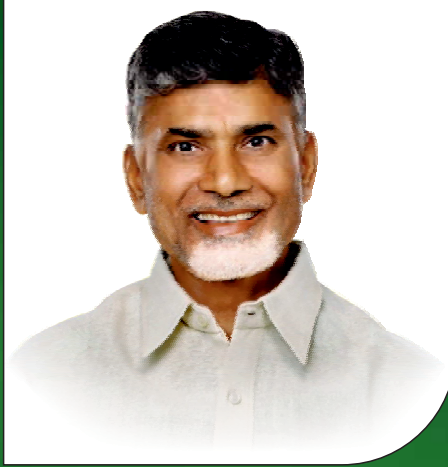




Sri Nara Chandra Babu Naidu

Hon'ble Chief Minister
Andhra Pradesh



Sri. Gottipati Ravi Kumar

Hon'ble Minister for Energy
Govt. of Andhra Pradesh



Vision & Mission Statement

Vision

To Lead In Being A Valuable Partner For
Financing Organizations Engaged In Power
And Allied Sectors

Mission

To provide competitive and affordable financial products and services for the enterprises in the power and its allied sectors, having precedence on the reforms in the power sector and to ensure commitment to its stakeholders. APPFCL upholds the interest of its stakeholders by being pellucid of its operations and ensures the profitability and sustainability of its customers at all times.



SUPER SEED POWER SUPERCEDE GROWTH

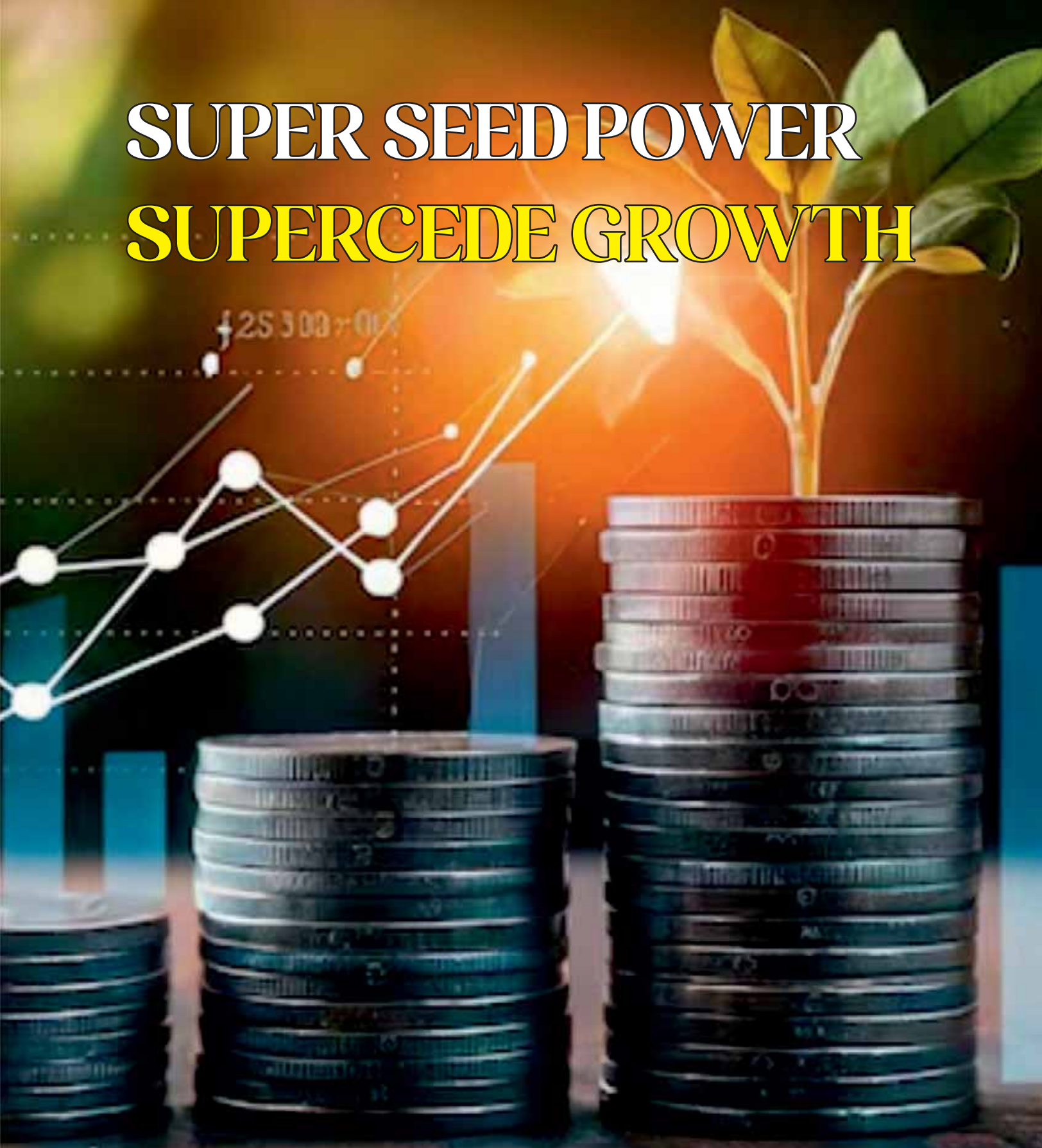


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Message from the Chairman

It gives me great pleasure to address the Members and stakeholders on the occasion of the 25th Annual General Meeting of Andhra Pradesh Power Finance Corporation Limited (APPFCL). The year under review has been marked by strategic policy decisions, institutional strengthening, and continued commitment towards supporting the developmental agenda of the Government of Andhra Pradesh through prudent financial stewardship.

APPFCL has remained steadfast in its mandate as a government-owned Non-Banking Financial Company, demonstrating resilience and financial discipline while operating in a dynamic regulatory environment. The Corporation continues to uphold the highest standards of Corporate Governance, ensuring strict compliance with the provisions of the Companies Act, 2013, applicable SEBI Listing Regulations for debt-listed entities, and the regulatory framework prescribed by the Reserve Bank of India. Our governance ecosystem is reinforced through robust internal controls, risk management systems, and transparent decision-making processes.

During the deliberations of the 25th Annual General Meeting, Members considered several significant strategic initiatives aimed at strengthening the long-term growth trajectory of the Corporation. A key proposal involved the alteration of the Object Clause of the Memorandum of Association (MOA) to broaden the operational scope of APPFCL beyond its traditional domain, thereby enabling diversification of financing activities across multiple sectors



and expanding the Corporation's developmental footprint. This initiative reflects the evolving role of APPFCL as a dynamic financial institution aligned with emerging infrastructure and investment needs.

Further, recognising the increasing funding requirements of Government sector utilities and infrastructure initiatives, the Members also deliberated upon the proposal to enhance the borrowing powers of the Company from Rs.25,000 Crores to Rs.50,000 Crores. The proposed enhancement is intended to provide greater financial flexibility, strengthen resource mobilisation capacity, and support the growing demand for structured financial assistance to power sector utilities and other eligible entities, ensuring continuity in financing operations and long-term sustainability.

During the proceedings, Members reviewed the statutory matters placed before the House. However, in view of the final comments and observations of the Comptroller and Auditor General of India (C&AG) being awaited, and in order to uphold the highest standards of statutory compliance and transparency, the Members unanimously resolved to adjourn the meeting to a future date, to be reconvened upon receipt of the final statutory audit report and completion of related formalities.

I place on record my sincere appreciation to our stakeholders-including Commercial Banks, Regulatory Authorities, the Comptroller and Auditor General of India, Statutory and Internal Auditors, and all partner institutions-for their continued guidance and support. I also commend the management and employees of APPFCL for their unwavering dedication and professionalism in advancing the Corporation's objectives.

As APPFCL moves forward, we remain committed to strengthening financial resilience, expanding our operational mandate, and supporting key infrastructure and power sector initiatives of the State through responsible and sustainable financing. With the continued trust and cooperation of all stakeholders, I am confident that the Corporation will achieve new milestones while upholding the highest standards of governance and public service.

Peeyush Kumar, IAS
Chairman





Message from the Managing Director

As we gather for the 25th Annual General Meeting of Andhra Pradesh Power Finance Corporation Limited (APPFCL), I am pleased to present the performance of our Company for the financial year 2024-25.

During the year, our net profit stood at Rs.89.22 crores. The net worth of the Company is Rs.216.79 crores, reflecting our continued focus on strengthening the financial position and ensuring sustainable growth. We have continued to implement innovative financing solutions, including Inter-Corporate Deposits (ICDs) and Non-Convertible Debentures, contributing to the development of the power sector in Andhra Pradesh.

Our Asset Under Management (AUM) stood at Rs.11,787.35 crores, demonstrating steady operational performance despite evolving market conditions. The Company has maintained a Capital Adequacy Ratio (CRAR) of 15.23% as on March 31, 2025, in compliance with regulatory requirements.

I would like to place on record my sincere appreciation to our Managing Director, Sri D. Ronald Rose, IAS, and the entire APPFCL team for their dedication and committed efforts. I also extend my gratitude to our shareholders, bondholders, debenture holders, deposit holders, and all stakeholders for their continued trust and support to APPFCL.

Sri D. Ronald Rose, IAS
Managing Director





Corporate Overview

Section 1

Board of Directors

The Board members of APPFCL as at 31st March 2025 are:

The Board of Andhra Pradesh Power Finance Corporation Limited (APPFCL) comprises senior officers of the Government of Andhra Pradesh and power sector utilities. The composition of the Board is governed by nominations and appointments issued by the Government from time to time.

Board of Directors (Updated)

1. **Sri Peeyush Kumar, IAS** – Chairman & Director (DIN: 08292856) Principal Finance Secretary, Government of Andhra Pradesh.
2. **Sri D. Ronald Rose, IAS** – Managing Director (Full Additional Charge) Secretary to Government (B&IF), Finance Department.
3. **Sri K. Vijayanand, IAS** – Director (DIN: 02138144) Special Chief Secretary to Government, Energy Department, Government of Andhra Pradesh.
4. **Sri KVN Chakradhara Babu, IAS** – Director/ APPFCL (DIN: 08504821) MD/ APGenco
5. **Sri I. Prudhvitej, IAS**, – Director/ APPFCL (DIN: 09388333), CMD, APEPDCL

Leadership and Board Changes (As per Government Orders)

The leadership and Board composition of APPFCL are subject to changes based on Government Orders issued from time to time.

Smt. M. Janaki, IAS, Secretary to Government, Finance (Expenditure) Department, was earlier placed in Full Additional Charge of the post of Managing Director, APPFCL, vide G.O.Rt.No.85 dated 23.07.2024. Subsequently, upon her transfer, the Government, vide G.O.Rt.No.43 dated 16.05.2025, placed the services of Sri D. Ronald Rose, IAS, Secretary to Government (B&IF), Finance Department, on Full Additional Charge of the post of Managing Director, APPFCL, Vijayawada, with immediate effect and until further orders.

The Directors on the Board hold office as Government nominees and are liable for transfers or reassignments in accordance with Government Orders issued from time to time.

As a specialized financial institution, Andhra Pradesh Power Finance Corporation Limited (APPFCL) focuses on providing financial assistance to:

- **DISCOMs (Distribution Companies)** for development and strengthening of power distribution infrastructure across Andhra Pradesh.
- Supporting the **working capital and financial requirements** of DISCOMs to ensure reliable and efficient power supply.



- Enhancing the **liquidity position of power sector utilities** through short-term and long-term financing arrangements.
- Facilitating implementation of **power sector reforms and Government initiatives**, aimed at improving operational efficiency and financial sustainability of the sector.
- Mobilizing funds from financial institutions, banks, and capital markets to bridge resource gaps in the State power sector.

Senior Management

In line with the Company's strategic growth initiatives and evolving operational requirements, APPFCL continues to strengthen its senior management framework by inducting highly experienced professionals into key leadership positions. During the financial year, the Company enhanced its leadership structure to reinforce financial governance, regulatory compliance, and organizational effectiveness.

Key Appointments

Chief Financial Officer (CFO)

During the financial year, Sri K. Mohan Rao, a distinguished finance professional and retired General Manager (Finance), APGENCO, was appointed as the Chief Financial Officer (CFO) of APPFCL on a contractual basis, reporting directly to the Managing Director.

With over three decades of extensive experience in public sector finance, institutional funding, treasury operations, and corporate financial management, Sri Mohan Rao brings deep domain expertise gained through senior leadership roles in the power sector. Having served in various financial cadres and retired at the level of General Manager (Finance), he possesses strong expertise in resource mobilization, loan structuring, bond management, and regulatory compliance.

Key strengths brought to APPFCL include:

- Extensive experience in arranging CAPEX and OPEX funding from financial institutions such as REC and PFC
- Proven leadership in financial planning, treasury management, and fund mobilization
- Expertise in bond issuance, redemption, and large-scale institutional financing
- Strong exposure to statutory compliance, audit management, and regulatory reporting
- Strategic financial oversight supported by hands-on experience in ERP systems and financial governance



His appointment significantly strengthens APPFCL's financial leadership and enhances the Corporation's capability to manage complex financing structures with strategic foresight and operational discipline.

Company Secretary, Compliance Officer & Chief Grievance Officer

Further strengthening the governance and compliance framework, **Sri Ch. Vidya Sagar Chennupalli** was appointed as Company Secretary, Compliance Officer & Chief Grievance Officer on a contractual basis during the financial year.

As a qualified Company Secretary, Sri Vidya Sagar plays a pivotal role in:

- Ensuring compliance with statutory, regulatory, and secretarial standards
- Strengthening corporate governance and Board process management
- Facilitating effective coordination of Board and Committee meetings
- Overseeing grievance redressal mechanisms and stakeholder communication
- Enhancing transparency and adherence to corporate laws and governance practices

His professional expertise contributes significantly towards reinforcing APPFCL's compliance culture and governance framework.

Management Perspective

The induction of senior professionals with extensive sectoral and regulatory experience reflects APPFCL's commitment to institutional strengthening, professional governance, and sustainable growth. The strengthened senior management structure is expected to support the Corporation in achieving operational excellence while maintaining robust financial discipline and regulatory compliance.

Board of Directors



Sri Peeyush Kumar, IAS
Chairman and Director
Principal Finance Secretary
(DIN:)- 08292856

Sri Peeyush Kumar is a distinguished Indian Administrative Service (IAS) officer from the 1997 batch of the Andhra Pradesh cadre. He has held various key positions, showcasing his exceptional leadership and administrative skills.

Current Designation:

Sri Peeyush Kumar has been re-designated as Principal Secretary to Chief Minister and O.S.D, AP Bhavan, New Delhi, with immediate effect, as per the Government Order (G.O. Rt. No. 1364) dated 06.08.2024.

Previous Roles:

Some of his notable roles include:

Notable Roles and Achievements

- Principal Secretary to Government (FAC): Demonstrated exceptional leadership skills, fostering collaborative relationships with stakeholders and driving strategic initiatives.
- Additional Secretary, Department of Commerce, Ministry of Commerce & Industry: Played a pivotal role in shaping trade policies, promoting economic growth, and enhancing India's competitiveness in the global market.
- Special Chief Secretary to Government, Finance Department: Currently serving in this position, where he oversees the finance department's operations, strategic direction, and fiscal policy framework.

Throughout his career, Sri Peeyush Kumar has:

- Fostered Public-Private Partnerships: Successfully collaborated with private sector entities, leveraging their expertise to drive infrastructure development, improve service delivery, and enhance citizen experience.
- Driven Administrative Reforms: Implemented transformative initiatives, streamlining processes, and enhancing transparency, accountability, and efficiency in governance.

- Nurtured Talent and Leadership: Mentored and guided teams, fostering a culture of innovation, entrepreneurship, and continuous learning, and developing the next generation of leaders.
- Enhanced Citizen Engagement: Spearheaded initiatives to promote citizen participation, feedback, and Grievance Redressal, ensuring that governance is responsive, inclusive, and citizen-centric.



K. Vijayanand, IAS
Special Chief Secretary to Govt.
Energy Department.,
Govt. of Andhra Pradesh.

Since inception, Andhra Pradesh Power Finance Corporation Limited (APPFCL) has been supporting Andhra Pradesh power utilities in order to cater their financial needs through loans and working capital requirements. This has been marked by notable achievements and financial prowess, positioning as a firm pillar in supporting the State's power utilities.

Our balance sheet reveals a formidable financial standing, with total financial assets reaching Rs. 13,537 Crores in FY 2023-24. This includes a diversified portfolio of cash equivalents, receivables, loans, and other financial instruments, showcasing a resilient and well-managed asset base. Simultaneously, meticulous liability management is evident, with total liabilities of Rs. 12,664 Crores, showcasing a balanced and sustainable approach.

Our profit and loss statement echoes a tale of robust revenue generation, prominently led by interest income, culminating in a total revenue of Rs. 1,211 Crores. This exemplifies the pivotal role we play in sustaining the financial health of the power utilities within the state. Expenses, totaling Rs. 1041 Crores, have been prudently managed, ensuring efficiency without compromising on the quality of our services. Finance costs, fees, and other operational expenditures have been meticulously scrutinized to optimize resource utilization.

The Board's collective efforts have been pivotal in ensuring transparency, accountability and contributing to the organization's stability and long-term sustainability. The commitment to financial strength, prudent risk management, and operational excellence remains unwavering. We anticipate continued growth,

maintaining our pivotal role in fueling the power infrastructure of our state.

We look forward to steering our organization to even greater heights, ensuring sustained value creation for our stakeholders.



Sri D. Ronald Rose, IAS
Secretary to Government,
Finance Department
Managing Director
APPFCL

Sri D. Ronald Rose is a senior Indian Administrative Service (IAS) officer known for his extensive administrative experience and leadership across key sectors including public finance, urban governance, infrastructure development, and district administration. Over the course of his distinguished career, he has held several critical assignments at both field and policy levels, contributing significantly to governance reforms, financial management, and institutional strengthening.

He has served in various important capacities such as District Collector & Magistrate in multiple districts, where he spearheaded developmental initiatives, improved public service delivery, and implemented flagship Government programmes with measurable outcomes. His tenure in senior municipal administration and urban governance has been marked by strategic planning, infrastructure augmentation, and administrative modernization aimed at enhancing citizen-centric services.

At the policy level, Sri Ronald Rose has held key positions in Government Departments, particularly in finance and infrastructure-related portfolios, where he has played a vital role in fiscal management, resource mobilisation, and formulation of governance frameworks aligned with the State's development priorities. His administrative approach reflects a strong emphasis on transparency, efficiency, and sustainable institutional growth.

Presently, as Secretary to Government, Finance Department, Government of Andhra Pradesh, and Managing Director of Andhra Pradesh Power Finance Corporation Limited (APPFCL), he provides strategic direction to the organisation, focusing on strengthening financial discipline, enhancing operational efficiency,



K.V.N. Chakradhar Babu, IAS
MD/APGenco
Director,
DIN:08504821

and supporting the long-term development of the power sector through innovative financing mechanisms.

The Company is privileged to be guided by the leadership, vision, and administrative acumen of Sri D. Ronald Rose, IAS, whose experience continues to contribute to the organisation's governance excellence and institutional progress.

I am glad to note the commendable financial performance of APPFCL during the Financial Year 2024-25. It is indeed a matter of pride to acknowledge the continued progress and achievements made by the organization, as reflected in its sustained growth and operational accomplishments.

The year 2024-25 has been another significant year for APPFCL, demonstrating resilience, financial discipline, and effective management practices. The organization has continued to strengthen its position in the financial sector with a sound and stable performance. The Net Worth of APPFCL stood at ₹567.72 Crores during FY 2024-25, reflecting the Company's continued focus on prudent financial management and operational efficiency.

The steady management of Asset Under Management (AUM), amounting to ₹11,787.35 Crores, showcases APPFCL's strong capability in managing its financial portfolio effectively while continuing to support the growth and development of the power sector in Andhra Pradesh. The organization's strategic approach towards resource mobilization, financial planning, and operational execution has contributed significantly to maintaining financial stability and institutional strength.

I would also like to appreciate the continued support extended by APPFCL to various power sector utilities, including AP DISCOMS, APGENCO, and APPDCL. These initiatives play a vital role in strengthening the energy infrastructure of Andhra Pradesh and reinforce APPFCL's contribution towards the State's economic and industrial development.

The dedicated efforts of the Managing Director, Board of Directors, and all employees of APPFCL deserve special

appreciation for their commitment, professionalism, and hard work in achieving these milestones. Their collective vision and determination continue to drive the organization towards sustainable growth and excellence.

I extend my heartfelt congratulations to the entire team of APPFCL for the achievements accomplished during the year. May the organization continue to scale greater heights with renewed aspirations, stronger goals, and continued success in the years ahead.

With warm regards,



Sri I. Prudhvitej, IAS
Director (Finance)
APSPDCL
DIN: 09388333

Early Life and Education:

- Born in Dwaraka Tirumala, Andhra Pradesh
- Secured AIR 1 in IIT-JEE exam in 2011
- Graduated in Electrical Engineering from IIT Bombay

Career:

- Received job offer from Samsung, South Korea with Rs 70 lakh annual salary
- Earned Aditya Birla Scholarship during IIT days
- Returned to India in 2016 to pursue a career in civil services
- Secured AIR 24 in UPSC exam and joined Indian Administrative Service (IAS)

Current Role:

- Chairman and Managing Director of Andhra Pradesh Eastern Power Distribution Company Limited (APEPDCL)
- Played key role in facilitating cost-effective power procurement as Joint Managing Director of APTRANSCO
- Currently serves as Director on the Board of Andhra Pradesh Power Finance Corporation Limited (APPFCL)

Legacy:

- Inspires countless aspirants through his journey and insights shared on platforms like Quora and social media.

Road Map



About the Company

Preface:

Andhra Pradesh Power Finance Corporation limited (APPFCL) was established as a Government Company vide G.O.Ms. No. 54 Energy (Power- III) dated 19-05-2000 under the Companies Act, 1956 (CIN:U40109 AP2000SGC107482) and

Commenced business on 13th July, 2000 with 100% ownership by the Government of Andhra Pradesh. APPFCL is also registered with **Reserve Bank of India (RBI) as Non-Banking Finance Company (NBFC) – NDSI (Non-Deposit Taking Systematically Important) Company** with effect from 25th August, 2000.

The Company being a NBFC is engaged in the business of acquiring shares/debentures from the public/Govt. Companies or trusts, availing Loans from Scheduled Commercial Banks and accepting Inter Corporate Deposits from other Government Corporations for onward lending to Power Generating Companies and Power Distribution companies owned by Govt. of Andhra Pradesh to cater to their infrastructure and working capital needs.

As at 31st March, 2024, The Company has an Authorized Share Capital of Rs.30,00,00,00,000 (Rupees Three Thousand Crores) and Paid up Share Capital of Rs.3,50,92,46,800 (Rupees Three Fifty Crores n i n e t y t w o Lakhs Forty s ix Thousand and eight Hundred only)

Quick Glance:

Andhra Pradesh Power Finance Corporation Limited
Incorporated under Companies Act, 1956 on the 12th July 2000
Commenced business on 13th July, 2000
100% ownership by the Government of Andhra Pradesh
Registered with RBI as NDSI-NBFC
Falls under Middle Layer of RBI's Scale Based Regulation (SBR)
Registered and Corporate Office- No. 48-12-16, 2nd Floor, East wing, Vidhyut Soudha, Gunadala, Vijayawada - 520004
Andhra Pradesh
Authorized Share Capital is Rs.3000 Crores and Paid-up Share Capital is Rs. 350.92 Crores as at 31st March 2024.

Operational Highlights during the year 2023-24

Inter Corporate Deposits: APPFCL, with a view to assist in building the infrastructure facilities for the power sector in the State of Andhra Pradesh decided to accept the surplus and temporary funds of other Government Companies in the form of "Inter Corporate Deposits" in addition to the term loans availed from banks and issuance of NCDs. The Board of the Company decided to offer ICD's with a minimum deposit of Rs. 1,00,000/-, minimum tenor of 1 year and maximum tenor of 10 years and above at an Interest rate more than the rates offered by the nationalized banks and it varies from 6.5% to 8% based on the tenor.

As at 31st March 2024, the Company accepted Inter Corporate Deposits to the tune of Rs.2,084 Crores i.e., Rs. 6 Crores added during FY 2023-24 to a total amount of Rs.2,078 Crores as at 31st March 2023.

Asset under Management (AUM): The Assets under Management represents the loans and advances given to Power Generating Companies and Power Distribution companies owned by Govt. of Andhra Pradesh in order to cater their financial need in infrastructure and working capital requirements

The AUM as on March 31, 2024 is Rs. 13,97,458.61 Lakhs.

→ **Loan Book:** The loan books are represented by debt securities, bank loans and ICDs. The Company has accepted Inter Corporate Deposits amounting to Rs. 6 Cr during the year and has redeemed the Bonds, repaid part of the loan to State Bank of India Rs. 243.93 Crores, and accepted New SBI Term Loan 750 Crores, Bank of India Rs. 337.85 Crores, Union Bank of India Rs.136.53 Crores and Bank of Baroda to the extent of Rs.164.40 Crores, and Canara Bank to the extent of Rs.175.01 Crores, Indian Overseas Bank of India Rs.34.69 Crores there by decreasing the loan books of the Company to Rs. 9289.29 Crores during the Financial year as against Rs. 9631.72 Crores during FY 2022-23.



Income : Despite increasing Bank interest rates & challenging market conditions, the Company has demonstrated resilience in its financial performance during FY 2023-24. Although the total income has decreased from Rs. 1574.33 Cr in FY 2022-23 to Rs. 1196.02 Cr in FY 2023-24, the Company's ability to adapt and navigate uncertainty is a testament to its strength. The decline in income is largely attributed to external factors, and the Company remains committed to exploring new opportunities and optimizing its operations to drive growth. Receipts from Govt of Andhra Pradesh continue to support the Company's debt repayment obligations, while investments in bank deposits have generated additional income.

