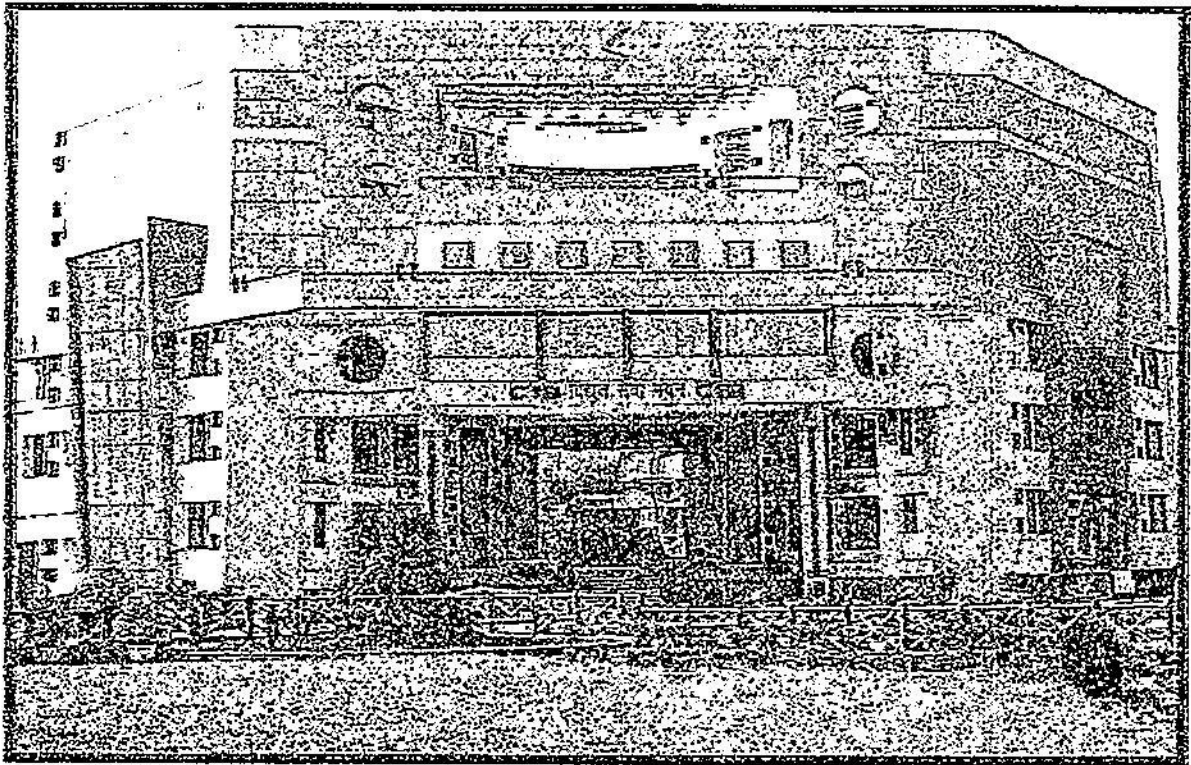
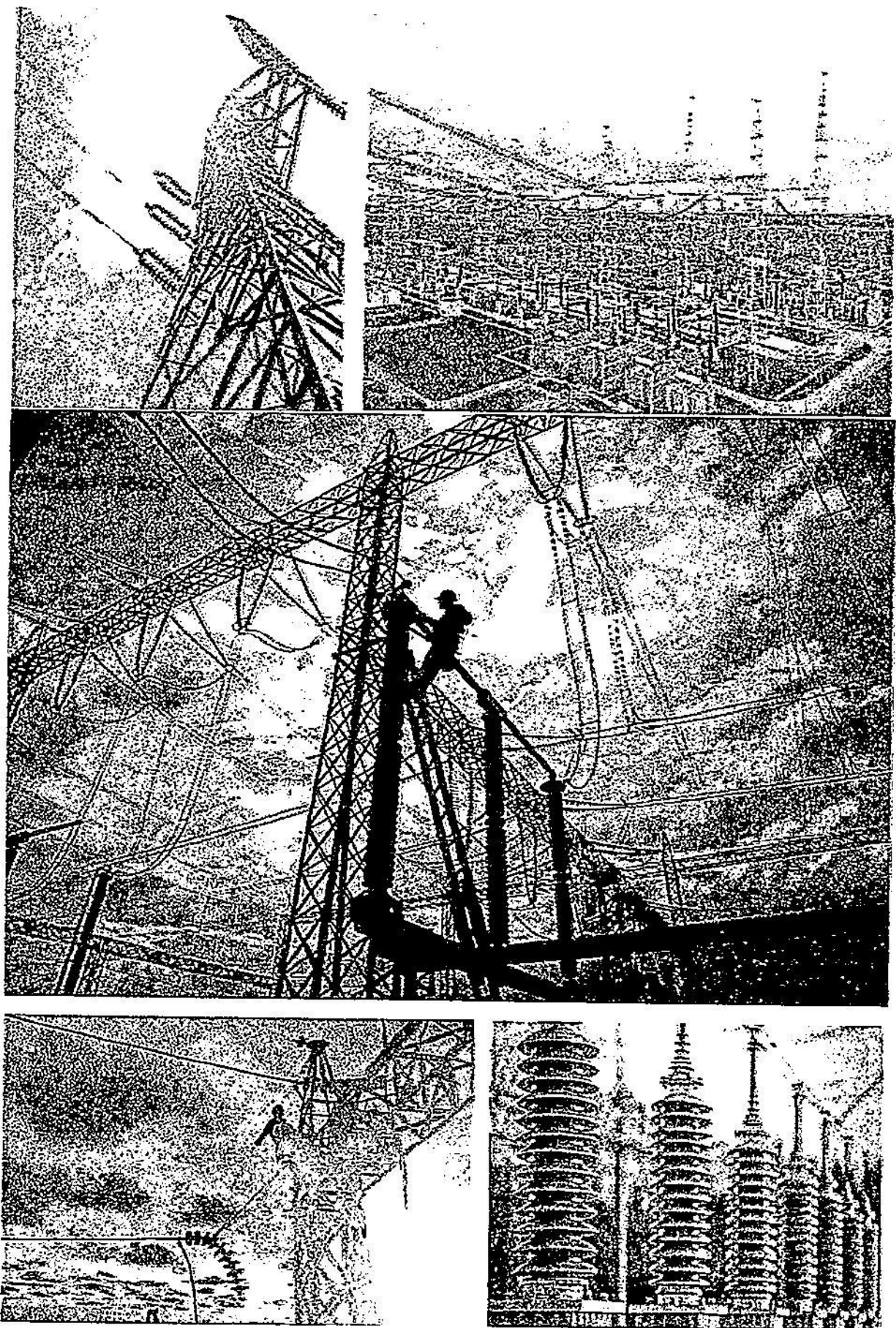




**CHHATTISGARH STATE POWER DISTRIBUTION COMPANY
LIMITED**
(A Government of Chhattisgarh undertaking)



ANNUAL REPORT
2023-24



ANNUAL REPORT
2023-24

BOARD OF THE DIRECTORS

Sr. No.	Name of Directors	Designation
1	DR. Rohit Yadav	Chairman
2	Shri Mukesh Kumar Bansal	Nominee Director
3	Shri Bhim Singh Kanwar	Managing Director
4	Shri Sanjiv Kumar Katiyar	Nominee Director
5	Shri Pradeep Fellows	Nominee Director
6	Shri Ram Awtar Pathak	Nominee Director

INVESTOR GRIEVANCE REDRESSAL

- | | |
|--|--|
| 1. Shri Alok Singh
Chief Financial Officer, CSPDCL
Email:- fin.cspdcl@cspc.co.in
Phone No:- 0771-2574359 | 2. Smt. Gunjan Dubey
Compliance Officer & Company Secretary
Email:- cs.gunjandubey.cspdcl@gmail.com
Phone No. 0771-2576771 |
| 3. Shri Lavish Kumar
Manager (F&A), CSPDCL
Email:- lavish.kumar@cspc.co.in
Phone No:- 0771-2574352 | |

STATUTORY AUDITOR:

M/s APAS & Co. LLP,
Chartered Accountants, Raipur

INTERNAL AUDITORS:

1. M/s Vinod Kumar Gupta & Associates Region: Raipur & Jagdalpur	2. M/s Arindam & Associates Region: Raipur Rural & Jagdalpur
3. M/s OmPrakash S Chaplot & Associates Region: Durg & Rajnandgaon	4. M/s Mukund Shiva & Associates Region: Bilaspur & Ambikapur

COST AUDITORS:

M/s Bandyopadhyaya Bhaumik & Co.,
Cost & Management Accountants, Kolkata,

REGISTRAR & TRANSFER AGENT:

Beetal Financial & Computer Services Pvt. Ltd.
BEETAL House, 3rd Floor,
99, Madangir, Behind Local Shopping Centre,
Near Dada Harsukhhas Mandir New Delhi - 110062.
Ph; 011-29961281 - 83, Fax - 011-29961284
E-mail:- beetal@beetalfinancial.com; beetalrta@gmail.com,



CHHATTISGARH STATE POWER DISTRIBUTION COMPANY LIMITED

(A Government of Chhattisgarh undertaking)

Regd. Office:-VidyutSewaBhawan, Dangania, Raipur- 492013

CIN: L40108CT2003SGC015822, Email ID: mddiscom@cspc.co.in

Website: www.cspdcl.co.in, Phone No.: 0771- 2574200, Fax No.: 0771- 4066566

BOARD'S REPORT

To,
The Members of
M/s Chhattisgarh State Power Distribution Company Ltd.
Raipur (C.G.)

The Directors of your company are pleased to present the 21st Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2024.

1) CONSTITUTION OF THE COMPANY:

Your Company was incorporated on 19th May, 2003 as a Public Limited Company vide Certificate of Incorporation No. U40108CT2003PLC15822 issued by the Registrar of Companies, M.P. & C.G. The entire shareholding of the company is held by the Government of Chhattisgarh. Accordingly, your Company is a Government Company as defined under section 2 (45) of the Companies Act, 2013.

2) CAPITAL STRUCTURE:

The authorized share capital of the Company stood at Rs. 3,300 Crore divided into 330 Crore equity shares of Rs.10/- each as on 31st March, 2024. Further, the paid up share capital at the end of the financial year under review stood at Rs. 2886.53 Crore divided into 288.65 Crore equity shares of Rs.10/- each.

3) FINANCIAL HIGHLIGHTS:

The Financial Performance of the Company (Standalone) for the year ended 31st March, 2025 is summarized below:-

(Rs. in Crore)		
PARTICULARS	F.Y.-2023-24	F.Y.-2022-23
Revenue from Operations	22,994.40	19,837.18
Other Income	663.26	506.30
Profit/(Loss) before depreciation, exceptional & extraordinary items & taxation	590.16	(521.15)
Less: Depreciation & Amortization Expenses	637.16	501.34
Profit / (Loss) before exceptional & extraordinary items & taxation	(47.00)	(1,082.49)
Add : Exceptional & Extraordinary items	88.04	50.22
Profit / (Loss) before tax	41.04	(1,132.72)
Less: Tax expenses	0.00	0.00
Profit/(Loss) after taxation	41.04	(1,132.72)
Other Comprehensive Income	(247.08)	(365.53)
Total Comprehensive Income	(206.04)	(1,498.25)

4) REVIEW OF PERFORMANCE:

During the financial year 2023-24, the Company has earned Revenue from Operations amounting to Rs. 22,994.40 crores as compared to Rs. 19,837.18 crores during the previous financial year. The company is a Public Utility and is functioning under the regulatory regime. The tariff is determined by CSERC taking into consideration various factors. The net profit of the Company as per accounts prepared under IND AS was Rs. 41.04 crores during the financial year under review as compared to net loss of Rs. 1132.72 crores during the previous financial year.

5) CHANGE IN THE NATURE OF THE BUSINESS OF THE COMPANY:

During the financial year under review, there was no change in the nature of the business of the Company.

6) OPERATIONAL PERFORMANCE:

During the period from 01.04.2023 to 31.03.2024, 6,703 KM Sub-Transmission Lines and 8,551 KM Low Tension (Distribution) Lines were constructed. Including the above, the total length of Sub-Transmission Lines and Low Tension (Distribution) Lines stood at 1,61,151 KM and 2,33,723 KM respectively at the end of the financial year. During the period under review, work of 57 Nos. New 33/11 KV S/s 77 No. Additional Power Transformer, 76 No. Aug of Power Transformer, 15,458 Nos. New 11/0.4 KV Distribution Transformers and 2,395 No. Augmentation of 11/0.4 KV Transformer were completed as a result of which, the capacity was increased by 1,696 MVA. As on 31.03.2024, there were 1,409 Nos. 33/11 KV and 2,32,769 Nos. 11/0.4 KV Sub-stations with total capacity of 22,811 MVA.

The details of work done during the period under review for up-gradation of Sub-transmission and Distribution System are as under:

S. No.	Particulars	Unit	F.Y. 2023-24
1.	33 KV Lines	KM	934
2.	11 KV Lines	KM	5,769
3.	Low Tension Lines (400-230 Volts)	KM	8,551
4.	33/11 KV Sub-stations installed	Nos.	57
	Capacity	MVA	191
5.	Installation of Additional Transformer in existing 33/11 KV Sub-station	Nos.	77
	Capacity	MVA	253
6.	Increase in capacity of Transformer of existing 33/11 KV Sub-stations	Nos.	76
	Capacity	MVA	141
7.	11/0.4 KV Sub-station installed	Nos.	15,458

	Capacity	MVA	967
8.	Increase in capacity of 11/0.4 KV Transformers	Nos.	2395
	Capacity	MVA	144

◆ **Normal Development Work:**

During the period under review, the Company has done the following work under Normal Development (Obligatory) Projects for Sub-transmission and Distribution system:

S. No.	Particulars	Unit	Achievement
1.	33 KV Lines Construction	KM	158
2.	11 KV Lines Construction	KM	1352
3.	Distribution Lines for Services (For New Connections)	KM	843
4.	New Distribution Transformers	Nos.	8148
5.	Increase in Capacity of Distribution Transformers	Nos.	1716
	Capacity	MVA	103
6.	Connection provided:		
	Single Phase	Nos.	1,26,181
	Three Phase	Nos.	21,195
	High Tension Connection	Nos.	270

◆ **Electrification of Irrigation Pumps**

During the period from 01.04.2023 to 31.03.2024, the line extension work has been completed for 29,050 pumps. Thus, in the State total existing pump is 7,42,181 (Permanent pump connection 5,45,171 and 1,97,010 Temporary pump) as on 31.03.2024.

