



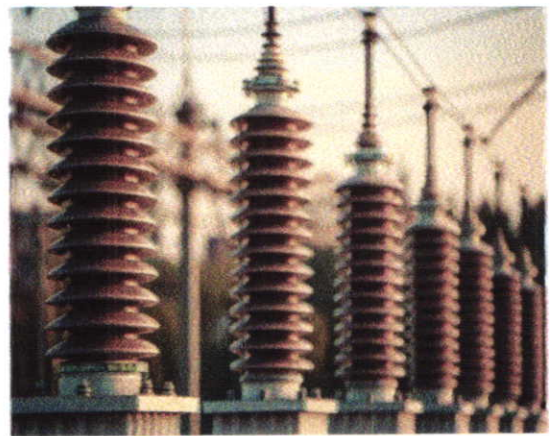
**CHHATTISGARH STATE POWER DISTRIBUTION COMPANY
LIMITED**

(A Government of Chhattisgarh undertaking)



ANNUAL REPORT

2024-25



ANNUAL REPORT
2024-25

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

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

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 22nd Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2025.

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, 2025. 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. 2024-25	F.Y. 2023-24
Revenue from Operations	27169.19	22,994.40
Other Income	641.62	663.26
Profit/(Loss) before depreciation, exceptional & extraordinary items & taxation	1947.29	590.16
Less: Depreciation & Amortization Expenses	689.44	637.16
Profit / (Loss) before exceptional & extraordinary items & taxation	1257.85	(47.00)
Add : Exceptional & Extraordinary items	(1664.46)	88.04
Profit / (Loss) before tax	(406.61)	41.04
Less: Tax expenses	0.00	0.00

Profit/(Loss) after taxation	(406.61)	41.04
Other Comprehensive Income	(198.19)	(247.08)
Total Comprehensive Income	(604.80)	(206.04)

4) **REVIEW OF PERFORMANCE:**

During the financial year 2024-25, the Company has earned Revenue from Operations amounting to Rs. 27169.19 crores as compared to Rs. 22,994.40 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 loss of the Company as per accounts prepared under IND AS was Rs. 406.61 crores during the financial year under review as compared to net profit of Rs. 41.04 crores during the previous financial year. The main reason attributable to loss during the current financial year is additional provision of Rs.1175.06 crore on trade debtors to adhere with the provision of new Electricity Distribution “(Accounts and Additional Disclosure) Rules,2024. Further the company has also reversed old Railway bills amounting to Rs.591.74 crore in view of the Arbitral order.

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 01.04.2024 to 31.03.2025, **9386 KM** Sub-Transmission lines and **9659 KM** Low Tension (Distribution) Lines were constructed. Including the above, the total length of Sub-Transmission lines and low Tension (Distribution) Lines stood at **170537 KM** and **242932 KM** respectively at the end of the financial year. During the period under review, work of **56 nos** New 33/11 KV S/s **30 No.** Additional power Transformer, **50 No.** Aug of Power Transformer, **15298 Nos.** New 11/0.4 KV Distribution Transformer and **2556 No.** Augmentation of 11/0.4 KV Transformer were completed as a result of which, the capacity was increased by **1498 MVA**. As on 31.03.2025, there were **1465 Nos** 33/11 KV and **248067 Nos.** 11/0.4 KV Sub-stations with total capacity of **24309 MVA**.

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

S.No.	Particulars	Unit	F.Y. 2024-25
01	33 KV Lines	KM	487
02	11 KV Lines	KM	8899
03	Low Tension Lines (400-230 Volts)	KM	9659
04	33/11 KV Sub-stations installed	No.	56
	capacity	MVA	189

05	Installation of Additional Transformer in existing 33/11 KV Sub-station	No.	30
	capacity	MVA	104
06	Increase in capacity of Transformer of existing 33/11 KV Sub-stations	No.	50
	Capacity	MVA	96
07	11/0.4 KV Sub-station installed	No.	15298
	Capacity	MVA	956
08	Increase in capacity of 11/0.4 KV Transformers	No.	2556
	Capacity	MVA	153

❖ **Normal Development Works:**

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
01	33 KV Lines Construction	KM	63
02	11 KV Lines Construction	KM	490
03	Distribution Lines for Services (for new connection)	KM	812
04	New Distribution Transformers	No.	5823
05	Increase in Capacity of Distribution Transformers	No.	1011
	Capacity	MVA	61
06	Connection provided:		
	Single Phase	No.	127937
	Three Phase	No.	21796
	High Tension Connection	No.	291

❖ **Electrification of Irrigation Pumps**

During the period from 01.04.2024 to 31.03.2025, the line extension work has been completed for **40470** no. pumps. Thus in the state total existing pump is **837893** no. (Permanent pump connection 585891 no. and 252002 no. Temporary pump) as on 31.03.2025.

❖ **B.P.L. Connection**

As per the direction of State Government, the B.P.L. Connection is made available to people who are below poverty line. During the period from 01.04.2024 to 31.03.2025, total **7609** no. connection have been provided to the above category families. As a result, there are **1524951** no. B.P.L. Connection to the above category families as on 31.03.2025.