Profits : The Company has reported a net profit of Rs. 139.64 Crores for the year ended 31st March 2024. The net profit for the current year has decreased by Rs. 53.08 Crores, representing a decline of approximately 28% from Rs. 192.72 Crores in the previous year. This decline is primarily attributed to the increase in bank interest rates, which has resulted in higher borrowing costs for the Company. Despite the rise in bank interest rates, the Company has maintained its lending rates, thereby absorbing the impact of increased interest expenses. This decision was taken considering that the borrowers are our sister concerns, namely APSPDCL, APEPDCL, APGENCO and APPDCL, and the Company has prioritized supporting these entities over passing on the increased interest burden. The Company remains committed to exploring new opportunities and optimizing its operations to drive growth and profitability.

Policies of the Company : Inline with the Company's objective towards increasing stakeholder's value, the Company has framed various policies.

- » **Risk Management Policy:** The Risk Management Policy was drafted as per RBI Master Guidance and Circular DNBR. PD. 008 /03.10.119/2016-17 dated September 01, 2016.

Risk Management Policy has been prepared in away that the frame work/clauses of the policy would attempt to identify the key events / risks impacting the objectives of the Company and also an attempt to implement relevant risk policies and strategies to ensure timely evaluation, reporting and monitoring of key business risks.

- » **Asset Liability Management Policy (ALM) :** The ALM policy was drafted as per RBI Master Guidance and Circular DBOD No. BP. BC. 94/ 21.04.098/ 98.

Asset and liability management (ALM) is a practice to mitigate financial risks resulting from a mismatch of assets and liabilities by strategically matching assets and liabilities. This helps the Company to achieve greater efficiency and profitability while also reducing the unseen risks and concerns that the Company may face at any time. Some of the most common risks faced by APPFCL and addressed by ALM are interest rate risk and liquidity risk.

Loan Policy: The Loan Policy was drafted as per RBI Master Guidance and Circular DBR. No.Dir.BC.10/13.03.00/2015-16. This policy document on Loans & Advances outlines the guiding principles in respect of formulation of various products offered by APPFCL, the terms and conditions governing the conduct of account, the delegated power to the committee/officials and other terms & conditions applicable to such loans. It is expected that this policy will impart greater transparency in dealing with individual customers and create awareness among customers.

- » **Grievance Redressal Policy:** The Grievance Redressal Policy was drafted as per RBI Master Guidance and Circular DBOD.No. LegBC.81/09.07.005/2007-8. The purpose of the policy is to ensure "zero complaints" against the Company with regard to non-payment or delay in interest/principal



payments with regard to debentures, failure to ensure transparency in loan agreement, terms and conditions of loan and Fair Practices Code not followed.

- » **Fair Practices Code** : The Fair Practices Code was drafted as per RBI Master Guidance and Circular DNBR (PD) CC.No. 054/03.10.119/2015-16. The Board approved the policy in its 173rd Meeting held on 21st day of October, 2021. It is to be noted that the main business activity of the Company and being an NBFC is to extend loans and in the

process of attracting more number of borrowers, there could be instances where the Company may resort to practices that gives undue advantage and can infringe on the benefits of the borrower. In order to protect the rights of the borrowers, present or future and to provide transparency and clarity to the borrowers with regard to the transactions carried out with the Company, the "Fair Practices Code" policy was drafted and approved by the Management of the Company.

Credit Rating

CRISIL Ratings Limited has migrated the credit rating of the Bonds issued by Andhra Pradesh Power Finance Corporation Limited (APPFCL) to "**CRISIL D (Issuer Not Cooperating)**" based on best-available information. The rating action reflects migration to the Issuer Not Cooperating category due to absence of requisite information and management interaction required for the rating review process.

APPFCL continues to play a strategic role in supporting power sector reforms in the State of Andhra Pradesh as a Government Company and a Non-Banking Financial Company registered with the Reserve Bank of India. The Company reported a **Profit After Tax of Rs. 89.22 crore during FY 2024-25**, reflecting continued operational performance despite sectoral challenges.

Despite sectoral challenges, the Company remains committed to strengthening financial discipline, improving stakeholder coordination, and enhancing transparency in financial reporting processes.



Details of Instruments Rated by CRISIL

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs. Crore)	Complexity Level	Rating
INE847E09029	Bond	15-Nov-2010	8.74%	15-Nov-2022	1011.3	Complex	CRISIL D
INE847E08DK6	Bond	15-Dec-2011	9.60%	15-Dec-2023	149.2	Complex	CRISIL D
INE847E08DP5	Bond	18-Jul-2012	9.75%	18-Jul-2022	1000	Complex	CRISIL D

Rating History (Last Three Years)

Instrument	Type	Outstanding Amount (Rs. Crore)	2025	2024	2023	2022
Bond	LT	2996.8	CRISIL D	CRISIL D	CRISIL D	CRISIL D

ICRA

ICRA Limited has continued the rating of the Non-Convertible Debentures (NCD) Programme of Andhra Pradesh Power Finance Corporation Limited under the “[ICRA]D” category based on best-available information. The rating reflects continuation of the Issuer Not Cooperating status due to non-availability of updated information required for surveillance.

APPFCL, incorporated by the Government of Andhra Pradesh, continues to play a key institutional role in financing the State power sector. The Company remains focused on strengthening governance processes, enhancing operational transparency, and supporting long-term sectoral development initiatives.

Details of Instruments Rated by ICRA

ISIN	Instrument	Date of Issue	Coupon Rate	Maturity	Amount Rated (Rs. Crore)	Rating
INE847E09011	Bond Programme	15-Nov-2010	8.49%	15-Nov-2020	42.0	[ICRA]D;
INE847E09029	Bond Programme	15-Nov-2010	8.74%	15-Nov-2022	1,011.3	[ICRA]D;
INE847E08DK6	Bond Programme	15-Dec-2011	9.60%	15-Dec-2023	149.2	[ICRA]D;
INE847E08DJ8	Bond Programme	15-Dec-2011	9.10%	15-Dec-2021	5.0	[ICRA]D;
INE847E08DM2	Bond Programme	30-Jan-2012	9.97%	30-Jan-2024	586.9	[ICRA]D;
INE847E08DL4	Bond Programme	30-Jan-2012	9.85%	30-Jan-2022	157.2	[ICRA]D;
INE847E08DO8	Bond Programme	08-Jun-2012	9.64%	08-Jun-2024	249.4	[ICRA]D;
INE847E08DN0	Bond Programme	08-Jun-2012	9.50%	08-Jun-2022	64.7	[ICRA]D;
INE847E08DQ3	Bond Programme	09-Nov-2012	9.75%	09-Nov-2022	1,787.6	[ICRA]D;

Rating Summary

Instrument	Amount Rated (Rs. Crore)	Current Rating	Rating Action
Bond Programme	4,053.30	[ICRA]D;	Moved to Issuer Not Cooperating Category

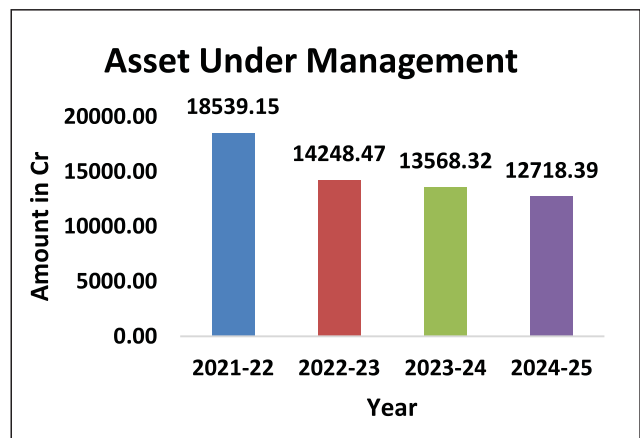
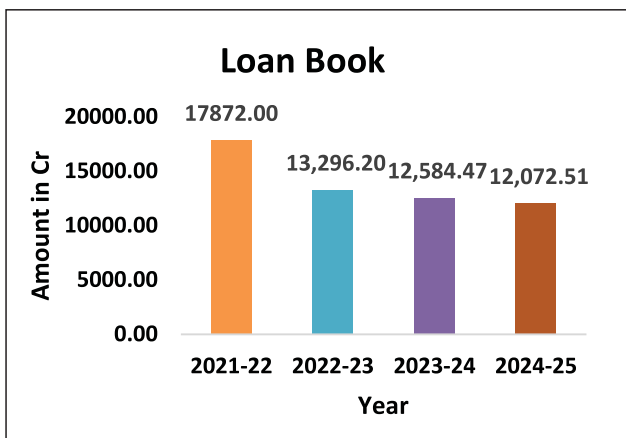
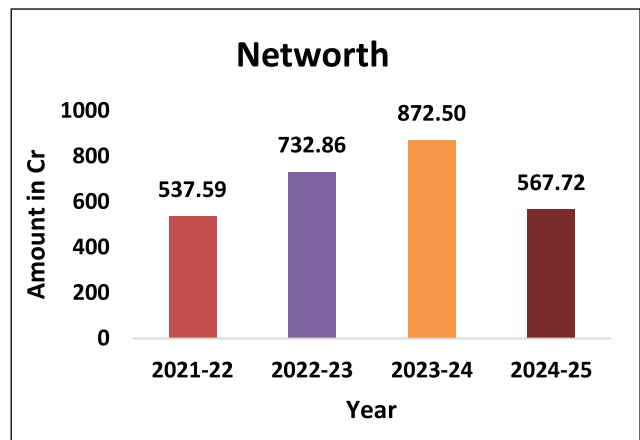
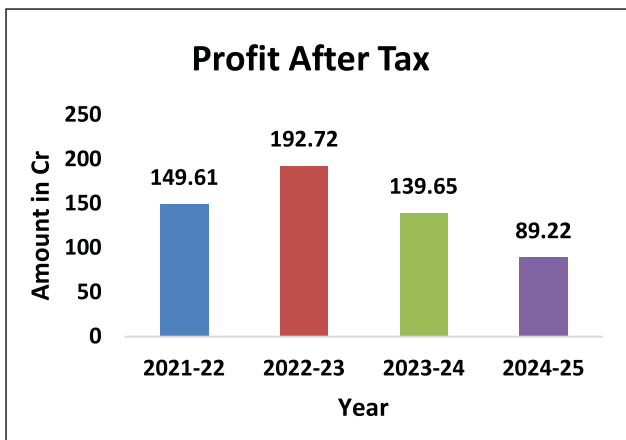
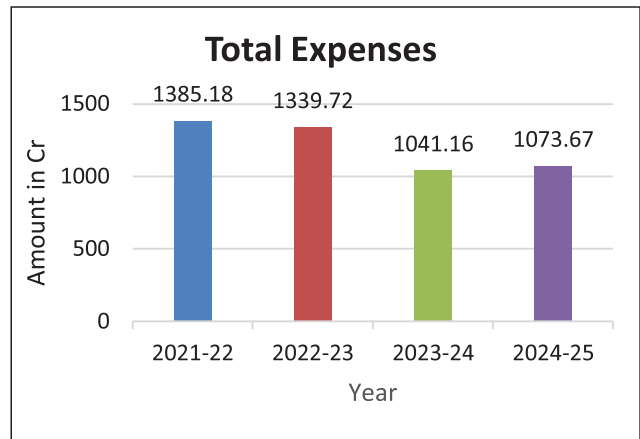
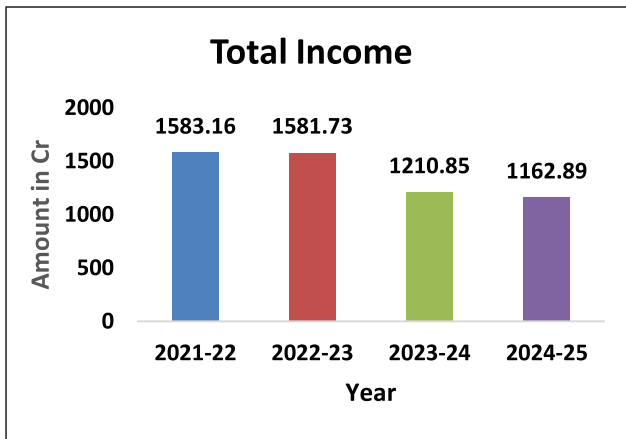
Rating History (Last Three Years)

Instrument	FY2024	FY2023	FY2022	FY2021
Bond Programme (Long Term)	[ICRA]D	[ICRA]D	[ICRA]D	[ICRA]D

Despite structural sectoral challenges arising from state bifurcation and legacy liabilities, APPFCL continues to play a strategic role in financing the power sector in Andhra Pradesh. The Company remains focused on improving stakeholder coordination, enhancing operational transparency, and strengthening financial discipline. Resolution of inter-state matters and continued government support are expected to provide stability to the Company's credit profile over the medium term.

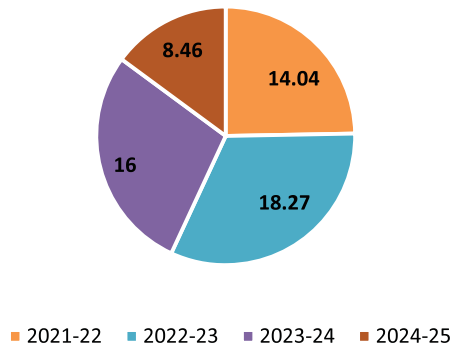


Performance at a Glance

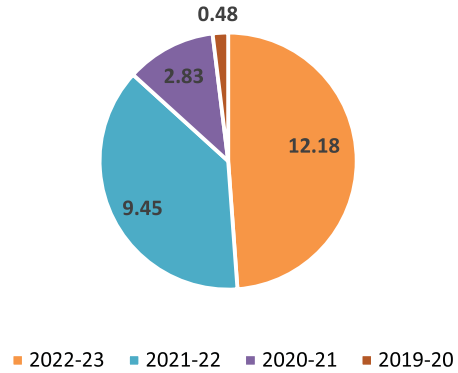


KEY FINANCIAL RATIOS

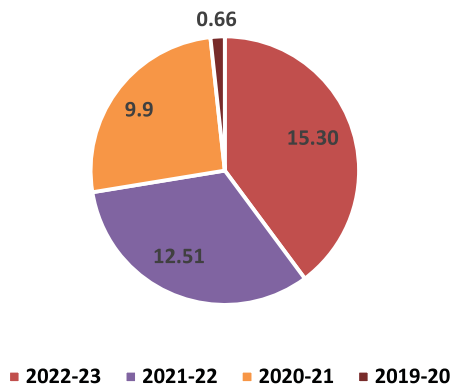
Interest Coverage Ratio



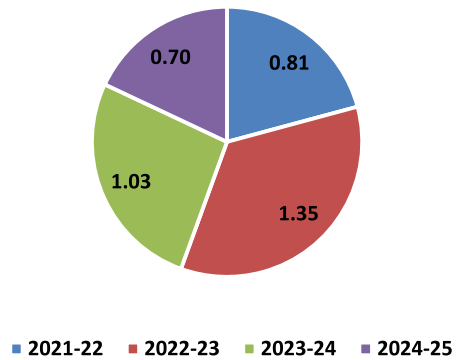
Net Profit Margin



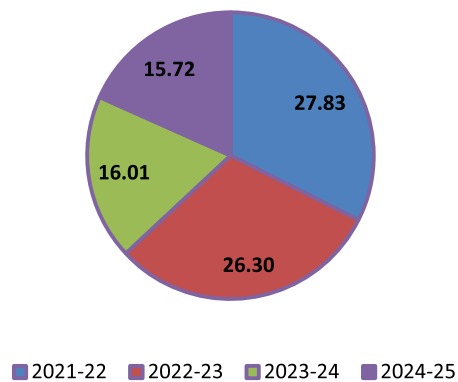
Gross Profit Margin



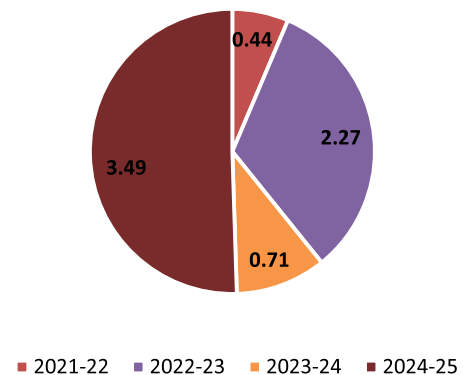
Return on Assets (%)



Return on Equity (ROE)



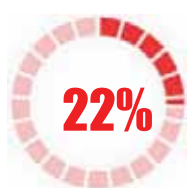
Liquidity Ratio (Current Ratio)



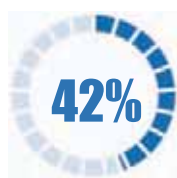
Key Performance Indicators

Income/Revenue for the FY 2024-25

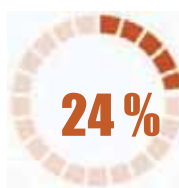
Your Company has earned Total Revenue of Rs. 1,147.52 Cr during the Financial Year 2024-25. Out of the total amount of Rs. 1,147.52 Cr, your Company has earned an income of Rs. 485.73 Cr from APSPDCL, Rs. 270.97 Cr from APEPDCL, Rs.79.34 Cr from APPDCL, Rs. 52.47 Cr from APGENCO and Rs. 259.01 Cr from the Government of Andhra Pradesh. The split up of revenue earned by your Company, represented as percentage (%) is given in the graph below



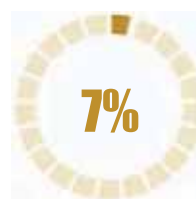
**Receipts
from Govt.**



AP SPDCL



AP EPDCL



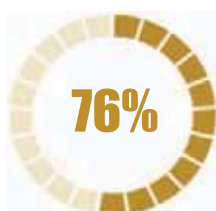
APPDCL



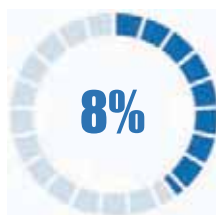
AP GENCO

Expenses for the FY 2024-25

Your Company has incurred an Expense of Rs. 1,054.80 Cr during the Financial Year 2024-25. Out of the total amount of Rs. 1,054.80 Cr, Finance Cost constituted 100% of the HUDCO and the Other Expenses constituted only 0% of the total expenses. Finance Cost includes Interest paid on Debentures, ICD holders and Bank Term Loans. Interest paid to Debenture holders constitute 8%, ICD holders constitute 16%, and Bankers constitute 76% of the total expense. The split up of the expenses incurred by your Company, represented as percentage(%) is given in the graph below



Bank Int.



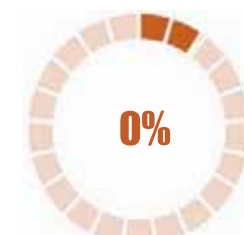
Bond Int.



ICD Int.



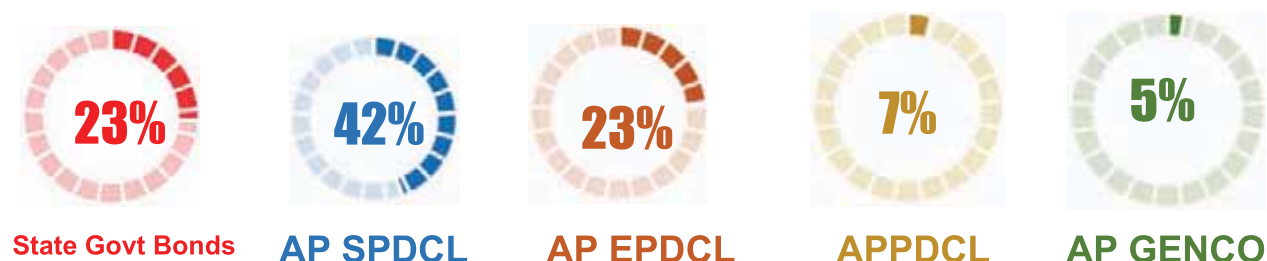
HUDCO



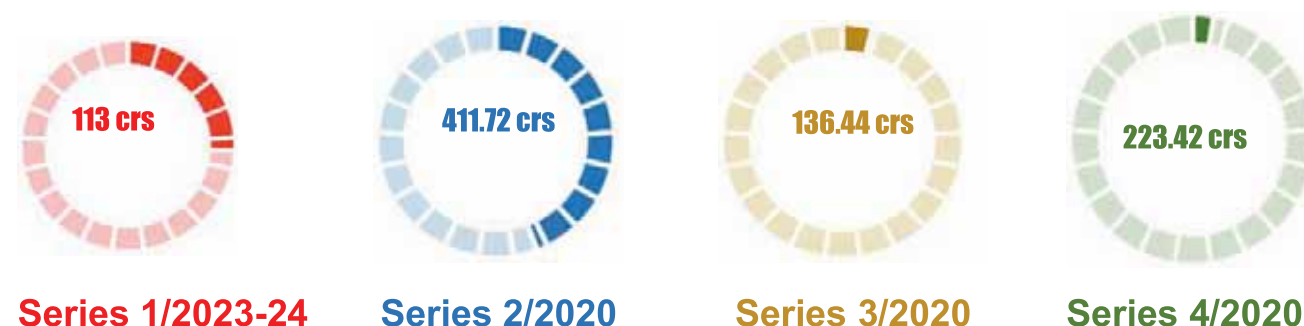
Other Exp

Loans & Advances for the FY 2024-25

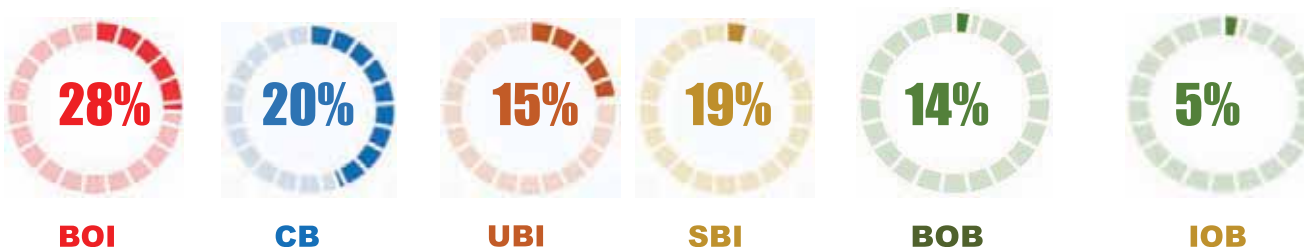
The Assets Under Management of your Company is represented by the Loans advanced to the Power Utility Companies. Your Company has advanced Rs. 4,995.11 Cr to APSPDCL, Rs. 2,676.34 Cr to APEPDCL, Rs. 581.00 Cr to APGENCO, Re. 854.44 Cr to APPDCL and Rs. 2,680.46 to SPDCL & EPDCL before the bifurcation of the State of Andhra Pradesh. The loans & advances given to the customers as represented in percentage (%) are given in the graph below

**Outstanding Debt Securities for the FY 2024-25**

The Debentures issued by your Company consists of Listed and Unlisted Non-Convertible Debentures issued prior and subsequent to the bifurcation of the State of Andhra Pradesh. The list of Debentures with their ISIN and closing balances are given in page no..... The Outstanding debt securities as on 31st March, 2025 are given in the graph below

**Term Loans from Banks for the FY 2024-25**

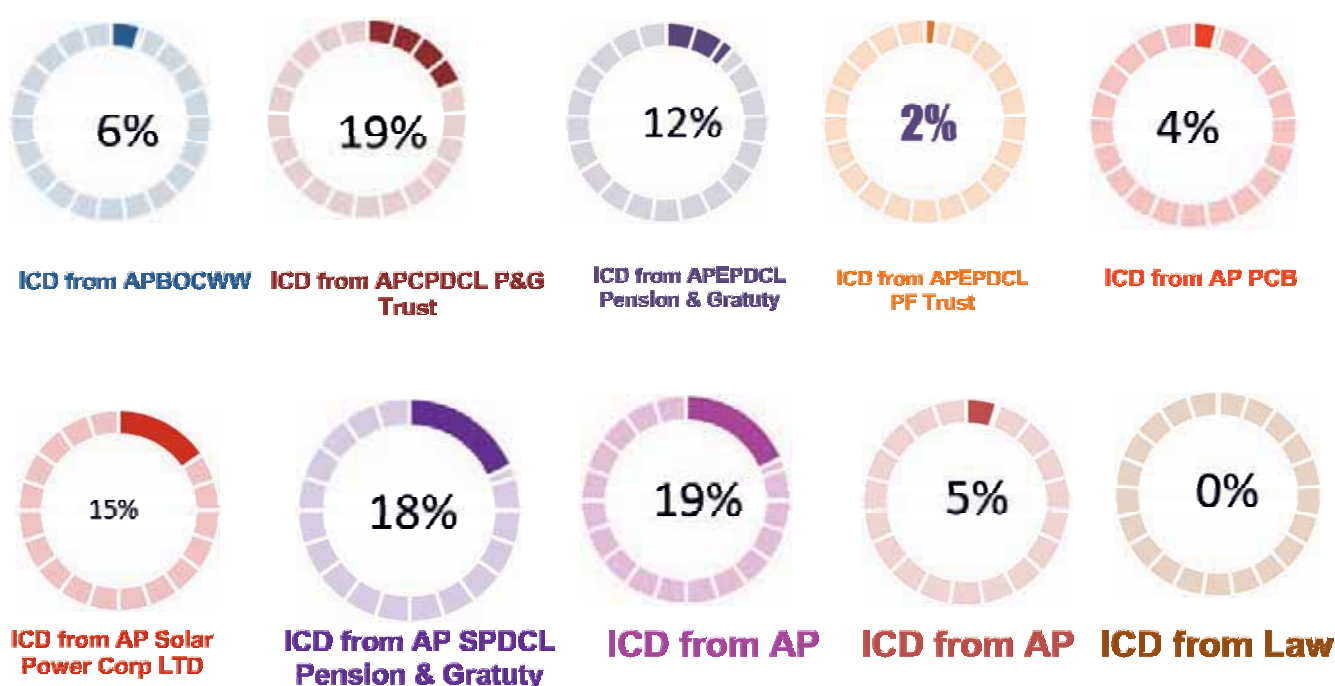
The total outstanding loans 8293.93 Crs as at 31st March 2025 as a percentage (%) is represented in the graph below



Inter Corporate Deposits (ICDs) for the FY 2024-25

Your Company has accepted Inter Corporate Deposits (ICDs) aggregating to a total outstanding amount of ₹ 2,584.00 from ten sources, namely: **ICD from APBOCWW – ₹ 144.00, ICD from APCPDCL P&G Trust – ₹ 485.00, ICD from APEPDCL Pension & Gratuity – ₹ 301.00, ICD from APEPDCL PF Trust – ₹ 49.00, ICD from AP PCB – ₹ 100.00, ICD from AP Solar Power Corporation Ltd – ₹ 400.00, ICD from AP SPDCL Pension & Gratuity – ₹ 474.00, ICD from AP Transco P&G Trust – ₹ 500.00, ICD from AP UDF – ₹ 125.00, and ICD from Law Department – ₹ 6.00.** The percentage-wise distribution of the total

outstanding ICDs is represented in the graph below.