◆ **B.P.L Connection**

As per the direction of State Government, the B.P.L. Connection is made available to peoples who are below poverty line. During the period from 01.04.2023 to 31.03.2024, total 6,687 connections have been provided to the above category families. As a result, there are 15,98,625 B.P.L. Connections to the above category families as on 31.03.2024.

7) FUTURE PROSPECTS & PLANS:

DEEN DAYAL UPADHYAY GRAM JYOTI YOJANA [D.D.U.G.J.Y. (Centrally Sponsored Scheme)] (Scheme No. 7652) :-

MoP; GoI vide office memorandum No. - 44/44/2014-RE dated 03.12.14 has conveyed regarding launch of Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) for rural area with following component.

- Separation of agriculture and non-agriculture feeders facilitating judicial rostering of supply to agricultural and non-agricultural consumers in RURAL AREAS.
- Strengthening and augmentation of sub-transmission and distribution infrastructure in RURAL AREAS including metering of distribution transformers/ feeders/ consumers.
- Rural electrification.

For Chhattisgarh State, REC Ltd. conveyed approval of DPR's of all 27 districts vide their letter No. 94 dated 14.08.2015 for Amount Rs.1253.98 Crore (Rs 1247.75 Crore for project + Rs 6.23 Crore as PMA charges).

The works of 27 districts have been completed and the total expenditure occurred in the scheme as per closer Rs 1203.78 Cr. The scheme has been closed on March 2022.

Pradhan Mantri Sahaj Bijli Har Ghar Yojna (SAUBHAGYA)

MoP:GoI has launched "Pradhan Mantri Sahaj Bijli Har Ghar Yojna" (SAUBHAGYA) on 25.09.2017, in which all houses in the country (i.e. Rural as well as Urban) are to be provided last mile connectivity for electricity connections.

Amount Rs.413.75 Cr. has been sanctioned to electrify house-holds through grid at rural areas and Amount Rs. 6.78 Cr. has been sanctioned to electrify house-holds through grid at urban areas and additional amount Rs.83.64 cr. also sanctioned.

As on 31.03.2019, connections of 6,65,756 House-holds have achieved and scheme closed on this achievement and the closer amount is. ₹469.00 crore.

REVAMPED DISTRIBUTION SECTOR SCHEME (RDSS): -

1. MoP: GoI vide their Office Memorandum No. 10/03/2021-UR&SI-II (E-258311) dated 20 July 2021, has launched the Revamped Distribution Sector Scheme. Monitoring Committee of Revamped Distribution Sector Scheme in its first meeting held on dated 23.07.2021 has approved the operational guidelines for RDSS. The main objectives of the scheme are to –
 - a. Improve the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient Distribution Sector.
 - b. Reduce the AT&C losses to Pan-India levels of 12-15 % by 2024-25.
 - c. Reduce ACS-ARR gap to zero by 2024-25.
2. The Scheme has the following parts-

PART-A

 - Smart Metering
 - Distribution Infrastructure Works (Line Loss Reduction & Modernization Works)
 - Project Management.

PART-B

 - Training, Capacity Building and other Enabling & Supporting Activities.

Work done during the year 2023-24 is as below:-

S.No.	Particulars	Units	Awarded Qty	Executed Qty
1	Cabling work	CKM	30598.7	2952.51
2	HVDS DTR	Nos.	2371	0
3	New HT Line	CKM	16609.5	1018.85
4	New LT Line	CKM	10654.1	11.28
5	Augmentation of LT Lines	CKM	22385.76	2594.57
6	Feeder Segregation	Nos.	1067	6
7	Feeder Bifurcation	Nos.	971	0
8	New DT	Nos.	15248	158
9	Cyber Security	Nos.	1	1

INTEGRATED POWER DEVELOPMENT SCHEME (IPDS)

Centrally Sponsored Scheme (Scheme No 7655)

Ministry of Power, GoI, has launched Integrated Power Development Scheme (IPDS) for strengthening of sub-transmission and distribution network in urban areas including provision of solar panels, metering and IT enablement of distribution section.

For Chhattisgarh State, 15 DPR's (Circle wise) have been sanctioned for Rs 514.52 Crs." Covering 182 towns- including 168 censuses and 14 statutory towns. The scheme has been closed on March 2021 and the closure amount Rs 411.62 Crs.

HVDS Scheme :- The High Voltage Distribution System scheme, as the name suggests, has the great scope of T&D loss reduction by covering the existing LT network in to HT network. Efforts made to increase HT/LT ratio in terms of both line length & consumption accompanied by the respective network. The funds for this scheme was made available through Company's own sources and financing from Rural Electrification Corporation Limited (REC). REC has sanctioned HVDS scheme for feeders separation in Saraipali, Aklatara, Kawardha, Mahasamund & Sakti Division. In Saraipali division, out of 58 feeders, 58 no. feeders have been completed. Under Akaltara, Division 29 no. feeders are to be converted into HVDS system and work of all 29 feeders has been completed, under (O&M) Dn, Kawardha, out of 77 no feeders, work in 42 no feeders has been completed and under (O&M) Dn Mahasamund, out of 95 no feeder, work in 80 feeder has been completed. The scheme is physically closed.

R-APDRP Part B:- To reduce line losses in 21 towns (for which 19 DPR Sanction) having population more than 30000 as scheme worth Rs 710.24 Crs was sanctioned for new 33/11 KV for line extension work, cable lying work, New Distribution Transformers, shifting of meters outside consumer premises etc. Work of all 21 towns got completed and scheme is closed in March 2017.

STN Scheme: - Energy Conservation has also been achieved through strengthening of Sub-transmission line under the STN scheme for which the provision of Rs. 817.84 Crore has been made by CSERC for the year 2023-24 and expenditure of Rs. 144.05 Crore has been incurred including spill over work during the reporting year 2023-24.

8) IMPROVEMENT INITIATIVES:

Various initiatives have been taken by the Company to upgrade the system, to improve the billing and collection efficiency and to provide better services to the consumers. Few points in brief are as under:-

- To improve the billing efficiency and better performance of reading and avoid manual intervention, Photo spot Billing has been implemented in all over C.G. Covering around 54.81 lac consumers (except agriculture, AMR & Temp.).
- Automatic meter reading system has been implemented in all 3881 HT connections, 8462 LT connections having connected load above 50HP and 13406 LT connections having connected load between 15 HP to 50 HP for precise reading and accounting of Energy consumed by major consumers approximately covering 70% of the total Revenue of the company.
- CSPDCL has completed 100% feeder metering to monitor the losses at all voltages level and for proper energy accounting at all 901 Nos 33 KV feeder and 5512 Nos 11 KV feeder. In addition this 4710 Nos AMR has been install at all 11 KV feeders in urban as well as rural area. 79687 No. DTs have been metered for DT wise monitoring of T&D losses.
- The process of replacement of Stopped/Defective meters have been implemented in regular manner. 308537 No. of Stopped/ Defective meters have been replaced in the year 2023-24.
- Different modes of digital payment have been provided as Net Banking, Debit Card, Credit Card, RTGS, NEFT, UPI, Wallets, Pay-points centres and common service centres. 142 Nos. of ATP machines have been installed at different location in the State where the consumer can pay the bill from 8:00 AM to 8:00 PM round the week in addition to the manual counters, towards improvement of collection efficiency & consumer services. (pertains to EITC office).
- 24 No. special courts are functioning under section 153 of Electricity Act., 2003 at District Head Quarters for speedy trial of offences referred in section 135 to 140 & section 150 of Act, 2003.
- Consumer Grievance redressal forum has been setup in Raipur, Bilaspur & Jagdalpur at Regional Head Quarters. Raipur forum arranges weekly camps at Durg & Rajnandgaon.

Similarly, Bilaspur forum arranges fortnightly camps at Raigarh & Ambikapur towards quick disposal of consumer grievances by providing close approach to consumers.

- A service of Automated Central Call Centre with group of Call Centres in 22 towns has been created to facilitate 24x7 registration of technical and commercial complaints and for resolution in minimum time.
- Continuous improvement in operational efficiency has been achieved through adding further functionalities in various modules of SAP EFP : Materials Management, Financial Accounting and Controlling, Human Resource Management, Billing (IS-U), Customer Relationship Management (CRM), Suppliers Relationship Management (e-Bidding) and Maintenance Management System. This has resulted in even better consumers services, procurement & inventory management, financial progress monitoring and in providing module specific information at various levels (Distribution Centre, Zone/Sub Division, Division, circle, Region & Head Office). (pertains to EITC office)
- Further improvements in the customer services through the Centralised Call Center have been achieved for the electricity consumers of entire state. Consumers can register any type of complaint at this center related to supply of electricity, Billing etc. And can query about any CSPDCL service or can enquire about the status of their complaints. (pertains to EITC office)
- CSPDCL Website "www.cspdcl.co.in" has been enriched further with additional Online Consumer Web Self Service & Online New Service Connection (NSC). The other customer care services like Online Bill payment, 24 months Billing information, 24 months payment information, Online Complaint Registration, Online Application for load change, Name change, Tariff change are continued as earlier.
- CSPDCL has further increased the number of Bill payment Kiosk ATP Machines from 125 to 142 no.s for convenience of consumers. The other payment services to its electricity consumers like Online Bill Payment through Net Banking, Credit Card, Debit Card, BHIM UPI, Bharat Bill payment System, pay point Centres, Common Service center are continued as earlier.
- To improve the billing efficiency, correctness of meter reading and avoid manual intervention, Spot Billing with photograph has been implemented in the state from billing month of July-2021 and it is continuously running successfully in the year 2023-24. Number of consumers covered is 52 lacs for all LT consumers excluding the agriculture consumers. The new photo spot billing is being done with the help of android mobile device and through thermal handheld printer. To ensure the photo spot billing should be done at the consumer's doorstep the latitude and longitude of the premise is being captured. This location information is further being used to find the consumer location to attend the supply related complaints in "Prakash" Mobile app.

Further the spot billing is being generated in Hindi language for better understanding of consumers.

- Different modes of digital payment have been provided e.g. Net Banking, Debit Card, Credit Card, RTGS, NEFT, BHIM and other UPI, Bharat Bill payment System, Wallets, Pay-points centres and common service centres. 151 Nos. of ATP machines have been installed at different location in the State where the consumer can pay the bill from 8:00 AM to 8:00 PM round the week in addition to the manual counters, towards improvement of collection efficiency & consumer services. Agent based payments are also increased in rural area via CSC (Common service centre) agents as well as Pay point agents approximately with 13000 agents across the state of Chhattisgarh.
- Centralised Call Centre facility with IVRS and Toll-free No. 1912 has been available to all electricity consumers of CSPDCL for registration of technical and commercial complaints 24x7. All the CSPDCL offices and Fuse of Call Centres have been linked with the Centralised Call Centre for resolution of registered technical and commercial complaints in minimum time.
- CSPDCL Website "www.cspdcl.co in" has been enriched further with Ease of Doing Business 2.0 integration, additional Ease of Doing Business reforms, Reengineered New Service Connection Online Forms under Ease of Living, NSC Charges Calculator, Integration with national PM Surya-ghar Portal.
- Mor Bijlee Android Mobile App has been available for electricity consumers. Some new Features added like Theft report, NSC Charge Calculator, RTGS NEFT Registration, PM Surya-ghar Link, Application Status, Self-Complaint closure.
- Mor Bijlee iOS Mobile App has been available for electricity consumers with all basic features of its android version.
- CSPDCL Prakash Mobile App has been available for CSPDCL Officers/ Employees. Some new Features added like Pending Complaint dashboard, Incident reporting: Theft, breakage/damage pole, accident report, Feeder Alert: On Off alert, Smart meter consumption history, Complaint registration of own area.
- CSPDCL Mor Bijli Company android & iOS Mobile App has been made available for employee of CS Power Company for HR and Health related facilities Cashless Health Scheme Online Doctor Consultation, E-Health Card, Orders/Circulars, Network Hospitals, Preventive Health Check-up, Policy Period bar view available, Sum Insured and Balance information, View Detail and Update info about cashless medical scheme, Hospital Empanelment request, Feedback / Complaint about cashless scheme, Download Forms, Reimbursement Form, No Claim Bonus, Help Desk, Pay Slip, Annual Salary/ Pension Statement, GPF Slip for eligible members.

- Continuous improvement in operational efficiency has been achieved through adding further functionalities in various modules of SAP ERP: Materials Management, Financial Accounting and Controlling, Human Resource Management, Billing (IS-U), Customer Relationship Management (CRM), Suppliers Relationship Management (E-Bidding) and Maintenance Management System. This has resulted in even better consumer's services, procurement & inventory management, financial progress monitoring, taxation and in providing module specific information at various levels (Distribution Centre, Zone/Sub Division, Division, circle, Region & Head Office).

- **Revamped Distribution Sector Scheme (RDSS)- IT/OT Project** – The RDSS scheme was launched by the Ministry of Power, Government of India, with an office memorandum dated 20.07.2021.

The scheme is effective for five years from 2021-22 to 2025-26, with a total cost of Rs. 303758 Crore, of which Rs. 97631 Crore is the central share.

Rural Electrification Corporation(REC) is the nodal agency for Chhattisgarh for this project.

Ministry of Power (MoP) sanctioned this project to CSPDCL on 13th July 2022 with an approved cost of Rs. 119.68 Crore of works in IT/OT head for Infrastructure works under loss reduction. This project is currently being implemented by Energy Info-Tech Centre(EITC), with the following status updates as of Fy-2023-24:

IT/OT Work components:

The RDSS IT/OT initiatives include various improvements aimed at reducing and renewing distribution losses, supporting infrastructure development, and enhancing the IT infrastructure for better service.

Specific Improvement Initiatives:

1. Cyber Security Enhancement:

Establishing a cyber-Security operation centre with a tools like EDR, UEBA, SOAR TIP etc., for improved security.

- **Budget (₹):** 516,776,910.38 (Initially expended under CSOC for Cyber Security up to March 2024)

- **Status:**All software and hardware components have been received, installed, and commissioned. The system has gone live, and all necessary facility management Services (FMS) have been deployed on- site.

2. GIS-System Upgradation:

Customization, implementation, and functionality enhancements, including mobile app development for Delta & extending survey activity to 182 towns.

3. ERP-System Upgradation:

Technical and functional upgrades along with SAP HANA implementation and data migration.

9) DIVIDEND

Keeping in view loss suffered by the Company during the financial year under review, your Directors do not recommend any dividend for the year under review.

10) TRANSFER TO RESERVES:

During the year under review, the Company has not transferred any amount to General Reserve.