7) FUTURE PROSPECTS & PLANS:

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 2024-25 is as below:-

S.No.	Particulars	Units	Awarded Qty	Executed Qty
1	Cabling work	CKM	30599	14045
2	HVDS DTR	Nos.	2371	378
3	New HT Line	CKM	16610	6583
4	New LT Line	CKM	10654	655
5	Augmentation of LT Lines	CKM	22386	12135
6	Feeder Segregation	Nos.	1067	232
7	Feeder Bifurcation	Nos.	971	359
8	New DT	Nos.	15248	3074
9	Cyber Security	Nos.	1	1

Work Completed During 2024-25- Smart Meter

S.No.	Particulars	Unit	Total Awarded (In Nos.)	Smart meter/Modem Installation Work Completed (In Nos.)	Smart meter installation work completed on Govt. offices (In Nos.)
1	Single Phase Consumer Meter	Nos.	6440673	1458743	-
2	Three Phase Consumer Meter	Nos.	629615	71808	-
3	Consumer Meter	Nos.	7070288	1530551	10850

4	DT Meter	Nos.	267001	34673	-
5	Feeder Meter	Nos.	8315	5457	-
Grand Total			7345604	1570681	10850

STN Scheme:- Energy Conservation has also been achieved through strengthening of sub-transmission line under the STN scheme for which the provision of Rs. 1072.75 Crs has been made by CSERC for the year 2024-25 and expenditure of Rs 163.98 Crs has been incurred including spill over works during the reporting year 2024-25.

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:-

- Under RDSS the smart meter installation in all LT consumers (except agriculture, AMR & Temp.) has been started. Along with consumer metering, feeder metering and DT metering also been covered in the scheme. As on Mar-2025 around 14.08 lac consumer meters, 5592 feeder meters and around 37283 DT meters has been covered through smart metering. 100% coverage is expected by end of Dec-2025.
- Automatic meter reading system has been implemented in all 4131 HT connections, 10399 LT connections having connected load above 50HP and 13356 NOS LT connections having connected load between 15HP to 50HP for precise reading and accounting of Energy consumed by major consumers approximately covering 70% of the total Revenue of the company.
- To improve the billing efficiency and better performance of reading and to avoid manual intervention, Photo Spot Billing has been implemented in all over C.G. Covering around 64.97 lac consumers (except agriculture, AMR & Temp.).
- CSPDCL has completed 100% feeder metering to monitor the losses at all voltages level and for proper energy accounting at all 955 Nos 33 KV feeder and 5704 Nos 11 KV feeder. In addition to this 5592 Nos smart 85015 No. DTs have been metered for DT wise monitoring of T&D losses.
- The process of replacement of Stopped/Defective meters are being executed in a regular basis in compliance with timelines set by CSERC. 290334 No. of Stopped/Defective meters have been replaced in the year 2024-25.
- During 2024-25, CSPDCL received around 30% through digital payment which includes all payment modes viz. Net Banking, Debit Card, Credit Card, RTGS, NEFT, UPI, Wallets, Pay-points centers and common service centers etc.

- 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 2024-25. 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. 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. Agent based payments are also increased in rural area via CSC (Common service center) agents as well as Paypoint agents approximately with 17000 agents across the state of Chhattisgarh.
- 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.
- 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 Baking, Credit Card, Debit Card, BHIM UPI, Bharat Biil payment System, pay point Centres, Common Service center are continued as earlier.
- **Centralised Call Center facility** with IVRS and Tollfree No. 1912 has been available to all electricity consumers of CSPDCL for registration of technical and commercial complaints 24x7. The latest Contact Center Solution has been deployed with customized

modifications tailored to the specific requirements of CSPDCL along with Real time dashboard. Additionally, a WhatsApp bot interaction facility has been introduced, enhancing consumer engagement with CSPDCL. Various consumer services have been made accessible through Bijli Mitani, which has been seamlessly integrated with both the web and mobile applications to ensure greater convenience and accessibility. The SIP solution has been implemented to ensure near-zero call drops at 1912, providing a reliable communication experience.

- **CSPDCL Website "www. cspdcl.co in"** has been further enhanced with new features, including integration with a Chat Bot for improved user interaction. Integration with AMISPs has been completed, enabling users to access Smart Meter data such as consumption details directly on the website. Enhancement of Integration of CSPDCL's consumer with MNRE, **Unified** Solar Rooftop Portal process enhancement.
- **Mor Bijlee Mobile App (Android & iOS):** has been enriched with features of Chat Bot. Integration for Smart Meter done for various information to consumer like Power status, relay status & Consumption related details.
- **CSPDCL Prakash Mobile App (Android & iOS):** Prakash Mobile App launched for iOS platform. PM Suryaghar progress entry & reporting feature made available on Prakash App.
- **CSPDCL Mor Bijli Company (android & iOS):** Facility of e-ID Card developed along with enhancements in all existing services.
- 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 consumers 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).
- **RDSS IT/OT Project -**
Under the Revamped Distribution Sector Scheme (RDSS), launched by the Ministry of Power, Government of India via Office Memorandum dated 20th July 2021, Chhattisgarh State Power Distribution Company Limited (CSPDCL) has undertaken a series of strategic IT/OT initiatives aimed at enhancing operational efficiency, reducing distribution losses, and improving consumer services.

Originally scheduled from **FY 2021-22 to FY 2025-26**, the RDSS scheme has now been officially extended until **31st March 2028**. This extension enables deeper infrastructure transformation and sustained progress. The scheme carries a total outlay of ₹3, 03,758

Crore, with ₹97,631 Crore allocated as the central share. The Rural Electrification Corporation (REC) serves as the nodal agency for Chhattisgarh.

