



West Bengal State Electricity Distribution Company Limited

(A Govt. of West Bengal Enterprise)

Registered Office: Vidyut Bhavan, Bidhannagar, Block – DJ, Sector –II, Kolkata-700 091

CIN: U40109WB2007SGC113473; website: www.wbsedcl.in

Memo. No. A/Bond/DCL/58/BSE/4 23

Date: 28.05.2026

To
The Manager
Dept. Of Corporate Services,
BSE Limited,
PJ Towers, (Floor – 25th)
Dalal Street,
Mumbai – 400 001.

Sub.: Submission under clause 52(3) of Chapter V of SEBI (LODR) Regulations, 2015 for the Year ended 31.03.2026.

Ref.: Company Code -10007.

Sir/Madam,

In pursuance of clause 52(3) of Chapter V of SEBI (LODR) Regulations, 2015 and in terms of SEBI circular no. CIR/CFD/CMD/56/2016 dated 27th May 2016, the Declaration for modified opinion by Statutory Auditor for the year ended 31.03.2026 is attached herewith for your information and record.

Enclosure: As above.

Yours faithfully,

Aparna Biswas.
(A. Biswas) 28/05/2026

Company Secretary & Compliance Officer

Statement on impact of Audit Qualification (For audit report with modified opinion) submitted along with Annual Audited Financial Results - (Standalone and Consolidated separately)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026
[See Regulations 52 of the Listing Regulations]

II.	SSI.No.	Particulars	Audited Figures (As reported before adjusting for qualifications) (Rs. In Lakhs)	Audited Figures (As reported after adjusting for qualifications) (Rs. In Lakhs)
	1	Turnover/Total Income	37,11,066	37,11,066
	2	Total Expenditure	38,93,983	38,93,983
	3	Net Profit/(Loss)	7,218	7,218
	4	Earnings Per Share	-	-
	5	Total assets	73,33,939	73,33,939
	6	Total Liabilities	73,33,939	73,33,939
	7	Net Worth	6,45,876	6,45,876
	8	Any other Financial item(s) (as felt appropriate by the management)	Nil	Nil

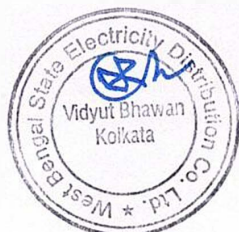
II.

a. Details of Audit Qualification :

i.) (a) The expected credit loss ("ECL") policy (not a board approved ECL policy) adopted by the Company for assessment of credit risk and impairment under the lifetime expected credit loss model is not in line with the requirements of Ind AS 109 - "Financial Instruments". Further, the consumer-wise ageing data considered for the purpose of the ECL computation was not made available to us. The Company has created a provision for expected credit losses, which stands at ₹65,256 lakhs as at March 31, 2026. Additionally, no provision has been provided against Government receivables, Non-Government receivables within 0-3 months ageing, and unbilled revenue.

Also, out of the total trade receivables, ₹99,183 lakhs relate to permanently disconnected consumers which have not been provided for, resulting in understatement of the expected credit loss provision to that extent. Further, non-government consumer receivables aggregating to ₹1,67,017 lakhs, outstanding for more than 180 days, continue to be classified as "live/active", and trade receivables amounting to ₹98,626 lakhs classified as "Disputed Consumers" were not supported by recoverability assessments.

Accordingly, the expected credit loss provision recognised by the Company may be understated and we are unable to determine the possible consequential effect thereof



on the trade receivables appearing in the accompanying standalone annual financial results.

- b. **Type of Audit qualification** : Qualified Opinion
- c. **Frequency of Qualification** : First time
- d. **For Audit Qualification (s)** : Where the impact is quantified by the Auditor – No
- e. For Audit Qualifications where the impact is not quantified by the auditor
 - i. Managements' estimation on the impact of audit qualification: **Not Assessable at this point of time**
 - ii. If management is unable to estimate the impact, reasons for the same :

Sufficient and appropriate evidence for reliable quantification of the Expected Credit Loss (ECL) to assess the resultant financial or other implications, if any, is not available. Further keeping in view the already considered ECL provision of Rs 65256 Lakhs and also the Legal provisions of ADS Rules alongwith West Bengal Electric Undertakings (Recovery of Dues) Act, 2000 no quantifiable impact could be assessed.