11) PUBLIC DEPOSIT:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Further, the Company has not received any unsecured loan from directors of the Company & their relatives within the meaning of Section 73 of the Companies Act, 2013 and Clause 2(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014.

12) DIRECTORS & KEY MANAGERIAL PERSONNEL:

As per provisions of the Articles of Association of the Company, all the Directors hold their office at the pleasure of the Government of Chhattisgarh. As per various orders issued from time to time by the Energy Department, Govt. of Chhattisgarh, the following changes have taken place in the constitution of the Board of Directors of the Company since the date of previous Directors' Report for the F.Y. 2022-23.

SL. NO.	NAME OF DIRECTOR	EFFECTIVE DATE
1.	Appointment of Dr. Rohit Yadav, I.A.S. as Chairman of the Company in place of Shri P. Dayanand, I.A.S.	04.10.2024
2.	Appointment of Shri Ram Awtar Pathak as Director C&RA of the Company.	02/04/2025

Accordingly, the following persons constitute the Board of Directors of the Company as on date:

SL. NO.	NAME OF DIRECTOR	DESIGNATION
1.	Dr. Rohit Yadav, I.A.S.	Chairman & Nominee Director
2.	Shri Shri Mukesh Kumar Bansal	Nominee Director
3.	Shri Bhim Singh Kanwar	Managing Director
4.	Shri Sanjiv Kumar Katiyar	Nominee Director
5.	Shri Pradeep Fellows	Nominee Director
6.	Shri Ram Awtar Pathak	Nominee Director

Presently, the Company is having the following Key Managerial Personnel, in compliance of the provisions of Section 203 of the Companies Act, 2013:-

SL. NO.	NAME OF KEY MANAGERIAL PERSONNEL	DESIGNATION
1.	Shri Bhim Singh Kanwar	Managing Director
2.	Shri Alok Singh	Chief Financial Officer
3.	Smt. Gunjan Dubey	Company Secretary

13) DECLARATION BY INDEPENDENT DIRECTOR:

Presently, the Company do not have any Independent Directors on its Board hence, no declaration from the Independent Directors arise during the financial year.

14) DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors to the best of their knowledge and ability, confirm in respect of the Audited Annual Accounts for the year ended 31st March, 2025 that:

- (i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the year ended 31st March 2024 and profit & loss of the Company for that period;
- (iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors had prepared the annual accounts on a going concern basis;
- (v) the Directors had laid down proper internal financial controls to be followed and that such internal financial controls were adequate and were operating effectively; and
- (vi) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15) NUMBER OF MEETINGS OF THE BOARD:

During the Financial Year 2023-24, seven (7) meetings of the Board of Directors were held. The maximum gap between the two Board meetings were not more than one hundred and twenty days.

16) AUDIT COMMITTEE :

The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority. At present, the company do not have any Independent Director therefore, the Company has not constituted Audit Committee.

17) NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee shall consist of three or more non-executive directors out of which not less than one-half shall be independent directors. At present, the company do not have any Independent Director therefore, the Company has not constituted Nomination & Remuneration Committee.

18) CORPORATE SOCIAL RESPONSIBILITY (CSR) :

The Company was having average net loss during the immediately preceding three financial years i.e. 2022-23, 2021-22 and 2020-21. As a result, the Company was not required to spend any amount on CSR activity during the financial year 2023-24. The Report on CSR Activities for the financial year 2023-24 in compliance with Section 135 of the Companies Act, 2013 is annexed herewith as an Annexure-'A'.

Further, as per the provisions of Section 135(9) of the Companies Act, 2013, where the amount to be spent by a company under Section 135(5) does not exceed fifty lakh rupees, the requirement for constitution of the Corporate Social Responsibility Committee shall not be applicable w.e.f. 22.01.2021 and the functions of CSR Committee provided under the Companies Act 2013 shall be discharged by the Board of Directors of Company. Since, the Company was having average net loss during the immediately preceding three financial years. Accordingly, the Company was not required to constitute a CSR Committee as per section 135 of the Companies Act, 2013.

19) RISK MANAGEMENT:

The management of the Company regularly reviews the risks, challenges and threats being faced by the Company. At present, the Company has not identified any element of risk which may threaten the existence of the Company.

20) STATUTORY AUDITOR:

M/s APAS & Co. LLP, Chartered Accountants, Raipur have been appointed as Statutory Auditor of the Company by the Comptroller and Auditor-General of India (CAG) for the financial year 2023-24.

21) REPORT/COMMENTS OF THE AUDITORS /CAG:

Observations of the Statutory Auditors along with Management's replies thereto on the Financial Statements of the Company for the financial year 2023-24 are enclosed herewith as Annexure – "B".

Further, the Comments of the Comptroller & Auditor General of India and Management's replies thereto on the Financial Statements of the Company for the financial year 2023-24 are enclosed herewith as Annexure – "C".

22) REPORTING OF FRAUD:

During the year under review, neither the statutory auditors nor the secretarial auditors of the Company has disclosed any instance of fraud committed in the Company by its officers or employees required to be disclosed in terms of Section 143(12) of the Companies Act, 2013.

23) COST AUDITORS:

The Board of Directors of the Company, in its meeting held on 12th July 2022, has appointed M/s Bandyopadhyaya Bhaumik & Co., Cost & Management Accountants, Kolkata, as the Cost Auditor for audit of the Cost Accounting Records of the Company for the financial year 2023-24 in pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Amendment Rules, 2014.

Further, the Company has filed the Cost Audit Report for the Financial Year 2023-24 on 04.10.2024

24) MAINTENANCE OF COST RECORDS:

Your Company is maintaining Cost Records of the product of the Company as prescribed by the Central Government under provision of Section 148(1) of the Companies Act, 2013.

25) INTERNAL AUDITOR:

As per the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the company is required to appoint Internal Auditor. The Board of Directors of the Company, in its meeting held on 12th Feb 2024, has appointed the following firms as Internal Auditors for the financial year 2023-24:

S.No.	Name of Internal Auditor	Region
1.	M/s Vinod Kumar Gupta & Associates	Raipur & Jagdalpur
2.	M/s Arindam & Associates	Raipur Rural & Jagdalpur
3.	M/s OmPrakash S Chaplot & Associates	Durg & Rajnandgaon
4.	M/s Mukund Shiva & Associates	Bilaspur & Ambikapur

26) SECRETARIAL AUDIT:

In pursuance of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board, has appointed M/s Nitin Agarwal & Co., Practicing Company Secretary to undertake the Secretarial Audit of the Company for the Financial Year ended 31st March, 2024.

Secretarial Audit Report for the Financial Year ended on 31st March, 2024, issued by M/s Nitin Agarwal & Co., Practicing Company Secretary, in Form MR-3 forms part of this report and marked as Annexure – “D”.

Further, the observations of the Secretarial Auditor along with Management's replies thereto for the financial year 2023-24 are enclosed herewith as Annexure – “E”.

27) COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:

The Company complies with the secretarial standards on meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India.

28) DETAIL OF APPLICATIONS / PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016.

During the year under review, pursuant to Section 134(3) (q) of the Companies Act, 2013 read with Rule 8(5) (xi) of Companies (Accounts) Rules, 2014, there was no applications / proceedings under insolvency and bankruptcy code, 2016 has been initiated against the Company

29) ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

Adequate internal financial controls were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements.

30) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not made loans/investments/given guarantees/provided securities to other bodies corporate or persons covered under the provisions of section 186 of the Companies Act, 2013.

31) SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES:

The Company is not having any subsidiary, joint venture or associate company.

32) PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company has not entered into any transaction falling within the preview of section 188 of the Companies Act, 2013.

33) MATERIAL CHANGES AND COMMITMENTS:

No material changes occurred subsequent to the close of the financial year of the Company to which the Annual Report relates.

34) SIGNIFICANT AND MATERIAL ORDERS:

No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status of the Company.

35) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) 32 Second Amendment Rules, 2015 (As per notification dated 4th September, 2015) are as follows:

a) Conservation of energy

(i)	The steps taken or impact on conservation of energy	<p>➤ The T&D and AT&C losses are as below:</p> <table border="1" data-bbox="603 1288 1433 1570"> <thead> <tr> <th>YEAR</th><th>DISTRIBUTION LOSS (%)</th><th>AT&C LOSS (%)</th></tr> </thead> <tbody> <tr> <td>2018-19</td><td>16.06</td><td>19.84</td></tr> <tr> <td>2019-20</td><td>16.91</td><td>16.84</td></tr> <tr> <td>2020-21</td><td>17.31</td><td>23.14</td></tr> <tr> <td>2021-22</td><td>16.14</td><td>14.74</td></tr> <tr> <td>2022-23</td><td>18.13</td><td>17.52</td></tr> <tr> <td>2023-24</td><td>14.56</td><td>14.60</td></tr> </tbody> </table> <p>➤ CSPDCL has started installation of Smart Metering for improvement of billing efficiency and collection efficiency.</p> <p>➤ Laying of LT-AB cable in theft prone areas: To prevent the direct theft through hooking the program to replace the bare conductor by LT-AB cable is in progress.</p> <p>➤ Underground cabling at 33kv, 11kv and LT level are being done as 146 km, 214 km and 317 km respectively upto Mar-2024.</p> <p>➤ CSPDCL is now purchasing Distribution transformers of Energy Efficiency Level-I to reduce technical losses of DT's.</p>	YEAR	DISTRIBUTION LOSS (%)	AT&C LOSS (%)	2018-19	16.06	19.84	2019-20	16.91	16.84	2020-21	17.31	23.14	2021-22	16.14	14.74	2022-23	18.13	17.52	2023-24	14.56	14.60
YEAR	DISTRIBUTION LOSS (%)	AT&C LOSS (%)																					
2018-19	16.06	19.84																					
2019-20	16.91	16.84																					
2020-21	17.31	23.14																					
2021-22	16.14	14.74																					
2022-23	18.13	17.52																					
2023-24	14.56	14.60																					

		<p>➤ Segregation of agriculture pump feeders has been initiated to reduce the T&D losses and to regulate the supply hours and to curtail the peak load (Flatten the load curve) due to irrigation pump load.</p> <p>➤ Under BEE Regulation 2021, the mandatory compliances of Quarterly Energy Accounting and Annual Auditing are being submitted to BEE on due time.</p> <p>➤ Vigilance and O&M checking: To reduce the commercial loss, CSPDCL has created special vigilance checking cell in 18 circles & 01 HT checking cell to curb theft and other irregularities (Mal practice). Details of category wise checking of connection during 2023-24 are tabulated here under:-</p> <table><tr><td>No. of Direct theft detected during the Year</td><td>4307</td></tr><tr><td>No. of Mal practice cases observed during the Year</td><td>16213</td></tr><tr><td>Amount billed Rs. in Lacs during the Year</td><td>6287.97</td></tr><tr><td>No. of FIR lodged/Information given to police during the Year</td><td>455</td></tr><tr><td>No. of cases put up to special court during the Year</td><td>908</td></tr></table>	No. of Direct theft detected during the Year	4307	No. of Mal practice cases observed during the Year	16213	Amount billed Rs. in Lacs during the Year	6287.97	No. of FIR lodged/Information given to police during the Year	455	No. of cases put up to special court during the Year	908																											
No. of Direct theft detected during the Year	4307																																						
No. of Mal practice cases observed during the Year	16213																																						
Amount billed Rs. in Lacs during the Year	6287.97																																						
No. of FIR lodged/Information given to police during the Year	455																																						
No. of cases put up to special court during the Year	908																																						
(ii)	The steps taken by the company for utilizing alternate sources of energy	<p>Company follows the RPO (Renewable Purchase Obligation) as per guideline issued by CSERC time to time. CSPDCL has purchased Renewable energy during FY 2023-24 against the target decided by CSERC which is tabulated as below:-</p> <table><tr><th rowspan="2">Type of sources</th><th rowspan="2">Total Consumption (LV, HV & EHV sales) (in MU)</th><th colspan="2">Obligation as per CSERC Regulation dtd. 31.12.2022 (RPO Target for FY 2023-24)</th><th colspan="2">RPO Achievement</th></tr><tr><th>In %</th><th>In MU</th><th>In %</th><th>In MU</th></tr><tr><td>Wind</td><td rowspan="4">31678.66</td><td>1.60</td><td>506.86</td><td>1.92</td><td>609.65</td></tr><tr><td>HPO</td><td>0.66</td><td>209.08</td><td>1.34</td><td>423.72</td></tr><tr><td>Other RPO (Biopass+Solar+Small Hydel+co-gen+Rooftop Solar)</td><td>24.81</td><td>7859.47</td><td>14.63</td><td>4635.55</td></tr><tr><td>Storage (on energy basis)</td><td>1.00</td><td>316.79</td><td>0.11</td><td>34.22</td></tr><tr><td>Total</td><td></td><td>28.07</td><td>8892.20</td><td>18.00</td><td>5703.14</td></tr></table>	Type of sources	Total Consumption (LV, HV & EHV sales) (in MU)	Obligation as per CSERC Regulation dtd. 31.12.2022 (RPO Target for FY 2023-24)		RPO Achievement		In %	In MU	In %	In MU	Wind	31678.66	1.60	506.86	1.92	609.65	HPO	0.66	209.08	1.34	423.72	Other RPO (Biopass+Solar+Small Hydel+co-gen+Rooftop Solar)	24.81	7859.47	14.63	4635.55	Storage (on energy basis)	1.00	316.79	0.11	34.22	Total		28.07	8892.20	18.00	5703.14
Type of sources	Total Consumption (LV, HV & EHV sales) (in MU)	Obligation as per CSERC Regulation dtd. 31.12.2022 (RPO Target for FY 2023-24)			RPO Achievement																																		
		In %	In MU	In %	In MU																																		
Wind	31678.66	1.60	506.86	1.92	609.65																																		
HPO		0.66	209.08	1.34	423.72																																		
Other RPO (Biopass+Solar+Small Hydel+co-gen+Rooftop Solar)		24.81	7859.47	14.63	4635.55																																		
Storage (on energy basis)		1.00	316.79	0.11	34.22																																		
Total		28.07	8892.20	18.00	5703.14																																		
(iii)	the capital investment on energy conservation equipment's	<p>Rs. 519.46 Cr/- (Procurement of energy efficient level I & II BIS certified distribution transformers as per IS 1180:2014 with the latest amendment)</p>																																					

b) Technology absorption

(i)	the efforts made towards technology absorption	1) Photo Spot Billing has been initiated for improvement of billing efficiency.
-----	--	---

		2) CSPDCL is under implementation of Smart Metering for precise reading without manual intervention.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Nil
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
	(a) the details of technology imported	---
	(b) the year of import;	---
	(c) whether the technology been fully absorbed	---
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	---
(iv)	the expenditure incurred on Research and Development	Nil

c) Foreign exchange earnings and Outgo: NIL

36) EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Companies Act, 2013 read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and is accessible at the weblink: <https://cspdcl.co.in/cseb/frminvestor.aspx?var=5>

37) DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company is committed to maintaining a productive environment for all its employees at various levels in the organization, free of sexual harassment and discrimination on the basis of gender. The Company has formed an internal complaint committee for Head Quarter offices and also issued necessary instructions to all field offices for constitution of internal complaint committees at Regional/Circle/Division/Sub-Division/Zone/DC offices with the requirements of The Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. No case has been registered under the above act during the financial year 2023-24 under "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013".