On 13th July 2022, the Ministry of Power sanctioned the RDSS IT/OT project to CSPDCL, with an approved cost of ₹119.68 Crore under the infrastructure works for loss reduction. The implementation is being carried out by the Energy Info-Tech Centre (EITC), the following outlines the progress and key achievements for FY 2024-25:

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 (C-SOC) :- Establishment of a Cyber Security Operations Centre (C-SOC) equipped with advanced tools such as EDR, UEBA, SOAR, and TIP.

• **Status**

- All software and hardware components have been successfully received, installed, and commissioned.
- The system has officially gone live, and requisite Facility Management Services (FMS) have been deployed on-site.
- **Expenditure Incurred:** ₹5,87,70,489.74

2. GIS System Upgradation :- Includes customization, implementation, and enhancement of GIS functionalities, along with mobile app development for Delta and expansion of survey activities to 182 towns.

• **Status**

- Detailed work order issued on 30th September 2024.
- All servers have been received; installation is in progress at the Data Centre (DC) and Disaster Recovery (DR) sites.
- GIS application customization and solution implementation in progress.

3. ERP System Upgradation :- Planned upgrades include technical and functional enhancements, SAP HANA implementation, and data migration.

• **Status**

- Notice Inviting Tender (NIT) issued on 15th September 2023.
- Despite eight deadline extensions, no bids were received by the final date of 6th August 2024.
- The tender has been scrapped with due approval.
- Guidelines and suggestions from REC/PFC are awaited for the next steps.

4. Customer Service Enhancements :- Upgradation of centralized customer care centre and expansion of web-based self-service options.

• **Status**

- All software and hardware components have been received.
- Call Centre solution implemented and the system has officially gone live on 10th January 2025.
- **Expenditure Incurred:** ₹2,55,44,000

5. Prepaid Billing and Smart Metering Integration & Analytics :- Enhancement of billing systems and integration of smart metering for real-time monitoring and analytics.

• **Status**

- Letter of Award (LoA) issued to M/s Inventive Software Solutions Pvt. Ltd. on 14th November 2024.
- Detailed work order placed on 4th December 2024.
- AS-IS study completed.
- Real-time integration achieved with ATP machines, Pay-Point centres, and Common Service Centres (CSC).

The progress achieved during FY 2024-25 under the RDSS IT/OT framework lays a robust foundation for future digital transformation and operational excellence.

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 the 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. There were no changes in the constitution of the Board of Directors of the Company since the date of the previous Directors' Report for the F.Y. 2023-24.

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, IAS	Chairman & Nominee Director
2.	Shri Shri Mukesh Kumar Bansal, IAS	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 does not have any Independent Directors on its Board hence, no declaration from the Independent Directors arises 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:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 2025 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 2024-25, 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 does not have any Independent Director therefore, the Company has not constituted an 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 does not have any Independent Director therefore, the Company has not constituted a Nomination & Remuneration Committee.

18) CORPORATE SOCIAL RESPONSIBILITY (CSR) :

The Company was having average net loss during the immediately preceding three financial years i.e. 2023-24, 2022-23 and 2021-22. As a result, the Company was not required to spend any amount on CSR activity during the financial year 2024-25. The Report on CSR Activities for the financial year 2024-25 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 2024-25.

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 2024-25 are enclosed herewith as **Annexure – "B"**.

Further, the Supplementary Audit Report from the Comptroller & Auditor General of India of the company for the FY 2024-25 is still awaited.

22) REPORTING OF FRAUD:

Fraud by External Agency (Man power supplier) at Ambikapur Region for non -deposit of statutory dues has been reported by the company during the FY 2024-25. However, there has been no financial loss on this account as the statutory dues were cleared by the Company from Security deposits & Bank Guarantee furnished by the supplier.

23) COST AUDITORS:

The Board of Directors of the Company, in its meeting held on 21st September 2024, 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 2024-25 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 2024-25 on 06.10.2025.

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 2024-25:

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 Samantrai Prashant & Co., Practicing Company Secretary to undertake the Secretarial Audit of the Company for the Financial Year ended 31st March, 2025.

Secretarial Audit Report for the Financial Year ended on 31st March, 2025, issued by M/s Samantrai Prashant & Co., practicing Company Secretary, in Form MR-3 forms part of this report and marked as **Annexure – “C”**.

Further, the observations of the Secretarial Auditor along with Management's replies thereto for the financial year 2024-25 are enclosed herewith as **Annexure – “D”**.

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

➤ The T&D and AT&C losses are as below:

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
2024-25	13.82	13.82

➤ 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. 27km(33kv)+309km(11kv)+43148km(LT Cable) has been laid up to Mar-2025.

➤ Underground cabling at 33kv, 11kv and LT level are being done as 156km(33kv)+283km(11kv)+343km(LT Cable) respectively upto Mar-2025.

➤ Energy Efficient Level-I Distribution transformers are being installed CSPDCL to reduce technical losses of DT's.

➤ 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.

➤ Under BEE Regulation 2021, the mandatory compliances of Quarterly Energy Accounting and Annual Auditing are being submitted to BEE on due time.