Financial Parameters

				Rs In (Crores)
Particulars	As on 31.03.2025 (As per Ind AS)	As on 31.03.2024 (As per Ind AS)	As on 31.03.2023 (As per Ind AS)	As on 31.03.2022 (As per Ind AS)
ASSETS				
Financial Assets				
Cash and cash equivalents	-	-	-	-
Bank Balance other than above	166.48	22.87	2.66	11.34
Derivative financial instruments	-	-	-	-
Receivables				
(I) Trade Receivables	746.70	371.80	295.51	215.92
(II) Other Receivables	-	-	-	-
Loans	11787.35	13142.55	13901.19	18276.40
Non-financial Assets				
Inventories	-	-	-	-
Current tax assets (Net)	17.86	31.10	49.21	35.46
Deferred tax Assets (Net)	-	-	-	-
Property, Plant and Equipment	0.00	0.00	0.02	0.02
Total Assets	12718.39	13568.32	14248.47	18539.15
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
Payables				
(I) Trade Payables	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	45.52	-
Debt Securities	884.58	1211.18	1586.48	6154.56
Borrowings (Other than Debt Securities)	11187.93	11373.29	11,709.72	11,717.44
Non-Financial Liabilities				
Current tax liabilities (Net)	1.15	31.30	50.79	40.53
Provisions	-	-	-	-
Deferred tax liabilities (Net)	0.00	0.00	0.00	0.00
Other non-financial liabilities(to be specified)	77.02	80.05	125.66	89.04
EQUITY				
Equity Share capital	350.92	350.92	348.37	348.37
Other Equity	216.79	521.58	381.93	189.21
Total Liabilities and Equity	12718.39	13,568.32	14,248.47	18,539.15





Forms & Reports

Section 2 

SHORTER NOTICE OF 25th ANNUAL GENERAL MEETING

Notice is hereby given that the 25th Annual General Meeting (AGM) of the Members of Andhra Pradesh Power Finance Corporation Limited (APPFCL) will be held on Monday, the 15th day of September, 2025 at 3:30 P.M. in the Chambers of the Special Chief Secretary to Government, Finance Department, 2nd Building, A.P. Secretariat, Velagapudi, Guntur District, to transact the following business:

ORDINARY & SPECIAL BUSINESS

1. To receive, consider and approve the Statutory Audit Report and to note the Audit by the Comptroller and Auditor General of India (C&AG).

To receive, consider and approve the Statutory Audit Report for the financial year 2024- 25 along with the audited financial statements of the Company as submitted by the Statutory Auditors, M/s. Mushty & Co., Chartered Accountants, appointed under the provisions of the Companies Act, 2013. It may further be noted that the accounts of the Company are also subject to supplementary audit by the C&AG under Section 143(6) of the Companies Act, 2013, and any comments/ observations of the C&AG thereon shall, on receipt, be placed before the members for information and necessary action.

"RESOLVED THAT the Statutory Audit Report for the financial year 2024-25 as submitted by the Statutory Auditors M/s. Mushty & Co., Chartered Accountants, together with the audited financial statements, be and is hereby approved by the members of the Company."

"RESOLVED FURTHER THAT it be noted that the accounts of the Company shall also be subject to supplementary audit by the Comptroller and Auditor General of India (C&AG), and any comments or observations of the C&AG thereon shall, on receipt, be placed before the members for information and necessary action."

2. Alteration of Object Clause of the Memorandum of Association (MOA).

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 13 and other applicable provisions of the Companies Act, 2013, and subject to requisite approvals from the Registrar of Companies and other statutory authorities, the Object Clause of the Memorandum of Association of

Andhra Pradesh Power Finance Corporation Limited be and is hereby altered to broaden the scope of its business activities, enabling the Company to provide financing, lending, and related services across multiple sectors throughout India, including both public sector undertakings and private corporate entities, thereby empowering the Company to function as a diversified financial services institution on a pan-India basis by adding the following sub clause after 3:

1. To carry on the business of financing and advancing short term and long- term loans and credits to individuals, companies or association of individuals by whatever name called and either on securities such as lands, buildings or part thereof, machinery, plants, chattels,



vehicles, shares, debentures, government securities, stock certificates, life insurance policies and unit stock-in-trade or on guarantee or clean without securities and to finance leasing operation of all kinds.

2. To lend and advance money and assets of all kinds or give credit on any terms or mode and with or without security to any individual, firm, body corporate or any other entity (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company whether or not associated in any way with, the company), to enter into guarantees, contracts of indemnity and surety ship of all kinds.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary or expedient to give effect to this resolution, including the filing of forms with the Registrar of Companies and obtaining approvals from statutory authorities."

3. Adjournment of the Meeting.

To consider and approve the adjournment of the meeting in view of the fact that the final report of the C&AG is awaited, and certain clarifications are still under submission.

"RESOLVED THAT the Annual General Meeting of the Company be and is hereby adjourned to a future date, to be determined by the Board of Directors, upon submission of the Company's final reply to the Comptroller and Auditor General of India and receipt of the final statutory audit report from the C&AG."

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 2: Alteration of Object Clause of the Memorandum of Association (MOA)

The present Object Clause of Andhra Pradesh Power Finance Corporation Limited (APPFCL) restricts its activities primarily to financing in the power sector within the State of Andhra Pradesh and the Company wishes to add new clauses as follow as and expand the scope of business of the Company.

1. To carry on the business of financing and advancing short term and long-term loans and credits to individuals, companies or association of individuals by whatever name called and either on securities such as lands, buildings or part thereof, machinery, plants, chattels, vehicles, shares, debentures, government securities, stock certificates, life insurance policies and unit stock-in-trade or on guarantee or clean without securities and to finance leasing operation of all kinds.
2. To lend and advance money and assets of all kinds or give credit on any terms or mode and with or without security to any individual, firm, body corporate or any other entity (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company whether or not associated in any way with, the company), to enter into guarantees, contracts of indemnity and surety ship of all kinds.



The Board of Directors, after due deliberation, has recommended broadening the scope of the Company's business for the following reasons:

1. **Diversification of operations:** Limiting the business only to the power sector exposes the Company to sector-specific risks. Expanding into multiple sectors will enhance long-term growth, stability, and sustainability.
2. **Pan-India expansion:** Currently, the Company's mandate is confined to Andhra Pradesh. By widening the scope, APPFCL can explore financing opportunities across India, thereby increasing its reach, credibility, and financial capacity.
3. **Public and private sector financing:** The revised Object Clause will empower the Company to extend services to both public undertakings and private corporates, opening new avenues for business growth.
4. **Strategic alignment with long-term vision:** The alteration will transform APPFCL into diversified financial services institution contributing not only to Andhra Pradesh's development but also to the national economy.

Accordingly, the draft of the revised Object Clause has been placed before the members for approval. A copy of the Memorandum of Association, highlighting the proposed changes, is available for inspection at the Registered Office of the Company during business hours until the conclusion of the AGM.

The Board recommends passing the Special Resolution as set out at Item No. 2 of the Notice.

None of the Directors, Key Managerial Personnel (KMP) of the Company, or their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

FOR ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Sd/-

MANAGING DIRECTOR

MINUTES BOOK

MINUTES OF THE 25TH ANNUAL GENERAL MEETING OF ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED (APPFCL) HELD ON MONDAY, THE 15TH DAY OF SEPTEMBER, 2025 AT 03:30 PM IN PRINCIPAL FINANCE SECRETARY CHAMBERS, 2ND BUILDING, 1ST FLOOR, AP SECRETARIAT, VELAGAPUDI, GUNTUR, ANDHRA PRADESH.

Time of commencement of meeting: 03:30 PM

MEMBERS RESENT

Sri Peeyush Kumar, IAS	Member-Chairman
Sri D Ronald Rose, IAS	Member-Managing Director
Sri.K.Vijayanand, IAS	Member
Sri.K.V.N.Chakradhar Babu, IAS	Member
Sri 1. Prudhvitej, IAS	Member
Sri K V Kishore Kumar	Member

INVITEES:

Sri. K Mohan Rao Chief Financial Officer

Sri. CH Vidya Sagar Company Secretary

Sri. Dr SreeramMushty Statutory Auditor

CHAIRMAN OF THE MEETING:

Sri Peeyush Kumar, IAS, Member-Chairman, APPFCL, chaired and conducted the proceedings of the 25th Annual General Meeting of the Company.

QUORUM:

The Chairman declared the meeting to be in order, as the requisite quorum was present. The proceedings therefore commenced.



NOTICE:

With the consent of the members present, the Notice convening the meeting, having s read. already been circulated, was taken

ORDINARY BUSINESS**1. To receive, consider and approve the Statutory Audit Report and to note the Audit by the Comptroller and Auditor General of India (C&AG).**

The Chairperson informed the members that the Statutory Audit for the financial year 2024-25 had been conducted by M/s. Mushty & Co., Chartered Accountants, and the Audit Report along with the audited financial statements. was placed before the meeting for consideration and approval.

It was further informed that, in addition to the statutory audit, the Company's accounts are subject to supplementary audit by the C&AG under Section 143(6) of the Companies Act, 2013. The final comments of the C&AG are awaited and shall be placed before the members upon receipt.

Following resolution was passed unanimously:

"RESOLVED THAT the Statutory Audit Report for the financial year 2024-25 as submitted by M/s. Mushty & Co., Chartered Accountants, together with the audited financial statements, be and is hereby approved and adopted.

RESOLVED FURTHER THAT it be noted that the accounts of the Company shall also be subject to supplementary audit by the C&AG of India and any comments/observations thereon shall, on receipt, be placed before the members for information and necessary action."

SPECIAL BUSINESS**2. Alteration of Object Clause of the Memorandum of Association (MOA).**

The Chairperson informed the members that the present Object Clause of the Company restricts operations primarily to financing activities in the power sector within Andhra Pradesh. The Board, after due deliberations, proposed alteration of the Object Clause to broaden the scope of business across multiple sectors, pan- India, including both public and private entities.

The explanatory statement pursuant to Section 102 of the Companies Act, 2013 was circulated along with the Notice and placed before the members.

Following Special Resolution was passed unanimously:

"RESOLVED THAT pursuant to Section 13 and other applicable provisions of the Companies Act, 2013, and subject to requisite approvals from the Registrar of Companies and other statutory authorities, the Object Clause of the Memorandum of Association of Andhra Pradesh Power Finance Corporation Limited be and is hereby altered to broaden the scope of its business activities, enabling the Company to provide financing, lending, and related services across multiple sectors throughout India, including both public sector undertakings and private



corporate entities, thereby empowering the Company-to-function-as-a-diversified financial services institution on a pan-India basis by adding the following sub clause after 3:

1. To carry on the business of financing and advancing short term and long-term loans and credits to individuals, companies or association of individuals by whatever name called and either on securities such as lands, buildings or part thereof, machinery, plants, chattels, vehicles, shares, debentures, government securities, stock certificates, life insurance policies and unit stock-in-trade or on guarantee or clean without securities and to finance leasing operation of all kinds.
2. To lend and advance money and assets of all kinds or give credit on any terms or mode and with or without security to any individual, firm, body corporate or any other entity (including without prejudice to the generality of the foregoing any holding company. subsidiary or fellow subsidiary of, or any other company whether or not associated in any way with, the company), to enter into guarantees, contracts of indemnity and surety ship of all kinds.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary or expedient to give effect to this resolution, including the filing of forms with the Registrar of Companies and obtaining approvals from statutory authorities."

3. Adjournment of the Meeting.

The Chairperson apprised the members that as the final report of the C&AG was still awaited and certain clarifications were pending, it would be appropriate to adjourn the meeting.

Following resolution was passed unanimously:

"RESOLVED THAT the 25th Annual General Meeting of the Company be and is hereby adjourned to a future date, to be determined by the Board of Directors, upon submission of the Company's final reply to the Comptroller and Auditor General of India and receipt of the final statutory audit report from the C&AG."

Vote of Thanks:

As there were no other issues for consideration by the Board, the meeting was closed with a vote of thanks to the Chair.

(Peeyush Kumar, IAS)

Sd/-

CHAIRMAN

Date : 15/09/2025



25th Adjourned AGM Shorter Notice

Draft Notice is hereby given that the 25th Annual General Meeting (AGM) of the Members of Andhra Pradesh Power Finance Corporation Limited will be held on Thursday the Tuesday the 21st day of January, 2026 at 4:00 P.M in the Chambers of Special Chief Secretary to Govt., Finance Department, 2nd Building, A.P Secretariat, Velagapudi, Guntur Dist., to transact the following business.

ORDINARY BUSINESS:

1. APPFCL ADOPTION OF AUDITED ANNUAL ACCOUNTS FOR FY 2024-25 ALONG WITH AUDITORS REPORT (STATUTORY, C&AG, SECRETARIAL AUDITORS & DIRECTORS REPORT AND FILE ANNUAL ACCOUNTS AND ANNUAL RETURN WITH ROC - REG.

The Audited financial statements of the Company for consideration of the members and the final Comments from C&AG are received. The members may therefore decide for adoption of the audited accounts for the F.Y. 2024-25.

To consider and if thought fit to pass with or without any modification(s) the following resolution as Ordinary Resolution:

"RESOLVED THAT the Annual Financial Statements for the year ended 31st March 2025 along with Auditors' Reports (Statutory Auditors, CAG, Secretarial Auditors and Directors' Report be and hereby adopted."

"RESOLVED FURTHER THAT the Managing Director of the Company is authorized to file the Annual Return & Annual Financial Statements with the Register of Companies."

2. TO CONSIDER APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2025-26 AND TO FIX REMUNERATION THEREOF.

To consider appointment of M/s P. Lakshmana Rao & Co., Chartered Accountants (SR No. 1347), Vijayawada as Statutory Auditors of the Company for the financial year 2025-26, as appointed by the Comptroller & Auditor General (C&AG) of India, and to fix remuneration thereof.

To consider and if thought fit to pass the following resolution(s) with or without modification(s) as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, the members of the Company consent for the appointment of M/s P. Lakshmana Rao & Co., Chartered Accountants (SR No. 1347), D. No: 29-26-21, 1st Floor, Jadagamba Vari Street. Suryaraopet, Vijayawada - 520002, Andhra Pradesh, as the Statutory Auditors of the Company from the conclusion of this Adjourned 25th AGM till the conclusion of



next AGM (for the financial year 2025-26) and as appointed by the Comptroller and Auditor General of India, at a remuneration of 288,500/- (Rupees Eighty-Eight Thousand Five Hundred only), including all taxes, in addition to actual reasonable out of pocket expenses."

3. TO TAKE NOTE OF RBI INSPECTION & RISK ASSESSMENT REPORT (IRAR) FOR FY 2024-25 AND TO APPROVE/RATIFY SUBMISSION OF THE COMPANY'S POINT-WISE COMPLIANCE/REPLIES AND FURTHER ACTION PLAN.

To take note of the Inspection & Risk Assessment Report (IRAR) issued by the Reserve Bank of India (RBI) in respect of the Company for FY 2024-25 and to approve/ratify the point-wise replies/compliance submissions already made by the Company to RBI and further action plan for closure of pending observations.

To consider and if thought fit to pass the following resolution(s) with or without modification(s) as an Ordinary Resolution:

"RESOLVED THAT the Inspection & Risk Assessment Report (IRAR) issued by the Reserve Bank of India (RBI) for FY 2024-25 in respect of the Company, as placed before the Members at this meeting, be and is hereby taken on record and noted."

vide letter

"RESOLVED FURTHER THAT the point-wise replies/compliance submissions made by the Company to RBI Lr.No.MD/CFO/APPFCL/D.No.330/2025 dated 30.12.2025, and the further action plan for closure of pending observations, be and are hereby approved/ratified."

SPECIAL BUSINESS:

4. TO CONSIDER AND APPROVE ENHANCEMENT OF BORROWING POWER OF THE COMPANY FROM 25,000 CRORES TO 250,000 CRORES.

To consider and if thought fit to pass the following resolution(s) with or without modification(s) as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors to borrow, from time to time, any sum or sums of money which together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total amount so borrowed shall not exceed 250,000 Crores (Rupees Fifty Thousand Crores only)."

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all necessary actions, execute such documents and to do all such acts, deeds and things as may be required to give effect to this resolution.”

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No:4

The Members of Andhra Pradesh Power Finance Corporation Limited at the 21st Annual General Meeting held on 16th March, 2022 had accorded their approval authorizing the Board of Directors to borrow monies up to an aggregate limit of ₹25,000 Crores (Rupees Twenty Five Thousand Crores only), apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

APPFCL is a Government of Andhra Pradesh owned NBFC, established with the objective of mobilizing financial resources from banks/financial institutions and other sources for onward lending to eligible Government sector entities of Andhra Pradesh, particularly the power sector utilities including electricity distribution companies (DISCOMs).

In view of the increasing funding requirements in recent years, APPFCL has been supporting large-scale infrastructure and development projects by providing financial assistance in the form of term loans and working capital support. Further, new proposals are being planned / considered for financing of various eligible Government organisations of Andhra Pradesh (including but not limited to power sector entities), which require substantial mobilization of

Accordingly, the existing borrowing limit of ₹ 25,000 Crores, approved earlier by the Members, is no longer adequate to meet the increased present and future funding requirements of the Company. Therefore, it is proposed to enhance the borrowing limit of APPFCL from ₹ 25,000 Crores to ₹ 250,000 Crores (Rupees Fifty Thousand Crores only), to provide greater financial flexibility and ensure uninterrupted progress of financing operations.

The enhanced borrowing limit shall be utilized for extending financial assistance to:

- Electricity DISCOMs/ Power Sector utilities, and
- Other eligible Government of Andhra Pradesh organisations/sectors, as approved by the competent authority/ Board, in line with the mandate of APPFCL.

Further, in order to secure such borrowings, it is necessary to authorize the Board of Directors (including Committee(s) thereof) under Section 180(1)(a) of the Companies Act, 2013 to create security by way of mortgage / hypothecation / pledge / charge on all or any of the movable and/or immovable properties of the Company, both present and future, as may be required in favour of lenders/financial institutions/trustees.

The Board recommends the resolution(s) set out under the relevant Item for approval of the Members as Special Resolution(s).

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution(s).

Any Other Item with the Permission of the Chair

ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

(Peeyush Kumar, IAS)

Sd/-
CHAIRMAN

Notes:

1. A member entitled to attend and vote at the annual general meeting may appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company.
2. Proxies, in order to be effective, must be submitted at the registered address of the company, not less than forty-eight hours before the commencement of the annual general meeting.
3. Members/proxies/authorized representatives should bring the duly filed attendance slip enclosed with the notice of annual general meeting to attend the meeting.
4. Route map of the annual general meeting venue is annexed with notice.

Route Map - 25th Adjourned AGM of APPFCL:



FORM No. MGT – 11**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U40109AP2000SGC107482
 Name of the Company : The Andhra Pradesh Power Finance Corporation Limited.
 Registered Office : #48-12-16, 2nd Floor, East Wing, Vidyut Soudha, Gunadala, Vijayawada – 520004, Andhra Pradesh appfcl@gmail.com | www.appfcl.com

Name of the Member:

Registered Address:

E-Mail Id:

Folio No / Client Id:

DP ID:

I /We, being the member (s) of _____ shares of the above-named Company, hereby appoint

1. Name of the Member:

Registered Address:

E-mail Id:

Signature: or failing him

2. Name of the Member:

Registered Address:

E-mail Id:

Signature: or failing him

3. Name of the Member:

Registered Address:

E-mail Id:

Signature: or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to held on 6th March, 2025 at the Registered Office of the Company.

- To receive, consider and adopt the Audited Balance Sheet as at 31st March 2024, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date of the Company together with Directors Report, Statutory Auditors Report, Secretarial Auditors Report and Comments of Comptroller and Auditor General of India.**



DIRECTORS' REPORT

Dear Members

The Board of Directors is pleased to present the 25th Adjourned Annual Report of Andhra Pradesh Power Finance Corporation Limited (APPFCL) for the year ended 31st March 2025, highlighting the company's business and operations, along with the audited financial statements.

1. STATE OF COMPANY'S AFFAIRS

Andhra Pradesh Power Finance Corporation Limited (APPFCL) is a Government Company established vide G.O. No. 54 Energy (Power-III) dated 19-05-2000 under the Companies Act, 1956 (CIN: U40109AP2000SGC107482). The Company commenced its business on 13.07.2000 with 100% ownership by the Government of Andhra Pradesh. APPFCL has been registered with the Reserve Bank of India (RBI) as a Non-Banking Finance Company (NBFC) with effect from 25.08.2000.

APPFCL was demerged, forming two entities: the demerged APPFCL and Telangana State Power Finance Corporation Limited (TSPFCL), pursuant to the Andhra Pradesh Reorganization Act, 2014.

The main objective of APPFCL is to raise funds to meet the financing needs of the power sector within the State of Andhra Pradesh.

The listed bonds issued by the Company prior to demerger are being serviced as per schedule and are due for redemption in accordance with the terms of issue. APPFCL has been servicing the principal and interest on loans obtained from banks to the tune of Rs. 10,750 crores until their complete redemption by the year 2038.

During the financial year 2024-25, APPFCL received funds by way of Inter Corporate Deposits (ICDs) to support its operations and power sector financing requirements. In particular, the Company received Rs.500 Crores from APTRANSCO. As a result, the outstanding ICDs stood at Rs.2,584 Crores during the year.

2. CHANGE IN THE STATE OF COMPANY'S AFFAIRS

There has been no change in the nature of business of the Company during the financial year ended 31st March 2025.

3. FINANCIAL RESULTS FOR THE YEAR 2024-2025

3.1 Standalone Results:

PARTICULARS	2024-25 (Rs.in Crores)	2023-2024 (Rs.in Crores)
Revenue and Other Income	1162.88	1210.85
Total Expenses	1073.66	1041.17
Profit Before exceptional items	89.22	169.68
Profit before Tax	89.22	169.68
Provision for Taxation	-	30.04
Profit after Tax	89.22	139.64

3.2 Income:

The Company's total income experienced a marginal decline during the financial year 2024-25. Additionally, the Company generated a modest amount of interest income from bank deposits, where surplus funds were invested.



3.3 Ratios:

As at the year ended March 31, 2025

The Return on Assets (ROA), which measures the profitability in relation to the total assets, improved and stood at approx. 1.35%.

- The Return on Net Worth (RONW) measures the profitability in relation to the Net Worth and improved and stood at approx. 2.10%.
- The Interest Coverage Ratio, which measures the Company's ability to meet interest obligations, improved and stood at approx. 0.85 times.
- The Debt-Equity Ratio, which evaluates the Company's financial leverage, reduced and stood at approx. 1.25 times.
- The Liquidity Ratio, which measures the ability to meet short-term obligations, improved and stood at approx. 1.05 times.

3.4 Provision on Standard Assets:

As per the RBI Master Circular, vide [Master Circular No. DBR.No.BP.BC.2/21.04.048/2015-16 dated July 1, 2015, the Company has made a Provision on Standard Assets at 0.40% on the loans advanced to the power companies within the state of Andhra Pradesh.](#)

4. RESERVES

An amount Rs. 89.22 Crores proposed by the Board has been transferred to Reserves including the reserve fund transferred pursuant to the RBI guidelines.

During the financial year, the Company has recorded a Net Surplus of ₹89.22 Crores (after transfer to Reserve Fund). In compliance with the applicable provisions of the Reserve Bank of India (RBI) guidelines / directions for NBFCs and the provisions of the Companies Act, the Company has appropriately considered the requirement of transfer of profits to reserves and accordingly arrived at the net surplus available for appropriation. As on 31st March, the balances under Securities Reserve, Reserve Fund – as per RBI guidelines, and General Reserve stood at Nil; therefore, the total surplus for the year amounted to ₹89.22 Crores. The surplus generated during the year reflects the Company's stable financial performance and strengthens internal accruals for supporting business growth, liquidity and long-term sustainability.

5. FINANCE

During FY 2024-25, the Company met its funding requirements through a combination of Short Term debt (comprising Inter-Corporate Deposits ("ICDs") and Long Term debt (comprising Non-Convertible Debentures ("NCDs") and Bank Loans).

