st March, 2018 and a summary of significant policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Fund's Board of Trustees are responsible for the preparation of these financial statements that give a true & fair view of the financial position and financial performance of the Fund in accordance with the accounting principles generally accepted in India, including the Accounting Standards. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Employees Provident Fund and Miscellaneous provision Act, 1952 ("the Act") for safeguarding the assets of the fund and for preventing and detecting frauds and others irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under. We conducted our audit in accordance with the standard on Auditing. Those standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedure selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Fund's preparation of the financial statements

that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Fund has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Fund's Trustees, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Basis of Qualified Opinion

We draw attention to Note No. 4 of Notes to Accounts in respect of Difference in EPS Liability for which the impact on Financial is not ascertainable.

Qualified Opinion

In our opinion and to the best of our knowledge and belief along with information provided and explanation given to us, subject to the matter referred in basis of Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the matter so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Fund as at 31st March 2018 and its surplus for the year ended on that date.

Report on Other Legal and Regulatory Requirement

We further report that, subject to remarks and observations made in the Notes to Accounts on even date:

- i. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii. In our opinion, proper books of accounts have been kept by the Trust so far as appearing from the examination of the books.
- iii. The Balance Sheet and the Income & Expenditure Account dealt with by this report are in agreement with the books of accounts.

For A N A R & Co.
Chartered Accountants
FRN 124211W

CA Neha Godbole
M No. 103056
Place: Thane
Date: 26th September 2018

ANNEXURE 3

Notes forming part of the Accounts for the year ended 31st March 2018

1. MSPGCL, MSETCL, MSEDCL and MSEB Holding Co. Ltd (Erstwhile MSEB) Account:

Erstwhile MSEB has been reconstructed into four companies i.e Maharashtra State Power Generation Company Ltd (MSPGCL), Maharashtra State Electricity Transmission Company Ltd (MSETCL), Maharashtra State Electricity Distribution Company Ltd (MSEDCL) and Maharashtra State Electricity Board Holding Company Ltd. (MSEBHCL). Following balances were receivable from the companies as on 31.03.2018:

Sr No.	Particulars	Amt (Rs.)
1	Maharashtra State Power Generation Company Ltd	17,53,59,374
2	Maharashtra State Electricity Transmission Company Ltd	15,40,81,746
3	Maharashtra State Electricity Distribution Company Ltd	64,49,29,404
4	Maharashtra State Electricity Board Holding Company Ltd	1,88,082

Balance confirmations have been received for all the above balances from the respective Companies and are reconciled as on 31st March 2018.

2. Unclaimed Deposit Accounts:

As per the EPFO mandate, the Fund stops crediting interest to member's account, after they remain inoperative for three or more consecutive years. The said amounts along with interest are transferred to Unclaimed Deposit Account. As per the books of accounts, the balance as on 31st March, 2018, lying in Unclaimed Deposit Account was Rs. 67,72,71,502/-

3. Ex- Employee Fund Accounts:

As per notification issued by Ministry of Labour and Employment dated: 11th November,2016 provided in the paragraph 72, in sub-paragraph (6) of EPF Scheme, 1952 and the revised condition no. 10 of Appendix A under sec. 17 of the EPF & MP Act, 1952, the dues (including interest) on accounts treated as operative on termination/resignation of member till retired from service after attaining age of fifty five years or migrated abroad permanently, have been bifurcated from Unclaimed Deposit accounts of Liability side of Balance Sheet and treated as 'Ex-Employee Fund.

4. Reconciliation of EPS Liability:

The EPS liability is paid by respective companies to EPFO by netting or reducing the Board Share, which is remitted to the Fund. However, due to supplementary Form 'S' the said liability is finalised at a different amount. The difference between the actual EPS paid amount and finalised amount due to supplementary form 'S' is Rs. 2,04,63,782/-, which is under reconciliation and lying in Subscription Account.

Sr No.	Particulars	MSPGCL	MSETCL	MSEDCL	MSEBHCL	Total
(a)	Employees' Provident Fund Accounts	18,47,52,87,786	14,01,28,57,631	58,74,22,33,474	2,50,62,475	91,25,54,41,366
(b)	Unclaimed Deposits Accounts	6,61,94,625	5,70,02,811	55,40,74,066	--	67,72,71,502
(c)	Ex-Employee Fund	40,90,528	10,62,775	8,24,00,987		8,75,54,290
(d)	Total (a) + (b)+ (c)	18,54,55,72,939	14,07,09,23,217	59,37,87,08,527	2,50,62,475	92,02,02,67,158
(e)	MS 31 report	18,54,10,93,074	14,06,80,87,455	59,36,55,60,372	2,50,62,475	91,99,98,03,376
(f)	Variance (d) - (e)	44,79,865	28,35,762	1,31,48,155	--	2,04,63,782

5. Provision for Final Settlement Claims Account:

This account represents the provision made for final settlement claims of Supplementary cases sanctioned during F.Y 2017-18 but remained unpaid as on 31st March 2018, to the extent of Rs. 88,843/-. This is on account of change in accounting system from Excel Based to System Based subject to reconciliation and the same has been settled in the next financial year.