➤ **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 2024-25 are tabulated here under:-

No. of Direct theft detected during the Year	3760
No. of Mal practice cases observed during the Year	14682
Amount billed Rs. in Lacs during the Year	3116.85
No. of FIR lodged/Information given to police during the Year	354
No. of cases put up to special court during the Year	191

(ii)	The steps taken by the company for utilizing alternate sources of energy	<div>Company follows the RPO (Renewable Purchase Obligation) as per guideline issued by CSERC time to time. CSPDCL has purchased Renewable energy during FY 2024-25 against the target decided by CSERC which is tabulated as below:-</div> <div>RPO Compliance for FY 2024-25 (Apr'24-Mar'25)</div> <table><tr><th rowspan="2">Total sales unit (in MU)</th><th rowspan="2">Parameters</th><th colspan="2">RPO Target</th><th colspan="2">Actual Energy Consumed from RE/ Achievement w.r.t RPO</th><th rowspan="2">Shortfall</th></tr><tr><th>In %</th><th>In MU</th><th>In%</th><th>In MU</th></tr><tr><th>A</th><th>B</th><th>C</th><th>D</th><th>E=(F/A)*100</th><th>F</th><th>G</th></tr><tr><td rowspan="5">34495.84</td><td>Wind</td><td>2.46%</td><td>848.60</td><td>2.36%</td><td>814.33</td><td>34.27</td></tr><tr><td>HPO</td><td>1.08%</td><td>372.56</td><td>1.23%</td><td>425.86</td><td>-53.31</td></tr><tr><td>Other RPO (Biomass+ Solar+ Small Hydel & Rooftop etc.)</td><td>26.37%</td><td>9096.55</td><td>14.97 %</td><td>5136.17</td><td>3933.38</td></tr><tr><td>Battery Storage</td><td>1.50%</td><td>517.44</td><td>0.63%</td><td>217.21</td><td>300.23</td></tr><tr><td>Total RPO</td><td>31.41%</td><td>10835.14</td><td>19.19%</td><td>6620.58</td><td>4214.57</td></tr></table>	Total sales unit (in MU)	Parameters	RPO Target		Actual Energy Consumed from RE/ Achievement w.r.t RPO		Shortfall	In %	In MU	In%	In MU	A	B	C	D	E=(F/A)*100	F	G	34495.84	Wind	2.46%	848.60	2.36%	814.33	34.27	HPO	1.08%	372.56	1.23%	425.86	-53.31	Other RPO (Biomass+ Solar+ Small Hydel & Rooftop etc.)	26.37%	9096.55	14.97 %	5136.17	3933.38	Battery Storage	1.50%	517.44	0.63%	217.21	300.23	Total RPO	31.41%	10835.14	19.19%	6620.58	4214.57
Total sales unit (in MU)	Parameters	RPO Target			Actual Energy Consumed from RE/ Achievement w.r.t RPO		Shortfall																																												
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(iii)	the capital investment on energy conservation equipment's	<div>Rs. 382.73 Cr/-</div> <div>(Procurement of energy efficient level I & II BIS certified distribution transformers as per IS 1180:2014 with the latest amendment)</div>																																																	

b) Technology absorption

(i)	the efforts made towards technology absorption	<p>1) Photo Spot Billing has been initiated for improvement of billing efficiency.</p> <p>2) CSPDCL is under implementation of Smart Metering for precise reading without manual intervention.</p>
(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. One case has been registered under the above act during the financial year 2024-25 under "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013".

38) FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF COMPANIES ACT, 2013 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company.

39) DETAILS OF APPLICATION / ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Neither any application was made nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year.

40) DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not taken any loans from Banks or Financial institution and hence there is no settlement of loan thus there is no requirement of taking valuation at any point of time.

41) 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.

42) 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.

43) INDUSTRIAL RELATIONS:

For the financial year 2024-25, 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.

44) 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.

45) 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.


46) 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:- 12.11.2025


(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 2024-25.
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 preceding 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
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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)
S. 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	Local area (Yes/No).	Location of the project.	Amount spent for the	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through

		in schedule VII to the Act.				project (in Cr.)		implementing agency.	
				State	District.		Name	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	Balance Amount in Unspent CSR Account under	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to	Amount remaining to be spent in succeeding Financial	Deficiency, if any
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		subsection (6) of section 135 (in Rs.)	subsection (6) of section 135 (in Rs.)		subsection (5) of section 135, if any		Years (in Rs)	
					Amount (in Rs).	Date of transfer.		
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:- 12.11.2025


(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. 2024-25**

PARTICULAR			MANAGEMENT REPLY
AUDITORS REPORT			
1. Annual General meeting (AGM) of the Company for FY 2023-2024 held on 12-08-2025. However, submission of Form MGT-7 for FY 23-24 with Ministry of Corporate Affairs (MCA) is pending as on the date of our Report.			The Company in process of filling MGT -7, but due to technical glitch at MCA website, there is some delay in filling the same.
2. Difference in opening balance as per books of account (SAP) and financial statements: There is a difference between opening balance as per financial statements of FY 24-25 and opening balance as per SAP accounting software used by the company for maintaining books of accounts.			These issues are related with migration of software, at the time of migration from old system to SAP system and also at the time of migration of server later on. The issue has already been raised with our IT department (EITC). The company is trying to 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 Annual account has been prepared from the Audited account balances of the company carried forward on year to year basis and hence there is no financial implication.
Particulars	Difference in Opening balance as per financials and accounting software (SAP)	Difference in closing balance as per financials and accounting software (SAP)	
Assets	706.12 crores	495.02 crores	
Liabilities	706.12 crores	495.02 crores	
3 Property, Plant and Equipment			
3.(i) Capitalization of Asset The Capital WIP of Rs 364,593 lakhs as on 31st March, 2025 include Capital WIP ledgers having credit balances amounting to Rs. 130,406 lakhs which has not been reconciled. Due to non-availability of proper			The same has been noted and necessary instruction has been issued to field offices regarding posting of assets in SAP on the