38) PARTICULARS OF EMPLOYEES :

As per provisions of section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to disclose in the Directors' Report the ratio of the remuneration

of each director to the median employee's remuneration and details of employees receiving remuneration exceeding limits as prescribed from time to time. However, as per notification dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with the provisions of Section 197 of the Companies Act, 2013. Therefore, such particulars have not been included as part of Directors' Report.

39) HUMAN RESOURCES:

Employees are the most precious asset of an organization and favourable environment is necessary to encourage creativity, innovation and performance excellence amongst them. Company has focused its efforts to enhance the capabilities of employees to develop competent trained and multi-disciplinary human capital in CSPDCL so as to meet the challenging assignments. Company strongly believes in achieving organizational excellence through human resource and follows "People First" approach to leverage the potential of its employees to fulfill its business plan.

40) INDUSTRIAL RELATIONS:

For the financial year 2023-24, Industrial relations in the CS Power Companies continued to be cordial and harmonious during the year. The matter pertaining to Industrial Relations/Trade Unions, various employees related issue and grievances, Labour Court Cases and implementation of labour laws of all the three companies were taken up by the department. The overall industrial relations was peaceful governed by harmony and mutual trust.

41) SAFETY, HEALTH & ENVIRONMENT:

- Various guidelines have been issued time to time for carrying the job with safety standards. Installation/testing/commissioning works have been done by taking measures as per Indian Electricity safety rules. Necessary safety tools have been provided to every Line man /technical staff. Regular safety-drill camps have been organized at each division level. Special training programme have also been organized to safeguard the man & material.
- There are 03 Departmental OPD dispensaries to nurture their employees. In addition to departmental dispensary facility, CSPDCL has tie-up with other Govt./Private recognized & reputed state/inter-state specialty hospitals for chronic/critical medical cases and the employees get reimbursement facility for their hospitalization on the basis of referrals.
- Pleasant environment has been maintained by conducting the different games. Some of the departmental employees have played even at inter-state/National level by the

motivation & continuous encouragement. Employees get the reward/honors for their splendid job by the top management at the time of national festivals.

42) VIGILANCE MECHANISM:

The Board of Directors of M/s Chhattisgarh State Power Holding Company Limited, the Holding Company of the Company previously, in its meeting held on 13th June, 2016 has approved the Vigilance Manual in compliance with the provision of section 177 of the companies Act, 2013 read with the companies (Meetings of Board and its Power) Rules, 2014 and also decided to implement the same in all Chhattisgarh State Power Companies including our Company.

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, integrity and ethical behavior. During the year under review, no reference has been received under the Vigil Mechanism.

43) ACKNOWLEDGEMENT

The Board places on record its sincere appreciation and gratitude to Central Government, Government of Chhattisgarh, Chhattisgarh State Electricity Regulatory Commission, Chhattisgarh State Power Companies, bankers, various Government Authorities, employees, customers, suppliers and other business associates. The Board sincerely acknowledges the hard work, dedication and commitment of the employees and the faith & confidence reposed by the shareholders in the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE: RAIPUR (C. G.)

DATE:- 12.08.2025



(DR. ROHIT YADAV)

CHAIRMAN

DIN: 7008782

ANNEXURE – 'A'
ANNUAL REPORT ON CSR ACTIVITIES

1.	Brief outline on CSR Policy of the Company	The Company was required to constitute a CSR Committee as per section 135 of the Companies Act, 2013 with at least one Independent Director. Since no Independent Directors were appointed by the Govt. of C.G., the Company could not comply with the above provision of the Companies Act, 2013 during the Financial Year 2023-24.
2.	Composition of CSR Committee	Further, as per the newly inserted provisions of Section 135(9) of the Companies Act, 2013, where the amount to be spent by a company under Section 135(5) does not exceed fifty lakh rupees, the requirement for constitution of the Corporate Social Responsibility Committee shall not be applicable w.e.f. 22.01.2021 and the functions of CSR Committee provided under the Companies Act 2013 shall be discharged by the Board of Directors of Company. Since, the Company was having average net loss during the immediately preceding three financial years. Accordingly, the Company was not required to constitute a CSR Committee as per section 135 of the Companies Act, 2013.
3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	Not Applicable
4.	Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable.	Not Applicable
5.	(a) Average net profit of the company as per section 135(5).	Nil (Negative figure)
	(b) Two percent of average net profit of the company as per section 135(5)	Nil
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
	(d) Amount required to be set off for the financial year, if any	Nil

	(e) Total CSR obligation for the financial year (5b+5c+5d).	Nil														
6.	(a) Amount spent in CSR projects (both ongoing projects and other than ongoing projects)	Not Applicable														
	(b) Amount spent in Administrative Overheads	-														
	(c) Amount spent on Impact Assessment, if applicable	-														
	(d) Total amount spent for the Financial Year (6a+6b+6c)	Not Applicable														
	(e) CSR Amount spent or unspent for the financial year	As Per Annexure "III"														
	(f) Excess amount for set off, if any	<table> <tr> <th>Sl. No.</th><th>Particular</th><th>Amount (in Rs.)</th></tr> <tr> <td>(i)</td><td>Two percent of average net profit of the company as per section 135(5)</td><td rowspan="5">Nil</td></tr> <tr> <td>(ii)</td><td>Total amount spent for the Financial Year</td></tr> <tr> <td>(iii)</td><td>Excess amount spent for the financial year [(ii)-(i)]</td></tr> <tr> <td>(iv)</td><td>Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any</td></tr> <tr> <td>(v)</td><td>Amount available for set off in succeeding financial years [(iii)-(iv)]</td></tr> </table>	Sl. No.	Particular	Amount (in Rs.)	(i)	Two percent of average net profit of the company as per section 135(5)	Nil	(ii)	Total amount spent for the Financial Year	(iii)	Excess amount spent for the financial year [(ii)-(i)]	(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]
Sl. No.	Particular	Amount (in Rs.)														
(i)	Two percent of average net profit of the company as per section 135(5)	Nil														
(ii)	Total amount spent for the Financial Year															
(iii)	Excess amount spent for the financial year [(ii)-(i)]															
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any															
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]															
7.	Details of Unspent CSR Amount for the preceeding three financial years	As Per Annexure "IV"														
8.	Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:	No														
	If Yes, enter the number of Capital assets created/ acquired	-														
	Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:	Not Applicable														
9.	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.	Not Applicable														

ANNEXURE - "I"
COMPOSITION OF CSR COMMITTEE

Sr. No.	Name of Director	Designation/Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
Not Applicable				

ANNEXURE - "II"
DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING PROJECTS FOR THE FINANCIAL YEAR

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Project duration	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through implementing agency
				State	Dist.					
Not Applicable										

DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project	Amount spent for the project (in Cr.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency
				State	District	Name	CSR registration number
Not Applicable							

**DETAILS OF CSR AMOUNT SPENT IN THE FINANCIAL YEAR RELATING
TO THE PRECEDING FINANCIAL YEAR(S):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed /Ongoing.
Not Applicable								

ANNEXURE – “III”

CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR

Total Amount Spent for the Financial Year. (in Cr.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Not Applicable					

ANNEXURE – “IV”

DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS

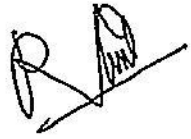
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135 if any Amount (in Rs.)	Amount remaining to be spent in succeeding Financial Years (in Rs.)	Deficiency, if any
1.	FY-1	Not Applicable					
2.	FY-2						
3.	FY-3						
	TOTAL						

ANNEXURE – “V”

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE: RAIPUR (C. G.)
DATE:- 12.08.2025


(DR. ROHIT YADAV)
CHAIRMAN
DIN: 7008782

**ANNEXURE - 'B' TO THE BOARD'S REPORT
MANAGEMENT REPLY
TO
STATUTORY AUDITORS COMMENTS THERETO
ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE F.Y. 2023-24**

PARTICULAR	MANAGEMENT REPLY
AUDITORS REPORT	
1. Annual General meeting (AGM) of the Company for FY 2022-2023 held on 21-09-2024. However, submission of Form MGT-7 for FY 22-23 with Ministry of Corporate Affairs (MCA) is pending as on the date of our Report.	The annual accounts of CSPDCL for FY 2022-23 was signed by statutory auditors on 25 th Sep, 2023 and was submitted to the an CAG auditor for supplementary Audit before submission to the BoD for holding AGM. The final Comments of the C&AG were received on 12.04.2024. therefore, there was delay in holding AGM of the company.
2. Attention is invited to Note no 27 where the company has recognised the prior period income of Rs. 8839 Lakhs pertaining to interest reimbursement of Bonds by State Government from FY 2020-21 to FY 2022-23 under exceptional income. As per the requirements of IND AS 8 - Accounting Policies, Changes in Accounting Estimates, and Errors, material prior period errors should be corrected retrospectively. The Company has not made the necessary retrospective restatements in its financial statements for prior years, leading to non-compliance with the retrospective application requirements of IND AS 8.	<p>The Company's Accounting Policies for Income/Expenditure relating to a prior period, which do not exceed 1⁰/₁₀₀ of Total Gross Revenue of Company in each case, are treated as income/expenditure for the current year.</p> <p>Interest Reimbursement of Bonds by State Government amounting Rs. 8,839.00 Lacs (During FY 2020-21 to FY 2022-23) were earlier accounted as capital receipts have now been recognised and reclassified as revenue receipts in Current Financial year.</p>
3. <i>Difference in opening balance as per books of account (SAP) and financial statements:</i> There is a difference between opening balance as per financial statements of FY 23-24 and opening	The issues are related with migration of software, at the time of migration from old system to SAP system and also at

balance as per SAP accounting software used by the company for maintaining books of accounts.

Particulars	Difference in Opening balance as per financials and accounting software (SAP)	Difference in closing balance as per financials and accounting software (SAP)
Assets	537.62 crores	706.12 crores
Liabilities	537.62 crores	706.12 crores

the time of migration of server later on. The issue has already been raised with our IT department (EITC). The company will resolve the same at the earliest. However, the same has no impact on the Profit & Loss A/c of the year under consideration.

Further, there are no such differences in the audited books of accounts with the subsidiary records of the company. The Final account has been prepared from the Audited account balances of the company carried forwarded year to year basis and hence there is no financial implication.

4. Property , Plant and Equipment

(i) Capitalization of Asset

The Capital WIP of Rs 241605 lakhs as on 31st March, 2024 include Capital WIP ledgers having credit balances amounting to Rs. 9672 lakhs which has not been reconciled. Due to non-availability of proper and complete records relating to date of capitalization of PPE and Work completion reports, we have come across instances of delay in capitalization where assets of the company are being capitalized from the date they are being posted in SAP instead of actual date of capitalization as mentioned in capitalization certificate of respective asset, which is not in accordance with IND AS- 16 "Property plant and equipment". Also, as stated in Note No.4A, which gives the aging of capital WIP, details of ongoing projects and suspended projects is not provided to us for verification. Further, detailed working with breakup of ageing of different projects is not available with the company.

The same has been noted and necessary instruction has been issued to field offices regarding posting of assets in SAP on the date mentioned in the capitalization certificate of respective assets.

The matter has been referred to our IT department (EITC) to reconcile the credit balance in CWIP. However, overall CWIP is having a debit balance. The credit balance appearing in some GL code may be due to migration effect. The company is under process to resolve the same.

Further, due to large number of ongoing projects, it could not be possible to provide the same with ageing. However, all the

	information related to CWIP is available and properly maintained in SAP.
<p>(ii) Capital Spares: As per the provision of IND AS 16 "Property Plant and Equipment", capital spares having life more than 1 year are required to be capitalized under Property Plant and equipment. Attention is drawn to Note 10 "Inventories under Current Assets amounting to Rs. 22994 lakhs which may also include capital spares.</p>	Due to the nature and work of the company, there are no specific capital spares included in inventories which are qualified to be capitalized under Property, Plant and Equipment.
<p>(iii) Borrowing Costs: Company does not have a practice of specifically identifying expenses attributable to CWIP/PPE. For the addition made to Fixed assets in the current year amounting to Rs.95709 lakhs, interest amounting Rs. 1107 lakhs has been capitalized during the year. As per the working of interest capitalization, no amount of interest has been transferred to the respective assets which have been capitalized during the year from the head capital WIP instead interest relating to only those assets has been capitalized which are being shown under the head work in progress at the end of the financial year. This has resulted in understatement of capital work in progress and overstatement of expenses to that extent.</p>	Due to large number of small estimates it is very difficult to correlate the loan taken with various estimates. However, the company is under process to resolve the issue so that interest can be capitalized at estimate level itself i.e. at the time of booking of initial expenditure.
<p>(iv) Derecognition of Assets: Company does not have a practice of derecognizing the assets from Property Plant and Equipment's when an asset is discarded. Attention is invited to Note 10 "Inventories" under Current Assets amounting to Rs. 22994 Lakhs which includes scrap and unserviceable material amounting to Rs. 742 lakhs. These items are discarded Property Plant and Equipment's items for which no derecognition of asset has been done. In the absence of sufficient and appropriate audit evidences, we are unable to quantify the consequential impact, if any, on the financial statement for the year under audit.</p>	The company derecognizes Property plant and equipment on case to case basis. The audit observation regarding unserviceable material is linked with store items that had already been used for R&M works rather than Property plant and equipment. Hence, there is no financial impact on the profit and loss account of the company.
<p>(vii) Amortization of grants received for Property Plant and Equipments: Company has a practice of amortizing the grants received for purchase of PPE by transferring the proportionate depreciation on such PPE Asset to the respective grant account. Further, in respect to PPE created with support from consumer contribution received by the company, the company is amortizing 40% of depreciation amount on such assets on annual basis to the respective grant account. which amounted to amortization of Rs 1209.08 Lakhs in FY 23-24. However, the company has failed to provide any supporting document including any board</p>	The remark of the auditor is noted for future compliance, and necessary disclosure shall be made in the notes to accounts from next year.