Following table represents the short-term and long-term debts:

Outstanding Debts	Rs. in Crores
Term Loans from Banks	8293.93
Non-Convertible Debentures	884.58
Inter-Corporate Deposits	2584.00
HUDCO	310.00
TOTAL	12,072.51

6. DIVIDEND

The Board of Directors of APPFCL has decided to recommend a dividend on equity shares for an amount of Rs.394 Crs for the financial year 2024-25, in order to conserve resources for the Company's future growth.

7. CHANGES IN SHARE CAPITAL

There has been no change in Equity share capital during the financial year 2024-25.

8. CREDIT RATING

During the financial year 2024-25, the credit rating of Andhra Pradesh Power Finance Corporation Limited (APPFCL) was reviewed by India Ratings and Research (Ind-Ra).

Ind-Ra, vide its Rating Letter dated 29 April 2025 (with reference to the rating action commentary released on 23 April 2025), has assigned/affirmed the credit rating of IND A(CE) / Stable to the Company's Bank Loan facilities aggregating to ₹90,165.95 million and ₹7,500 million. Further, the proposed Bank Loan facility of ₹62,334.05 million has been assigned Provisional IND A(CE) / Stable.

The rating carries (CE) suffix indicating that the rated facilities are supported by external explicit credit enhancement. Ind-Ra has also confirmed that the final rating is the same as the earlier provisional rating, upon receipt of key executed documents and creation of required Debt Service Reserve.

The Company's rating remained stable during FY 2024-25, reinforcing its strong position among Government-owned NBFCs.

9. EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form MGT-9 is placed on the website of the company i.e., www.appfcl.com

10. DEPOSIT

Andhra Pradesh Power Finance Corporation Limited (APPFCL) is registered with RBI as a Non-Banking Financial Company – Non Deposit Taking – Systematically Important (NBFC-ND-SI). The Company has not accepted any public deposits during the year 2024-25.

11. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2024-25, the Company did not enter into any transactions with related parties as defined under Section 188 of the Companies Act, 2013. Consequently, there were no contracts or arrangements with related parties that required disclosure.

12. DIRECTORS

The following are the Directors on Board as on 31st March 2025:

1. Sri Peeyush Kumar, IAS – Chairman
2. Smt M Janaki, IAS– Managing Director
3. Sri K Vijayanand, IAS - Director
4. Sri KVN Chakradhar Babu, IAS – Director
5. Sri I Prudvi Tej, IAS– Director

13. KEY MANAGERIAL PERSONNEL

As of 31st March 2025, the following individuals hold the position of Key Managerial Personnel (KMP) of the Company, in accordance with Section 203 of the Companies Act, 2013:

Smt M Janaki, IAS	-	Managing Director
Sri K Mohan Rao	-	Chief Financial Officer
Sri CH Vidya Sagar	-	Company Secretary



14. POLICY ON DIRECTOR'S APPOINTMENT, REMUNERATION AND OTHER DETAILS

The policy on director's appointment, remuneration, and other details for Andhra Pradesh Power Finance Corporation Limited (APPFCL) is outlined in Article No. 31 of the Articles of Association. Here are the key points:

- **Appointment of Directors:** The Government of Andhra Pradesh has the right to nominate and appoint the Managing Director and other Directors of the Company.
- **Remuneration of Non-Executive Directors:** Non-executive Directors receive sitting fees for attending Board and Committee meetings, paid in accordance with Section 197 of the Companies Act, 2013.
- **Roles, Responsibilities, and Remuneration:** The Board, in consultation with the Government of Andhra Pradesh, determines the roles, responsibilities, and remuneration for directors.

15. MEETINGS OF THE BOARD

The Board of Directors of Andhra Pradesh Power Finance Corporation Limited (APPFCL) met four times during the financial year 2024-25.

Sl	Name of the director	BM No.184 29-04-2024	BM No.185 26-07-2024	BM No.186 30-12-2024	BM No.187 06-03-2025
01	Sri Peeyush Kumar, IAS – Chairman	Present	Present	Present	Present
02	Smt. M. Janaki, IAS – Managing Director	Present	Present	Present	Present
03	Sri K Vijayanand, IAS - Director	Present	Present	Present	Present
04	Sri KVN Chakradhara Babu, IAS – Director	Present	Present	Present	Present
05	Sri I Prudvi Tej, IAS – Director	Present	Present	Present	Present

COMMITTEES OF THE BOARD

Audit Committee

The Audit Committee comprises the following members:

1. Sri K Vijayanand, IAS.
2. Sri KVN Chakradhara Babu, IAS
3. Sri. I Prudvi Tej, IAS

There was a reconstitution of Audit Committee in the meeting held on 29th April 2024.

The Audit Committee met FOUR times during the financial year.

Sl	Name of the Member	ACM 1/2024 29-04-2024	ACM 2/2024 26-07-2024	ACM 3/2024 30-12-2024	ACM 4/2025 06-03-2025
01	Dr. K.Vijayanand, IAS	Present	Present	Present	Present
02	Sri KVN Chakradhar Babu, IAS	Present	Present	Present	Present
03	Sri.I Prudhvi Tej, IAS	Present	Present	Present	Present

Smt. M. Janaki, IAS, Managing Director was invited to attend the Audit Committee Meetings during the year 2024-25.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013, the Company is required to constitute a Corporate Social Responsibility (CSR) Committee. As per the Act, companies meeting any of the following criteria are required to spend 2% of their average net profit for the preceding three financial years towards CSR:

- Turnover exceeds Rs. 1000 Crores or
- Net Worth exceeds Rs. 500 Crores or
- Net Profit exceeds Rs. 5 Crores

The Company obtained a certificate from M/s GP& Associates, Chartered Accountants, stating that the total amount to be spent towards CSR for the financial year 2024-25 was Rs. 273.84 Lakhs. During the year, the Company spent Rs. 3.29 Crs on CSR activities.

The CSR Committee was formed with the approval of the Board through a resolution by circulation dated 13th March 2024. The following members were appointed to the Committee:

The following members were appointed to the Committee :

1. Sri. Peeyush Kumar, IAS
2. Sri. K Vijayanand, IAS
3. Smt. M. Janaki, IAS

Risk Management Committee (RMC)

The Risk Management Committee of the Board of Directors of the Company reviews compliance with risk policies, reviews and analyses risk exposures related to specific issues and provides oversight of risk across the Company. The Risk Management process of the Company is governed by the Risk Management Framework which lays down guidelines for Risk identification, assessment and monitoring as an ongoing process that is supported by risk reporting framework.

The Risk Management Policy was approved by the Board in its 173rd Meeting held on 21st October, 2021.

During the year under review, the Risk Management Committee reconstituted on 04.11.2022 with the following members being present:

S No.	Name of the Member
1.	Smt. M. Janaki, IAS
2.	Sri. MVS Murthy
3.	Sri. K. Mohan Rao, Chief Financial Officer

Asset Liability Management Committee (ALCO)

The Reserve Bank of India (RBI) introduced the Asset-Liability Management (ALM) System as a part of the Risk Management and control systems in banks. The ALM Policy aims to manage liquidity and interest rate risks.

As the Company relies heavily on borrowings from banks and Inter-Corporate Deposits (ICDs) from AP Government-owned entities for funding its activities, it is exposed to interest rate risks. The funds mobilized through these sources have different costs, which vary with market interest rates. To mitigate

this risk, the Company recognizes the importance of addressing interest rate risk as part of its risk management strategy.

In compliance with RBI Master Directions and Circular vide DBOD No. BP.BC.94/21.04.098/98, the Company drafted an Asset Liability Management (ALM) Policy, which was approved in the 167th Board Meeting held on 7th September 2020. The policy was revised in the 173rd Board Meeting held on 21st October 2021.

Pursuant to the policy, the ALM Committee is required to meet on a quarterly basis every financial year. However, during the year under review, the ALM Committee met only once.

Sl. No.	Name of the Member
1.	Smt. M. Janaki, IAS
2.	Sri I Prudvi Tej, IAS
3.	Sri. MVSU Murthy
4.	Sri. K. Mohan Rao, Chief Financial Officer

Grievance Redressal Committee (GRC)

The Grievance Redressal Policy was approved in the 173rd Board Meeting held on 21st October, 2021. The purpose is to ensure “zero” complaints against the company with regard to non-payment or delay in interest/principal payments, failure to ensure transparency in loan agreement, terms and conditions of loan and Fair Practices Code not followed.

During the year under review, the Grievance Redressal Committee Meeting met once on the 25th day of October 2023 with the following members being present:

Sl. No.	Name of the Member	FY 2024-25
1.	Smt. M. Janaki, IAS	Chairman
2.	Sri CH Vidya Sagar, CS	Member - Secretary
3.	Sri K. Mohan Rao, Chief Financial Officer	Member

Credit Committee (CC)

The Loan Policy was approved in the 173rd Board Meeting held on 21st October, 2021. The policy document on the Loans & Advances outlines the guiding principles in respect of formulation of various products offered by APPFCL, the terms and conditions governing the conduct of account, the delegated power to the committee/officials and other terms & conditions applicable to such loans. It is expected that this policy will impart greater transparency in dealing with individual customers and create awareness among customers.

During the year under review, the Credit Committee Meeting was held ONCE on the 6th day of March 2024 with the following members being present:

Sl. No.	Name of the Member	FY 2024-25
1.	Smt. M. Janaki, IAS	Present
2.	Sri MVSU Murthy, CRO	Present
3.	Sri K. Mohan Rao, Chief Financial Officer	Present
4.	Sri CH Vidya Sagar, CS	Present

16. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Pursuant to Section 178 of the Companies Act, 2013 and the rules made thereunder, APPFC is required to constitute a Stakeholder's Relationship Committee in order to take necessary steps to protect the interest of the stakeholders of the Company.

Stake holders Relationship Committee was formed with the approval of the Board in its meeting held on 06th December 2023 and the following members were appointed as the members of the Committee:

1. Sri. K Vijayanand, IAS - Chairman
2. Sri KVN Chakradhara Babu, IAS - Member
3. Sri I Prudvi Tej, IAS- Member

17. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no material weakness in the design or operation was observed.

18. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The provisions of Section 186 of the Act pertaining to granting of loans to any persons or bodies corporate, giving of guarantees or providing security in connection with loans to any other bodies corporate or persons and acquiring by way of subscription, purchase or otherwise, the securities of any other body corporate, are not applicable to the Company, since the Company is an NBFC.

19. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (3) and (5) of Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your directors state that:

- i. In the preparation of the Annual Accounts, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2024 and of the profit / loss of the company for that period;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a 'going concern' basis.
- v. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

21. AUDITORS

Statutory auditors

M/s Mushty & Co., Chartered Accountants were appointed as the Statutory Auditors for the Financial Year 2024-25 by the Comptroller and Auditor General of India, vide Letter



No./CA.V/COY/ANDHRA PRADESH, APPFIN (1) dated 20th September 2024.

The appointment of Statutory Auditor in place of retiring auditor shall be determined by the Comptroller and Auditor General of India, in exercise of the powers conferred by Section 139 of the Companies Act, 2013.

Comments from C&AG for the FY 2024-25

The Comptroller and Auditor General of India has issued its Comments on the financial statements for the Financial Year 2024 - 25 vide No.Lr.No.PAG(Au)/AP/AMG-II/TSC-I/APPFCL-FY25/2025-33/295, Dated 06th January 2026

A copy of the same was forwarded to all the shareholders for their perusal and record.

Internal Auditors

M/s. BSN Suryanarayana & Co, Chartered Accountants, Vijayawada were appointed as Internal Auditors of the Company for the Financial Year 2024-25.

Secretarial auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 the Company shall appoint a Practicing Company Secretary (PCS) if the paid-up capital of the company exceeds Rs. 300 Crores.

The Company has appointed ASN Associates, Company Secretaries as Secretarial Auditor for the Financial Year 2024-25 as per the terms and conditions specified in the Companies Act, 2013.

Observation of the Secretarial Auditor and Management Reply

Observation	ManagementReply
The Company is yet to comply with the provisions of Section 149(4) of the Companies Act, 2013 relating to appointment of Independent Director on its Board.	The process for appointment of Independent Director has been initiated and will be placed for approval in the immediate Board Meeting.

21. UNCLAIMED AMOUNT

"The Committee noted that the Company has transferred all eligible unclaimed amounts to the Investor Education and Protection Fund (IEPF), as applicable, during FY 2024-25 in accordance with the provisions of the Companies Act, 2013 read with applicable rules."

22. INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS

There have been no instances of any fraud reported by the statutory auditors under section 143(12) of Companies Act 2013.

23. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There were no material changes, or any commitments made by the Company which affects the financial position of the Company between the end of the financial year and the date of this reporting.

24. DETAILS OF SIGNIFICANT & MATERIAL ORDER PASSED BY THE REGULATORS, COURT & TRIBUNALS

No significant and material orders were passed by the regulators or courts or tribunals which affect the going concern status and future operation of the company.

25. DISCLOSURE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE

APPFCL has not received any complaints during the financial year. Pursuant to the applicable provisions of the Prevention of Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013, APPFCL is not required to form an Internal Committee.

26. REPORT ON PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

Report on Performance Evaluation of the Board, Committees and Individual Directors is applicable only for listed companies having a paid up share capital of Rs. 25 crores or more at the end of preceding financial year.

As the Company is not a equity listed entity, the provisions of performance evaluation is not applicable for the Company.

Acknowledgement

Your Directors would like to express their sincere appreciation for the assistance and cooperation received from the financial institutions, Government Authorities, customers, vendors and members during the year under review. Your directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors
Andhra Pradesh Power Finance Corporation Limited

Place: Vijayawada
Date : 21.01.2026

Sd/-
Sri Peeyush Kumar, IAS,
Principal Finance Secretary

Sd/-
Sri D. Ronald Rose, IAS
Managing Director



Annexure – 1

FORM No. AOC.2

[(Pursuant to clause (b) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Sl. No.	Particulars	Details
1.	Details of contracts or arrangements or transactions not at arm's length basis	Nil
(a)	Name(s) of the related party and nature of relationship	
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	
2.	Details of material contracts or arrangement or transactions at arm's length basis	Nil
(a)	Name(s) of the related party and nature of relationship	
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/ arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	
(e)	Date(s) of approval by the Board, if any:	
(f)	Amount paid as advances, if any:	

Place: Vijayawada
Date : 06.12.2023

For and on behalf of the Board

Sd/-
(S. S. Rawat, IAS)
Chairman
DIN: 06927486



CERTIFICATION ON CORPORATE GOVERNANCE

To

The Members

Andhra Pradesh Power Finance Corporation Limited

CIN: U40109AP2000SGC107482

48-12-16, 2nd Floor, East wing, Vidyut Soudha,

Gunadala Vijayawada Krishna AP 520004 IN

We have examined the compliance of conditions of Corporate Governance by M/s. Andhra Pradesh Power Finance Corporation Limited (CIN: U40109AP2000SGC107482) ('the Company'), for the year ended March 31, 2023, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation, and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Our examination was limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Visakhapatnam

Date: 06-12-2023

For ASN Associates
Company Secretaries

Sd/-

Name: K Surendra
Partner

M. No. 34205

CP. No. 12732

UDIN. AO34205E002872691



FORM NO. MR.3**FOR THE FINANCIAL YEAR ENDED 31.03.2024****SECRETARIAL AUDIT REPORT**

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

To,

The Members,

ANDHRA PRADESH POWER FINANCE CORPORATION LIMIED

CIN:U40109AP2000SGC107482

48-12-16, 2nd Floor,

East Wing, Vidyut Soudha,

Gunadafa, Vijayawada-520004,

Andhra Pradesh, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED (CIN: U64990AP2000SGC107482) (here-in- after called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Books, Papers, Minute Books, Forms and Returns filed and Other Records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, we hereby report that in our 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED for the Financial Year ended on 31st March, 2025 according to the provisions of:
 - (I) The Companies Act, 2013 (the Act) and the Rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made there under; to the extent of applicable;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; to the extent of applicable;



- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; to the extent of applicable;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; to the extent of applicable;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Listing Agreements entered into by the Company with the Stock Exchanges; to the extent of applicable;
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not applicable as the Company has not issued any Employee Stock Option Scheme;
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; to the extent of applicable.
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable;
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 Not applicable as the Company did not buy back its equity shares during the financial year under review; and
 - j) The Reserve Bank of India Act, 1934 and regulations framed thereunder for Non-Banking Financial Companies.
2. We are of the opinion that the Management has complied with the following Laws specifically applicable to the Company:
- (a) The Payment of Wages Act, 1936
 - (b) The Minimum Wages Act, 1948
 - (c) Employees Provident Funds and Miscellaneous Provisions Act, 1952
 - (d) The Payment of Bonus Act, 1965
 - (e) The Payment of Gratuity Act, 1972
 - (f) The Contract Labour (Regulation & Abolition) Act, 1970
 - (g) The Child Labour (Prohibition & Regulation) Act, 1986
 - (h) The Industrial Employment (Standing Order) Act, 1946
 - (i) The Employee Compensation Act, 1923
 - (j) Information Technology Act, 2000 and the Rules made there under
3. We have also examined compliance with the applicable Clauses of the following:
- Secretarial Standards issued by The Institute of Company Secretaries of India.
 - The Listing Agreements entered into by the Company with the Stock Exchanges.
4. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.



We further report that:

- a) The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Changes in the composition of the Board of Directors which took place during the period under review are in accordance with the provisions of the Companies Act, 2013.
- b) Adequate notices given to all Directors to schedule the Board Meetings, agenda and detailed notes on Agenda were sent at least Seven Days in advance either by way of hand delivery or through e-Mail communication, and a system exists for seeking and obtaining further information and clarifications on the Agenda Items before the meeting and for meaningful participation at the meeting.
- c) As per the Minutes of the Meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous/with requisite majority and no dissenting views have been recorded.
- d) We report that there is scope to improve the systems and processes in the Company to be commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- e) We further report that the Company has complied with the requirements under the debt Listing Agreements entered into with NSE Limited till the date of fully repayment of Non-Convertible Debentures (NCDs) on 08th June, 2024.
- f) We further report that in view of the size and operations of the company, the systems and processes adopted in the company are inadequate to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company is advised to put in place an integrated Legal Compliance Management System with periodical reporting to the Board.
- g) We have relied on the representation made by the Company and its Officers for systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

For ASN & ASSOCIATES

Company Secretaries

Sd/-

Satyanarayana Adigarla

Partner

M. No.: 3986

CP No.: 2354

UDIN: F003986G003402953

Place: Visakhapatnam

Date: 21.01.2026

* This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.



'Annexure A'

To,

The Members,

M/s. ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

48-12-16, 2nd Floor, East Wing,

Vidyut Soudha, Gunadala, Vijayawada, - 520004.

Andhra Pradesh, India.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. The Compliance by the Company of applicable financial laws like Direct and Indirect Tax Laws and maintenance of financial record and books of accounts have not been reviewed in this audit since the same have been subject to review by Statutory Financial Audit and other designated professionals.
4. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For ASN & ASSOCIATES

Company Secretaries

Sd/-

Satyanarayana Adigarla
Partner

M. No.: 3986

CP No.: 2354

UDIN: F003986G003402953

Place: Visakhapatnam

Date: 21.01.2026





Financial Statements

Section 3



Independent Auditors' Report

To

The Members of The

Andhra Pradesh Power Finance Corporation Limited

Report on the Audit of the Standalone

Financial Statements.

1. UNMODIFIED OPINION

We have audited the accompanying Standalone Financial Statements of the **Andhra Pradesh Power Finance Corporation Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including other Comprehensive Income), Statement of changes in Equity and the Statement of Cash Flows for the year then ended and Notes to the Standalone Financial Statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date power sector building accelerated cyclic interests since 1986 coupled with the establishment of this company as SPV since 2000 for financing and funding energy sector in AP.

2. BASIS FOR UNMODIFIED OPINION

We conducted our audit under the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company under the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities under these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements, that was to say further, management mentioned that APGENCO, APPDCL, APSPDCL, AND APEPDCL have no dues from the Government of Andhra Pradesh which were more than one year having obtained certificates from these parties to this extent.

3. EMPHASIS OF MATTER

We draw attention to the loan portfolio assets made to related parties that are APGENCO, APPDCL, APSPDCL, AND APEPDCL of the Standalone Financial Statements regarding the provision of impairment allowance in respect of loan assets, letter of comfort and guarantees issued by the Government of Andhra Pradesh. The Company has recognized expected credit loss in respect of loan



assets, letter of comfort, and guarantee as required under Ind AS 109, based on the managerial explanations provided by the credit/audit committee constituted by the Company from time to time, that is, Board of Directors of the Company themselves considering the size and the nature of the business of the company. Since the calculation parameters require certain technical and professional expertise despite absent, we could rely upon the basis of determination of impairment allowance in so far as it relates to reasonable managerial estimates that were considered by the said credit/audit committee and management's judgment on the same, that was, reasonably near to the RBI Guidelines.

4. KEY AUDIT MATTERS

Key audit matters (KAM) are those matters that, in our professional judgments, were of most significance in our audit of these Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and Recoveries are verified applying the standard audit procedures. Loan balances are confirmed and quality of the borrower is evaluated and tested with key control parameters. We considered the credit impairment charge and provision recognised and the related disclosures to be acceptable & satisfactory.

5. INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexure to the Director's Report, Management Discussion and Analysis, Business Responsibility Report, and Report on Corporate Governance but does not include the Standalone Financial Statements and our auditors' report thereon. The above referred information is expected to be made available to us after the date of this Auditor's report. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

6. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act concerning the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including comprehensive income), changes in equity and cash flows of the Company under the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records under the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial



Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Standalone Financial Statements, management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

7. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted under SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these Standalone Financial Statements.

As part of an audit under SAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (I) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If, we conclude, that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatement in the Standalone Financial Statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work: and (ii) evaluating the effect of any identified misstatements in the Financial Statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- I. As required by the Companies (Auditor's Report) Order, 2020 (the Order), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 and based on such examination of the books and records of the Company as we considered appropriate and according to information and explanation given to us, we give in **Annexure-A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. The Comptroller and Auditor General of India has issued the directions indicating the areas to be examined in terms of subsection 5 of Section 143 of the Act, the compliance of which is set out in "**Annexure B**".
- III. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all their formation and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity, and the Standalone Statement of Cash flows, dealt with by this Report agree with the books of account;
 - d) In our opinion and to the best of our information and explanation given to us, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules;
 - e) As per notification number G.S.R. 463(E) dated June 5, 2015, issued by the Ministry of Corporate Affairs, Section 164(2) of the Act regarding the disqualifications of Directors does not apply to the Company, since it is a Government Company;



- f) Concerning the adequacy of the internal financial controls over the financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure C"**;
- g) As per notification number G.S.R. 463 (E) dated June 5, 2015, issued by the Ministry of Corporate Affairs, Section 197 of the Act regarding remuneration to the Director does not apply to the Company, since it is a Government Company; and
- h) Concerning the other matters to be included in the Auditors' Report under Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation that was - Refer to Note 40 to the Standalone Financial Statements to the extent disclosed;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. However, the ultimate beneficiary is Government of Andhra Pradesh making their dues to the related parties APGENCO, APPDCL, APSPDCL AND APEPDCL for being carried forward to uncertain periods further causing escalated power tariffs benefitting private power sector companies at large in due course by the acts of innuendo difficult to be identified.
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement.



- v. Dividend was found paid or declared during the year by the management of the company, that was, Rs.394 crores disclosed on the financial statements, that was on the schedule called as other equity.
 - vi. Proviso to Rule 3(1) of the Companies(Accounts) Rules, 2014 concerning using accounting software for maintaining its books of account which has certain features e.g. edit log, etc. as enumerated in the aforesaid proviso applies to the Company with effect from April 1, 2023. In this respect audit trial required with time stamping and date of adjustments in Tally based software used was absent, despite e-office approvals being followed for approvals of spending expenses and other transactions. Therefore, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 applies for the financial year ending March 31, 2024 to the extent of non-compliance with audit trial in tally-based software.
- IV. Previous statutory auditors of the company were communicated while accepting the engagement of ourselves as statutory auditors of the Company required under CA Regulations.

For Mushty And Co(005501S)
Chartered Accountants

Sd/-

Mushty Sreeram
Dr Sreeram Mushty
Proprietor, M No 200273
UDIN: 25200273BMULPG9280



Annexure – “A” to the Auditors’ Report

to the

Independent Auditors' Report on the Audit of the Standalone Financial Statements

(Referred to in Para I under the heading 'Report on other Legal Regulatory Requirements' of our report of even date to The Members of Andhra Pradesh Power Finance Corporation Limited on the Standalone Financial Statements for year ended March 31, 2025)

To the best of our information and the best of our knowledge according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) Concerning the Company's Property, Plant and Equipment, and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant, and Equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars, of intangible assets.
 - (b) Based on the information and explanation given to us, the Company's management carries out the physical verification of Property, Plant, and Equipment once a year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and nature of its assets. As explained to us, no material discrepancies were noticed by the management on such physical verification.
 - (c) Based on our examination of the records of the Company we report that the title deeds, comprising all immovable properties of land and buildings which are free hold were NIL, are held in the name of the Company as of the balance sheet date. Further, in respect of immovable properties of land and buildings that have been taken on lease, the lease agreements are in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant, and Equipment (including Right of Use assets) and intangible assets during the year.
 - (e) As informed to us, no proceedings have been initiated or are pending against the Company as of the date of the Balance Sheet for holding any benami property under the benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company is a Non-Banking Financial Company and does not have any inventory. Thus, clause 3(ii) (a) of the Companies (Auditor's Report) Order, 2020 is not applicable.
- (b) The Company as such has no working capital loans over five crore rupees made during the year.
- (iii) During the year, the Company has made investments in (nil), provided guarantees, and granted loans/advances like loans, secured/unsecured to companies, firms, limited liability partnerships, and other parties. In this regard, we report hereunder:



- (a) The Company is a registered NBFC with the Reserve Bank of India with the principal business of giving loans hence clause 3(iii)(a) of the Order is not applicable.
 - (b) In our opinion, the investments made (nil), guarantees provided, if any, and the terms and conditions of the grant of all loans and advances like loans, during the year are, prima facie, not prejudicial to the Company's interest.
 - (c) Being a registered Non-Banking Financial Company (NBFC), the Company grants its loans on stipulated terms and conditions for repayment of principal and interest. In respect of Loan assets except for credit-impaired assets, the repayments of principal amounts and receipts of interest are generally regular as per stipulation.
 - (d) In respect of loans and advances in the nature of loans, the total amount overdue for more than ninety days are as under – Telangana Power Finance Corporation dues that were more than 90 days for being guarantor by the company, which was referred to in the Note No.32 of the Notes of Account to the Balance Sheet. The Company takes steps for recovery of the principal and interest as per its defined procedures, which in our opinion are reasonable. The same has not been recognized as income as a matter of prudence as per the practices of the Company.
 - (e) Reporting under clause 3(iii)(e) of the Order is not applicable, since the principal business of the Company is to give loans.
 - (f) To the best of our knowledge and according to information and explanation given to us, the Company has not granted any loans or advances like loans either repayable on demand or without specifying any terms or period of repayment. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) In our opinion and according to the information and explanation given to us the Company has not given any loan or given any guarantee or provided any security in contravention of Section 185 of the Companies Act, 2013 to the extent applicable to the Company.