<p>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.</p>	<p>date mentioned in the capitalization certificate of respective assets.</p> <p>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.</p> <p>Further, due to large number of ongoing projects, it is not possible to provide the same with ageing. However, all the information related to CWIP is available and properly maintained in SAP.</p>
<p>3(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. 21964.98 lakhs which may also include capital spares.</p>	<p>Due to the nature of work & function of the company, there are no specific capital spares included in inventories which are qualified to be capitalized under Property, Plant and Equipment.</p>
<p>3(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.130253.89 lakhs, interest amounting Rs. 2043 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>	<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>
<p>3(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. 21964.98</p>	<p>The company derecognizes Property plant and equipment on case to case basis. The audit observation regarding</p>

<p>Lakhs which includes scrap and unserviceable material amounting to Rs. 673 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>	<p>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>
<p>3(v)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 1563.05 Lakhs in FY 24-25. However, the company has failed to provide any supporting document including any board 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 1563.05 Lakhs.</p>	<p>The remark of the auditor is noted for future compliance, and necessary disclosure in this regard shall be made in the notes to accounts from next year.</p>
<p>4. 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.</p>
<p>5. 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.</p>

<p>6. 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 concerned offices/departments.</p>
<p>7. Contingent Asset: 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>The remark of the auditor is noted for future compliance and necessary disclosure in this regard shall be made in the Annual accounts from next financial year.</p>
<p>8. Power Purchase expenses: Attention is invited to Note no 23 related to Cost of Power Purchase amounting to Rs. 22,70,061.66 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. Further the auditor has also not found any tariff order whose accounting effect of True up has not been recognised.</p>

9. 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 our verification, Refer Para 19 of this report for details.

- (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.
- (ii) The reconciliation is under progress and GST Audit has been completed till FY 2023-24 at the time of audit.

10. Bank reconciliation statements:

Bank reconciliation statements provided to us consists of various long pending entries which are pending to be cleared which also includes credit balance of 6130 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.

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 2024-25 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.

11. Trade Receivables:

- (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:

- (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,

A/c Ledger or BP Code	Amount in Rs. crores	Remark
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"CSPDCL HT for Rectification" (BP No. - 1024240)	43421 Lakhs	Pending since 2017	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.
Dues Perm Disc Cons (GL Code A100212)	10639 Lakhs	Pending since 2013	
Cvrn Arr A/c HT (GL Code A100230)	147.45 Lakhs	Long pending	
Conversion Arrears (GL Code A100231)	273.19 Lakhs	Long pending	
<p>(ii) Ind AS 109- Financial Instruments 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 determine further in above point we have highlighted that there is various parties in Trade Receivable which is pending for Realization since very long time but there is Rs. 173077.72 Lakhs reported in Note No.</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> <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. 173077.72 Lakhs towards bad & doubtful debts on the basis of information received form 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>

11 for the Trade Receivable pending for Realization for more than 3 years.	
<p>12. Inventories:</p> <p>(i) 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>13. Other Expenses :</p> <p>Attention is invited to Note No 26 "Other Expenses" amounting to Rs 48625.73 lakhs of Financials Statement wherein Company has decreased the Repairs and maintenance expenses by Rs. 4021.85 Lakhs (credit balance of Stock variance ledger E201012). However, no explanation or documentary evidence have been provided to us for credit entries passed in Stock variance ledger. Thus, in absence of documentary evidence we are unable to comment on the appropriateness and accuracy of credit balance of Stock variance ledger amounting to Rs 4021.85 Lakhs.</p>	<p>(i)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> <p>EITC (MM) Team has been requested to examine the process of flow of data in GL Code E201012 and take necessary corrective action if needed.</p>
<p>14. Fixed Deposits:</p> <p>Attention is invited towards Note no 7 "Other Financial Assets" amounting to Rs. 12105.52 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.</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 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</p>

appropriate treatment of the same in the accounts of FY 25-26.

15. 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. 2024-25), details of which are given below:

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	34610.63	2.46	851.42	2.35	814.33	37.09	0.35	129.815
HPO		1.08	373.79	1.23	425.86	-52.07	0.35	-182.245
Other RPO (Biomass + Solar + Small Hydel etc)		26.37	9,126.82	14.90	5,157.99	3,968.83	0.35	13,890.905
Storage (on energy basis)		1.50	519.16	0.63	217.21	301.95	0.35	1,056.825
TOTAL		31.41	10,871.20	19.11	6,615.4	4,255.8		14,895.30

Para No. 4.3 of Chhattisgarh State Electricity Regulatory Commission (Renewable Purchase obligation and REC 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 this has been prescribed as 10.50% for solar 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 2024-25.
<p>16. 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, Company has identified MSME Vendors and there have been delay in payments to various MSME Vendors which has been reported in MSME 1 form of Oct 2024 to March 2025 period. However, neither the Company has paid or made provision for interest on delayed Payment to MSE Vendors nor additional disclosure related to loans 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>17. 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. 395138 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 25-26 onwards.</p>
<p>18. 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 2024-25 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 24-25. Major portion of internal audit i.e. revenue audit, power purchase audit etc. has been completed and the related finding has been submitted by the internal</p>

	auditors and has been provided 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 time of audit of accounts. Hence, it could not be furnished.												
<p>19. GST</p> <p>(i) Reconciliation of GSTR-3B filed for FY 2024-25 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>20. Compliance of Previous Audit reports</p> <p>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>21. 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.L 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>	G.L 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 audit that there were many untraceable/ unidentifiable items which were passed on by the previous legacy system at the time of bifurcation of MPEB in CSEB and MPSEB and later at the time of bifurcation of CSEB into different Power Companies, which is shown</p>
G.L code	Name of Account	Amount											
L114030	Suspense Loading H.T	59 Lakhs											
L119999	Suspense Account	125 Lakhs											
L119997	Imprest Suspense Account	4 Lakhs											

All the above mentioned accounts need to be Reconciled and the resultant impact should be given in the concerned account heads.	under the various suspense head in the current SAP system.
<p>22. Trade Payable:</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. 339,320 Lakhs for which no detail working or reconciliation with books of accounts has been provided to us.</p>	<p>The GR/IR Clearing account is nothing but an intermediary 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'2025. 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>23. 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. 1775.13 Lakhs 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>

24. Upload Control A/C

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.