6. Prior Period Provision for Final Settlement:

This account represents the provision made for final settlement claims sanctioned prior to 2017-18 but remained unpaid as on 31st March, 2018. Out of Rs. 3,77,50,433/- as on 01.04.2017, claims amounting to Rs. 67,03,241/- have been paid during the year and Rs 50,77,566/- have been written back as excess provision made in earlier years.

The Trust has been suggested to intimate all the companies to submit the "R" forms for the balance amount of Rs. 2,59,69,626/- by 31st March 2019.

Claims shall no longer be payable to the companies there after and be written back as other Income in the next financial year

7. Employees Provident Funds Accounts and Investments:

Comparative between balances payables to subscribers and investments:

Particulars	Balance as on 31.03.2018	Balance as on 31.03.2017
Balance Payable to Subscribers	92,02,02,67,158	85,31,86,74,257
Investment Value	85,05,42,24,560	81,19,05,40,128
Unamortised Premium Account	62,19,01,807	53,25,63,157
Interest accrued but not due	5,41,38,34,258	5,26,33,60,074
Interest accrued and due	45,91,35,126	45,91,35,126
	91,54,90,95,731	87,44,55,98,485

It may seem from above, that there is apparent shortfall of Rs. 47.11 crores between Investments and subscriptions payables. However, substantial interest on investments amounting to Rs 21 crores has been received on 31.03.2018, and thereby reflected in the bank balance.

Also, the subscription pertaining to March 18 have been included in the above amount, but the contributions for the same have not been received till 31.03.2018 and hence form part of receivables.

Further, an amount of Rs. 74 crores approx. have been re-invested on 17.04.2018, thereby adequately backing the dues payables.

8. Interest accrued and due account – under Litigation (Asset Side): Rs. 45,91,35,126/- as on 31.03.2018.

This account represents the amount of interest accrued as well as due on Sardar Sarovar Narmada Nigam Ltd but not received during the year.

9. Investment Valuation:

Investments in securities are generally valued at Face value and the differential amount paid as premium or discount is written off over the life of securities.

However, prior to F.Y 2002-03, the investments were valued at purchase price and the difference between purchase value and face value of security, i.e Premium/Discount was debited/credited in Income and Expenditure Account under the head Suspense Account in the year of maturity. These securities still continue to be valued on the same lines, instead of on face value.

Further, in case of 0% bonds (Zero Coupon Bonds) the securities are valued at purchase value and not on face value (since market value of any particular year is not comparable to its cost) and the interest accrued on the same is recorded separately as 'Interest Accrued but not account' on annual basis.

All investments made during the year were as per Investments Pattern.

Quoted Investments are valued as per market rate available as on 31.03.2018.

For Securities, where market quotation was not available as on 31.03.2018, last year Market Value (for untraded securities) is taken as Market Value.

10. Unamortized Premium Account: Rs. 62,19,01,807/- as on 31.03.2018

In the secondary market, most of the securities are normally available at price higher than the face value of the security, and sometimes at a lower rate. The extra amount so paid is

called premium and short amount paid is called discount. Both these amounts are netted off against each other resulting into a net Premium/Discount Amortization Account. In present case it is Unamortized Premium Account.

As per prescribed Accounting Standards, these amounts are required to be charged to Income and Expenditure Account over the remaining life of the security on SLM basis. Accordingly, all amounts due for the current year have been charged to Income and Expenditure Account for the current year, and unmortised portion is carried under the balance sheet as 'Unamortized Premium Account' (Rs. 62,19,01,807/-).

11. Fixed Deposit (Arranger): Rs. 30,00,000/- as on 31.03.2018

It is deposit received from arrangers i.e brokers of securities. Trust has Fixed Deposit of Rs. 30,00,000/- against Security Deposit of Rs. 30,54,720/-.

12. Bank Account: Rs. 21,63,30,316/- as on 31.03.2018

The Bank balance as on 31st March 2018 was Rs. 21,63,30,316/- out of which HDFC Bank has Balance of Rs. 21,63,19,219/- and SBI Bank has Balance of Rs. 11,097/- as on 31st March 2018.

13. Interest Credited to Sundry CPF Subscribers A/c: Rs. 7,26,08,03,465/-

The account exhibits the amount of interest provided on the monthly progressive balance of CPF subscribers for the year 2017-18 during this financial year at the statutory rate of interest i.e 8.55%

14. Premium Written off Account: Rs. 10,57,91,103/- for the year 2017-18.

As per the prescribed Accounting Standards, Premium/Discount on Investments is required to be charged to Income and Expenditure Account on the SLM basis over the life of the security. Accordingly, all amounts due for the current year have been charged to Income and Expenditure Account for the current year by Premium Written off Account.