Further in our opinion and according to information and explanation given to us, the Company being a Non-Banking Financial Company (NBFC), the Company is exempt from Section 186 of the Companies Act, 2013 and relevant rules in respect of loans & guarantees. In respect of investments, the Company has complied with the provisions of Section 186(1) of the Companies Act, 2013.

- (v) According to information and explanations given to us, the Company has not accepted any deposit from the public to which directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules made there under are applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, for any of the services rendered by the Company. Accordingly, clause 3(vi) of the Companies (Auditor's Report) Order 2020 does not apply to the Company.
- (vii) In respect of statutory dues, based on information and explanations given to us and based on our examination of the records of the Company, we report that: (a) The Company is regular in



depositing with appropriate Authorities, undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Service Tax, and other statutory dues as applicable to it and there is no undisputed amount payable in respect of dues described above outstanding for more than six months from the date they become payable as on March 31, 2025, as per the accounts of the Company. (b) According to the information and explanations given to us and as certified by the management on which we have relied, the disputed statutory dues aggregating to NIL have been deposited/ on account of disputes/ deposited under protest and the matters are pending before appropriate authorities as detailed below: NIL

- (viii) As per the information and explanation given to us there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowing or on the payment of interest thereon to any lender except on guarantees made to Telangana Power Finance Corporation referred to in Note No 32 of the Notes on Account to the Financial Statements. (b) According to the information and explanations given to us the Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority. (c) As per the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained. (d) According to the information and explanations given to us, and the procedures performed by us, no funds raised on a short-term basis have been used for long-term purposes by the Company other than temporary usage pending receipts from long-term sources. (e) According to the information and explanations given to us and on an over all examination of the Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures. (f) According to the information and explanations given to us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. (b) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
(b) As informed to us, no report under subsection (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report. (c) We have been informed by the management that no whistle-blower complaints have been received by the Company during the year.



- (xii) According to the information and explanation given to us the Company is not a Nidhi Company. Hence the Nidhi Rules, 2014 do not apply to the Company. Accordingly, clause 3(xii) of the Companies (Auditor's Report) Order 2020 does not apply to the Company.
- (xiii) According to information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties comply with Sections 177 and 188 of the Companies Act, 2013 where applicable. The details have been disclosed in the Financial Statements as per the requirement of the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business. (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing, and extent of our audit procedures.
- (xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xvi) (a) The Company is a Non-Banking Financial Company and has obtained registration under Section 45-IA of the Reserve Bank of India Act, 1934. The registration number issued to the Company is B-09-00266 dated 25-08-2000. (b) According to the information and explanations given to us, the Company has not conducted any non banking financial or housing finance activities without a valid certificate of registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. (c) According to the information and explanations given to us, the Company is not a core investment company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under clause 3 (xvi) (c) of the order is not applicable. (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi) (d) of the order is not applicable.
- (xvii) Based on our examination of the records of the Company, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of statutory auditors of the Company during the year.
- (xix) based on the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, it has come to our attention, which causes us to believe that material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within one year from the balance sheet date, will get discharged by the Company as and when they fall due.



- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility(CSR) other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with the second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred the unspent Corporate Social Responsibility (CSR) amount as of the Balance Sheet date to a special account, within thirty days from the end of the financial year in compliance with Section 135(6) of the Companies Act.

For Mushty And Co(005501S)
Chartered Accountants

Sd/-

Mushty Sreeram
Dr Sreeram Mushty
Proprietor, M No 200273
UDIN: 25200273BMULPG9280



Annexure – “B” to the Auditors’ Report

to the

Independent Auditors' Report on the Audit of the Standalone Financial Statements

(Referred to in Para II under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Andhra Pradesh. Power Finance Corporation Limited on the Standalone Financial Statements for the year ended March 31, 2025)

As required under Section 143(5) of the Companies Act 2013 concerning the directions issued by The Comptroller & Auditor General of India, we report that:

Directions/Queries rose as directions to Answer

1. Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The audit or shall provide a brief note on the valuation approach, its reason ability, and compliance with applicable regulations, reporting any material deviations or misstatements.

Ans: No such transactions of investments for us to assess

2. Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions out side IT system on the integrity of the accounts along with the financial implications, if any, may be stated.

Ans: Yes, the Company has a system in place to process all the accounting transactions through the IT system, through e-officesoftware with satisfactory audit trial however under Tally Software with no sufficient audit trial but was not enabled with a digital signature for the year but was under process to enable the same in the current year. Based on the verification carried out by us during our audit and based on the information and explanations given to us we have not come across any instance having significant implications on the integrity of accounts.

3. Whether funds (grants/subsidy etc.)received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilised as per its term and conditions?

List the cases of deviation.

Ans: NIL

4. Whether the Company has identified the Key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?

Ans: Yes, that are the state government dues to the four borrowers of the company that are: APGENCO, APPDCL, APSPDCL AND APEPDCL.

5. Whether the Company is complying with the Securities and Exchange Board of India(SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs,



Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted

Ans: Yes, to the extent applicable

SUB-DIRECTIONS

General:

S.NO	DESCRIPTION OR DETAILS	REMARKS/DETAILS
1.	In case of works executed with the funds of Central or State government(s)/ other user department(s) or their agencies, whether there is conclusive evidence that the assets created will be the assets of the PSU? If not, the accounting treatment of the funds received, utilised, returned, assets created upto and during the year (work-in-progress or completed), assets handed over to the fund-giving agency upto and during the year, assets impaired, if any, and the revenue/ commission/ centage realised on these works, with full quantitative details may be detailed.	NIL
2.	Where Grants are received from Central or State government(s)/ other user department(s) or their agencies, a) Where grants are taken as revenue for the year, whether the concerned orders are clear that the funds can be utilised for revenue expenditure; b) Where guarantee commission is to be paid, the quantitative details viz., amount guaranteed, rate of guarantee commission, whether the commission was paid or payable along with the details of the purpose of raising the funds with guarantee and whether the funds were utilised for the stated purpose;	NIL
3.	Where any long-term liability is undertaken against an asset of finite lifetime, whether there is a clear accounting policy thereon (for instance, land obtained on lease for a specific period (whether renewable or non renewable) but shares issued in lieu of the land lease)	NIL
4.	Whether the corresponding expenditure on which the taxes paid/ payable are accounted in the financial statements is also included appropriately	YES, DONE APPROPRIATELY

S.NO	DESCRIPTION OR DETAILS	REMARKS/DETAILS
5.	Whether there is a Personal Deposit account in the name of the PSU? If yes, a) Funds debited from the PD account erroneously/ lapsed by the treasury, but claimed by the Company as receivable/ its own funds; b) If any funds given by any Government or agencies other than the State Government were lapsed, the details of the same may be detailed; c) Details of the funds raised through loans (with or without government guarantee) and deposited in PD Account; Purpose of the loans and whether the purpose is initiated/completed; d) Whether suitable disclosure on the restrictions or additional permissions required on withdrawing the funds in PD Accounts is included or not; e) The quantitative details of the bills sent for clearing against the PD account balances but not cleared/ returned unpaid as on the reporting date along with age-wise analysis;	NIL NIL NIL NIL NIL
6.	Where funds are raised by the Company and the payment of Principal or Interest or both are met by the State Government or its agencies, directly or indirectly, the details and the purpose of these loans may be stated along with the fact whether the funds were utilised for the stated purpose	USED APPROPRIATELY
7.	Whether the land owned by the Company is encroached, under litigation, not put to use or declared surplus. Details may be provided.	NO LAND TO THE COMPANY
8.	Whether the inventory has been taken on the basis of physical verification after adjustment of shortage/ excess found and whether due consideration has been given for deterioration/ obsolescence in the quality which may result into overvaluation of stock?	NOT APPLICABLE
9.	Whether the cost incurred on abandoned projects has been written off?	NIL
10.	Cases of wrong accounting of interest earned on account of non-utilization of amounts received for certain projects/schemes may be reported ?	NIL



S.NO	DESCRIPTION OR DETAILS	REMARKS/DETAILS
11.	Whether the bifurcation plan (between Andhra Pradesh & Telangana States), if any, for the Company is finalised and approved; Whether the accounting treatment as per the plan and the suitable detailed disclosures are given. Deviations may be stated.	Details were made available in the note 32 to the standalone financial statements.
	NON-BANKING FINANCE COMPANY	
1.	Whether the Company has complied with the directions issued by the Reserve Bank of India for: ○ Non-Banking Finance Companies (NBFCs); ○ Classification of non-performing assets; and ○ Capital adequacy norms for NBFCs.	Details were made available in the note 32 to the standalone financial statements.
2.	Whether the Company has a system to ensure that loans were secured by adequate security free from encumbrances and have first charge on the mortgaged assets. Further instances of undue delay in the disposal of seized units may be reported.	NIL
3.	Whether the introduction of any scheme for settlement of dues and extensions thereto complied with policy/guidelines of Company/Government.	COMPLIED

For Mushty And Co(005501S)
Chartered Accountants

Sd/-
Mushty Sreeram
Dr Sreeram Mushty
Proprietor, M No 200273
UDIN: 25200273BMULPG9280



Annexure-C to the Auditor's Report

to the

Independent Auditors' Report on the Audit of the Standalone Financial Statements

(Referred to in Para III (f) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Andhra Pradesh Power Finance Corporation Limited on the Standalone Financial Statements for the year ended March 31, 2025).

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Standalone financial statements of Andhra Pradesh Power Finance Corporation Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

1. MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

These responsibilities include the design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information as required under the Act.

2. AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted

our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The



procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

3. MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of the Management of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

4. INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5. OPINION

In our opinion, the Company has, in all material respects, an internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mushty And Co(005501S)
Chartered Accountants

Sd/-

Mushty Sreeram
Dr Sreeram Mushty
Proprietor, M No 200273
UDIN: 25200273BMULPG9280



Non-Banking Financial Companies Auditors' Report for the year ended March 31, 2025

Before the Board of Directors

Andhra Pradesh Power Finance Corporation Limited

Vidyut Soudha, Vijayawada-520004

Before the Board of Directors Andhra Pradesh Power Finance Corporation Limited Vidyut Soudha, Vijayawada-520004 We have audited the accompanying Standalone Financial Statements of Andhra Pradesh Power Finance Corporation Limited ('the Company'), which comprise the Balance Sheet as of March 31, 2025, the Statement of Profit and Loss (including other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the standalone financial statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank)

Directions, 2016" issued by the Reserve Bank of India, on the matters specified in Chapter - II of the said Directions to the extent applicable to the Company, and according to the explanations given to us for the audit, we report that:

1. The Company is engaged in the business of a Non-Banking Financial Institution, having a valid certificate of registration issued by Reserve Bank of India vide No.09.00266 dated 25-08-2000. Further, the Company is entitled to continue to hold such registration in terms of its asset/income pattern as of 31.03.2025.
2. The Company has not accepted any public deposits during the financial year 2024-25.
3. The financial statements of the Company for the year 2024-25 have been prepared under the recognition and measurement principles of Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under. Accordingly, the Company is following Board approved methodology for computation of Impairment Allowance towards provisioning for its loan assets and classification thereof, that is satisfactory. In view of regulatory compliance of the Companies Act, 2013 for the adoption of a mechanism for the preparation of financial statements, the Company is required to make provision of impairment loss as per Ind AS 109 and the Board of Directors following reasonable managerial technical estimates from time to time wherein deviation, if any, from the Prudential norms relating to income recognition, asset classification, and provisioning (IRAC norms) for Bad and Doubtful debts in terms of Directions 2016 is trivial.



4. As per the information and explanation given to us, the statement of capital funds, risk assets/exposures, and risk asset ratio (DNBS 03 return) has been filed by the Company for all the quarters of FY2024-25 based on provisional financial results, including CRAR of respective quarters, drawn on the date of filing with in the stipulated period, in compliance with RBI norms.

[In conclusion, Government of Andhra Pradesh having substantial ownership in the company and also in the loan receiving related parties of the company, APGENCO, APPDCL, APSPDCL AND APEPDCL, or in short borrowers to the company are to be observed from time to time whether state government dues/receivables in these related parties outstanding for more than six months or atleast all the outstanding receivables that

were more than one year as on March 31,2025 were being paid and classified as noncurrent assets on the financial statements of the borrowers if not paid within the said stipulated time which could be a risk to the company coupled within flationary pressure on the power tariffs, namely APGENCO, APPDCL, APSPDCL AND APEPDCL, (for which interests burden for these amounts were paid by the borrowers shifting the same to the consumers of these borrowers building soaring inflation or to say in short unbridled escalation of power tariffs coupled with slow down or say constraints in the sufficiency to the supply of utility services including renewable energies at large in Andhra Pradesh) and in absence there could be a like li hood of default by the borrowers, in which case considering the sensitivity of the borrowers, it is necessary for the Government of Andhra Pradesh and the Reserve Bank of India, being the lender of last resort for Government of Andhra Pradesh to reach a consensus in amnesty from time to time to avoid all the guarantees issued by the Government of Andhra Pradesh now by issue of G-Sec dated securities or state development loans, shifting the present Government of Andhra Pradesh guarantees for G-Sec dated securities or State Development Loans by general pardon on past activities, at the earliest, by the adjustment of SLR by the RBI in absence there could be severe risk of soaring inflation burden on economy of Andhra Pradesh coupled with stoppages of energies in due course of time. What ever, it was mentioned in the management representation letter that the dues of the Government of AP were cleared during the year with no outstanding exceedingly more than one year]

For Mushty And Co(005501S)
Chartered Accountants

Sd/-

Mushty Sreeram
Dr Sreeram Mushty
Proprietor, M No 200273
UDIN: 25200273BMULPG9280



Statutory Auditors' Certificate (SAC)

We have examined the books of accounts and other records of Andhra Pradesh Power Finance Corporation Limited for the Financial Year ending March 31, 2023. Based on the information to us, we certify the following

S.no	Particulars	Details
1	Name of the company	Andhra Pradesh Power Finance Corporation Limited
2	Certificate of Registration No.	N-09.00266
3	Registered office Address	#40-12-16, 2nd Floor, East Wing, Vidyut Soudha, Gunadala, Vijayawada, Krishna District- 520004
4	Corporate office Address	#40-12-16, 2nd Floor, East Wing, Vidyut Soudha, Gunadala, Vijayawada, Krishna District- 520004
5	The company has been classified by RBI as: an investment Company/Loan company/ AFC/NBFC-MFI/NBFC-Factor/IFC/ IDF-NBFC)	NBFC
6	Net Owned Fund (in Rs. Crore) (Calculation of the same is given in the Annexure A)	567.72
7	Total Assets (in Rs. Crore)	12,718.39
8	Asset-Income pattern: (in terms of RBI Press Release 1998-99/1269 dated April 8, 1999) a)% of Financial Assets to Total Assets b)% of Financial income to Gross, Income (NBFC -Factor/NBMH/AFC/ IFC may also report separately below)	a) 99.87 b) 7.67
9	Whether the company was holding any Public Deposits, as on March 31, 2024 ? If Yes, the amount in Rs. Crore	No
10	Has the company transferred a sum not less than 20% of its Net Profit for the year to Reserve Fund? (in terms of Sec. 45-IC of the RBI Act, 1934).	Yes
11	Has the company received any FDI? If Yes, did the company comply with the minimum Capitalization norms for the FDI?	No



12	If the company is classified as an NBFC-Factor, a) % of Factoring Assets to Total Assets b) % of Factoring Income to Gross Income	NA
13	If the company is classified as an NBFC-MFI % of Qualifying Assets to Net Assets (refer to Notification DNBS.PD.No.234 CGM (US) 2011 dated December 02, 2011)	NA
14	If the company is classified as an AFC; a) % of Advances given for creation of physical/ real assets supporting economic activity to Total Assets b) % of income generated out of these assets to Total Income	NA
15	If the company is classified as an NBFC-IFC % of Infrastructure Loans to Total Assets	NA
16	Has there been any takeover/acquisition of control/ change in shareholding/ Management during the year which required prior approval from RBI? (please refer to Master Directions issued by DNBR i) Master Direction-Non-Banking Financial Company- Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions; and ii) Master Direction Non-Banking Financial Company Systemically Important Non-Deposit taking Company a Deposit taking Company (Reserve Bank) Directions.)	NO

This statement is prepared based on the attached financial statements of the company that are necessary to be modified. In terms of Chapter II of the Master Direction- Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, a separate report to the Board of Directors of the company has been prepared. I have read and understood Chapter III of the Master Direction- Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016.

For Mushty And Co(005501S)
Chartered Accountants

Sd/-

Mushty Sreeram
Dr Sreeram Mushty
Proprietor, M No 200273
UDIN: 25200273BMULPG9280



Annexure – A

S no	Capital Funds - Tire 1	(Rs. In crores)
1	Paid up Equity Capital	350.93
2	Pref Shares to be compulsorily converted in to equity	NIL
3	Free Reserves a. General Reserve b. Share Premium c. Capital Re serves d. Debenture Redemption Reserve e. Capital Redemption Reserve f. Credit Balance in P&L Account g. Other free reserves	89.22
4	Special Reserves	127.57
	Total of 1 to 4	567.72
5	Less:i. Accumulated balance of loss ii. Deferred Revenue Expenditure iii. Deferred Tax Assets (Net) iv. Other intangible Assets Owned Funds	567.72
6	Investment in shares of 1. Companies in the same group ii. Subsidiaries iii. Wholly Owned Subsidiaries iv. Other NBFCs	NIL
7	Book value of debentures, bonds outstanding loans and advances, bills purchased and is counted (including H.P. and lease finance) made to, and deposits with 1. Companies in the same group ii. Subsidiaries Wholly Owned Subsidiaries/Joint Ventures Abroad	NIL
8	Total of 6 and 7	NIL
9	Amount in item 8 in excess of 10% of Owned Fund	NIL
10	Net Owned Fund	567.72

For Mushty And Co(005501S)
Chartered Accountants

Sd/-

Mushty Sreeram
Dr Sreeram Mushty
Proprietor, M No 200273
UDIN: 25200273BMULPG9280



C & AG AUDIT REPORT



प्रधान महालेखाकार (लेखापरीक्षा) का कार्यालय
आंध्र प्रदेश, विजयवाड़ा- 520002
OFFICE OF THE PRINCIPAL ACCOUNT GENERAL (AUDIT)
ANDHRA PRADESH, VIJAYAWADA-500 002.



Lr. No. PAG(AU)/AP/AMG-II/TSC-I/APPFC-FY25/2025-33/295 Date : 06.01.2026

To
The Managing Director,
M/s. Andhra Pradesh Power Finance Corporation Limited,
48-12-16, 2nd Floor, East wing, Vidyut Soudha,
Gunadala, Vijayawada, Krishna District
Andhra Pradesh-520004

Sub : Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of Andhra Pradesh Power Finance Corporation Limited (APPFCL) for the year ended 31 March 2024-reg.

I am to forward herewith Comments of the Comptroller and Auditor General of India (C&AG) under Section 143(6)(b) of the Companies Act, 2013 on the financial statements of APPFCL for the year ended 31 March 2024 for necessary action.

2. The date of placing the Comments of C&AG along with Financial Statements and Revised Auditors' Report dated 06.11.2024 in Annual General Meeting (AGM) before the shareholders. of the Company may please be communicated along with copy of the proceedings of the AGM. 3. The date of forwarding the Annual Report of the Company containing Financial Statements along with Revised Auditors' Report and Comments of C&AG to the Government of Andhra Pradesh for the year ended 31 March 2024 for being laid before the State Legislature may also be intimated. Copy of the letter from the Legislature Secretariat indicating date on which Annual Report is laid before State Legislature may also be intimated.

4. Five copies of the Annual Report of the Company for the year 2024-25 may be furnished to this Office.

5. Management Letter containing deficiencies in internal controls on financial reporting noticed during Supplementary Audit of the accounts of the Company for the year is issued separately.

Encl:Asabove

Yours faithfully

Sd/-

Deputy Accountant General/ AMG-II

Address: 8th Floor, Stalin Central Mall, M.G.Road, Governorpet, Vijayawada 520 002.

Website: www.cag.gov.in/ag/andhra-pradesh

e-mail: agauandhrapradesh@cag.gov.in



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2025.

The preparation of financial statements of Andhra Pradesh Power Finance Corporation Limited for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 25.07.2025

I, on behalf of the Comptroller and Auditor General of India, have conducted a Supplementary audit of the financial statements of Andhra Pradesh Power Finance Corporation Limited for the year ended 31 March 2025 under Section 143(6)(a) of the Act. This Supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and the Company personnel and a selective examination of some of the accounting records.

On this basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to the statutory auditors report under Section 143 (6)(b) of the Act.