G.L code	Name of Account	Amount
A109000	Vendor Adv Upload Account	Cr. 1513 Lakhs
A109099	Transfer A/c-ISU	Cr. 509 Lakhs
Lo10190	Initial Uploading FI	Dr. 1233 Lakhs
Lo10191	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. 34511 Lakhs

Detail of some accounts are as below: -

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 upload control account is created during the course of Migration from old to new server and the matter related with these balances have been communicated to our IT department (EITC) for resolution. The same is likely to be resolved soon.

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. *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.*

(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.*

(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

<p>(d) The Company has not revalued any of its Property, Plant and Equipment (including right- of- use assets) and intangible assets during the year.</p> <p>(e) No proceedings have been initiated during the year or are pending against the Company as at March31,2025 for holding the Benami Transactions (Prohibition)Act, 1988 (as amended in 2016) and rules made there under.</p>	<p>and doesn't require any comment.</p> <p>(d) The auditor's statement represents the factual position and doesn't require any comment.</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 31ST March 2025</td></tr><tr><td>2</td><td>Jagdalpur</td><td>As on 31ST March 2025</td></tr><tr><td>3</td><td>Ambikapur</td><td>As on 31ST March 2025</td></tr><tr><td>4</td><td>Raigarh</td><td>As on 31ST March 2025</td></tr><tr><td>5</td><td>Bilaspur</td><td>As on 31ST March 2025</td></tr><tr><td>6</td><td>RAO-2 (Raipur)</td><td>As on 31ST March 2025</td></tr><tr><td>7</td><td>Rajnandgaon</td><td>As on 31ST March 2025</td></tr></table> <p>However, the effect of 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 31 ST March 2025	2	Jagdalpur	As on 31 ST March 2025	3	Ambikapur	As on 31 ST March 2025	4	Raigarh	As on 31 ST March 2025	5	Bilaspur	As on 31 ST March 2025	6	RAO-2 (Raipur)	As on 31 ST March 2025	7	Rajnandgaon	As on 31 ST March 2025	<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>b)This doesn't require any comment.</p>
S.No	Particulars	Date of Physical Verification Report																							
1	Durg	As on 31 ST March 2025																							
2	Jagdalpur	As on 31 ST March 2025																							
3	Ambikapur	As on 31 ST March 2025																							
4	Raigarh	As on 31 ST March 2025																							
5	Bilaspur	As on 31 ST March 2025																							
6	RAO-2 (Raipur)	As on 31 ST March 2025																							
7	Rajnandgaon	As on 31 ST March 2025																							
<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</p>	<p>a) The auditor statement represents the factual position and doesn't require any comment.</p>																								

of the aforesaid dues were outstanding as at 31 March, 2025 for a period of more than six months from the date of becoming payable.

- b. Dues of CSPDCL which have not been deposited on account of dispute are as under:

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
2	2008-09	92.19	-	The matter is pending before CIT (A).
3	2019-20	9.12	9.12	Appeal filed by CSPDCL against rectification application
4	2010-11	Amount not available		Appeal filed with CIT(A) against Notice of Demand u/s 156
5	2011-12	Amount not available		Appeal filed with CIT(A) against Notice of Demand u/s 156
6	2012-13	Amount not available		Appeal filed with CIT(A) against Notice of Demand u/s 156
7	2013-14	Amount not available		Appeal filed with CIT(A) against Notice of Demand u/s 156
8	2014-15	Amount not available		Appeal filed with CIT(A) against Notice of Demand u/s 156
9	2015-16	Amount not available		Appeal filed with CIT(A) against Notice of Demand u/s 156
10	2017-18	Amount not available		Appeal filed with CIT(A) against Notice of Demand u/s 156
11	2018-19	Amount not available		Appeal filed with CIT(A) against Notice of Demand u/s 156
12	2021-22	Amount not available		Appeal filed at ITAT, Raipur
13	2009-2010	36.20	36.20	Income Tax Department has filed appeal in High Court against order of

b)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.

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.

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

				Income Tax Appellate Tribunal	
<p>Any adverse outcome in the Income Tax cases referred above will have an adverse financial implication on the CSPDCL.</p> <p>c. <i>The company through the online system of Income Tax Department has retrieved that an amount of Rs.6.05 Crore (PY 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.</i></p>					c)The status of the cases has already been mentioned in the auditor main report and is self-explanatory and does not require any comment.
<p>In respect of Value Added Tax</p> <p>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:</p>					The status of the cases has already been mentioned in the auditor main report and is self-explanatory and does not require any comment.
Sr. No.	Financial Year	Gross Tax Liability disputed (₹ in lacs)	Authority before which case is pending		
1	2013-14	119	Appeal before Additional Commissioner of Commercial Tax .		
1	2014-15	799	Appeal before Additional Commissioner of Commercial Tax		
2	2017-18	240	Appeal before Additional Commissioner of Commercial Tax		
<p>In Respect of Service Tax</p> <p>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:</p>					The status of the cases has already been mentioned in the auditor main report and is self-explanatory and does not require any comment.
Financial year	Service Tax Demand (₹ In crores)	Authority before which case is pending			
2013-14	39.95				