- iii. Auditors Comments on (i) or (ii) above : Refer qualification para

a. **Details of Audit Qualification:**

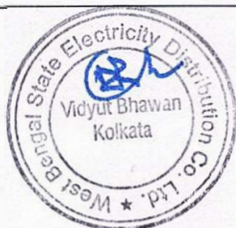
(b) The Company records consumer billing and revenue transactions in SAP IS-U (Industry Solution for Utilities), which are interfaced with SAP ERP through batch processing. However, SAP ERP, being the primary books of account, does not maintain consumer-wise balances and the interface between SAP IS-U and SAP ERP does not facilitate generation of a consolidated and reconcilable consumer listing with the general ledger balances maintained in SAP ERP.

Due to the aforesaid system constraints, we are unable to determine whether any adjustments may be required in respect of the carrying amount of trade receivables and advance received from consumers and the consequential impact, if any, on these accompanying standalone annual financial results.

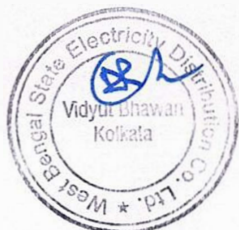
- b. **Type of Audit qualification** :Qualified Opinion
- c. **Frequency of Qualification** : first time
- d. **For Audit Qualification (s)** : Where the impact is quantified by the Auditor – NO
- e. For Audit Qualifications where the impact is not quantified by the auditor
 - i. Managements' estimation on the impact of audit qualification: **Not Assessable at this point of time**
 - ii. If management is unable to estimate the impact, reasons for the same :

This is a reporting process related issue and hence , quantification is not applicable at this point of time.

- iii. Auditors Comments on (i) or (ii) above : Refer qualification para



a.	<p>Details of Audit Qualification</p> <p>ii.) The Company has reported security deposits from consumers aggregating to ₹7,50,392 lakhs (Non-Current: ₹7,41,614 lakhs and Current: ₹8,778 lakhs). The Company records consumer transactions in SAP IS-U (Industry Solution for Utilities), which are interfaced with SAP ERP through batch processing. However, SAP ERP, being the primary books of account, does not maintain consumer-wise balances and the interface between SAP IS-U and SAP ERP does not facilitate generation of a consolidated and reconcilable security deposit listing with the general ledger balances maintained in SAP ERP.</p> <p>Accordingly, due to the aforesaid system constraints and in absence of such audit evidence, we are unable to determine whether any adjustments may be required in respect of the carrying amount of security deposits from consumers in the accompanying standalone annual financial results.</p> <p>b. Type of Audit Qualification : Qualified Opinion c. Frequency of Qualification : first time d. For Audit Qualification (s) : Where the impact is quantified by the Auditor – No e. For Audit Qualifications where the impact is not quantified by the auditor i. Managements' estimation on the impact of audit qualification: Not Assessable at this point of time ii. If management is unable to estimate the impact, reasons for the same : This is a reporting process related issue and hence , quantification is not applicable at this point of time. iii. Auditors' comment on (i) or (ii) above: Refer qualification para</p>
a.	<p>Details of Audit Qualification</p> <p>(iii) The Company has made material reclassifications and regroupings in the comparative financial information presented in the current year accompanying standalone annual financial results, which, in our opinion, have a material effect on the opening balance sheet as at April 1, 2024. However, the Company has not presented a third balance sheet as required under Ind AS 1 - "Presentation of Financial Statements". Accordingly, the presentation of the accompanying standalone annual financial results is not compliant with the presentation requirements prescribed under Ind AS 1.</p> <p>b. Type of Audit qualification : Qualified Opinion c. Frequency of Qualification : first time d. For Audit Qualification (s) : Where the impact is quantified by the Auditor – Not Applicable e. For Audit Qualifications where the impact is not quantified by the auditor i. Managements' estimation on the impact of audit qualification: Not Assessable at this point of time ii. If management is unable to estimate the impact, reasons for the same :</p>