For and on behalf of
The Comptroller and Auditor General of India

Sd/-

(SARTAT CHATURVEDI)
Principal Accountant General
(Audit)

Place: Vijayawada
Date: 06.01.2026



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Balance sheet as on 31.03.2025

Rs in Lakhs

	Particulars	Note No.	As at Mar 31, 2025 (As per Ind AS)	As at March 31, 2024 (As per Ind AS)
	ASSETS			
(1)	Financial Assets			
(a)	Cash and cash equivalents	3	16,170.54	1,907.55
(b)	Bank Balance other than Cash and cash equivalents	4	478.34	379.17
(c)	Receivables	5		
	(i) Trade receivables		8,863.21	2,509.10
	(ii) Other receivables		-	-
(d)	Loans	6	11,78,734.91	13,14,255.01
(e)	Other Financial assets	7	65,806.31	34,670.84
	Total Financial Assets (1)		12,70,053.30	13,53,721.67
(2)	Non-financial Assets			
(a)	Current tax assets	8	1,785.36	3,109.02
(b)	Property, Plant and Equipment	9	0.17	1.05
	Total Non Financial Assets (2)		1,785.53	3,110.07
	Total Assets (1+2)		12,71,838.82	13,56,831.74
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	Financial Liabilities			
(a)	Payables	10		
	(I) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		957.89	2,734.43
	(ii) Other Payables		-	-
(b)	Debt Securities	11	88,458.33	1,21,118.33
(c)	Borrowings (Other than Debt Securities)	12	11,18,793.08	11,37,329.49
(d)	Other financial liabilities	13	2,000.00	-
	Contingent provisions against standeard assets		4,714.94	5,257.02
	Total Financial Liabilities (1)		12,14,924.24	12,66,439.27
(2)	Non-Financial Liabilities			
(a)	Current tax liabilities	14	114.59	3,130.18
(b)	Provisions	15	28.26	12.20
(c)	Impairment Allowance		-	-
(d)	Deferred tax liabilities (Net)	16	0.03	0.03
	Total Non-Financial Liabilities (2)		142.88	3,142.41
(3)	Equity			
(a)	Equity Share capital	17	35,092.47	35,092.47
(b)	Other Equity	18	21,679.23	52,157.59
	Total Equity (3)		56,771.70	87,250.06
	Total Liabilities and Equity (1+2+3)		12,71,838.82	13,56,831.74
			-0.00	-0.00

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushy & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLP9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Statement of Profit and Loss for the Period Ended on 31.03.2025

Rs in Lakhs				
	Particulars	Note No.	For the Period ended Mar 31, 2025 (As per Ind AS)	For the year ended March 31, 2024 (As per Ind AS)
(I)	REVENUE FROM OPERATIONS			
(i)	Interest Income	19	1,16,288.55	1,21,084.75
	Total Revenue from operations (I)		1,16,288.55	1,21,084.75
(II)	Other Income	20	-	-
(III)	Total Income (I+II)		1,16,288.55	1,21,084.75
(IV)	EXPENSES			
(i)	Finance Costs	21	1,05,480.20	1,06,031.77
(ii)	Fees and commission expese	22	2,000.00	-
(iii)	Impairment on Financial Assets	23	-542.08	-2,082.90
(iv)	Employee Benefits Expenses	24	33.87	54.71
(v)	Depreciation and amortization	25	0.89	0.41
(vi)	Others expenses	26	394.04	112.28
	Total Expenses (IV)		1,07,366.91	1,04,116.28
(V)	Profit/(Loss) before tax (III -IV)		8,921.64	16,968.48
(VI)	Tax Expense:			
	(1) Current Tax		-	3,003.92
	(2) Deferred Tax		-	0.03
	Total Tax Expense(VI)		-	3,003.92
(VII)	Profit / (Loss) for the period from continuing operations(V- VI)		8,921.64	13,964.56
(VIII)	Profit/(Loss) from discontinued operations		-	-
(IX)	Tax Expense of discontinued operations		-	-
(X)	Profit/(Loss) from discontinued operations(Aftertax) (VIII-IX)		-	-
(XI)	Profit/(Loss) for the period (VII+X)		8,921.64	13,964.56
(XII)	Other Comprehensive Income			
	(A) (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Subtotal (A)		-	-
	(B) (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will bereclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other Comprehensive Income (A + B)		-	-
(XIII)	Total Comprehensive Income for the period (XI+XII) (Comprising Profit/(Loss) and other Comprehensive Income for the period)		8,921.64	13,964.56
(XIV)	Earnings per equity share(for continuing operations)			
	Basic (Rs.)		25.42	39.79
	Diluted (Rs.)		25.42	39.79

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushty & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLP9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Statement of Changes in Equity for the year ended 31-03-2025

a) Equity Share Capital

Rs in Lakhs

Particulars	As at March 31,2025		As at March 31,2024	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Capital:				
Equity shares of Rs.100/- each	30,00,00,000	3,00,000.00	30,00,00,000	3,00,000.00
Issued, Subscribed & Fully Paid up Capital:				
Equity Shares of Rs. 100/- each	3,50,92,468	35,092.47	3,50,92,468	35,092.47
Total	3,50,92,468	35,092.47	3,50,92,468	35,092.47

Particulars	As at March 31,2025		As at March 31,2024	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Capital:				
Equity shares of Rs.100/- each	30,00,00,000	3,00,000.00	30,00,00,000	3,00,000.00
Issued, Subscribed & Paid up Capital:				
Equity Shares of Rs. 100/- each	3,50,92,468	35,092.47	3,50,92,468	35,092.47
Total	3,50,92,468	35,092.47	3,50,92,468	35,092.47

Terms and Rights attached to Equity Shares

- 1) The Company has only one class of equity shares having par value of Rs. 100 per share. Each holder of equity shares is entitled to one vote per share.
- 2) The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.
- 3) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Other Equity

Particulars	Reserves and Surplus		Total
	Special Reserves	Retained Earnings	
As at April 1, 2022	6,567.16	12,354.30	18,921.46
Profit for the year 2022-23	-	19,271.58	19,271.58
Transfer from Retained Earnings	4,900.21	-	4,900.21
Transfer to Special Reserves	-	-4,900.21	-4,900.21
As at March 31, 2023	11,467.37	26,725.66	38,193.04
Profit for the year 2023-24	-	13,964.56	13,964.56
Transfer from Retained Earnings	2,980.26	-	2,980.26
Transfer to Special Reserves	-	-2,980.26	-2,980.26
As at March 31, 2024	14,447.64	37,709.96	52,157.60
Profit for the year 2024-25	-	8,921.64	8,921.64
Transfer from Retained Earnings	1,677.18	-	1,677.18
Transfer to Special Reserves	-	-1,677.18	-1,677.18
Payment of Dividend	-	-39,400.00	-39,400.00
As at March 31, 2025	16,124.82	5,554.42	21,679.24

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushty & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLP9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S.,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Cash Flow Statement for the year ended 31st March 2025

Rs in Lakhs

PARTICULARS		For the year ended March 31, 2025	For the year ended March 31, 2024
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax as per Statement of Profit and Loss	8,921.64	16,968.48
	<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
	Depreciation & Assets written off	0.89	0.41
	Finance Cost	1,05,480.20	1,06,031.77
	Impairment loss allowance	(542.08)	-2,082.90
	Operating profit before working capital changes	1,13,860.64	1,20,917.76
	<i>Adjustments For:</i>		
	(Increase)/Decrease in Receivables from AP Govt	-	-
	(Increase)/Decrease in Receivables	(6,354.11)	10,994.55
	(Increase)/Decrease in Other Financial Assets	(31,135.47)	(21,811.39)
	(Increase)/Decrease in Current Tax Assets	1,323.66	(0.03)
	Increase/(Decrease) in Bonds outstanding	(32,660.00)	(37,530.00)
	Increase/(Decrease) in Inter Corporate Deposits	50,000.00	600.00
	Increase/(Decrease) in Bank Loans	-68,536.41	(34,242.97)
	(Increase)/Decrease in Advances to AP Power Utilities	1,35,520.09	83,203.61
	Increase/(Decrease) in Other Financial Liabilities	664.59	(9,142.06)
	Increase/(Decrease) in Provisions	16.06	2.60
	Increase/(Decrease) in Trade Payables	(1,776.54)	(1,817.31)
	Cash Generated from/(Used in) operations	1,60,922.53	1,11,174.76
	Finance cost paid	(1,05,480.20)	(1,06,031.77)
	Income tax paid	(1,680.26)	(3,122.18)
	Net Cash Flow from Operating Activities (A)	53,762.08	2,020.80
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	(Purchase)/Sale of Fixed Assets	-	-
	Net Cash Flow from Investing Activities (B)	-	-
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Increase/(Decrease) in Dividend-Payment of Dividend	(39,400.00)	-
	Increase/(Decrease) in Equity Share Capital	-	-
	Net Cash Flow from Financing Activities (C)	(39,400.00)	-
	Net (Decrease)/ Increase in Cash and Cash equivalents (A+B+C)	14,362.08	2,020.80
	Add: Cash and Cash Equivalents at the beginning the year	2,286.72	265.91
	Cash and Cash Equivalents at the end of the year	16,648.87	2,286.72
	Reconciliation of Cash & Cash Equivalents		
	Cash on Hand		
	<u>Cash at Bank</u>		
	a) In Current Account	16,170.22	1,871.71
	b) In Lien Accounts	478.34	379.17
	c) Escrow Accounts	0.32	35.85
	Total Cash & Cash Equivalents at the end of the year	16,648.87	2,286.72

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushthy & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLP9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S.,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Notes forming part of Financial Statements

Note 3: Cash and Cash Equivalents

Rs in Lakhs

Particulars	As at Mar 31, 2025(As per Ind AS)	As at March 31, 2024(As per Ind AS)
(i) Cash on Hand	-	-
(ii) Balances with Scheduled Bank		
a. In Current Account with SBI	16,170.22	1,871.71
b. In Escrow Accounts	0.32	35.85
Total	16,170.54	1,907.55

Note 4: Bank Balance other than Cash and Cash Equivalents

Particulars	As at Mar 31, 2025(As per Ind AS)	As at March 31, 2024(As per Ind AS)
(i) Lien Accounts with SBI		
a. Lien Account - 62265296302	0.00	0.00
b. Lien Account - 38356359860	0.00	0.00
c. Lien Account - 38356342256	-	-
d. Lien Account - 62213387439	5.96	11.46
e. Lien Account - 62235605816	12.18	12.19
f. Lien Account - 52117479165	23.23	23.24
g. Lien Account - 62167470827	3.02	3.21
h. Lien Account - 52117469464	322.03	329.07
i. Lien Account - 52117474699	-	-
j. Lien Account - 52117469442	-	-
k. Lien Account -52117479176	-	-
l. Lien Account -62443536820	111.91	0.00
Total	478.34	379.17

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushty & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLP9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Notes forming part of Financial Statements

Note 5: Receivables

Rs in Lakhs

Particulars	As at Mar 31, 2025(As per Ind AS)	As at March 31, 2024(As per Ind AS)
(i) Trade Receivables		
a) Receivables considered good - Unsecured		
Interest Receivable on Advances	8,863.21	2,509.10
Total	8,863.21	2,509.10
(ii) Other Receivables		-
Total Receivables	8,863.21	2,509.10

Note 5.1 Ageing of Trade Receivables

Particulars	As at Mar 31, 2025(As per Ind AS)					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade Receivables						
- Considered Good	8,863.21	-	-	-	-	8,863.21
- Considered Doubtful	-	-	-	-	-	-
(i) Disputed Trade Receivables						
- Considered Good	-	-	-	-	-	-
- Considered Doubtful	-	-	-	-	-	-
Total	8,863.21	-	-	-	-	8,863.21

Particulars	As at March 31, 2024(As per Ind AS)					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade Receivables						
- Considered Good	8,863.21	-	-	-	-	8,863.21
- Considered Doubtful	-	-	-	-	-	-
(i) Disputed Trade Receivables						
- Considered Good	-	-	-	-	-	-
- Considered Doubtful	-	-	-	-	-	-
Total	8,863.21	-	-	-	-	8,863.21

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushty & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLP9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Notes forming part of Financial Statements

Note 6 : Loans

Pursuant to the provisions specified under Division III - Schedule III to the Companies Act, 2013

Pursuant to the provisions specified under Division III - Schedule III to the Companies Act, 2013												Rs in Lakhs	
Particulars	Current Year: 2024-25						Financial Year: 2023-24						
	Amortised Cost	At Fair Value			Sub-Total	Total	Amortised Cost	At Fair Value			Sub-Total	Total	
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss				Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
1	2	3	4	5 = 2+3+4	6 = 1+5	1	2	3	4	5 = 2+3+4	6 = 1+5		
Loans													
(A)													
(i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-		
(ii) Loans repayable on Demand	-	-	-	-	-	-	-	-	-	-	-		
(iii) Term Loans	11,78,734.91	-	-	-	11,78,734.91	13,14,255.01	-	-	-	-	13,14,255.01		
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-		
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-		
(vi) Others	-	-	-	-	-	-	-	-	-	-	-		
Total (A) - Gross	11,78,734.91	-	-	-	11,78,734.91	13,14,255.01	-	-	-	-	13,14,255.01		
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-		
Total (A) - Net	11,78,734.91	-	-	-	11,78,734.91	13,14,255.01	-	-	-	-	13,14,255.01		
(B)													
(i) Secured by tangible assets	-	-	-	-	-	-	-	-	-	-	-		
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-		
(iii) Covered by Bank/ Government Guarantees	11,78,734.91	-	-	-	11,78,734.91	13,14,255.01	-	-	-	-	13,14,255.01		
(iv) Unsecured	-	-	-	-	-	-	-	-	-	-	-		
Total (B) - Gross	11,78,734.91	-	-	-	11,78,734.91	13,14,255.01	-	-	-	-	13,14,255.01		
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-		
Total (B) - Net	11,78,734.91	-	-	-	11,78,734.91	13,14,255.01	-	-	-	-	13,14,255.01		
(C) (i)													
Loans in India	-	-	-	-	-	-	-	-	-	-	-		
(i) Public Sector	11,78,734.91	-	-	-	11,78,734.91	13,14,255.01	-	-	-	-	13,14,255.01		
(ii) Others	-	-	-	-	-	-	-	-	-	-	-		
Total (C) - Gross	11,78,734.91	-	-	-	11,78,734.91	13,14,255.01	-	-	-	-	13,14,255.01		
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-		
Total (C) (i)-Net	11,78,734.91	-	-	-	11,78,734.91	13,14,255.01	-	-	-	-	13,14,255.01		
(C) (ii)													
Loans outside India	-	-	-	-	-	-	-	-	-	-	-		
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-		
Total (C) (ii)-Net	-	-	-	-	-	-	-	-	-	-	-		
Total (C) (i) and (ii)	11,78,734.91	-	-	-	11,78,734.91	13,14,255.01	-	-	-	-	13,14,255.01		

Foot Note:

Loans	31-03-2025	31-03-2024
Loan to AP-EPDCL (Bonds)	60,262.96	3,13,151.19
Loan to AP-SPDCL (Bonds)	2,07,783.37	5,45,179.02
Term Loan to AP-EPDCL	2,67,633.58	67,578.99
Term Loan to AP-Genco	58,100.00	58,100.00
Term Loan to APSPDCL	85,444.13	85,444.13
Term Loan to APSPDCL	4,49,510.87	2,44,801.68
Term Loan to APSPDCL-NEW	30,000.00	-
Total (d) = (a+b+c)	11,78,734.91	13,14,255.01
e. Less: Impairment Loss allowance	-	-
Net total (d-e)	11,78,734.91	13,14,255.01

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date

For Mushy & Co.

Chartered Accountants

FRN 55015

Sd/-

Dr. SREERAM MUSHITY

Proprietor

Membership No. 200273

UDIN: 25200273BMVLP9280

Place : Vijayawada

Date : 01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-

Sri I. Prudhivitej, IAS

Director, APPFCL

Sd/-

Sri D. Ronald Rose, I.A.S,

Managing Director, APPFCL

Sd/-

CH. Vidya Sagar

Company Secretary, APPFCL

Sd/-

K. Mohan Rao

Chief Finance Officer, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Notes forming part of Financial Statements

Note 7: Other Financial Assets**Rs in Lakhs**

Particulars	As at Mar 31, 2025(As per Ind AS)	As at March 31, 2024(As per Ind AS)
Receivable from Telanagana State Government	31,501.10	12.55
CDSL Fee Receivable - TSPFCL	0.37	0.37
NSDL Fee Receivable - TSPFCL	0.37	0.37
NSE Listing Fee Receivable - TSPFCL	0.89	0.89
DSRA- Fixed Deposits with Banks	34,302.76	34,647.91
Security Deposit	-	8.00
APCOS PD Account	0.77	0.70
Temporary Advance	0.05	0.05
Total	65,806.31	34,670.84

Note 8: Current Tax Assets

Particulars	As at Mar 31, 2025(As per Ind AS)	As at March 31, 2024(As per Ind AS)
Advance Tax FY 2024-25	1,695.11	2,994.00
TDS Receivable FY 2024-25	89.94	114.71
Refund Receivable	-	-
GST Cash Ledger	0.31	0.31
Total	1,785.36	3,109.02

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushty & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLPG9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

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Sri D. Ronald Rose, I.A.S,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Notes forming part of Financial Statements

Note : 9 Property Plant and Equipment (PPE)

Rs in Lakhs

Particulars	Property, Plant and Equipment				
	Computers	Office Equipments	Furniture & Fixures	Computer Software	Total
I. Gross block - at cost					
As at April 1, 2022	1.76	0.84	-	0.50	3.10
Additions	-	0.27	-	-	0.27
Deductions	-	-	-	-	-
As at March 31,2023	1.76	1.11	-	0.50	3.38
Additions					
Deductions					
As at March 31,2024	1.76	1.11	-	0.50	3.38
Additions					
Deductions					
As at March 31,2025	1.76	1.11	-	0.50	3.38
II. Accumulated Depreciation					
As at April 1, 2022	0.74	0.13	-	0.05	0.92
Charge For the Period	0.59	0.23	-	0.17	0.99
Disposals					
As at March 31,2023	1.33	0.36	-	0.22	1.91
Charge For the Period	0.22	0.11	-	0.08	0.41
Disposals					
As at March 31,2024	1.54	0.47	-	0.30	2.32
Charge For the Period					
Disposals	0.22	0.47	-	0.20	0.89
As at March 31,2025	1.76	0.94	-	0.50	3.21
III. Net Block [I-II]					
As at March 31,2025	0.00	0.17	-	0.00	0.17
As at March 31,2024	0.22	0.64	-	0.20	1.05
As at March 31,2023	0.43	0.75	-	0.28	1.47

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushty & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLPG9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
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K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Notes forming part of Financial Statements

Note 10: Trade Payables**Rs in Lakhs**

Particulars	As at Mar 31, 2025(As per Ind AS)	As at March 31, 2024(As per Ind AS)
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	957.89	2,734.43
Total	957.89	2,734.43
(II) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	-	-

Note 10.1 Ageing of Trade Payables

Particulars	As at Mar 31, 2025(As per Ind AS)				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME					
(ii) Others	913.34	-	-	44.55	957.89
(iii) Disputed Dues - MSME	-	-	-	-	
(iv) Disputed Dues - Others					
Total	913.34	-	-	44.55	957.89
Particulars	As at March 31, 2024				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME					
(ii) Others	2,684.21	-	-	50.85	2,735.05
(iii) Disputed Dues - MSME	-	-	-	-	
(iv) Disputed Dues - Others					
Total	2,684.21	-	-	50.85	2,735.05
Particulars	As at March 31, 2023				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME					
(ii) Others	4,487.90	-	-	63.84	4,551.73
(iii) Disputed Dues - MSME	-	-	-	-	
(iv) Disputed Dues - Others					
Total	4,487.90	-	-	63.84	4,551.73

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushty & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLPG9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Notes forming part of Financial Statements

Note 11: Debt Securities

Pursuant to the provisions specified under Division III - Schedule III to the Companies Act, 2013

Pursuant to the provisions specified under Division III – Schedule III to the Companies Act, 2013										Rs in Lakhs	
Particulars	ISIN	Rate of Interest	Date of Redemption	Current Year: 2024-25			Previous Year: 2023-24			Total	
				Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At Fair Value Through profit or loss		Designated at fair value through profit or loss
(A)				1	2	3	4 = 1+2+3	1	2	3	4 = 1+2+3
Liability component of compound financial instruments											
Others (Bonds/ Debenture etc.)				88,458.33			88,458.33	1,21,118.33	-	-	1,21,118.33
1/ 23-24 Bonds	INE847708DW1	7.50%	01-09-2033	11,300.00			11,300.00	11,300.00	-	-	11,300.00
1/2011 Bonds - Option B	INE847E08DK6	9.60%	15-12-2023	-			-	-	-	-	-
2/2011 Bonds - Option B	INE847E08DM2	9.97%	30-01-2024	-			-	-	-	-	-
1/2012 Bonds - Option B	INE847E08DO8	9.64%	08-06-2024	-			-	9,410.00	-	-	9,410.00
2/2020 Bonds [Refer foot note (b)]	INE847E08DT7	8.20%	29-04-2028	41,172.08			41,172.08	53,840.42	-	-	53,840.42
3/2020 Bonds	INE847E08DU5	8.20%	12-05-2028	13,644.58			13,644.58	17,842.92	-	-	17,842.92
4/2020 Bonds	INE847E08DV3	7.50%	18-08-2028	22,341.67			22,341.67	28,725.00	-	-	28,725.00
Total (A)				88,458.33			88,458.33	1,21,118.33	-	-	1,21,118.33
Debt securities in India	-	-	-	88,458.33			88,458.33	1,21,118.33	-	-	1,21,118.33
Debt securities outside India	-	-	-	-			-	-	-	-	-
Total (B) to tally with (A)				88,458.33			88,458.33	1,21,118.33	-	-	1,21,118.33

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushthy & Co.
Chartered Accountants
FRN 55015

Sd/-
Dr.SREERAM MUSHITY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLP9280
Place : Vijayawada
Date : 01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S.,
Managing Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Notes forming part of Financial Statements

Note 12: Borrowings Other than Debt Securities

Pursuant to the provisions specified under Division III - Schedule III to the Companies Act, 2013

Rs in Lakhs

Particulars	Current Year: 2024-25				Previous Year: 2023-24			
	Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	1	2	3	4 = 1+2+3	1	2	3	4 = 1+2+3
(a)Term loans:-	8,60,393.08			8,60,393.08	9,28,929.49	-	-	9,28,929.49
(i)from banks	8,60,393.08			8,60,393.08	9,28,929.49	-	-	9,28,929.49
State Bank of India	1,59,307.85			1,59,307.85	1,78,075.89	-	-	1,78,075.89
Union Bank of India	1,21,655.59			1,21,655.59	1,34,139.80	-	-	1,34,139.80
Canara Bank	1,64,929.60			1,64,929.60	1,82,403.69	-	-	1,82,403.69
Bank of Baroda	1,12,454.54			1,12,454.54	1,31,216.39	-	-	1,31,216.39
Bank of India	2,30,441.28			2,30,441.28	2,56,239.94	-	-	2,56,239.94
Indian Overseas Bank	40,604.22			40,604.22	46,853.78	-	-	46,853.78
(ii)from other parties-HUDCO	31,000.00			31,000.00	-	-	-	-
(b)Deferred payment liabilities	-			-	-	-	-	-
(c) Loans from Related Parties	-			-	-	-	-	-
(d) Finance lease obligations	-			-	-	-	-	-
Term Loan Payable During the year	-			-	-	-	-	-
(e)Liability component of compound financial instruments	-			-	-	-	-	-
(f)Loans repayable on demand:-	2,58,400.00			2,58,400.00	2,08,400.00	-	-	2,08,400.00
(i)from banks	-			-	-	-	-	-
(ii)from other parties - Inter Corporate Deposits	2,58,400.00			2,58,400.00	2,08,400.00	-	-	2,08,400.00
AP Buildings and Other Construction workers Welfare Board	14,400.00			14,400.00	14,400.00	-	-	14,400.00
AP Pollution Control Board	10,000.00			10,000.00	10,000.00	-	-	10,000.00
AP Southern Power Distribution Corporation Limited Pension & Gratuity	47,400.00			47,400.00	47,400.00	-	-	47,400.00
AP Urban Development Fund	12,500.00			12,500.00	12,500.00	-	-	12,500.00
AP Eastern Power Distribution Corporation Limited Pension & Gratuity	30,100.00			30,100.00	30,100.00	-	-	30,100.00
AP Solar Power Corporation	40,000.00			40,000.00	40,000.00	-	-	40,000.00
AP Eastern Power Distribution Corporation Limited PF Trust	4,900.00			4,900.00	4,900.00	-	-	4,900.00
AP Law Department	600.00			600.00	600.00	-	-	600.00
AP Central Power Distribution Corporation Limited Pension & Gratuity	48,500.00			48,500.00	48,500.00	-	-	48,500.00
AP Transo P&G Trust	50,000.00			50,000.00				
(g) Other loans (specify nature)				-	-	-	-	-
Total (A)	11,18,793.08			11,18,793.08	11,37,329.49	-	-	11,37,329.49
Borrowings in India	11,18,793.08			11,18,793.08	11,37,329.49	-	-	11,37,329.49
Borrowings outside India	-			-	-	-	-	-
Total (B) to tally with (A)	11,18,793.08			11,18,793.08	11,37,329.49	-	-	11,37,329.49

Foot Note:

(i) The repayment of Term Loans of Rs.8293.93 crores (Previous Year Rs. 9289.29 crores) raised from Banks is guaranteed by the State Government of Andhra Pradesh vide G.O. Ms. No 38 dated 29-11-2019, G.O. Ms. No. 42 dated 31-12-2019, G.O. Ms. No 01 dated 23-01-2020, G.O. Ms. No 12 dated 31-03-2020, G.O. Ms. No 24 dated 28-09-2020, G.O. Ms. No 27 dated 08-12-2020, G.O. Ms. No. 8 dated 21-08-2021, G.O. Ms. No. 16 dated 11.10.2021 And G.O.Ms.No:26 dated 16-03-2024.

(ii) Company has obtained guarantee from GoAP to the extent of Rs. 1,30,800 Lakhs only as against outstanding ICDs of Rs. 2,58,400 Lakhs resulting deficit guarantee coverage of Rs. 1,27,600 Lakhs.