2014-15	14.49	The company has filed writ petition before Hon'ble High Court of Bilaspur, Chhattisgarh.	The status of the cases has already been mentioned in the auditor main report and is self-explanatory and does not require any comment.
2015-16	15.47		
2016-17	19.43		
2017-18 (UPTO June)	5.25		
Total	94.59		
(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:			The status of the cases has already been mentioned in the auditor main report and is self-explanatory and does not require any comment.
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) Writ Petition No. 107/2020 filed against show cause notice no. 5837 issued for recovery of Service Tax/GST on system strengthening charges and supply affording charges on the basis of investigation conducted for period from FY 2017-18 (from July'2017) & FY 2018-19 (upto July'2018) Rs. 994 Lacs to be filed.			The status of the cases has already been mentioned in the auditor main report and is self-explanatory and does not require any comment.
Basis of Qualified Opinion			The company generally operates under adequate internal control environment. The Auditor has stated the factual position regarding limitations in effectiveness of Internal financial control and the company is under process of resolving the observations made by the Auditors on the basis of Qualified Opinion.
According to the information and explanation given to us and based on our audit, as informed to us, the Company being a government company, in general operates under an adequate internal control environment subject to the observations/ limitations in the effectiveness of internal control environment resulting in observations number 2 to 14, 16 to 24 as reported in Basis of Qualified Opinion of the main Independent Auditors report.			
However, company does not have a documented framework for internal financial controls with reference to Financial Statements on the criteria based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India. Further, as informed to us, the Company has not			

tested these controls for their operating effectiveness before 31st March 2025.

In the absence of testing of the design of all documented risks and controls and their operating effectiveness before 31st March 2025, we are unable to obtain sufficient and appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial control over financial reporting and whether such internal financial control was operating effectively as on 31st March, 2025. Accordingly, we express a qualified opinion on the adequacy of the internal financial controls and the operating effectiveness thereof as at 31st March 2025.

We have, however, considered the above factors in determining the nature, timing and audit tests applied in our audit of the Financial Statements of the Company. Wherever, during the course of our audit, we have identified weaknesses in internal financial controls over financial reporting, that are likely to affect our opinion on the Financial Statements of the Company, we have issued a qualified opinion on the Financial Statements

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE: RAIPUR (C. G.)

DATE:- 12.11.2025



(DR. ROHIT YADAV)

CHAIRMAN

DIN: 7008782

**ANNEXURE "C" TO THE BOARD'S REPORT
SECRETARIAL AUDIT REPORT**

For the financial year ended 31st March, 2025

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

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Chhattisgarh State Power Distribution Company Limited** (hereinafter referred to as "*the Company*"), CIN: U40108CT2003SGC015822. The Company is a State Government Public Limited Company whose debt securities are listed on the NSE on a private placement basis. The 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.

Based on my verification of the Company's 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 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 2025, complied with the statutory provisions listed hereunder and also that the Company has 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 2025 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment - **not applicable to the Company.**
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were applicable to the Company during the period under review:
 - a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993,

- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,
- c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **were not applicable** to the Company during the period under review:

- a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - b) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
 - c) The Securities and Exchange Board of India (Employees Stock Option Scheme & Employees Stock Purchase Scheme) Guidelines, 1999;
 - d) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- 6) As per information and representation provided by the management, the Company has complied with the provisions of the Electricity Act, 2003, the rules, regulations, codes, and amendments made thereunder, including the Electricity Supply Code, National Electricity Policy, and Tariff Policies, as applicable to its operations; and its compliances are subject to periodic verification by designated team of technical experts appointed by the Company.

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 entered into by the Company with Stock Exchange.

During the period under review the Company has generally complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standard as mentioned above, *subject to following observations:*

1. Under the Companies Act, 2013:

- a) Section 96(1) requires the annual general meeting of the Company to be held within six months of the closure of financial year. However, the *annual general meeting was held with a delay of 316 days* without grant of extension to that effect by the Registrar of companies.
- b) Section 149 read with rule 4 Companies (Appointment and Qualification of Directors) Rules, 2014 requires the Company to appoint at least two independent directors on Board, but *there has been no independent director on Board of Directors of the Company during the period under review.*

- c) Section 149 read with rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 requires appointment of at least one woman director on Board, but *there has been no woman director on Board of Directors of the Company during the period under review.*
- d) Section 177 and 178 requires constitution of Audit Committee and Nomination and Remuneration Committee respectively, but *these committees have not been constituted in the Company.*
- e) Section 177(9) requires establishment of vigil mechanism in the Company, but *no such mechanism exists in the Company.*