<p>note or policy document to justify the rate of 40% adopted for amortization of assets created from consumer grants. Thus, in absence of documentary evidence we are unable to comment on the appropriateness and accuracy of amortization of consumer grant amounting to Rs 1209.08 Lakhs.</p>	
<p>5. Impairment of Assets: The Company has stated in Para of 'Significant Accounting Policies' (Note 2.9.2 to Financial Statements) that the impairment loss is charged to Statement of Profit and loss in the year in which an asset is identified as impaired as per Ind AS 36. The company has formed a committee to assess the impairment loss incurred if any, the committee is in the process of collecting information from the various field offices, for which various asset wise formats have been circulated to the field office for providing information.</p>	<p>The auditor's comments represent the factual position. The company had constituted a committee to assess the impairment loss incurred, if any. Further the committee is in the process of collecting information from various field offices. Report from committee on impairment of assets, if any, is awaited.</p>
<p>6. Leases: Due to non-availability of proper and complete records relating to title deeds of freehold land/ leasehold land, we are unable to comment on the classification and measurement of freehold and lease hold land required as per IND AS 116 as appearing in Note no 4 of the financial statements. Company is not having accounting policy for leases as required in accordance with IND AS 116.</p>	<p>The leasehold land appearing in Financials of the company was received by erstwhile CSEB at the time of its formation from MPEB and later on by CSPDCL through reorganization of erstwhile CSEB. Company is trying to gather the relevant documents. Further, there is no such lease transaction entered into during the year under consideration.</p>
<p>7. Contingent Liabilities: Based on the legal cases filed against the company as appearing on various public portals, we cannot ascertain the completeness of the contingent liabilities in relation to legal cases as provided by the company in the Note no 30 of the financial statements.</p>	<p>The company has obtained details of contingent liability from its various offices and accordingly incorporated details in Financial statements along with their updated status. The company has made available all the records to the auditors in this regard. However, we cannot present the cases appearing in various public portals without confirming merit of the same with other departments.</p>
<p>8. Contingent Asset:</p>	<p>The remark of the auditor is noted for future compliance.</p>

<p>As per the provisions of IND AS 37 disclosure of contingent assets is to be made in the financials of the Company. However, company has not disclosed the amount of contingent assets for the legal cases filed by the company.</p>	
<p>9. Power Purchase expenses: Attention is invited to Note no 23 related to Cost of Power Purchase amounting to Rs. 19,76,588.11 Lakhs. Company enters into long term power purchase agreement (PPA) with different parties which is regulated by Central/ State Electricity Regulatory Commission. True up of rates of power generators is done by the Central/ State Electricity Regulatory Commission after end of the financial year. The differential amount pertaining to earlier years are recognized in the year in which the final tariff order is passed and only upon receipt of power bill from the generators. Based on the documents and explanations provided to us, company does not have an adequate & sufficient internal controls or evidence to confirm that all tariff orders passed by the Central/ State Electricity Regulatory Commission up to the finalization of the audit even in absence of any power bills, debit/credit note from the generators, have been fully accounted for in the financial statement. However, on our test check basis, we have not come across any tariff order wherein the accounting effect of True-up is yet to be recognized.</p>	<p>The company had provided all the relevant information relating to order passed by central & states regulatory commission which were available at the time of audit. Necessary care was also taken by obtaining the information's in this regard from the department dealing with power purchase agreement.</p>
<p>10. Revenue Recognition: (i) Cash system of accounting for Surcharge: Company has adopted Cash System of accounting for delay payment surcharge from Indian Railways, Rental from Staff Quarters, Liquidated Damages and Warranty Claims, supervision charges on deposit works, which, in our opinion, is not in accordance with the accrual concept and the accounting policy of the company; the same should be recognized to curb the uncertainty. (ii) No Reconciliation of Revenue as per books & GST Returns filed have been provided to us. for your verification, Refer Para 19 of this report for details.</p>	<p>(i) The company has been consistently accounting for delay payment surcharge from Indian Railways on cash basis. As the amount of surcharge to be collected from Indian Railway is under dispute and the chances of collection is remote, therefore, the same is being accounted for on cash basis. Further accounting for surcharge on mercantile basis would inflate the profit or reduce the losses, whereas the chance of materializing is very remote. It is also pertinent to mention here that appropriate disclosure in accounting policies is being made in this regard. (ii) The reconciliation is under progress and GST Audit has been</p>

	completed till FY 2020-21 at the time of audit.									
<p>10. Bank reconciliation statements:</p> <p>Bank reconciliation statements provided to us consists of various long pending entries which are pending to be cleared which also includes credit balance of 5128 Lakhs in GL A/c No. A100308 named "ATM.ATP.INT" which is a collection account. No proper explanation was given to us by the management of the Company in regard to such long pending entries. In the absence of sufficient and appropriate audit evidences, we are unable to quantify the consequential impact, if any, on the financial statement for the year under audit.</p>	<p>The company is in the process of reconciling the balances of banks of the mentioned RAO's. Further the position has improved significantly during the financial year 2023-24 and except some collection banks accounts reconciliation backlogs of all RAO's has been cleared. Further, the reconciliation of ATM. ATP account is also under process and is likely to be resolved soon.</p>									
<p>11. Trade Receivables:</p> <p>(i) There are various non-moving ledgers classified under trade receivables for which no explanations are provided to us by the management. Details of such ledgers is as follows:</p> <table><tr><th>A/c Ledger or BP Code</th><th>Amount in Rs. crores</th><th>Remark</th></tr><tr><td>"CSPDCL HT for Rectification" (BP No. - 1024240)</td><td>43421 Lakhs</td><td>Pending since 2017</td></tr><tr><td>Dues Perm Disc Cons (GL Code A100212)</td><td>10639 Lakhs</td><td>Pending since 2013</td></tr></table>	A/c Ledger or BP Code	Amount in Rs. crores	Remark	"CSPDCL HT for Rectification" (BP No. - 1024240)	43421 Lakhs	Pending since 2017	Dues Perm Disc Cons (GL Code A100212)	10639 Lakhs	Pending since 2013	<p>(i) The data regarding income are migrated from Billing Module to FICO module of the ERP software (SAP) and no entry relating to income which are to be routed through the billing module can be made directly in the FICO module. Therefore, for reversal of surcharge of Railway consumer required to be made in the FICO module, a dummy B.P. was created by IT department (EITC) as a solution in which the amount of surcharge of Railway consumer to be reversed were booked.</p> <p>The BP Number mentioned in the remarks is created to pass reversal entry of surcharge of railway consumers (based on accounting policy). Due to SAP constraint, the reversal cannot be directly posted to regular BP number of the Railway's.</p>
A/c Ledger or BP Code	Amount in Rs. crores	Remark								
"CSPDCL HT for Rectification" (BP No. - 1024240)	43421 Lakhs	Pending since 2017								
Dues Perm Disc Cons (GL Code A100212)	10639 Lakhs	Pending since 2013								

<p>(ii) Ind AS 109 requires expected credit losses to be measured through a loss allowance for which the company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. The company recognizes lifetime expected loss for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 months expected credit losses or at an amount equal to the lifetime expected credit losses if credit risk on financial assets has increased significantly since initial recognition. However, the company has not adopted the Fair Value approach as indicated in Ind AS 109 for valuation of Trade Receivables and has not provided any fair value disclosures as required. Further, in Note No. 11 the aging of Trade Receivable has been given for which no detail working has been provided to us how the age of Trade Receivable has been determined. Further in above point we have highlighted that there are various parties in Trade Receivable which is pending for Realization since very long time but there is Rs. 55572 Lakhs reported in Note No. 11 for the Trade Receivable pending for realization for more than 3years.</p>	<p>Further, company is trying to resolve the issue of A100212 code of SAP which is arrived at the time of migration of old server to new server.</p> <p>(ii) The company has made an overall provision of Rs. 55572 Lakhs towards bad & doubtful debts on the basis of information received from Revenue department & amount received at the time of reorganization of erstwhile CSEB which sufficiently covers the provision of Expected Credit Losses with respect to the Company. Hence, there is no need for creation of any additional provision on account of bad and doubtful debts.</p>
<p>12. Inventories:</p> <p>As per Ind AS 2, the cost of inventories may not be recoverable if those inventories are damaged, or have become wholly or partially obsolete. The practice of writing inventories down below cost to net realizable value is consistent with the view that assets should not be carried in excess of amounts expected to be realized from their sale or use. However, the company had not valued the items appearing in 'Defective and Empties' Account at fair value.</p>	<p>The Valuation of the Inventories has been made at lower of the Cost or Net Realizable Value, based on technical analysis, the company ascertained that the book value of defective and empties are lower than its realizable value and hence as per the accounting standards, the inventories had been valued to its book value which is lower of "Cost or NRV". From the above, the company is compliant to the IND AS issued for valuation of Inventories.</p>

13. Fixed Deposits:

Attention is invited towards Note no 7 "Other Financial Assets" amounting to Rs. 14647.45 lakhs which includes ledger "Inv. In FD Bank -Co" (GL Code- A090108) amounting to Rs. 64 Lakhs for which no document has been produced before us. Therefore, we are unable to comment on classification in Current or non-current Assets.

The Amount shown in Codes A109000 & A109099 has been transferred in the server of CSPDCL at the time of migration, details of which are not available.

Further, reconciliation of other GL code is under process and same will be resolved at the earliest.

The FDR of Rs. 0.05 crore is very old and received at the time of reorganization of erstwhile CSEB and details of which is not available. The company will give appropriate treatment of the same in the accounts of FY 24-25.

14. Renewable Energy Certificate (REC)

Due to non-compliance of RPO (Renewable Power Obligations) target, the company is obliged to purchase REC Certificate. However, the company has not purchased the REC Certificate nor created the provision for purchase of REC Certificate. (Tariff rate of last year has been taken for calculation of provision, last year tariff rate has been taken because management has not provided the tariff rate of F.Y. 2023-24), details of which are given below:

The company has already provided Rs. 628.81 crore in its books of accounts till 31.03.2023 which is in higher side based on current prevailing rate estimation. Hence no additional provision is made in FY 2023-24. The company is facing financial hardship and there is also shortage of renewable power in the State. Further, the company has also filed application for grant of relief from purchase of RE Certificates at various forum as it would block the working capital of the company. However, to adhere with the accounting concept of accrual & materiality provision had been made in the books of accounts of earlier years.

Para No. 4.3 of Chhattisgarh State Electricity Regulatory Commission (Renewable Purchase obligation and REC

Type of Sources	Total Consumption (LV, HV and EHV Sales) (MU)	RPO Target		RPO Achievement		Difference (In MU)	Rate (Rs./REC)	Amount (Rs in Lakhs)
		In %	In MU	In %	In MU			
Wind	31678.66	1.60%	506.86	1.84%	583.47	-76.61	0.27	-206.847
HPO		0.66%	209.08	1.34%	423.72	-214.64	0.27	-579.528
Other RPO (Biomass + Solar + Small)		24.81%	7,859.47	14.63%	4,635.55	3223.92	0.27	8704.584

Hydel + Co-gen + Rooftop Solar)									
Storage (on energy basis)		1.00%	316.79	0.11 %	34.22	282.57	0.27	762.939	
TOTAL		28.07 %	8,892.20	18.00 %	5,676.97			8681.148	

framework implementation) Regulations, 2021 dated 29th Oct, 2021 effective from 01st April, 2021 states the minimum percentages of Renewable Purchase Obligation (RPO) in each category to be procured by obligated entity as percentage of total consumption. For FY 2021-22 for solar this has been prescribed as 10.50% and 10.68% for non-solar. Provided that RPO levels for the year 2022-23 & 2023-24 shall be as specified or MOP/MNRE trajectory to be specified, whichever is higher. Provided further that the power purchases under the long term power purchase agreements (PPA) for the purchase of renewable energy sources already entered into by the distribution licensees shall be continued till their present validity, even if the total purchases under such agreements exceeds the percentage as specified herein above and any such excess purchase by distribution licensees will be adjusted to meet its obligation for previous years or for next year. Looking into the business of the company and long term PPA, CSPDCL is expected to achieve the target in upcoming years, hence no provision for RPO has been made in the FY 2023-24.

<p>15. Identification of Micro Small and Medium Enterprises as defined under MSMED Act 2006.</p> <p>As informed the company has system for identification of enterprises qualifying under the definition of Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). However, the same has not been implemented successfully; hence leading to non-identification of vendor enterprises in to Micro or Small or Medium Enterprises. Furthermore, no additional disclosure related to trade receivables, loans & trade payables as required by IND AS Schedule III has been made in the Financial Statements of the Company.</p>	<p>The amount payable to Micro, Small and Medium enterprises as defined under MSMED Act, 2006 has been separately mentioned in the notes to account and disclosure has been made in this regard.</p> <p>So far as disclosure related to trade receivables, loans & trade payables as per IND AS Schedule III is concerned, the same is noted for future compliance.</p>
<p>16. Deemed Deposits under Companies Act, 2013</p> <p>As per the information provided to us, the company has not maintained age wise details (ageing schedule) of advances received from customers amounting to Rs. 362697 Lakhs as per Note 18 to the financial statements. Thus, we are unable to comment on Deemed Deposits as per Sec 73 to 76 of Companies Act, 2013.(Advances received, if not supplied within 365 days is considered as deemed deposits).</p>	<p>Deemed deposits as per section 73-76 is applicable only for sub clause (a) & (c) of clause XII of Rule 2 of Companies (Acceptance of Deposits) Rule, 2014. The sub clause (c) does not require age wise details of security deposit. The sub clause (a) requires age wise details of advances for more than one year. The same will be provided from FY 24-25 onwards.</p>
<p>17. Internal Audit</p> <p>As per section 138 of companies Act 2013 read with Rule 13(1)(a) of Companies (Accounts) Rules, 2014, every prescribed company is required to appoint an Internal auditor. Although the company has appointed an Internal Auditor, the Internal Audit Report for the Financial Year 2023-24 is not produced before us for our consideration.</p>	<p>1. M/s Mukund Shiva & associates, 2. M/s Vinod Kumar Gupta & Associates, 3. M/s Arindam & Associates & 4. M/s Omprakash S. Chaplote & Co. have been appointed as Internal Auditor for FY 23-24. Major portion of audit i.e. revenue audit, power purchase audit etc. has been completed and the related finding has been submitted by the internal auditors and has been shown to the statutory auditors during the course of audit. However, the final summary Internal Audit report was yet to be submitted by the Internal Auditors at the</p>