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushty & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLP9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Notes forming part of Financial Statements

Note 13: Other financial liabilities**Rs in Lakhs**

Particulars	As at Mar 31, 2025 (As per Ind AS)	As at March 31, 2024 (As per Ind AS)
Contingent provisions against standeard assets	4,714.94	5,257.02
	4,714.94	5,257.02
Payable to AP Genco Provident Fund and Gratuity Trust	-	-
Guarantee Commision payable to AP Government	2,000.00	-
Total	2,000.00	-

Note 14: Current Tax Liabilities

Particulars	As at Mar 31, 2025 (As per Ind AS)	As at March 31, 2024 (As per Ind AS)
Provision for Income Tax FY 2024-25	-	3,003.92
CGST 9%	0.03	0.03
IGST	0.23	0.23
SGST 9%	0.03	0.03
TDS Payable	112.12	129.81
GST TDS	2.17	0.05
Total	114.59	3,134.07

Note 15: Provisions

Particulars	As at Mar 31, 2025 (As per Ind AS)	As at March 31, 2024 (As per Ind AS)
Professional Charges Payable	22.73	2.98
Guest House Expenses Payable	-	3.95
Salaries Payable	1.70	0.23
Other Payables	3.83	2.43
Total	28.26	9.59

Note 16: Deferred Tax Liabilities (Net)

Particulars	As at Mar 31, 2025 (As per Ind AS)	As at March 31, 2024 (As per Ind AS)
Tax effect of items constituting deferred tax		
Arising on account of timing difference in depreciation	0.03	-0.01
Total	0.03	-0.01

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushty & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLPG9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Notes forming part of Financial Statements

Note 17: Equity Share Capital

17.1 The reconciliation of equity share capital outstanding at the beginning and at the of the year

Rs in Lakhs

Particulars	As at Mar 31, 2025(As per Ind AS)	As at March 31, 2024(As per Ind AS)
Authorised Capital		
30,00,00,000 Equity shares of Rs. 100 each	3,00,000	3,00,000
Issued subscribed and fully paid up		
3,50,92,468 Equity shares of Rs. 100 each	35,092.47	35,092.47
Total Equity	35,092	35,092

17.2 Terms and rights attached to equity shares

- 1) The Company has only one class of equity shares having par value of Rs. 100 per share. Each holder of equity shares is entitled to one vote per share.
- 2) The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.
- 3) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

17.3 Reconciliation of the number of Equity shares and of Equity share capital amount outstanding at the beginnning and at the end of the year

Particulars	In Numbers	Amount
As at April 01, 2022	3,48,37,401	34,837.40
Shares issued during the year	2,55,067	255.07
As at March 31, 2023	3,50,92,468	35,092.47
Shares issued during the year	-	-
As at March 31, 2024	3,50,92,468	35,092.47
Shares issued during the year	-	-
As at March 31, 2025	3,50,92,468	35,092.47

17.4 Details of Equity shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of Shares	% of Equity Share Capital	No of Shares	% of Equity Share Capital
Governor Of Andhra Pradesh (Promoter)	3,50,92,462	99.99%	3,50,92,462	99.99%

Note 18 : Other Equity

Particulars	As at Mar 31, 2025(As per Ind AS)	As at March 31, 2024(As per Ind AS)
(A). Special Reserve		
Balance at the beginning of the year	14,447.64	11,467.37
Add: Transfer from Retained Earnings	1,677.18	2,980.26
Balance at the end of the year	16,124.82	14,447.64
(B) Retianed Earnings		
Balance at the beginning of the year	37,709.96	26,725.66
Add: Profit for the Year	8,921.64	13,964.56
Less: Transfer to Special Reserve	-1,677.18	-2,980.26
Less Payment of Dividend	-39,400.00	-
Balance at the end of the year	5,554.42	37,709.96
Total [A+B]	21,679.23	52,157.59

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushty & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLPG9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Notes forming part of Financial Statements

Note 19: Interest Income

Rs in Lakhs

Particulars	For the Period ended 31.03.2025			For the year ended March 31, 2024		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on Loans		1,14,752.15		-	1,19,601.77	-
Interest on deposits with banks		1,536.40		-	1,482.98	-
Total		1,16,288.55		-	1,21,084.75	-

Note 20: Other Income

Particulars	For the Period ended 31.03.2025	For the year ended March 31, 2024
Pre-closing Charges		-
Miscellaneous Income		-
Total	-	-

Note 21: Finance Cost

Rs in Lakhs

Particulars	For the Period ended 31.03.2025		For the year ended March 31, 2024	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
Interest on Inter Corporate Deposits	-	17,345.62	-	15,340.96
Interest on borrowings	-	80,073.52	-	77,788.58
Interest on debt securities	-	8,054.05	-	12,852.53
Other Interest Expense	-	7.01	-	49.71
Total	-	1,05,480.20	-	1,06,031.77

Note 22: Fees and Commission expense

Particulars	For the Period ended 31.03.2025	For the year ended March 31, 2024
Guarantee Commission Fee	2,000.00	-
Total	2,000.00	-

Note 23: Impairment on Financial Liabilities

Particulars	For the Period ended 31.03.2025		For the year ended March 31, 2024	
	On financial Assets/Instruments measured at fair value through OCI	On financial Assets/Instruments measured at amortised cost	On financial Assets/Instruments measured at fair value through OCI	On financial Assets/Instruments measured at amortised cost
Loan Assets	-	-542.08	-	-2,082.90
Total	-	-542.08	-	-2,082.90

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushty & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLPG9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Notes forming part of Financial Statements

Note 24: Employee Benefit Expenses

Particulars	For the Period ended 31.03.2025	For the year ended March 31, 2024
Staff Salary	33.87	54.71
Staff Welfare Expense	-	-
Total	33.87	54.71

Note 25: Depreciation and Amortization

Particulars	For the Period ended 31.03.2025	For the year ended March 31, 2024
Depreciation	0.89	0.41
Total	0.89	0.41

Note 26: Other Expenses

Particulars	For the Period ended 31.03.2025	For the year ended March 31, 2024
Audit Fee		
Audit Expenses	-	0.12
Internal Audit Fee	0.71	0.71
Statutory Audit Fees	1.92	0.89
Secretarial Audit Fees	0.59	1.13
Tax Audit Fees	0.18	0.18
Listing Compliance Fee	1.87	7.97
Professional Fee	11.76	4.69
Corporate Social Responsibility Expenses	329.06	-
Guest House Expense	15.19	64.79
Repairs and Maintenance	0.23	0.33
Office Expense	5.53	8.64
Vehicle Hire Expense	20.59	4.89
Rates and Taxes	-	0.04
ROC Charges	-	0.71
Other Expenses	0.98	2.28
Interest, Late fees and Penalties	5.45	14.92
Total	394.04	112.28

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushty & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLP9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



Schedule-1

1. Corporate Information:

Andhra Pradesh Power Finance Corporation Limited (APPFCL) was incorporated, pursuant to the Andhra Pradesh GO (Government Order) Ms. No. 54, dated 19/05/2000, as a Government Company under the Companies Act 1956, on 12th July, 2000 and had commenced its business on 13th July, 2000 and also obtained, the Certificate of Registration from the Reserve Bank of India as a Non-Banking Financial Institution under the Reserve Bank of India Act 1934, vide letter no. DNBS (H) No. 714/04.039/2000-2001, dated August 25th 2000. The main object of the Company includes providing Long Term Finance to those enterprises wholly engaged in the business of development, maintenance and operation of power and other activities related thereto including but not limited to generation, transmission, distribution facility viz., GENCO, TRANSCO, DISCOMs.

Schedule-2

1. Significant Accounting Policies

(i) Basis of Preparation and Presentation

(a) Statement of Compliance

The financial statements of the company have been prepared as a going concern in accordance with the Indian Accounting Standard ('Ind AS'), notified under sec. 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015(as amended from time to time) These financial statements may require further adjustments, if any, necessitated by the guidelines/clarification/directions issued in the future by RBI, Ministry of Corporate Affairs, or other regulators, which will be implemented as and when the same are issued and made applicable.

In Addition, the Guidance notes and Announcements issued by the Institute of Chartered Accountants of India are also applied, except where the compliance with other statutory provisions requires difference treatment.

(b) Accounting Convention:

The Financial Statements have been prepared under the historical cost convention except for financial instruments that are measured at fair value at the end of each reporting period.

The Company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

(c) Revenue Recognition:

As per Ind AS 109, interest income from financial assets is recognized on an accrual basis using effective interest rate method (EIR). The effective interest rate method is the rate that exactly discounts estimated future cash receipts (including all fees, transaction costs and other premiums or discounts paid or received) through the expected life of the financial instrument to the carrying amount on initial recognition.

Thus, Interest Income is recognized by applying the effective interest rate (EIR) to the



gross carrying amount of financial assets other than credit-impaired assets and financial Assets classified and measured at FVTPL.

(d) Finance Costs

As per Ind AS 109, finance cost i.e. interest expense from financial liabilities is recognized on accrual basis using effective interest rate method (EIR). The effective interest rate method is the rate that exactly discounts estimated future cash payments (including all interest payments and guarantee commission) through the expected life of the financial instrument to the carrying amount on initial recognition.

The company accounts for the interest expenditure on various series of bonds, term loan from banks and inter corporate deposits in the Statement of Profit & Loss as per Ind AS 109.

(e) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

(f) Financial Assets/Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss. Transaction costs directly attributable to the acquisition or issue of financial assets and financial liabilities that are measured at amortized cost are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortized cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account.

The classification depends on the contractual terms of the financial assets, cash flows and the Company's business model for managing financial assets.

(g) Measurement of Financial Instruments:

1. At amortized cost

A financial asset is measured at amortized cost only if both of the following conditions are met:

- (a) The assets are held within a business model whose objective is to hold them to collect contractual cash flows and
- (b) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding



Such Financial assets are subsequently measured at amortized cost using the, effective interest rate method.

The loans and advances given to AP Discom's were measured at amortized cost, since it satisfies both the conditions specified above.

(h) Basis of Presentation and Rounding Off

The standalone financial statements have been prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013.

The financial statements are presented in Indian Rupees (Rs.), which is the functional and presentation currency of the Company. All amounts have been rounded off to the nearest lakh (Rs. in lakhs), unless otherwise stated. The rounding off has been done in accordance with the requirements of Schedule III to the Companies Act, 2013.

27. Property, Plant and Equipment:

The property, plant and equipment are the assets held for use in the supply of services.

Cost:

Property, plant and equipment's are stated in the balance sheet at cost (net of duty / tax credit availed) less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, non-refundable duties & taxes and other directly attributable cost of bringing the asset to its working condition for the intended use. Company does not hold any immovable property.

28. Depreciation:

Depreciation on fixed assets is provided on straight-line basis at rates prescribed in schedule II of the Companies Act, 2013. The company follows charging depreciation on pro-rata basis on the assets acquired or disposed-off during the year.

29. Impairment of Financial Assets

Loan assets

The Company makes reasonable technical estimates from time to time for Impairment Loss based on the changes in credit Quality by the Management considering the Size, Circumstances and Nature of the Business While evaluating the Impairment of Assets complying with RBI Guidelines to the Extent possible / Viable with Least deviation if any.

Note to Accounts:

30. Following are the bank accounts reflected in the Books of Accounts and the same is reconciled as on 31.03.2025 by the management:

SL NO	Particulars	A/C No.
1	Current Account with SBI	52117468653
2	Lien Account-SBI	62443536820
3	Bank of Baroda – Escrow A/c	26360200007815
4	Canara Bank – Escrow A/c	2985201000189
5	Andhra Bank – Escrow A/c	119211100003059
6	Bank of India – Escrow A/c	860520110000534
7	Indian Overseas Bank – Escrow A/c	117802000000821
8	Lien Account-SBI – Series III/2012	62265296302
9	Lien Account-SBI – Series II, III & IV/ 2020	38356359860
10	Lien Account-SBI – Series I/2011 & II/2011	62213387439
SL NO	Particulars	A/C No.
11	Lien Account-SBI – Series I/2012	62235605816
12	Lien Account-SBI – Series I/2005	52117479165
13	Lien Account-SBI – Series I/2010	62167470827
14	Lien Account-SBI – Series II/2000	52117469464

31. Impairment Reserve

The Reserve Bank of India (RBI) issued Notification No.DOR (NBFC). CC.PD.No.109 /22.10.106/2019-20 dated 13th March, 2020 in respect of 'Implementation of Indian Accounting Standards' by NBFCs. In terms of the said circular, in case the impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification and Provisioning (IRACP) Norms (including standard assets provisioning) issued by RBI, the Company is required to appropriate the difference from their net profit after tax to “Impairment Reserve”. No withdrawals are permitted from this reserve without prior permission from the Department of Supervision, RBI.

The requirement for 'Impairment Reserve' shall be reviewed, going forward.

32. Provision on standard Assets/Impairment Loss

The company is registered with the Reserve Bank of India as a Non-Banking Financial Company, bearing registration number N-09.00266 dated 25th day of August, 2000. The company is required to comply with the regulations and guidelines issued by RBI from time to time.

As per RBI Circular bearing no. RBI/DNBR/2016-17/45, Master Direction DNBR. PD. 008/03.10.119/2016-17 the company is required to maintain “Provision on Standard Assets” at 0.40% of the total loans and advances.

Ind AS 109 requires that the company shall provide for impairment on financial assets on expected credit loss method. As per this method, the Company has to make provision for impairment loss based on the probability of default i.e., the likelihood of the borrower



defaulting on its obligation either over the next 12 months or over the remaining life of the instrument. The Company is of the opinion that the likelihood of default by the borrowers is very minimal. However, as the Company is a registered NBFC, it has been maintaining provision for impairment loss as prescribed by RBI

(Rs In lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Aggregate amount of advance	11,78,734.91	13,14,255.00
Provision required @ 0.40% on above	4714.94	5257.02
Provision maintained	4714.94	5257.02

33. Comparison between provision required as per RBI Income Recognition, Asset Classification and Provisioning norms (IRACP) and Impairment Allowance as per Ind-AS2024-25

(Rs In lakhs)

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Outstanding amount	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)=(4)-(5)	(7)	(8)=(5)-(7)
Performing Assets							
Standard	Stage 1	11,78,734.91	11,78,734.91	-	11,78,734.91	4714.94	(4714.94)
	Stage 2	-	-	-	-	-	-
Sub Total (1)		11,78,734.91	11,78,734.91	-	11,78,734.91	4714.94	(4714.94)
Non-Performing Assets							
Substandard Assets	Stage 3	-	-	-	-	-	-
Doubtful Assets							
Up to 1 Year	Stage 3	-	-	-	-	-	-
1 to 3 Years	Stage 3	-	-	-	-	-	-
More than 3 Years	Stage 3	-	-	-	-	-	-
Subtotal for doubtful assets		-	-	-	-	-	-
Loss Assets	Stage 3	-	-	-	-	-	-
Sub-total for NPA (2)		-	-	-	-	-	-
Total Loan Assets [1+2]		11,78,734.91	11,78,734.91	-	11,78,734.91	4714.94	(4714.94)
Other items which are in scope of Ind-AS 109 but not covered under IRACP norms		-	-	-	-	-	-
Sub-Total (3)		-	-	-	-	-	-
Total [1+2+3]		11,78,734.91	11,78,734.91	-	11,78,734.91	4714.94	(4714.94)

(Rs In lakhs)

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Outstanding amount	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)=(4)-(5)	(7)	(8)=(5)-(7)
Performing Assets							
Standard	Stage 1	13,14,255.00	13,14,255.00	-	13,14,255.00	5257.02	(5257.02)
	Stage 2	-	-	-	-	-	-
Sub Total (1)		13,14,255.00	13,14,255.00	-	13,14,255.00	5257.02	(5257.02)
Non-Performing Assets							
Substandard Assets	Stage 3	-	-	-	-	-	-
Doubtful Assets							
Up to 1 Year	Stage 3	-	-	-	-	-	-
1 to 3 Years	Stage 3	-	-	-	-	-	-
More than 3 Years	Stage 3	-	-	-	-	-	-
Subtotal for doubtful assets		-	-	-	-	-	-
Loss Assets	Stage 3	-	-	-	-	-	-
Sub-total for NPA (2)		-	-	-	-	-	-
Total Loan Assets [1+2]		13,14,255.00	13,14,255.00	-	13,14,255.00	5257.02	(5257.02)
Other items which are in scope of Ind-AS 109 but not covered under IRACP norms		-	-	-	-	-	-
Sub-Total (3)		-	-	-	-	-	-
Total [1+2+3]		13,14,255.00	13,14,255.00	-	13,14,255.00	5257.02	(5257.02)



33. Loan to AP DISCOMs:

The funds mobilized up to 31-03-2025 by way of Bonds, term loans from banks, inter corporate deposits and Own Funds i.e., through issue of equity shares have been deployed by way of "Loan to AP DISCOMs" to the extent of Rs. 11,78,734.91 Lakhs (Rs. 13,14,255.00 Lakhs as at 31-03-2024).

(Rs In Lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Financial Assets:		
-Loans and Advances to APEPDCL	2,67,633.58	3,13,151.18
-Loans and Advances to AP GENCO	58,100.00	58,100.00
-Loans and Advances to APPDCL	85,444.13	85,444.13
-Loans and Advances to APSPDCL	4,99,510.87	5,45,179.02
-Loans and Advances to AP Discom's Receivable from Govt. of AP (Bonds)	2,68,046.33	3,12,380.67
-Call Option		
Total:	11,78,734.91	13,14,255.00
Current Assets:	-	-
Other Current Assets		
Total:	11,78,734.91	13,14,255.00

Note: Charge creation certificate from APEPDCL, APSPDCL, have not been obtained in respect of working capital term loan disbursements.

35. Receivable from Telangana Government:

The principal and interest payable on outstanding Bonds, in respect of the share of Telangana State, are remitted by the Telangana State Government for payment to ultimate beneficiaries as per the recommendations of the Expert Committee. In this connection, the outstanding dues/default payment by the Telangana State Government to the bondholders as of the date towards the principal/interest payment on APPFC Bonds Series is Rs. 1,48,837.15 lakhs (AP & TG Investors). Further, the amount due from the Telangana State Government on the Bonds holders of Retail & Other Institutional Investors of Rs. 31,488.54 Lakhs on Bonds including Trustee fees of Rs.118.26 lakhs and the common expenditure for servicing of Bonds to APPFCL is Rs. 47.39 Lakhs (Previous Year Rs. 46.65 Lakhs) as of 31.03.2025.

36. DSRA:

Debt Service Reserve Account is a cash reserve which works as an additional security measure for the lenders (bankers) as it ensures that the borrower (company) will always have funds deposited for the next few months of debt service. It is generally a deposit which is equal to a given number of months projected debt service obligations.

Following are the details of DSRA deposits of the company as on 31st March, 2025:

(Rs In Lakhs)

Sl.No	Bank Name	Receipt No./Acc. No.	Receipt Date	Renew Date	Amount (Including Interest)
1	Bank of India	860545110004981	01-08-2024	01-08-2025	429.78
2	Bank of India	860545110005002	01-02-2025	01-02-2026	3034.10
3	Bank of India	860556110001102	02-05-2024	02-08-2025	1210.16
4	Bank of India	860556110001159	18-05-2024	18-05-2025	1136.21
5	Bank of India	860556110001262	05-04-2024	05-04-2026	25.96
6	Bank of India	860556110001276	23-05-2024	23-05-2026	158.55
7	Bank of India	860556110001307	03-07-2024	03-07-2025	2228.81
8	Bank of India	860556110001538	10-03-2025	14-04-2026	250.93
9	Bank of India	860556110001539	11-03-2025	15-04-2026	250.89
10	Bank of Baroda	26360300023641	02-07-2024	02-07-2025	229.23
11	Bank of Baroda	26360300023667	03-07-2024	03-07-2025	229.40
12	Bank of Baroda	26360300023700	05-07-2024	05-07-2025	199.17
13	Bank of Baroda	26360300023772	07-07-2024	07-07-2025	186.70
14	Bank of Baroda	26360300024056	09-3-2025	09-03-2026	107.27
15	Bank of Baroda	26360300028326	13-12-2024	13-12-2025	2551.89
16	Bank of Baroda	26360300028335	14-12-2024	14-12-2025	163.02
17	Bank of Baroda	26360300029195	24-05-2024	19-05-2025	101.56
18	Bank of Baroda	26360300029392	03-07-2024	03-07-2025	39.55
19	Bank of Baroda	26360300029871	09-10-2024	04-10-2025	206.17
20	Bank of Baroda	26360300029879	10-10-2024	05-10-2025	304.04
21	Bank of Baroda	26360300029882	11-10-2024	06-10-2025	304.00
22	Bank of Baroda	26360300029891	15-10-2024	16-10-2025	10.30
23	Bank of Baroda	26360300030503	01-02-2025	10-02-2026	1001.21
24	Bank of Baroda	26360300030514	13-12-2024	13-12-2025	256.81
25	Canara Bank	140204014913/1	30-12-2024	30-12-2025	3772.03
26	Canara Bank	140204014913/2	07-03-2025	07-03-2026	439.83
27	Canara Bank	140205215620	04-01-2025	04-01-2026	1880.35
28	Indian Overseas Bank	117804000005067	04-10-2024	22-12-2025	203.48
29	Indian Overseas Bank	117804000005068	05-10-2024	23-12-2025	203.45
30	Indian Overseas Bank	117804000005070	06-10-2024	24-12-2025	203.4
31	Indian Overseas Bank	117804000005071	07-10-2024	25-12-2025	203.36
32	Indian Overseas Bank	117804000005076	10-10-2024	28-12-2025	203.24
33	Indian Overseas Bank	117804000005085	11-10-2024	29-12-2025	203.2
34	Indian Overseas Bank	117804000005087	12-10-2024	30-12-2025	203.16
35	Indian Overseas Bank	117804000005722	07-06-2024	25-08-2025	190.93
36	Indian Overseas Bank	117804000005729	11-06-2024	28-08-2025	190.82
37	Indian Overseas Bank	117804000005732	11-06-2024	29-08-2025	190.79
38	Indian Overseas Bank	117804000006018	09-10-2024	26-12-2025	20.18
39	State Bank of India	42925058981	30-04-2024	30-04-2025	880
40	State Bank of India	43205288995	31-07-2024	31-07-2025	1760
41	State Bank of India	43772924366	31-01-2025	31.01.2026	4782.62
42	Union Bank Fixed Deposit	779403030000103	03-02-2025	01-02-2026	4133.64
43	Union Bank Fixed Deposit	90413030000165	30-09-2024	30-09-2025	22.57
Grand Total					34,302.76



37. Debt Securities and Term Loans:

As on March 31, 2025, aggregate outstanding amount of Bonds is Rs. 77,158.34 Lakhs (Previous year Rs. 1,09,818.33 Lakhs) and aggregate outstanding amount of term loans from banks is Rs. 8,29,393.08 Lakhs (Previous year: Rs. 9,28,929.49 Lakhs).

A) Debt Securities (Bonds):

- (i) The Company has raised funds through private placement of "BONDS" in the earlier years under various series, but during the current year 2024-25 the Company has not raised funds through issue of Bonds. The common features of the various series of bonds issued earlier are as under:
 - (a) The bonds carry an unconditional and irrevocable guarantee by Government of Andhra Pradesh for repayment of both interest and principal.
 - (b) The redemption of the Bonds/repayment to the bond holders is governed by a "STRUCTURED MECHANISM", through a tripartite agreement among the company, Government of Andhra Pradesh and State Bank of India - Trustees to the Bond holders, which assures budgetary support from Government of Andhra Pradesh (GoAP) for servicing the bonds. The payment of outstanding interest on bonds and repayment of principal amount of bonds are met/paid by the company by way of transfer of funds into the designated lien account out of the monies transferred by the Government of Andhra Pradesh to the company pursuant to the obligations undertaken by it under the said Tripartite Agreement.
 - (c) Company has also raised funds by issuing bonds on its own and repayment of principal and interest on such bonds will be serviced by the company itself.
- (ii) Outstanding amount of Bonds at the end of year under different series is as follows:

(Rs in lakhs)

Sl. No.	Bond Series	Amount Outstanding as at		Coupon Rate(%) p.a.	Interest Payable	Tenure in Years	Put/Call Option due at the end of
		March 31, 2025	March 31, 2024				
1	1/2010	-	-	8.74	Semi Annual	12	10 th Year
2	1/2011	-	-	9.60	Semi Annual	12	10 th Year
3	2/2011	-	-	9.97	Semi Annual	12	10 th Year
4	1/2012 (Option A)	-	-	9.50	Semi Annual	10	7 th Year
5	1/2012 (Option B)	-	9,410.00	9.64	Semi Annual	12	10 th Year
6	2/2012	-	-	9.75	Semi Annual	10	7 th Year
7	3/2012	-	-	9.75	Semi Annual	10	7 th Year
8	1/2020	-	-	8.2	Quarterly	10	NA
9	2/2020	41,172.08	53,840.42	8.2	Quarterly	8	NA
10	3/2020	13,644.58	17,842.92	8.2	Quarterly	8	NA
11	4/2020	22,341.67	28,725.00	7.5	Quarterly	8	NA
12	1/23-24	11,300.00	11,300.00				
Total		88,458.34	121,118.33				

(iii) During the year, APPFCL has redeemed bonds either fully or partially as detailed below:

Bond Series	Coupon rate(%)	Due Date of Redemption	Redemption date	Redemption Amount	GO No./Date	Remarks
(a) Government of Andhra Pradesh Bonds[Principal and interest serviced by GoAP]						
APPFCL BONDS	9.00	31.05.2024	30.05.2024	1562.50	61/07.05.2024	Partial Redemption
APPFCL BONDS	9.00	30.06.2024	29.06.2024	4167.00	73/18.06.2024	Partial Redemption
APPFCL BONDS	9.00	30.08.2024	29.08.2024	1562.50	91/22.08.2024	Partial Redemption
APPFCL BONDS	9.00	30.09.2024	30.09.2024	4167.00	97/28.09.2024	Partial Redemption
APPFCL BONDS	9.00	30.11.2024	30.11.2024	1562.50	109/30.11.2024	Partial Redemption
APPFCL BONDS	9.00	31.12.2024	31.12.2024	4167.00	120/31-12-2024	Partial Redemption
APPFCL BONDS	9.00	28.02.2025	28.02.2025	1562.50	15/21-02-2025	Partial Redemption
APPFCL BONDS	9.00	31.03.2025	30.03.2025	-	-	Partial Redemption
2/2020	8.20	29.04.2024	29.04.2024	3167.08	53/16-04-2024	Partial redemption
2/2020	8.20	29.07.2024	31.07.2024	3167.08	77/02.07.2024	Partial redemption
2/2020	8.20	29.10.2024	30.10.2024	3167.08	103/29.10.2024	Partial redemption
2/2020	8.20	29.01.2025	31.01.2025	3167.08	4/16.01.2025	Partial redemption
3/2020	8.20	12.05.2024	14.05.2023	876.25	58/03.05.2024	Partial redemption
3/2020	8.20	12.08.2024	16.08.2024	876.25	88/09.08.2024	Partial redemption
3/2020	8.20	12.11.2024	12.11.2024	876.25	108/19.11.2024	Partial redemption
3/2020	8.20	12.02.2025	12.02.2025	876.25	11/29.01.2025	Partial redemption
Sub Total (a)				34924.32		
(b) APPFC Own Bonds [Principal and interest services by own funds]						
3/2020	8.20	12.05.2024	14.05.2024	173.33	-	Partial redemption
3/2020	8.20	12.08.2024	16.08.2024	173.33	-	Partial redemption
3/2020	8.20	12.11.2024	12.11.2024	173.33	-	Partial redemption
3/2020	8.20	12.02.2025	12.02.2025	173.34	-	Partial redemption
4/2020	7.50	18.05.2024	21.05.2024	1,595.83	-	Partial redemption
4/2020	7.50	18.08.2024	27.08.2024	1,595.83	-	Partial redemption
4/2020	7.50	18.11.2024	31-01-2025	1,595.83	-	Partial redemption
4/2020	7.50	18.02.2025	18.02.2025	1,595.83	-	Partial redemption
Sub Total (b)				7076.65		
Grand Total [a+b]				42000.97		

Note:-The tax cannot be deducted at source as required under Chapter XVII of the Income Tax Act, 1961, as the bonds are tradable in nature and the ultimate beneficiary cannot be ascertained at the end of the year till the actual payment is made. However, TDS was deducted on the Interest Amounts payable on Unlisted Bonds wherever applicable.