2. Under the SEBI (LODR) Regulations, 2015:

- a) Regulation 50(1) requires the Company to provide prior intimation of the Board meeting to the stock exchange at least two working days in advance for the consideration and approval of quarterly financial results. For the first quarter of the FY under review, the Company provided the prior intimation, *however, it did not adhere to the prescribed time limit.*
- b) Regulation 52(7) requires the Company to submit to the stock exchange, the statement indicating the utilisation of the proceeds of non-convertible securities along with its quarterly financial results, but the Company *has not submitted such statement of utilisation during the period under review.*
- c) Regulation 52(8) requires the Company to publish the financial results and the line items referred to in regulation 52(4), within two working days of the conclusion of the meeting of the Board of Directors in one English newspapers in the prescribed manner, which was done by the Company *generally with delay during the period under review.*
- d) Regulation 53(1) requires the annual report of the Company to contain disclosures prescribed under the regulation; but *the annual report submitted with the stock exchange did not contain audited financial statements, cashflow statements and auditors' report.*
- e) Regulation 56(1)(a) requires the Company to submit the auditor's certificate on the utilisation of funds (raised for the project during its implementation period) to the Debenture Trustee, but *the auditor's certificate has not been submitted during the period under review.*
- f) Regulation 62 requires the Company to maintain functional website containing information prescribed under the regulation. The Company has maintained functional website; however, *it has not updated certain mandatory disclosures i.e. complete annual report and the statement on utilisation of proceeds from non-convertible securities during the period under review.*

We further report that:

- i. The Board of Directors of the Company is duly constituted *except for our observation made in this report under point no. 1 (b) & (c).*

- ii. Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and the system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per minutes of the meetings, the decisions of the Board were taken unanimously.
- iii. There were no issues relating to public/ right/ preferential issue or redemption or buy back of securities during the period under review. Also, the Company has not taken any actions having a major bearing on the Company's affairs in pursuance of the above applicable laws, rules, regulations, guidelines, standards etc. referred to above.
- iv. There are adequate systems and processes in the Company commensurate with the its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For,

Samantrai Prashant & Co.

Company Secretaries

PRN: 5217/2023

SD/-

Prashant Samantrai

M. No. F11831 | C.P. No. 17965

UDIN: F011831 GO01711023

31/10/2025, Raipur

ANNEXURE "D" TO THE BOARD'S REPORT
MANAGEMENT REPLY TO SECRETARIAL AUDITORS COMMENTS CONTAINED IN THEIR
SECRETARIAL AUDIT REPORT FOR THE F.Y. 2024-25

S. NO.	PARTICULARS	REPLY OF THE MANAGEMENT
a.	Section 96(1) requires the annual general meeting of the Company to be held within six months of the closure of financial year. However, the annual general meeting was held with a delay of 316 days without grant of extension to that effect by the Registrar of companies.	Our Company is a State Government Company where, for placing the Financial Statements before the members in the AGM, as per section 139 and 143 of Companies Act, 2013 the Comptroller and Auditor-General of India (CAG) shall provide their supplementrey comments The Financial Statements for the F.Y 2023-24 have been approved by the Board of Directors of the Company in its meeting held on 21 st September, 2024. Subsequently, the above Financial Statements have been submitted to the Comptroller And Auditor-General of India (CAG) for their audit and comments. CAG supplementary comments were revied on , the same will be placed before the members of the Company along with management reply thereon and Director Report etc. in their Annual General Meeting.
b.	Section 149 read with rule 4 Companies (Appointrment and Qualification of Directors) Rules, 2014 requires the Company to appoint at least two independent directors on Board, but there has been no independent director on Board of Directors of the Company during the period under review.	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
c.	Section 149 read with rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 requires appointment of at least one woman director on Board, but tlhere has been no Vonuan director on Board of Directors of the Company during the period under review.	

d.	Section 177 and 178 requires constitution of Audit Committee and Nomination and Remuneration Committee respectively, but these committees have not been constituted in the Company.	Director. The response from State Govt. is awaited. Since, the company does not have the power to take the decision of appointment of Independent Director and Women Director, there is no instance of non-compliance.
e.	Section 177(9) requires establishment of vigil mechanism in the Company, but no such mechanism exists in the Company.	Since the company has no independent directors, audit committee and Nomination and Remuneration Committee cannot be constituted.
f.	Regulation 50(1) requires the Company to provide prior intimation of the Board meeting to the stock exchange at least two working days in advance for the consideration and approval of quarterly financial results. For the first quarter of the FY under review, the Company provided the prior intimation, however, it did not adhere to the prescribed time limit.	Necessary Measures been taken on sustained basis.
g.	Regulation 52(7) requires the Company to submit to the stock exchange, the statement indicating the utilisation of the proceeds of non-convertible securities along with its quarterly financial results, but the Company has not submitted such statement of utilisation during the period under review	Necessary Measures been taken on sustained basis.
h.	Regulation 52(8) requires the Company to publish the financial results and the line items referred to in regulation 52(4), within two working days of the conclusion of the meeting of the Board of Directors in one English newspapers in the prescribed manner, which was done by the Company generally with delay during the period under review	Necessary Measures been taken on sustained basis.
i.	Regulation 53(1) requires the annual report of the Company to contain disclosures prescribed under the regulation; but the annual report submitted with the stock exchange did not contain audited financial statements, cash flow statements and auditors report.	Necessary Measures been taken on sustained basis.
j.	Regulation 56(1)(a) requires the Company to submit the auditor's certificate on the utilisation of funds (raised for the project during its implementation period) to the Debenture Trustee, but the auditor's	Necessary Measures been taken on sustained basis.

	certificate has not been subnitted during tihe period under review.	
k.	Regulation 62 requires the Company to maintain functional website containing information prescribed under the regulation. The Company has maintained functional website; however, it has not updated certain mandatory disclosures ie. complete annual report and tle statement on utilisation of proceeds from non-convertible securities during the period under review.	Necessary Measures been taken on sustained basis.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE: RAIPUR (C. G.)

DATE:- 12.11.2025



(DR. ROHIT YADAV)

CHAIRMAN

DIN: 7008782