	time of audit of accounts. Hence, it could not be furnished.												
<p>18. GST</p> <p>(i) Reconciliation of GSTR-3B filed for FY 2023-24 with the books of accounts was not provided to us. In the absence of sufficient and appropriate audit evidences, we are unable to quantify the consequential impact on GST liability being under booked or overbooked in books of accounts, if any, on the financial statement for the year under audit.</p> <p>(ii) Details of GST TDS to be deducted by company and reconciliation of same with books of Accounts was not provided to us. In the absence of sufficient and appropriate audit evidences, we are unable to quantify the consequential impact, if any, on the financial statement for the year under audit.</p>	<p>i)The reconciliation is under process.</p> <p>ii) The details are available in SAP as well as at RAO Level.</p>												
<p>19. Compliance of Previous Audit reports</p> <p>Except for para (a), c(ix), j, k, n, o & t of Basis for Qualified Opinion in last year's audit report, compliances of previous audit report have not been produced before us for our verification and observation, furthermore rectification entries relating to earlier years are still not passed through SAP.</p>	<p>With regard to the compliance of previous audit report, the company as far as possible has complied the para's (wherever found necessary) and are working on to resolve the balance para of previous audit reports.</p> <p>Further, rectification entry is being passed in SAP.</p>												
<p>20. Suspense Accounts:</p> <p>There are three suspense accounts having non-moving balances maintained by the Company for which no explanation has been provided by the management. The effect of all three accounts has been reflected in Financial Statement under the head "Other Current Liabilities". Details of which are as follows: -</p> <table><tr><th>G.Y. code</th><th>Name of Account</th><th>Amount</th></tr><tr><td>L114030</td><td>Suspense Loading H.T</td><td>59 Lakhs</td></tr><tr><td>L119999</td><td>Suspense Account</td><td>125 Lakhs</td></tr><tr><td>L119997</td><td>Imprest Suspense Account</td><td>4 Lakhs</td></tr></table> <p>All the above mentioned accounts need to be Reconciled and the resultant impact should be given in the concerned account heads.</p>	G.Y. code	Name of Account	Amount	L114030	Suspense Loading H.T	59 Lakhs	L119999	Suspense Account	125 Lakhs	L119997	Imprest Suspense Account	4 Lakhs	<p>It was explained to the auditor during the course of finalization that there were many untraceable/ unidentifiable items which were passed on by the previous legacy system at the time of bifurcation of CSEB and MPEB and later at the time of bifurcation of CSEB into different Power Companies, which is shown under the various suspense head in the current SAP system. The appropriate accounting treatment will be made in coming years after due scrutiny.</p>
G.Y. code	Name of Account	Amount											
L114030	Suspense Loading H.T	59 Lakhs											
L119999	Suspense Account	125 Lakhs											
L119997	Imprest Suspense Account	4 Lakhs											
<p>21. Trade Payable:</p>	<p>The GR/IR Clearing account is nothing but an intermediary</p>												

<p>Ageing of Trade Payable provided In Note No.20 as per requirements of revised Sch-III, also includes "GR/IR Clearing account" amounting to Rs. 201043 Lakhs for which no detail working or reconciliation with books of accounts has been provided to us.</p>	<p>account and due to the decentralized offices and work allocation, GR/IR account comes into existence. It is part of Trade Payables and represent the entries for which invoice passing (MIRO) has not been run in ERP software (SAP) till 31st March'2024. Since the account is an intermediary account it is not always possible to bring it to Nil. Further, looking into the nature of the above account, the same has been classified under Trade Payables. Moreover, major amount is related with Power Purchase Vendors and list of which has already been provided to the auditor during the course of audit.</p>
<p>22. Other Current Assets:</p> <p>(i) Other Current Assets include Debit balance of Service tax amounting to Rs. 720 Lakhs and VAT amounting to Rs. 41 Lakhs has been netted off with other payables. Further, no documents have been provided to us establishing recovery of these balances.</p> <p>(ii) Debit balance in other payables amounting to Rs. 441.67Lakhs have been netted off instead of disclosing the same as advances resulting in understatement of Current Assets and current liabilities.</p>	<p>Old outstanding entries, the company is under process to resolve the same.</p> <p>Due to pending reconciliation and advance adjustment, the debit balances have been netted.</p>
<p>23. Upload Control A/C</p> <p>During the course of audit, it was observed that various upload control account was found which has to be reconciled and nullified but the same has been not done and there is huge balances is still outstanding from long time.</p> <p>Detail of some accounts are as below: -</p>	<p>The Amount shown in Codes A109000 & A109099 has been transferred in the server of CSPDCL at the time of migration, details of which are not available. Further, reconciliation of other GL code is under process and same will be resolved at the earliest.</p> <p>The upload control account is created during the course of Migration from old to new server and the matter related with these balances have been</p>

GL Code	Name of Account	Amount	
A109000	Vendor Adv Upload Account	Cr. 1513 Lakhs	communicated to our IT department (EITC) for resolution. The same is likely to be resolved soon.
A109099	Transfer A/c-ISU	Cr. 509 Lakhs	
L010190	Initial Uploading FI	Dr. 1233 Lakhs	
L010191	Initial Uploading FI	Cr. 3495 Lakhs	
U900001	GL Upload Control	Cr. 109469 Lakhs	
U900001	GL Upload Control	Dr. 127 Lakhs	
U900007	CWIP Upload Control	Dr. 31171 Lakhs	
Annexure A to the Auditors' Report			
PARA NO. I- In respect of the Company's Property, Plant and Equipment and Intangible Assets (a) The Company has maintained records of Property, Plant and Equipment. However, voucher no., supplier name, quantitative and situation wise details are not maintained in the fixed assets register. The Company has maintained records of Intangible Assets. However, voucher no., supplier name, quantitative and situation wise details are not maintained in the fixed assets register (b) The management has explained that physical verification of fixed assets is a perpetual process undertaken at divisional and sub-divisional level. <i>As the relevant records of the physical verification were not produced before us for our review, we are not in a position to comment thereon.</i> (c) The company possesses land received from MPSEB wherein records were not handed over, for re-organization of erstwhile MPSEB due to non-traceability; hence we are not in a position to comment thereon. (d) The Company has not revalued any of its Property, Plant and Equipment (including right- of- use assets) and intangible assets during the year.			(a) The fixed assets register is being maintained at H.O. on the basis of information available in the SAP system. Due to limitation of the system and voluminous number of components in a asset, quantitative details are not available in the register maintained at H.O. However, quantitative details are maintained at respective division and sub division offices. (b) Due to time constraint information from field offices was not received at the time of audit. However, the same shall be taken care of in future. (c) The auditor's statement represents the factual position and doesn't require any comment. (d) The auditor's statement represents the factual position and doesn't require any comment.

<p>(e) No proceedings have been initiated during the year or are pending against the Company as at March31,2024 for holding the Benami Transactions (Prohibition)Act, 1988 (as amended in 2016) and rules made there under.</p>	<p>(e) The auditor's statement represents the factual position and doesn't require any comment.</p>																								
<p>PARA NO. II- In respect of its inventories:</p> <p>a) As per information and explanation given to us, physical verification of inventory is a perpetual process undertaken at stores. We have received the physical verification reports for the stores as listed below:-</p> <table><tr><th>S.No</th><th>Particulars</th><th>Date of Physical Verification Report</th></tr><tr><td>1</td><td>Durg</td><td>As on 29th February 2024.</td></tr><tr><td>2</td><td>Jagdalpur</td><td>As on 31th March 2024.</td></tr><tr><td>3</td><td>Ambikapur</td><td>Not Provided.</td></tr><tr><td>4</td><td>Raigarh</td><td>As on 31th March 2024.</td></tr><tr><td>5</td><td>Bilaspur</td><td>As on 31th March 2024.</td></tr><tr><td>6</td><td>RAO-2 (Raipur)</td><td>As on 31th March 2024.</td></tr><tr><td>7</td><td>Rajnandgaon</td><td>As on 29th February 2024.</td></tr></table> <p>However, the effect pf the discrepancies, though not material as identified in PV report have not been recognized in the books of accounts.</p> <p>b) The Company has been sanctioned working capital limits in excess of ₹5crore, in aggregate from banks or financial institutions on the basis of security of current assets and as informed by the management no quarterly statement has been filled as bank has waived off the requirements.</p>	S.No	Particulars	Date of Physical Verification Report	1	Durg	As on 29th February 2024.	2	Jagdalpur	As on 31th March 2024.	3	Ambikapur	Not Provided.	4	Raigarh	As on 31th March 2024.	5	Bilaspur	As on 31th March 2024.	6	RAO-2 (Raipur)	As on 31th March 2024.	7	Rajnandgaon	As on 29th February 2024.	<p>The auditor's statement represents the factual position and doesn't require any comment. The detail records of physical verification are maintained at store offices. Due to time constraint all physical verification reports were not received at the time of audit. However, the same shall be taken care of in future.</p> <p>The auditor statement represents the factual position and doesn't require any comment.</p> <p>This doesn't require any comment.</p>
S.No	Particulars	Date of Physical Verification Report																							
1	Durg	As on 29th February 2024.																							
2	Jagdalpur	As on 31th March 2024.																							
3	Ambikapur	Not Provided.																							
4	Raigarh	As on 31th March 2024.																							
5	Bilaspur	As on 31th March 2024.																							
6	RAO-2 (Raipur)	As on 31th March 2024.																							
7	Rajnandgaon	As on 29th February 2024.																							
<p>PARA NO. VII- In respect of statutory dues:</p> <p>a. According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty Excise Duty, Cess, and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March, 2024 for a period of more than six months from the date of becoming payable.</p> <p>b. Dues of CSPDCL which have not been deposited on account of dispute are as under:</p>	<p>The auditor statement represents the factual position and doesn't require any comment.</p>																								

In respect of Income Tax Act, 1961

Sr. No	Assessment Year	Gross Tax Liability demanded (₹ in Crore)	Unpaid Tax Liability (₹ in Crore)	Authority before which case is pending
1	2006-07	373.36	246.60	ITAT Mumbai has passed order in favor of CSEB
3	2008-09	92.19	-	The matter is pending before CIT (A).
4	2019-20	9.12	9.12	Summary Assessment u/s 143(1a)
5	2021-22	8.85	8.85	The matter is pending before CIT (A)
6	2018-19	0.015	0.015	Disputed Penalty u/s 271B
7	2019-20	0.015	0.015	Disputed Penalty u/s 271B

The status of the cases has already been mentioned in the auditors' report and is self-explanatory and does not require any comment. Further necessary disclosure has already been made in the "Notes to Account" of the Company during the reporting financial year.

Any adverse outcome in the Income Tax cases referred above will have an adverse financial implication on the CSPDCL.

c. The company through the online system of Income Tax Department has retrieved that an amount of Rs.6.23 Crore is outstanding against TDS liability (Short Deduction. Short Payment). The company is in process of obtaining necessary information of such distinguished cases from its decentralized office and Income Tax Department and liability will be provided only after due appraisal on cases to case basis.

The company is in the process of obtaining necessary information of such cases from various offices and Income tax department. Further in due course various corrective actions such as revising of defective returns and filing of reply of the notices with the Income Tax department has been taken up by the decentralized offices.

b) The Jurisdictional Assistant Commissioner of Income Tax has raised a tax demand of Rs. 113.06 crore vide order dt.30/12/2011 passed for Assessment Year 2009-10. The company has sought partial relief against said demand from Commissioner of Income Tax (Appeal) and now the outstanding demand including interest is Rs. 36.20 Crore. The company aggrieved from the order of CIT (A) has preferred an appeal to Income Tax Appellate Tribunal, who have granted stay against recovery of said demand. The matter was pending before

The Case has been decided in favour of CSPDCL by the ITAT, Mumbai Bench. However, department has filed an appeal before High Court.

ITAT, Mumbai Bench and has been decided in favour of CSPDCL. However, department has filed an appeal before High Court but the company has not received any communication.

In respect of Value Added Tax

The demand has been raised against the company by the Commercial Tax Department after assessment of FY 2013-14 & onwards. The Company has filed appeal against order and cases are pending before The Additional Commissioner of Commercial Tax (Appeal). The liability may arise based on outcome of the case. The year wise gross disputed demand against such liabilities is as under:

Sr. No.	Financial Year	Gross Tax Liability disputed (₹ in lacs)	Authority before which case is pending
1	2013-14	1.19	Appeal before Additional Commissioner of Commercial Tax .
1	2014-15	7.99	Appeal before Additional Commissioner of Commercial Tax
2	2017-18	2.40	Appeal before Additional Commissioner of Commercial Tax

In Respect of Service Tax

i) Additional Director General of GST Intelligence Bhopal Zonal Unit have issued SCN dated 18-10-2018 demanding service tax of ₹94.59 Crore on Meter Rent, Compensation Charges Penalty Recovered from contractors, Parallel Operation Charges, and non-tariff miscellaneous charges etc, as follows:

Financial year	Service Tax Demand (₹ In crores)	Authority before which case is pending
2013-14	39.95	The company has filed writ petition before Hon'ble High Court of Bilaspur, Chhattisgarh.
2014-15	14.49	
2015-16	15.47	
2016-17	19.43	
2017-18 (UPTO June)	5.25	
Total	94.59	

The status of the cases has already been mentioned in the auditor main report and is self-explanatory and does not require any comment. Further necessary disclosure in this regard has been made in "Notes to Account" of the Company

The status of the cases has already been mentioned in the auditor main report and is self-explanatory and does not require any comment.

The status of the cases has already been mentioned in the auditor main report and is self-explanatory and does not require any comment. Further necessary disclosure in this regard has been made in "Notes to Account" of the Company

(ii) Additional Director General of GST Intelligence Raipur Unit have issued SCN dated 16.10.2019 demanding service tax ₹13.26Crore on System Strengthening Charges as follows:

Financial year	Service Tax Demand (₹ In crores)	Authority before which case is pending
2014-15	2.15	The company has filed writ petition before Hon'ble High Court of Bilaspur, Chhattisgarh.
2015-16	3.03	
2016-17	6.47	
2017-18 (UPTO June)	1.61	
Total	13.26	


(iii) Demand Notice has been issued by the GST and Central Excise department for GST and Service Tax issues, the matter is under consideration before the department, the period and the amount involved is given hereunder:

The status of the cases has already been mentioned in the auditor main report and is self-explanatory and does not require any comment.