15. Interest Income: Rs. 7,09,79,92,155/- for the year 2017-18.

This account represent Interest received on Investments (Net of interest paid on Purchase), 1% BOT Interest, Interest on Bank Fixed Deposits and Interest on Savings Bank Accounts.

16. Other Income: Rs. 3,94,47,073/- for the year 2017-18.

Other Income majorly includes:

- i) penalty Income of Rs. 60,000/- received from "Arrangers".
- ii) Excess Provision for final settlement written back Rs 50,77,566/-

- iii) Balances in subscription accounts upto Rs 5,000/- outstanding since 1965 till 2016 amounting to Rs 2.6/- crores have been written off as no longer payable.
The reasons being:
- a) incorrect charge of interest in the system
 - b) mixing of amounts between the employees
 - c) incorrect deduction of CPF from the Arrears after final settlement

17. Dividend Income: Rs. 2,58,85,500/- for the year 2017-18.

During the year Trust received dividend of Rs. 1,74,37,500/- from SBI Nifty ETF and Rs. 84,48,000/- from SBI Sensex ETF.

18. Surplus: Rs. 1,97,82,609/- for the year 2017-18.

Excess of Income over Expenditure was Rs. 1,97,82,609/- and same is carried forward to Balance Sheet.

19. Litigation Cases

a) MSEB CPF Trst v/s Sardar Sarovar Narmada Nigam Ltd is pending in the Supreme Court of India.

The Trust had invested Rs. 113.19 crores in Sardar Sarovar Narmada Nigam. Bonds 2014 considering highest returns at the time of investment. The issue price of bond was Rs. 3600 and maturity price was Rs. 1,11,000 which were due for maturity in the year 2014,. However Gujarat Legislature passed an Act for early redemption of Deep Discount Bonds of SSNNL as a result of which, SSNNL got power to redeem the bonds at a reduced maturity value of Rs. 50,000 on 11th January, 2009. SSNNL credited Rs. 1,13,42,00,000 to the Trust's HDFC bank Account as against Rs. 1,59,33,35,126 resulting in a shortfall of Rs. 45,91,5,126. This matter is subject in the Supreme Court of India. The difference of the said interest amount of Rs. 45,91,35,126/- is appearing Interest Accrued and Due Account.

b) MSEB CPF Trust v/s Madhya Pradesh State Electricity Board & Ors. is pending in High Court of Bombay.

The Trust had purchased 39 bonds of 12.50% MPEB SRL Bonds 2007 @ Rs.50,00,000/- each bond of total amounting Rs. 19.50 Crs. Half yearly interest on 26th March and 26th September was receivable to MSEB CPF Trust on the Face Value of Rs.19.50 Crs. (i.e. Rs.2.44 Crs. on every year) However, the half yearly interest was due since 26th March, 2000 has not paid by MPEB till 2006. Therefore, approval of the Chairman of MSEB CPF Trust was obtained to file a writ petitions in the Bombay High Court to recover the said interest. On 23rd January 2006, the Hon'ble Bombay High Court has passed the order and directed to MPEB to pay the amount to the MSEB CPF Trust. Accordingly Rs.38,58,16,599/- was received from MPEB at different schedule against the actual due of Rs.49,44,93,384/-. Therefore, after receiving Rs.38,58,16,599/- the MSEB CPF Trust demanded for Overdue Interest of Rs. 12,04,74,914/- payable by MPEB since 20th

January, 2009. The matter is pending with Hon'ble Bombay High Court for further order of listing.

MPEB has been trifurcated and the said liability is transferred to MP Paschim Kshetra Vidyut Vitaran Co. Ltd. In the year 2014 and further in the year 2016 it was transferred to Chhattisgarh State Electricity Board and Subsequently to Chhattisgarh Power Holding Co. Ltd.

GRIEVANCE REDRESSAL DESK

For attending all employee related queries / grievances a help desk is functioning at the Trust premises. The contact details of concern department officials are as given below:

Name & Designation	Contact
Shri. R. J. Pawar, AGM (PF) Shri. Rahul Panhale, Sr. Manager (Pension and Administration) Smt. G.M. Shinde, Manager (Final Settlement & Nomination) Smt. K. S. Kaware, Manager (Investment & Advance) Shri. Ashok Jadhav, Manager(I/C) (Administration and S&R)	Address: MSEB CPF Trust Ground Floor, Estrella Batteries Expansion Bldg., Dharavi Road, Matunga- 400 019 Phone: 022-24031498 – AGM (PF) 022-24010367 – Pension 022-24010368 – Final Settlement 022-24010364 – Advance 022-24092531 – S & R Section 022-24010368 – Nomination. Email : cpfmseb.2011@gmail.com msebpension1995@gmail.com cpfsection@gmail.com cpfsection.sr@gmail.com cpfnomination@gmail.com