The issue emanates from the reclassifications and regroupings of past years Balance Sheet only, and has no impact on current year's results. Hence quantification is not applicable.

iii. Auditors Comments on (i) or (ii) above : Refer qualification para

a. Details of Audit Qualification

Non-Current Borrowings (Refer Note No. 17 to the Standalone Financial Statements)

(iv) The Company has disclosed non-current borrowings amounting to ₹10,323 lakhs towards loan taken over from West Bengal Rural Electricity Development Corporation Limited (WBREDCL) pursuant to the amalgamation approved by the Government of West Bengal and the Ministry of Corporate Affairs, Government of India. The said liability was recorded based on the financial statements of WBREDCL as at the effective date of amalgamation in the earlier years.

However, supporting documents relating to the terms of repayment and balance confirmations as on the reporting date were not made available for audit verification. In the absence of any evidence indicating cessation or extinguishment of the liability, the Company has continued to recognise the said borrowing in the accompanying standalone annual financial results. Consequently, we are unable to determine the impact, if any, of the above matter on the accompanying standalone annual financial results.

b. Type of Audit qualification :Qualified Opinion

c. Frequency of Qualification : first time

d. For Audit Qualification (s) : Where the impact is quantified by the Auditor - No

e. For Audit Qualifications where the impact is not quantified by the auditor

i. Managements' estimation on the impact of audit qualification: **Not Assessable at this point of time**

ii. If management is unable to estimate the impact, reasons for the same :

It may be noted that the borrowing under reference was inherited by WBSEDCL pursuant to the amalgamation of West Bengal Rural Electricity Development Corporation Limited (WBREDCL) with WBSEDCL in accordance with the orders of the Government of West Bengal and approval of the Ministry of Corporate Affairs, Government of India without any corroborative documentation.

In the absence of any evidence indicating cessation or extinguishment of the liability and allied impacts of interest and/or other terms and conditions, if any, of the amount being carried, it is not possible to assess the financial impact at this point of time.

iii. Auditors Comments on (i) or (ii) above : Refer qualification para



a. **Details of Audit Qualification**

(v)The Company has disclosed contingent liabilities aggregating to ₹1,31,264 lakhs as at March 31, 2026 in respect of various litigations in the standalone financial statements. Out of the above, for litigations aggregating to ₹88,899 lakhs, the Company did not make available updated legal confirmations / legal opinions supporting management's assessment of such matters. Consequently, we are unable to evaluate whether any adjustment or provision is required in respect of such litigations in the accompanying standalone financial statements in accordance with Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets".

b. Type of Audit qualification :Qualified Opinion

c. Frequency of Qualification : first time

d. For Audit Qualification (s) : Where the impact is quantified by the Auditor – No

e. For Audit Qualifications where the impact is not quantified by the auditor

i. Managements' estimation on the impact of audit qualification : **Not Assessable at this point of time**

ii. If management is unable to estimate the impact , reasons for the same :


Due to absence of sufficient evidence at the reporting period, it is not possible to quantify impact at this point of time.

Auditors Comments on (i) or (ii) above: Refer qualification para

Signatories :

Place: Kolkata.


Date:- 28/05/2026.



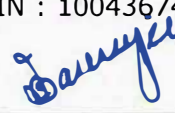
(Santanu Basu)

Chairman and Managing Director
DIN : 07218581

Santanu Basu, IAS
CMD, WBSE Distribution Co. Ltd.
(A Govt. of West Bengal Enterprise)



Debasish Roychoudhury
Director (Finance)
DIN : 10043674



Srikumar Bandyopadhyay
Chairman of Audit Committee
DIN : 03504452



For Singhi & Co. Chartered Accountants
Firm Registration No. 302049E
(Shrenik Mehta)
Partner: Membership No. 063769