Name of Statute (GST and Central Excise department)	Nature of dues	Amount (Rs. In Crores)	Period to which amount relates	Forum where dispute is pending
1.	Service tax Penalty	1.94	July 2015 to June 2018 (Penalty)	Appellate tribunal, New Delhi
2.	Service tax Penalty	0.11	2014-15 to 2017-18 (upto June, 2017)	Superintendent , Raipur
		2.05		

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE: RAIPUR (C. G.)
DATE:- 12.08.2025


(DR. ROHIT YADAV)
CHAIRMAN
DIN: 7008782

ANNEXURE "C" TO THE BOARD'S REPORT
MANAGEMENT REPLY
TO
COMMENTS OF COMPTROLLER AND AUDITOR GENERAL OF INDIA (CAG)
FOR THE F.Y. 2023-24

S. No.	POS No.	PARTICULARS	REPLY OF THE MANAGEMENT
1	OBS-1675881	<p>Statement of Profit and Loss</p> <p>IV. Expenses</p> <p>(a) Cost of power purchase (Note 20): ₹ 19,765 crore</p> <p>The above does not include adjusted amount of (minus) ₹34.35 crore for the financial year 2022-23 which was not accounted for in the previous year's books but was incorrectly booked in financial year 2023-24. As per IND AS 8 it should have been corrected retrospectively in the previous year's financial statements. This has resulted in understatement of Power Purchase Cost and consequent overstatement of Profit to the extent of 34.35 crore' for the current year (2023-24).</p>	<p>The Monthly Invoice issued by Chhattisgarh State Power Generation Company Limited (CSPGCL) includes Fuel Cost Adjustment (FCA) and SLDC Short Term Open Access (SOC) and Medium Term Open Access (MOC) of Previous months. The Company creates liability against Cost of Power Purchase as per Monthly invoices raised by CSPGCL. The above treatment is in accordance with the principles of MYT regulations.</p>
2	OBS-1678161	<p>Statement of Profit and Loss</p> <p>I. Revenue from operation (Note 21)</p> <p>(a) Revenue from rendering of services</p> <p>(i) Industrial power: High Tension - ₹ 10,089 crore</p> <p>(iii) LT consumer including Industrial Medium & Low voltage: ₹ 9,688 crore</p> <p>The above include amount of 72.57 crore (138.722 crore for March 2024 not accounted for in current year-211.29 crore for March 2023 accounted for in current year) towards Fuel and Power Purchase Adjustment Surcharge (FPPAS) billed to the HT and LT consumers of CSPDCL. This has resulted in overstatement of Revenue from Operation to the extent of 72.57</p>	<p>Apart from the provisions of Company Act, 2013, electricity companies are also governed by the provisions of Electricity Act, 2003. Further clause 93 of MYT regulation, 2021 provides for determination and charging of FCA by CSPGCL on CSPDCL and also recovery of the same by CSPDCL from the consumers. Accordingly the recovery of FCA is made by CSPDCL from the consumers in the Financial year in which the same is billed by CSPGCL.</p>

		crore and overstatement of profit by the same extent.	
3	OBS- 164925 5	<p>Balance Sheet</p> <p>Equity and Liabilities</p> <p>Current Liabilities</p> <p>Other Current Liabilities (Note 18) ₹ 325.93 crore</p> <p>As per CSERC regulations, CSPDCL was required to pay Annual License Fee (ALF) of 7.81 crore for FY 2022-23, based on approved revenue of ₹ 19,541.35 crore. However, CSPDCL paid only Rs. 5.98 crore, resulting in an underpayment of Rs.1.83 crore. This amount should have been included in Other Current Liability as for the financial year 2023-24. The non-inclusion has resulted in an understatement of Other Current Liability and an overstatement of Profit by 1.83 crore.</p>	<p>The company is liable to pre deposit annual license fees by 30th April on approved/estimated revenue basis. Later on, on the basis of ARR approved under final tariff order, the differential amount of fees is calculated and deposited along with the estimated license fees of the succeeding financial year and also, accounted for in the books of same year i.e. succeeding FY. Further it is pertinent to mention here that the payment of Annual License Fee is made on the basis of Total Revenue from sale of power excluding revenue from the sale of Surplus Power. Accordingly, in the instant case, as company paid the differential amount of Rs. 1.34 crores for FY 2022-23 in Sep 2024, the same has been booked in the accounts for FY 2024-25. (Total Revenue from sale Rs.19541.35 Cr – Revenue from Sale of Surplus Power Rs.1247.91 Cr which comes to Rs.18293.44 Cr , Annual License fee Rs 7.32 Cr – Rs.5.98 Cr = Rs.1.34Cr)</p> <p>Thus, at present, the company follows the policy of booking annual license fees on cash basis. The same shall be disclosed in the notes to accounts from next financial year.</p>
4.	OBS- 16495 14	<p>(b) Provisions (Note 17) – ₹ 908.54 crore</p> <p>The above does not include 1.77 crore towards payment of Dearness Allowance (DA) arrears of the month of February 2024 paid with the salary of April 2024. As this expense is related to financial year 2023-24 paid in the year 2024-25. hence provision for "payable of DA arrears" should have been made in the Financial Statements. This has resulted in understatement of Current Liabilities and overstatement of Profit to the extent of 1.77 crore</p>	<p>The company has inadvertently missed to make the provision of Dearness allowance (DA) arrears for the month of February 2024 amounting Rs. 1.77 Crore which was paid with the salary of April 2024 and the same has been booked in the accounts of the Company for current financial year i.e. FY 2024-25.</p>

5	OBS-1658435	<p>(a) Financial Liabilities (ii) Trade Payable (Note 20)</p> <p>(b) Creditor other than micro enterprises and small enterprises: ₹ 6620.27 crore</p> <p>This does not include ₹ 15.40 crore payable to Chhattisgarh State Power Generation Company Limited (CSPGCL) as on 31 March 2024 towards Fuel & Other Expenses, SLDC SOC and SLDC MOC demanded in the month of April 2024 and May 2024. This has resulted in understatement of Trade Payable and understatement of Power Purchase Cost and consequent overstatement of Profit to the extent of 15.40 crore.</p>	<p>Clause 11 of MYT regulation, 2021 bifurcates the cost into controllable and uncontrollable factors. One of the components of un-controllable factor is fuel price. Clause 15 of the regulation states that</p> <p><i>"All tariff orders passed under this regulation shall be in force till issue of next tariff order. No tariff or part of any tariff may be ordinarily amended, more frequently than once in any Financial year, except adjustment on account of fuel cost and power ' purchase based on VCA formula approved by the Commission."</i></p> <p>Also clause 45.11 of the MYT Regulation, 2021 provides that the bi-monthly increase in the primary fuel cost shall be recovered as per the Fuel Cost Adjustment. Accordingly the fuel cost and other charges which were billed by CSPGCL in the month of April 2024 & May 2024 were considered in the accounts of FY 2024-25 by CSPDCL.</p>
6	OBS-1658995	<p>(b) Creditor other than micro enterprises and small enterprises: ₹ 6620.27 crore</p> <p>This does not include Rs.50.36 crore payable to NTPC Limited towards power purchase from Solapur Super Thermal Power Station for the period from 01 April 2019 to 31 March 2024 as per the Central Electricity Regulatory Commission Order dated 02 August 2024. This amount should have been provided for the Financial Statements. Non provision of the same has resulted in the understatement of Trade Payables and Power Purchase Cost amounting to Rs. 50.36 crore.</p>	<p>Apart from the provisions of Companies Act, 2013 CSPDCL is also governed by the provisions of Electricity Act, 2003 and the rules made there under. The tariff of electricity Generation, Transmission and Distribution companies is determined as per Terms & Conditions for determination of tariff according to Multi Year Tariff principles and Methodology and Procedure Regulation, 2021 framed by CSERC. The tariff of the Generation, Transmission and Distribution company for any control period is predetermined on the basis of principles laid down in the MYT regulations.</p> <p>MYT regulation clause 11 defines Un-controllable factors as factors which are beyond the control of the applicant and could not be mitigated by the applicant and Judicial pronouncement by any authority is</p>

		<p>one of such factors. Clause 93 of the MYT Regulation 2021, permits the distribution licensee to recover the power purchase adjustment surcharge. It is to pertinent menton here that the order of the Central Electricity Regulatory Commission was passed on 02nd August 2024 and was for the period from 01st Oct 2019 to 31st March 2024. It is also pertinent to mention here that tariff once passed for any control period can not be ammened and no additional amount can be recovered form the consumer except as mentioned in clause 93 of the MYT Regulation.</p> <p>As mentioned by the Audit, if the differential Power Purchase cost amounting to Rs.50.36 Crore had been included it in the power purchase cost of FY 2023-24 would have given a unfair and exaggerated loss for FY 2023-24 and would have not given a true and fair picture of state of affairs of the company for the FY 2023-24 as the amount mentioned in the order covers more than one financial year and restating the financial of all the previous years would neither be rational nor feasible. Further the company has initiated the recovery of additional cost of power purchase in line with the principle laid down in the MYT Regulation from the billing month of Oct 2024 (Copy of the letter sent to the Regulatory Commission in this regard is enclosed as Annexure- and the same shall be reflecting in the revenue of succeeding financial year i.e. 2024-25 . Thus if expense had been provided for in FY 2023-24. as pointed out by audit the cost and revenue of the additional power purchase would have impacted two financial years in a contradictory manner i.e. exaggerated loss in FY 2023-24 & exaggerated profit in the FY 2024-25. Therefore in order to align with</p>
--	--	---

			the cost and revenue related to additional cost resulting due to judicial pronouncement made in FY 2024-25 the additional power purchase is recorded in FY 2024-25 viz when the revenue related with above cost started accruing.
7.		This does not include Rs. 1.75 crore payable to various suppliers towards price variation bills for the materials supplied on or before 31 March 2024 and the bill raised for payment on or before 31 March 2024. Accordingly, suitable provisions should have been made in the Financial Statements for the year 2023-24. Non provision of same has resulted in understatement of Trade Payable and Inventories to the extent Rs. 1.75 crore.	In this regards it is to state that the company has already provided for and made payment of Rs 3.45 Crore in FY 2023-24 therefore no provision is required to the above extent. Further Rs.0.02 Crore is related to penalty deducted form the vendor account which also does not require any provision as the same is income for the company. Thus there is short provision of only Rs. 1.75 Crore which has been recorded and paid during the FY 2024-25.
8.	OBS-1658949	Assets III. Non Current Assets (d) (iii) Non current trade receivable (Note 11) - ₹ 420.0crore This does not include Rs. 12.16 crore receivable from the Government of Chhattisgarh towards the state taxes and state share against the DDUGJY and RGGVY Scheme. As per scheme guidelines state tax and 10 per cent of approved closure cost is to be borne by the State Government i.e. Government of Chhattisgarh. This has resulted in understatement of Trade Receivable and Other Equity to the extent of ₹12.16 crore.	After completion of various projects under RGGVY Scheme & DDUGJY Scheme as per guidelines a compiled eligible State Share has already been prepared and claimed from the State Government.
9.	OBS-1675860	Notes to Accounts Note no. 30: Contingent Liability Reference is invited to clause 20.14 under contingent liability wherein it is stated that the Company had known outstanding liability of Rs. 6.23 crore towards short deductions of TDS. However, company has provided for only 2.84 crore as on 31.03.2024 and made	The company through online system of Income Tax Department has retrieved that an amount of Rs. 622 Lacs (P.V. Rs. 555 Lacs) is outstanding against TDS liability (Short Deduction/ Short Payment). The company has already provided Rs. 284 Lacs till 31st March 2024. Further, the company is in process of obtaining necessary information of such distinguished cases

		short provision by Rs. 3.39 crore for the year 2023-24. This has resulted in understatement of provision by Rs. 3.39 crore and overstatement of profit to the same extent.	from its decentralized offices and Income Tax Department and balance liability (if any) will be provided after due appraisal on case to case basis.
10.	OBS- 164810 2	<p>Notes to the financial statements</p> <p>Central Electricity Authority under the Ministry of Power, Government of India issued (02 June 2017) guidelines for calculation of the AT&C loss, so that there is no variation in the calculation of AT&C loss by the different organisation. The method of calculation is appended to the circular in the form Table 1. The circular further provided that the calculation of AT&C loss in the format given in the table should form part of the Annual Accounts of all the utilities selling power directly to the consumers as Notes to the Accounts or Annexure.</p> <p>However, the Company has not disclosed the AT&C loss and its calculation in the Financial Statements. Therefore, the Notes to the Financial Statements for the year ended 31 March 2024 are deficient to that extent.</p>	The Audit remark has been noted for future compliance. Further the Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024 applicable from FY 2024-25 makes it mandatory for distribution utility to calculate and disclose AT&C loss as part of notes to the financial statement and shall be incorporated accordingly in the notes to accounts from FY 2024-25.
11	OBS- 165897 0	Above does not include ₹1502.31 crore payable to NTPC Limited for power purchase from Lara Super Thermal Power Station for the period from 01 October 2019 to 31 March 2024 as per the Central Electricity Regulatory Commission Order dated 02 August 2024. The order was appealed by CSPDCL in APTEL in October 2024. The same should have been included under Contingent Liability.	<p>Apart from the provisions of Companies Act, 2013 CSPDCL is also governed by the provisions of Electricity Act, 2003 and the rules made there under. The tariff of electricity Generation, Transmission and Distribution companies are determined as per Terms & Conditions for determination of tariff according to Multi Year Tariff principles and Methodology and Procedure Regulation, 2021 framed by CSERC. The tariff of the Generation, Transmission and Distribution company for any control period is predetermined on the basis of principles laid down in the MYT regulations.</p> <p>MYT regulation clause 11 defines Un-controllable factors as factors which are beyond the control of the applicant and</p>

		<p>could not be mitigated by the applicant and Judicial pronouncement by any authority is one of such factors. Clause 93 of the MYT Regulation 2021, permits the distribution licensee to recover the power purchase adjustment surcharge. It is to be mentioned here that the order of the Central Electricity Regulatory Commission was passed on 02nd August 2024 and was for the period from 01st Oct 2019 to 31st March 2024. It is also pertinent to mention here that tariff once passed for any control period cannot be amended and no additional amount can be recovered from the consumer except as mentioned in clause 93 of the MYT Regulation.</p> <p>However audit's comment for inclusion of liability under contingent liability pending finalization of appeal before APTEL is noted.</p>
--	--	--

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE: RAIPUR (C. G.)

DATE:- 12.08.2025



(DR. ROHIT YADAV)

CHAIRMAN

DIN: 7008782

ANNEXURE "D" TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March, 2024

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
CHHATTISGARH STATE POWER DISTRIBUTION COMPANY LIMITED
Vidyut Sewa Bhawan Dangania, Raipur (C.G.) 492013

CIN: U40108CT2003SGC015822

Authorised Capital: Rs. 33,00,25,00,000

Paid up Capital: Rs. 28,86,53,78,330

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CHHATTISGARH STATE POWER DISTRIBUTION COMPANY LIMITED** (hereinafter called "the Company or CSPDCL"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Further, this report of even date is to be read along with Annexure-A attached with this report.