B) Term Loans from Banks:

- (i) The repayment of Term Loans of Rs.8,29,393.08 Lakhs (Previous Year Rs. 9,28,929.49 Lakhs) raised from Banks is guaranteed by the State Government of Andhra Pradesh vide G.O. Ms. No 38 dated 29-11-2019, G.O. Ms. No. 42 dated 31-12-2019, G.O. Ms. No 01 dated 23-01-2020, G.O. Ms. No 12 dated 31-03-2020, G.O. Ms. No 24 dated 28-09-2020, G.O. Ms. No 27 dated 08-12-2020, G.O. Ms. No. 08 dated 21-08-2021, G.O. Ms. No. 16 dated 11.10.2021 and G.O.M.S. No.26 dated 16-03-2024.
- (ii) "Andhra Pradesh Power Finance Corporation Limited (APPFCL) availed a term loan of ₹310 crores from Housing and Urban Development Corporation (HUDCO) vide GoMS No. 35 dated March 28, 2025."
- (iii) Outstanding amount of term loans is as follows:



BANK NAME	SANCTIONED DATED	LOAN AVAILED AMOUNT	OUTSTANDING as at		OVERDUES on March 31,2025	Latest ROI	TENURE OF THE LOAN
			March 31, 2025	March 31, 2024			
SBI Bank loan	17.12.2019	1,50,000.00	84,311.55	1,03,076.01	-	9.05%	2yrs moratorium, 32 quarterly instalments commencing from 3rd Quarter of FY 2021-22
	19-03-2024	75,000.00	74996.30	74,999.88	-	9.05%	2yrs moratorium, 52 quarterly instalments commencing from 3rd Quarter4 of FY 2025-26
UNION BANK of India	31.12.2019	1,50,000.00	1,21,655.59	1,34,139.80	-	9.00%	3yrs moratorium, 48 quarterly instalments commencing from 31.01.2023
Canara Bank	15.02.2020	60,000.00	1,64,929.60	1,82,403.69	-	9.10%	3yrs moratorium, 48 quarterly instalments commencing from 31.01.2023
	17.03.2020	1,40,000.00					
Bank of India	09.04.2020	2,00,000.00	2,30,441.28	2,56,239.94	-	8.85%	3yrs moratorium, 48 quarterly instalments commencing from 30.04.2023
	30.09.2020	1,00,000.00				8.95%	1yr moratorium, 44 Quarterly instalments commencing from 30.12.2021
Bank of Baroda	11.12.2020	75,000.00	1,12,454.54	13,12,16.38	-	9.00%	2yrs moratorium, 32 quarterly instalments commencing from 31.12.2023
	14-10-2021	75,000.00				8.95%	2yrs moratorium, 32 quarterly instalments commencing from 31.10.2023
INDIAN OVERSEAS BANK	27.08.2021	50,000.00	40604.22	46,853.78	-	9.15%	2yrs moratorium, 32 quarterly instalments commencing from 31.08.2023
TOTAL BANK TERM LOANS		10,75,000.00	8,29,393.08	9,63,172.46			

38. Inter-Corporate Deposits:

To achieve the objectives of the company, from time to time, the company has invited funds from various Government Entities in the form of Inter Corporate Deposits (ICDs) at the rate of interest ranging from 5.75% to 8.00% and tenor ranging from 1 year to 10 years and above

The outstanding status of Inter Corporate Deposits as on March 31, 2025 is as detailed below: **(Rs in Lakhs)**

Depositor Name	Year of Deposit	Deposits outstanding as at		Deposited /Renewal date	Tenure	Latest ROI
		March 31, 2025	March 31, 2024			
AP Buildings and other Construction workers Welfare Board.	2020-21	14,400.00	14,400.00	Deposited on 17.10.2025 Latest Renewed on 17.10.2025	1 year	6.00%
AP Pollution Control Board	2020-21	10,000.00	10,000.00	Deposited on 29.09.2020 Latest Renewed on 29.09.2025	1 year	7.00%
AP Southern Power Distribution Corporation Limited Pension and Gratuity Trust (Bifurcated Bonds APSPDCL - 474 Crs. , APCPDCL 485 Crs)	2020-21	6,000.00	6,000.00	Deposited Rs. 1,000.00 Lakhs on 07.12.2020, Rs. 5,000.00 Lakhs on 09.12.2020,	10 years	7.50%
	2020-21	8,600.00	8,600.00	Deposited Rs. 8,600.00 Lakhs on 04.03.2021.	10 years	8.00%
	2021-22	32,800.00	32,800.00	Deposited Rs. 6,500.00 Lakhs on 11.05.2021, Rs. 8,300.00 Lakhs on 04.06.2021, Rs. 8,000.00 Lakhs on 02.07.2021 & Rs. 10,000.00 Lakhs on 05.08.2021	10 years	8.00%
AP Central Power Distribution Corporation Limited Pension and Gratuity Trust (Bifurcated Bonds APSPDCL - 474 Crs. , APCPDCL 485 Crs)	2023-24	19,000.00	19,000.00	Received Rs.48500.00 laksh on 28-04-2023	10 years	7.50%
		8,000.00	8,000.00		10 years	8.00%
		7,500.00	7,500.00		10 years	8.00%
		14,000.00	14,000.00		10 years	7.50%
AP Eastern Power Distribution Corporation Limited Pension and Gratuity Trust	2021-22	22,000.00	22,000.00	Deposited Rs. 12,000.00 Lakhs on 12.05.2021, Rs. 5,000.00 Lakhs on 17.06.2021 & Rs. 5,000.00 Lakhs on 06.08.2021	10 years	8.00%
	2022-23	5,000.00	5,000.00	Deposited on 01.09.2022	10 years	7.50%
	2022-23	3,100.00	3,100.00	Deposited Rs. 2,000.00 Lakhs on 06.09.2022, & Rs. 1,100.00 Lakhs on 10.11.2022	5 years	7.50%
AP Urban Development Investment Fund	2020-21	12,500.00	12,500.00	Deposited Rs. 1,250.00 Lakhs on 11.09.2020 and latest renewed on 11.09.2025 & Deposited Rs. 6,250.00 Lakhs on 14.09.2020 and latest renewed on 14.09.2025	1 year	6.50%
AP Solar Power Corporation	2021-22	40,000.00	40,000.00	-	10 years	7.00%
AP Eastern Power Distribution Corporation Limited PF Trust	2022-23	3,000.00	3,000.00	Deposited on 01.09.2022	10 years	7.50%
	2022-23	1,900.00	1,900.00	Deposited on 10.11.2022	5 years	7.50%
ANDHRA PRADESH STATE ADVOCATE WELFARE TRUST	2023-24	600.00	600.00	Deposited Rs. 600.00 Lakhs on 20-09-2023	10 years	6.50%
ANDHRA PRADESH TRANSCO Pension and Gratuity Trust	2024-25	50,000.00	-	Deposited Rs. 50,000.00 Lakhs on 30-09-2024	10 years	7.82%
Total		2,58,400.00	2,08,400.00			



Note:

- (i) Company has obtained guarantee from GoAP to the extent of Rs. 1,30,800 Lakhs only as against outstanding ICDs of Rs. 2,58,400 Lakhs resulting deficit guarantee coverage of Rs.127,600 Lakhs.
- (ii) Company has not filed MGT 14 form with Registrar of companies with regards to acceptance of inter corporate deposits during the year.

39. Calculation of Current Tax Liability (Net) for the FY 2024-25:

		(Rs in Lakhs)
Particulars		Amount
A. Current Tax Assets (Refer Note 7)		
(i) Advance Income Tax paid (FY 2024-25)		1,695.11
(ii) TDS Receivable (FY 2024-25)		89.94
(iii) GST Cash Ledger		0.31
	Total (A)	1,785.36
B. Current Tax Liability (Refer Note 13)		
(i) Provision for Income Tax (FY 2024-25)		0
	Total (B)	0
	Net Current Tax Liability(A-B)	1,785.36

40. Fees and commission:

Guarantee Commission payable to Government of Andhra Pradesh(GoAP):

GoAP has extended guarantee to APPFCL for mobilization of funds by raising term loans/bonds from financial institutions/banks for on onward lending to the power sector utilities/DISCOMs of AP State Government for an aggregate amount of Rs. 15,74,133.00 lakhs [vide G.O.Ms.No.35/30.10.2018 amended to G.O.Ms.No.28/05.09.2019 of Rs. 5,00,000.00 Lakhs, G.O.Ms.No.32/23.09.2019 of Rs. 4,74,133.00 Lakhs and G.O.Ms.No.10/30.03.2020 of Rs. 6,00,000 Lakhs] for which the company has to pay guarantee commission of Rs. 31,482.66 Lakhs [i.e., 2% of guaranty amount] as per GO Ms.No.446 dated 29.09.2003. Whereas the GoAP has ascertained guarantee commission of Rs. 20,000.00 Lakhs only for guarantees given in respect of loans availed by the company till 31.12.2021 vide their letter bearing no. FIN01-BUGT0MISC/40/2021-CDM (C.No: 1602730) dated 22.03.2022. GoAP has directed to pay guarantee commission of Rs.3,000 lakhs in the FY 2021-22 vide letter no. FIN01-BUGT0MISC/40/2021-CDM (C.No:1602730) dated 24.03.2022 and accordingly company has paid Rs.3,000 lakhs on 31.03.2022.

Go.AP has further directed to pay additional guarantee commission of Rs. 1,000.00 Lakhs for the current FY 2022-23 vide letter no. FIN01-BUGT0MISC/40/2021-CDM(C.No:1602730) dated 23.05.2023. Accordingly company has provided Rs.1,000 lakhs as guarantee commission during the FY 2022-23 had paid on 24-05-2023 and 750 crs vide Go.Ms.No:26 dated 16-03-2024 the amount may have to be paid in the subsequent years. APPFCL availed a term loan of ₹310 crores from Housing and Urban Development Corporation (HUDCO) vide GoMS No. 35 dated March 28, 2025."

For the FY 2024-25, the company has created a provision of ₹20 crores in its financials towards guarantee commission payable to the Government, which will be paid upon receipt of a demand notice without any interest.

41. Transfer to Investor Education Protection Fund(IEPF):

During the financial year, the company transferred ₹5,49,686.00 (Previous Year - ₹14,45,210.00) to the Investor Education and Protection Fund (IEPF). Additionally, the company was required to transfer ₹13,85,799 to the IEPF fund after March 31, 2025.

42. Managerial Remuneration:

During the year company has paid managerial remuneration to managing director as detailed below:

(Rs in Lakhs)

Particulars	Amount for the FY	
	2024-25 Rs.	2023-24 Rs.
Salaries, Allowances	-	-
Contribution to Provident Fund and welfare fund	-	-
Others – Additional Charge allowance to Managing Director	1.31	4.01

43. Contingent Liabilities:

(Rs in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax claims against the company not acknowledged as debts (AY 2012-13)	53	215.38

44. Earnings per Share (EPS):

Basic and diluted earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year.

(Rs in Lakhs)

Particulars	Amount for the year ended	
	March 31, 2025	March 31, 2024
Net profit attributable to equity holders (Rs.)	8921.64	13,964.56
Weighted average no. of equity shares of basic earnings per share.	3,50,92.47	3,50,92.47
Weighted average no. of equity shares of diluted earnings per share.	3,50,92.47	3,50,92.47
Earning per Equity Share:		
a) Basic earnings per Share (Rs.)	25.42	39.79
b) Diluted earnings per share (Rs.)	25.42	39.79

45. Corporate Social Responsibility (CSR)

The Company has constituted CSR Committee and has undertaken CSR activities in accordance with Schedule VII to the Companies Act, 2013. As per section 135 of the companies Act, 2013, company is required to spend 2% of its average net profit of the immediately three preceding financial years on CSR.



(Rs in Lakhs)

Particulars	Amount for the FY	
	2024-25	2023-24
A. Shortfall at the beginning of the year	-	-
B. Gross Amount required to be spent during the year	322.08	329.06
C. Amount spent during the year	-	-
D. Shortfall at the end of the year [A+B-C]	322.08	329.06
E. Previous year shortfall Spent in the Current year	-	-
F. Excess amount to be carried forward	-	-

The company has identified Projects for Rs. 322.08 Lakhs for being spent as CSR and awarded the projects. However, the actual payment had been made in the FY 2025-26.

46. As of FY 2024-25, the outstanding dues/default payment by the Telangana State Government to the bondholders towards principal/interest payment on APPFC Bonds Series is ₹1,75,665.78 lakhs and penal interest of ₹4,551.92 lakhs. Notably, APPFCL's share of ₹9,410 lakhs has been paid as on 08-06-2024.

The Expert Committee for Approval of the Demerger Proposals of Government Companies/Corporations/Entities in the Schedule IX of AP Re-organization Act, 2014 chaired by Dr. (Mrs) Sheela Bhide I.A.S (Retd.,) has recommended apportionment of Bond Liability as on 02.06.2014 between M/s. APPFCL and M/s. TSPFCL in the ratio of 40.46% and 59.54% respectively, however TSPFCL had raised an objection vide it's letter dated 28.04.2015, 11.05.2015, 26.05.2015, 29.06.2015, 26.08.2015 and 24.09.2015 etc., addressed to Managing Director, APPFCL over the allocation of 'Outstanding Bonds' (as on 02.06.2014) of Rs. 5,894.60 Crores, in the ratio of 59.54% of Rs. 3,509.60 Crores to TSPFCL and 40.46% of Rs. 2,385.00 Crores to APPFCL as per G.O. Ms. No. 28 dated 30.05.2014, claiming that the ratio of allocation was not in accordance with the provisions of Sec. 68 read with Sec. 53 of A.P. Re organization Act, 2014.

47. Except for the matters stated hereunder, according to the information, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty, Goods and Service Tax and cess were in arrears as at 31-03-2024 for a period of more than six months from the date they become payable. The Company has filed an appeal in Telangana High Court against order of Income Tax Appellate Tribunal, Hyderabad Bench "A", Hyderabad in I.T.A. No. 27/HYD/2016 (for AY 2012-13) bearing the Income Tax demand due to Non-Deduction of TDS on interest on application money of Rs. 4,93,77,480/- paid to various organizations and hence the corporation has not provided for the demand in the books as at 31st March, 2025.
48. The Government of AP vide G.O. Ms.No.39 & G.O.Ms.No.4, dated 02ndDecember, 2019 and dated 10th February, 2020 respectively, Government of Andhra Pradesh has passed order for transfer of Assets from Power Utilities to Andhra Pradesh Power Finance Corporation Limited and for transfer of APGENCO freehold property (Vacant Land of Ac.66.43 in Visakhapatnam District and Ac.34.88 in Nellore District to a total extent of AC.101.31) at Book Value to Andhra Pradesh Power Finance Corporation Limited. However, the issue is still pending and the transfer of Assets was not materialized till date and not incorporated in the Books of Accounts by the financial year ended 31st March, 2025.



49. Ratios

A. Capital Adequacy Ratio

The company is registered with the RBI as NBFC and categorized as ND-SI by the RBI. Hence, as per RBI Circular DNBR (PD) CC No.092/03.10.001/2017-18 dated May 31, 2018 the company shall maintain certain percentage of amount as Capital. As per RBI Roadmap, following are the applicability to NDSI:

As on	CRAR %
31 st March, 2019	10 % (Min - 7%)
31 st March, 2020	12 % (Min - 8%)
31 st March, 2021	13 % (Min - 9%)
31 st March, 2022	15 % (Min - 10%)
31 st March, 2023	27.22% (Min - 15%)
31 st March, 2024	26.87 % (Min - 15%)
31 st March, 2025	15.23 % (Min - 15%)

Since, the company has created Provision on Standard Assets and Statutory Reserves as per RBI norms, the CRAR % is calculated for Tier I and Tier II capital. Tier I capital is the primary funding source of the bank. Tier I capital consists of shareholders' equity and retained earnings. Tier II capital includes revaluation reserves, hybrid capital instruments and subordinated term debt, general loan-loss reserves, and undisclosed reserves. The Company has considered the Provision on Standard Assets under Tier II.

Particulars		As at March 31, 2025
I.	Tier I Capital	56,771.70
II.	Tier II capital (Provision on Standard Assets)	4,714.94
III.	Total Capital	61,486.64
IV.	Risk Weighted Assets	4,03713.85
V.	Tier I capital funds or core capital to risk weighted assets ratio (Core CRAR)	14.06%
VI.	Tier II capital to risk weighted assets ratio	1.17%
VII.	Capital to Risk weighted Assets Ratio (CRAR)	15.23%

The company has maintained CRAR at 15.23%. Hence, the company has complied with the CRAR requirement as per the RBI roadmap of 15 % as on 31st March, 2025.

B. Analytical Ratios

Particulars	As at March 31, 2025	As at March 31, 2024
Capital to risk weighted assets ratio	15.23%	26.87%
Tier I CRAR	14.06%	25.34%
Tier II CRAR	1.17%	1.53%
Liquidity Coverage ratio	132.98%	156.83%



50. Financial Instruments

A. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity shareholders.

The Company manages its capital structure with a view to ensure that it will be able to continue as a going concern while the capital structure of the Company consists of debt (borrowings as detailed in notes 11 and 12) and total equity of the Company.

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

Debt-Equity ratio at the end of the reporting period was as follows: (Rs in lakhs)

Particulars	Amount	
	As at March 31, 2025	As at March 31, 2024
Non-current borrowings	1118793.08	1137329.49
Current borrowings	77158.33	10981.83
Total Debt	1195951.41	12,47,147.82
Equity	58301.76	87249.79
Debt to equity ratio	20.51	14.29

B. Financial Instruments

Classification of financial assets and liabilities

(Rs in lakhs)

Particulars	Amount	
	As at March 31, 2025	As at March 31, 2024
(i) Financial Assets (at amortized cost)		
Cash and Cash equivalents	16170.54	1907.55
Bank balances other than above	478.34	379.17
Trade Receivables	8863.21	2509.10
Loans	1178734.91	13,14,255.01
Other Financial Assets	65806.31	13,670.84
Total Financial Assets	12,70,053.30	13,53,721.67
(ii) Financial Liabilities (at amortized cost)		
Trade Payables	957.89	2734.43
Debt Securities	88458.33	1,21,118.33
Borrowings (other than Debt Securities)	1118793.08	1137329.49
Other financial liabilities	0	0
Contingent provisions against standard assets	4714.94	5257.02
Total Financial Liabilities	12,12,924.24	12,66,439.27

51. Risk Management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to the following risks arising from financial instruments:

A) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises primarily from financial assets such as trade receivables, balances with banks, loans and other receivables.

Credit risk is perceived to be low since majority of the loans are given to government entities.

B) Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by the Company through effective fund management. The Company's principal sources of liquidity are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Company believes that current cash and cash equivalents and cash flow that is generated from operations are sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

C) Market Risk:

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises of the following three types of risk: currency risk, interest rate risk and price risk.

The Company has no exposure to foreign currency.

D) Interest rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in prevailing market interest rates.

The Company's exposure to the risk due to changes in interest rates relates primarily to the Company's short-term and longterm borrowings with floating interest rates. The Company constantly monitors the credit markets and revisits its financing strategies to achieve an optimal maturity profile and financing cost. Pursuant thereto, the bonds have been repaid at option stage.

52. Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2024 and March 31, 2023.

53. Borrowings secured against current assets

The Company has borrowings from financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

54. Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or any lender in the financial years ended March 31, 2024 and March 31, 2024.

55. Relationship with struck off companies:

The company has no transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

56. Registration of charges or satisfaction with registrar of companies

There are no charges or satisfaction which are yet to be registered with the registrar of companies beyond the statutory period.

57. Compliance with number of layers of companies

The company does not have any subsidiaries or associates.

58. Compliance with approved scheme of arrangement

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

59. Utilisation of borrowed fund and share premium

- A. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate beneficiaries); or
 - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate beneficiaries); or
 - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

60. Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of accounts.

61. Details of Crypto Currency or Virtual Currency

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

62. "A.P." / "AP" mentioned in this Financial Statements shall be read as "Andhra Pradesh".

Significant accounting policies and notes form part of financial statements

As Per Our Report Of Even Date
For Mushty & Co.
Chartered Accountants
FRN 5501S

Sd/-
Dr.SREERAM MUSHTY
Proprietor
Membership No. 200273
UDIN: 25200273BMVLPG9280

Place :Vijayawada
Date :01-07-2025

For Andhra Pradesh Power Finance Corporation Limited

Sd/-
Sri I. Prudhvitej, IAS
Director, APPFCL

Sd/-
K. Mohan Rao
Chief Finance Officer, APPFCL

Sd/-
Sri D. Ronald Rose, I.A.S,
Managing Director, APPFCL

Sd/-
CH.Vidya Sagar
Company Secretary, APPFCL



Shareholder's Corner

Section 4



Notice for 25th Annual General Meeting

CIN: U40109AP2000SGC107482

Regd. Office: #48-12-16, 2nd Floor, East Wing, Vidyut Soudha, Gunadala,
Vijayawada – 520004, Andhra Pradesh
appfcl@gmail.com | www.appfcl.com

**25th Annual General Meeting 21st day of January, 2026
MGT-11 PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s) : _____

Registered address: _____

E-Mail Id: _____

Folio No./Client _____ Id: _____

DP Id: _____

I/We, being a Member (s) Members of _____ shares of the above named Company, hereby appoint

1. Name: _____ Address: _____
Email Id: _____ Signature: _____ or failing him
2. Name: _____ Address: _____
Email Id: _____ Signature: _____ or failing him

as my/our proxy to attend and vote (onapoll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company to be held on Wednesday, 21st, January 2026 at 03:00 pm at Chambers of Special Chief Secretary to Government, Finance Department, 2nd Building, A.P.Secretariat, Velagapudi, Guntur District and at any adjournment there of in respect of such resolutions indicated below

1. Adoption of Financial Statements and Report of Board of Directors and Auditors thereon, for financial year ended March 31, 2026 - Ordinary Resolution.
2. To take note of appointment M/sMushty & Co., Chartered Accountants as Statutory Auditors of the Company by C & AG for the FY 2024-25 and fix remuneration thereon- Ordinary Resolution

Signed 6th, March 2025 Signature of the Shareholder: _____

Signature of Proxyholder(s) : _____

Affix
Revenue
Stamp

Note: The proxy form duly completed must be deposited at the Registered Office of the Company addressed to Secertarial Department, Andhra Pradesh Power Finance Corporation Ltd. at #48-12-16, 2nd Floor, East Wing, Vidyut Soudha, Gunadala, Vijayawada – 520004, Andhra Pradesh Not less than 48 Hrs. before the time for holding the meeting. A proxy need not be Member.





ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

CIN: U40109AP2000SGC107482

Regd. Office: #48-12-16, 2nd Floor, East Wing, Vidyut Soudha, Gunadala,
Vijayawada – 520004, Andhra Pradesh
appfcl@gmail.com | www.appfcl.com

25th Annual General Meeting 21st day of January, 2026 MGT-12

POLLING PAPER

S.No	Particulars	Details
1.	Name of the First Named Shareholder (in block letters)	
2.	Postal Address	
3.	Registered FolioNo/ClientID)	
4.	Class of Share	Equity
5.	No of Shares	

I Hereby exercise my vote in respect of Ordinary/Special Resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

Resolution No	Matter of resolution	No of Shares	I assent to the resolution	I dissent to the resolution
1	Adoption of Financial Statements and Report of Board of Directors and Auditors thereon, for financial year ended March 31,2024-OrdinaryResolution			
2	To take note of appointment M/sMushty & Co., Chartered Accountants as Statutory Auditors of the Company by C&AG for the FY2023-24 and fix remuneration there on-Ordinary Resolution			

Place : VIJAYAWADA
Date: 21/01/2026

Signature of the Shareholder / Proxy





ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

CIN: U40109AP2000SGC107482

Regd. Office: #48-12-16, 2nd Floor, East Wing, Vidyut Soudha, Gunadala,

Vijayawada – 520004, Andhra Pradesh

appfcl@gmail.com | www.appfcl.com

25th Annual General Meeting 21st day of January, 2026 Attendance Slip

Registered Folio No. / DP ID No. / Client ID No.:

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Number of shares held

--	--	--	--	--	--	--	--

I certify that I am a member / proxy / authorized representative for the member of the Company.

I here by record my presence at the 25th Annual General Meeting of the Company at Chambers of Special Chief Secretary to Government, Finance Department, 2nd Building, A.P. Secretariat, Velagapudi, Guntur District, on Wednesday, 21st, January 2026 at 03:00 pm

Name of the member / proxy
(in BLOCK letters)

Signature of the member / proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.



Board of the Company

Sri. Peeyush Kumar, IAS

Smt Janaki, IAS

Sri K.Vijayanand, IAS,

Sri K.V.N.Chakradhar Babu, IAS

Sri I. Prudhvitej, IAS,

Chairman

Managing Director

Director

Director

Director

**Company Secretary &
Compliance Officer**

Sri Ch Vidya Sagar, ACS,
48-12-16, 2nd Floor,
East Wing, Vidyut Soudha,
Gunadala, Vijayawada,
Andhra Pradesh-520004.

Chief Financial Officer

Sri. K Mohan Rao, CFO,
48-12-16, 2nd Floor, East Wing,
Vidyut Soudha, Gunadala, Vijayawada,
Andhra Pradesh-520004.

Statutory Auditor

**Mushty & Co. Chartered
Accountants**
MS Sastry Chambers, Palaparthivari Street,
Vijayawada-520002.

Secretarial Auditor

**ASN Associates
Company Secretaries**
Vijayawada

Internal Auditor

**BSN Associates
Chartered Accountants**
Vijayawada

Debenture Trustee

SBICAP Trustee Company Limited,
Mistry Bhavan, 4th Floor,
122 Dinshaw Vachha Road,
Churchgate, Mumbai - 400020.

**Registrar and Transfer
Agents**

Karvy Fintech Private Limited,
Karvy Selenium Tower B, plot 31-32,
Financial District, Nanakramuda,



Route Map for Venue - 25th AGM