Based on my verification of the CSPDCL, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 has complied with the some statutory provisions and has not complied with some statutory provisions listed hereunder and also that the Company does not have proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and

External Commercial Borrowings; there was no instance of Foreign Direct investment, Overseas Direct Investment and External Commercial Borrowings during the period under review.

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') *were not applicable to the Company.*
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were applicable to Company:
- a) The Securities and Exchange Board of India (Registrar to Issue and Share Transfer Agent) Regulations, 1993;
 - b) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement), Regulation, 2015;
 - c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
 - d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (vii) The management has identified and confirm the following law as specifically applicable to the company:
- a. The Electricity Act, 2003 and the Rules, regulations and amendment made thereunder,

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements (LODR) entered into by the Company with Stock Exchange,

During the period under review and as per the explanations and clarifications given to us and the representation made by management, the Company has generally complied with the provision of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. We further report that compliance of applicable finance law including Direct & Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by Statutory Auditors and other designated Professionals

Apart from the above following non-compliance were observed during the audit:

- a) As per the provision of section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rule, 2014 the Company was required to

appoint atleast two Independent Director on the Board during the F.Y. 2023-24 but no Independent Directors are appointed in the Company.

- b) The Company is required to constitute the Audit Committee as per the Provision of Section 177 of the Companies Act, 2013 read with Companies (Meeting of Board and its power) Rules, 2014 for the F.Y. 2023-24 but no such Committee is constituted.
- c) The Company is required to constitute the Nomination and Remuneration Committee as per the Provision of Section 178 of the Companies Act, 2013 read with Companies (Meeting of Board and its power) Rules, 2014 for the F.Y. 2023-24 but no such Committee is constituted.
- d) The Company is required to establish a vigil mechanism for directors and employees as per the Provision of Section 177 (9) of the Companies Act, 2013 but no such mechanism is established in the Company for Directors.

Further there exist vigil mechanism for employees but as per Rule 7 (2) of The Companies (Meetings of Board and its Powers) Rules, 2014 the said mechanism shall be overseen by the Audit Committee, since there is no Audit Committee the said rule is not complied. Additionally, the company has not formulated any policy on vigil Mechanism/Whistle Blowers.

- e) The company do not have Acknowledgement of notice of Board Meeting and General Meeting held during the FY 2023-24, also the notice of board meeting is not as per the provision of Section 173 of the Companies Act, 2013 and Secretarial Standard I issued by Institute of Company Secretaries of India (ICSI)
- f) As per the provision of Section 149(1) of the Companies Act, 2013, along with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the company is required to appoint Women Director, but there was no Women Director in the Company from 05th December, 2023 till the end of Financial Year i.e. 31st March, 2024.
- g) The Financial Statement for the F.Y. 2022-23 of the Company have not been placed and approved by the members of the Company within the time limit prescribed under the Companies Act, 2013, since the due date to held AGM for FY 2022-23 is 30th September, 2023 but the AGM was held on 21st September, 2024.
- h) As per Regulation 7(1)(b) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 the company has failed to produce the Compliance Certificate with the Recognised Stock Exchange within prescribed time limit for Quarter 1 and Quarter 2 of Financial Year 2023-2024.
- i) As per Regulation 50(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 The Company failed to provide prior intimation to the recognized stock

exchange(s) within the stipulated time period of two working days in advance, as required under aforesaid Regulation for the meeting of the Board of Directors held to consider and approve the quarterly financial results for Quarter 4 of the financial year 2023-2024.

- j) During the financial year 2023-24, the Company did not comply with the prescribed timelines under Regulation 52(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for submission of financial results to the recognized stock exchange(s).

Further following are the details of submission of quarterly and annual financials for FY 23-24:

Quarter	Due Date for Submission	Actual Filing Date	Status
Q1 (June 2023)	15 August 2023	25 August 2023	Delayed
Q2 (September 2023)	14 November 2023	14 November 2023	On Time
Q3 (December 2023)	13 February 2024	13 February 2024	On Time
Q4 (March 2024)	30 May 2024	29 May 2024	On Time
Standalone Annual Financial Statements	31 December 2024	14 October 2024	On Time

- k) As per Regulation 52(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity is required to submit to the stock exchange(s), along with its quarterly financial results, a statement indicating the utilisation of the proceeds of non-convertible securities, in the format prescribed by SEBI, until such proceeds have been fully utilised or the purpose for which they were raised has been achieved. However, during the period under review, the Company has not complied with the said requirement.
- l) As per Regulation 52(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity is required to publish the financial results and the line items referred to in sub-regulation (4), within two working days of the conclusion of the meeting of the Board of Directors, in at least one English national daily newspaper circulating in the whole or substantially the whole of India. However, during the period under review, the Company has not complied with the said requirement for Q1, Q2 and Q3 and for Q4 it was delayed published.
- m) As per the Regulation 57(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity is required to submit, within seven working days from the end of First quarter, a certificate confirming the payment of interest, dividend, and/or principal obligations in respect of non-convertible securities that were due during the said

quarter. However, the reporting entity has failed to comply with this requirement within stipulated time period.

- n) The Company has not complied the Regulation 56(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 with respect to disclosure of material events or information to the debenture trustee.

I further report that the Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Since as per the Section 149 (6) of the Companies Act, 2013 no Independent Director has been appointed on the Board. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

I further report that, "The company has maintained the required statutory registers as prescribed under the Companies Act, 2013. However, entries in the Register of Member and Register of Director and KMP have not been made properly or updated in a timely manner, as required under the applicable provisions."

As per the information and explanation provided, notice is given to all directors to schedule the Board Meetings, but agenda and detailed notes on agenda were not at all sent to any director, and a no system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there existing system and process in the company to monitor and ensure compliance with applicable laws, rules, regulation and guideline should be strengthen considering the size and operation of the Company.

As informed, the company has responded appropriately to notices received from various statutory/regulatory authorities including initiative action for corrective measures, wherever found necessary.

During the Financial Year, the company convened multiple Annual General Meetings (AGMs) on 8th July, 2023 for the adoption of pending financial statements for previous financial years, as detailed below:

33rd AGM was held on 8th July, 2023 at 12:30 PM, wherein the company transacted the business of adoption of the financial statements for the financial year 2019-2020 but the due date to held this AGM was 31st December, 2020

34th AGM was held on 8th July, 2023 at 12:45 PM, wherein the company adopted the financial statements for the financial year 2020-2021, but the due date to held this AGM was 30th November, 2021

35th AGM was held on 8th July 2023 at 1:00 PM, wherein the company adopted the financial statements for the financial year 2021-2022, but the due date to held this AGM was 30th September, 2022.

I further report that during the audit period there were no instances of:

- (1) Public / Rights / Preferential issue of shares / sweat equity.
- (2) Buy-back of securities.
- (3) Foreign technical collaborations.
- (4) Merger / amalgamation / reconstruction etc.

For, Nitin Agrawal & Co.
CP No. 11931

Date: 02/07/2025
Place: Raipur (C.G.)

SD/-
Nitin Agrawal
(Proprietor)
M No: F-9684
Peer Review Certificate No: 2989/2023
UDIN: F009684G000698064

ANNEXURE "E" TO THE BOARD'S REPORT
**MANAGEMENT REPLY TO SECRETARIAL AUDITORS COMMENTS CONTAINED IN THEIR
SECRETARIAL AUDIT REPORT FOR THE F.Y. 2022-23**

S. NO.	PARTICULARS	REPLY OF THE MANAGEMENT
a.	As per the provision of section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rule, 2014 the Company was required to appoint atleast two Independent Director on the Board during the F.Y. 2023-24 but no Independent Directors are appointed in the Company.	Being a State Government Company, in terms of Article 77 of Articles of Association, all the Directors of the Company are appointed by the Government of Chhattisgarh and the company has no role in appointment of Directors on its Board. The company has informed the State Govt. through letters regarding the requirement of appointment of Independent Director and Women Director. The response from State Govt. is awaited.
2).	The Company is required to constitute the Audit Committee as per the Provision of Section 177 of the Companies Act, 2013 read with Companies (Meeting of Board and its power) Rules, 2014 for the F.Y. 2023-24 but no such Committee is constituted	Since, the company does not have the power to take the decision of appointment of Independent Director, and there is no instance of non-compliance.
3).	The Company is required to constitute the Nomination and Remuneration Committee as per the Provision of Section 178 of the Companies Act, 2013 read with Companies (Meeting of Board and its power) Rules, 2014 for the F.Y. 2023-24 but no such Committee is constituted.	As per the provisions of AOA & MOA, the power to nominate Directors of the Company is vested with State Govt. The company has informed the State Govt. through letters regarding the requirement of appointment of Independent Director. The response from State Government is awaited.
4).	The Company is required to establish a vigil mechanism for directors and employees as per the Provision of Section 177 (9) of the Companies Act, 2013 but no such mechanism is established in the Company for Directors. Further there exist vigil mechanism for employees but as per Rule 7 (2) of The Companies (Meetings of Board and its Powers) Rules, 2014 the said	Since the company has no independent directors, audit committee and Nomination and Remuneration Committee cannot be constituted.

	mechanism shall be overseen by the Audit Committee, since there is no Audit Committee the said rule is not complied. Additionally, the company has not formulated any policy on vigil Mechanism/Whistle Blowers	
5).	The company do not have Acknowledgement of notice of Board Meeting and General Meeting held during the FY 2023-24, also the notice of board meeting is not as per the provision of Section 173 of the Companies Act, 2013 and Secretarial Standard I issued by Institute of Company Secretaries of India (ICSI)	The company has an approved the Vigilance Manual in compliance with the provision of section 177 of the companies Act, 2013 read with the companies (Meetings of Board and its Power) Rules, 2014.
6).	As per the provision of Section 149(1) of the Companies Act, 2013, along with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the company is required to appoint Women Director, but there was no Women Director in the Company from 05 th December, 2023 till the end of Financial Year i.e. 31 st March, 2024.	All the notices of Board Meeting and General Meeting were sent to all directors and members through electronic mode as well as physically through dispatch no. which is registered in the office dispatch registers.
7).	The Financial Statement for the F.Y. 2022-23 of the Company have not been placed and approved by the members of the Company within the time limit prescribed under the Companies Act, 2013, since the due date to held AGM for FY 2022-23 is 30 th September, 2023 but the AGM was held on 21 st September, 2024.	The company is following the provisions of Companies Act, 2013 regarding preservation of Documents hence no other policy is formed.
8).	As per Regulation 7(1)(b) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 the company has failed to produce the Compliance Certificate with the Recognised Stock Exchange within prescribed time limit for Quarter 1 and Quarter 2 of Financial Year 2023-2024.	The company has complied with regulation 13(3) for all three quarters except one quarter due to unavoidable reason. Necessary Measures been taken on sustained basis.
9).	As per Regulation 50(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 The Company failed to provide prior intimation to the recognized stock exchange(s) within the stipulated time period of two working days in advance, as required under aforesaid Regulation for the meeting of the Board of Directors held to consider and approve the quarterly financial results for Quarter 4 of the financial year 2023-2024.	Necessary Measures been taken on sustained basis.


10).	<p>During the financial year 2023-24, the Company did not comply with the prescribed timelines under Regulation 52(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for submission of financial results to the recognized stock exchange(s).</p> <p>Further following are the details of submission of quarterly and annual financials for FY 23-24:</p> <table><tr><th>Quarter</th><th>Due Date for Submission</th><th>Actual Filing Date</th><th>Status</th></tr><tr><td>Q1 (June 2023)</td><td>15.08.2023</td><td>25.08.2023</td><td>Delayed</td></tr><tr><td>Q2 (Sep 2023)</td><td>14.11.2023</td><td>14.11.2023</td><td>On Time</td></tr><tr><td>Q3 (Dec 2023)</td><td>13.02.2024</td><td>13.02.2024</td><td>On Time</td></tr><tr><td>Q4 (March 2024)</td><td>30.05.2024</td><td>29.05.2024</td><td>On Time</td></tr><tr><td>Standalone Annual Financial Statements</td><td>31.12.2024</td><td>14.10.2024</td><td>On Time</td></tr></table>	Quarter	Due Date for Submission	Actual Filing Date	Status	Q1 (June 2023)	15.08.2023	25.08.2023	Delayed	Q2 (Sep 2023)	14.11.2023	14.11.2023	On Time	Q3 (Dec 2023)	13.02.2024	13.02.2024	On Time	Q4 (March 2024)	30.05.2024	29.05.2024	On Time	Standalone Annual Financial Statements	31.12.2024	14.10.2024	On Time	Necessary Measures been taken on sustained basis.
Quarter	Due Date for Submission	Actual Filing Date	Status																							
Q1 (June 2023)	15.08.2023	25.08.2023	Delayed																							
Q2 (Sep 2023)	14.11.2023	14.11.2023	On Time																							
Q3 (Dec 2023)	13.02.2024	13.02.2024	On Time																							
Q4 (March 2024)	30.05.2024	29.05.2024	On Time																							
Standalone Annual Financial Statements	31.12.2024	14.10.2024	On Time																							
11).	<p>As per Regulation 52(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity is required to submit to the stock exchange(s), along with its quarterly financial results, a statement indicating the utilisation of the proceeds of non-convertible securities, in the format prescribed by SEBI, until such proceeds have been fully utilised or the purpose for which they were raised has been achieved. However, during the period under review, the Company has not complied with the said requirement.</p>	Necessary Measures been taken on sustained basis.																								
12).	<p>As per Regulation 52(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity is required to publish the financial results and the line items referred to in sub-regulation (4), within two working days of the conclusion of the meeting of the Board of Directors, in at least one English national daily newspaper circulating in the whole or substantially the whole of India. However, during the period under</p>	Necessary Measures been taken on sustained basis.																								

	review, the Company has not complied with the said requirement for Q1, Q2 and Q3 and for Q4 it was delayed published.	
13).	As per the Regulation 57(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity is required to submit, within seven working days from the end of First quarter, a certificate confirming the payment of interest, dividend, and/or principal obligations in respect of non-convertible securities that were due during the said quarter. However, the reporting entity has failed to comply with this requirement within stipulated time period.	Necessary Measures been taken on sustained basis.
14).	The Company has not complied the Regulation 56(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 with respect to disclosure of material events or information to the debenture trustee.	Necessary Measures been taken on sustained basis.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE: RAIPUR (C. G.)

DATE:- 12.08.2025


(DR. ROHIT YADAV)
CHAIRMAN
DIN: 7008782