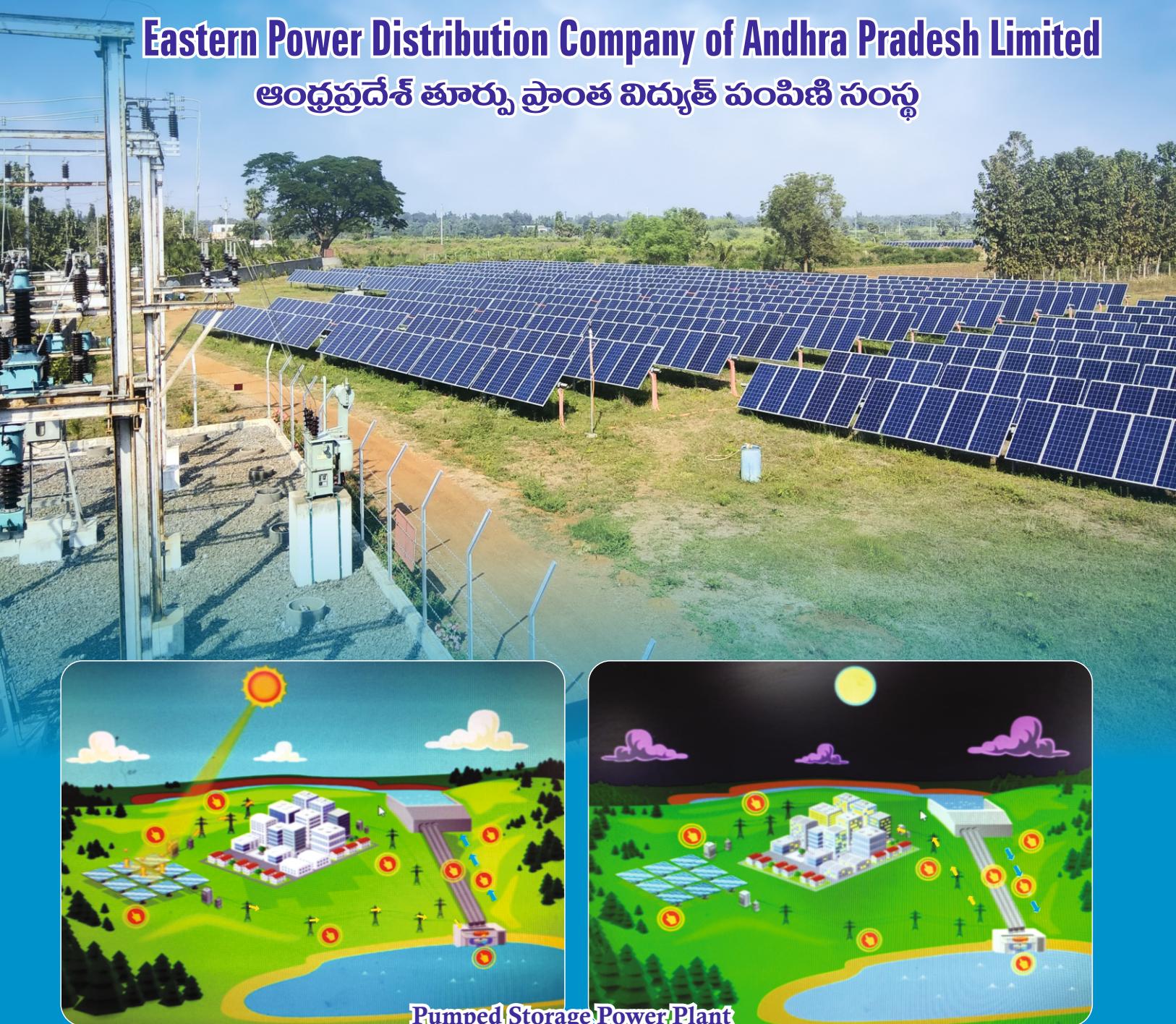




**Eastern Power Distribution Company of Andhra Pradesh Limited**

ఆంధ్రప్రదేశ్ తూర్పు ప్రాంత విద్యుత్ పంపిణి సంస్థ



**22<sup>nd</sup> ANNUAL REPORT 2021-22**





**Sri Y.S. JAGAN MOHAN REDDY**

Hon'ble Chief Minister of Andhra Pradesh





# **Sri Peddireddy Ramachandra Reddy**

Minister of Energy, Forest, Environment,  
Science and Technology, Mines and Geology





## EASTERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED

### Registered Office:

P&T Colony, Seethammadhara, Visakhapatnam - 530 013

Phone: 0891-2582503, Fax : 0891 - 2737675

Website : [www.apeasternpower.com](http://www.apeasternpower.com)

CIN : U40109AP2000SGC034117

### BOARD OF DIRECTORS

#### **Sri K. Santhosha Rao**

Chairman & Managing Director

DIN 08879899

#### **Sri B. Ramesh Prasad**

Director (Operations & Projects)

DIN 08686701

#### **Sri D. Chandram, IRAS**

Director (Finance & HRD)

DIN 08963107

#### **Sri Shamsher Singh Rawat, IAS**

Director

DIN 06927486

#### **Sri B.A.V.P. Kumara Reddy**

Director

DIN 08521458

#### **Smt. Radhika Anusuri**

Director

DIN 09505238

### BANKERS

STATE BANK OF INDIA

UNION BANK OF INDIA

### AUDITORS

**M./s. B.V. Rao & Co. LLP.**

Chartered Accounts

FF 1, 49-28-12

Satya Lakshmi Vinayaka Towers

Visakhapatnam - 530 016.

### COMPANY SECRETARY

**K.S.V.S. Sastry, F.C.S.**



**22<sup>nd</sup> ANNUAL REPORT**



# Eastern Power Distribution Company of Andhra Pradesh Limited

## Visakhapatnam - 530 013.



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**EASTERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED**  
**Regd. Office: P&T Colony, Seethammadhara, Visakhapatnam - 530 013**

**CIN : U40109AP2000SGC034117**

**NOTICE**

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Eastern Power Distribution Company of Andhra Pradesh Limited will be held on Tuesday, 30th August, 2022 at 5.30 P.M. at the Registered Office of the Company at P&T Colony, Seethammadhara, Visakhapatnam – 530 013.

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**Ordinary Business:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 together with the Board's Report, Statutory Auditors' Report and Comments of the Comptroller and Auditor General of India, thereon.
2. To take note of appointment of Statutory Auditors by the Comptroller and Auditor General of India for the Financial Year 2022-23 as per the provisions of Section 139 of the Companies Act, 2013 and to fix the remuneration of Statutory Auditors for the Financial year 2022-23 as per the provisions of Section 142 of the Companies Act, 2013.

**Special Business:**

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

“RESOLVED THAT in supersession of the resolution passed by the Company in the Extra Ordinary General Meeting held on 20.06.2020 in relation to the exercise the borrowing powers and pursuant to the provisions Section of 180 1(c) and other applicable provisions, if any, of the Companies Act, 2013 the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to borrow money, from time to time, at its discretion either from the Company's Bank or any other Bank, Financial Institutions or any other lending institutions on such terms and conditions as may be considered suitable by the Board of Directors for the purpose of the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the company (apart from temporary loans obtained from the Company's bankers in the Ordinary course of business), will exceed the aggregate of the paid up share capital and free reserves of the Company provided that the total amount to be borrowed shall not exceed the sum of Rs.25,000 Crores (Rupees Twenty Five Thousand Crores Only) at any time.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and



things as it may in its absolute discretion deemed necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the Borrowings aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

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

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section of 180 1(a) and other applicable provisions, if any, of the Companies Act, 2013, to mortgage and / or hypothecate and / or charge of all or any part of the immovable and creating a floating Company both present and future of every nature and kind whatsoever and creating a floating charge on all or any of the movable properties of the company and the whole of undertaking of the company to or in favour of Banks or Financial institute is or any other lending institutions for borrowing from time to time such sums of money as they deem requisite for the purpose of the business of the Company notwithstanding that the money(s) to be borrowed together with the money(s) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the Ordinary course of business), shall not exceed the sum of Rs.25,000 Crores (Rupees Twenty Five Thousand Crores only) at any time.

FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorised to finalize with the lenders, documents for creating the aforesaid mortgages, hypothecations and / or the charge (s) and to do all such acts deeds and things as may be necessary for giving effect to the above resolution.

FURTHER RESOLVED THAT the mortgages / charges / hypothecations created / to be created and / or all agreements / documents executed / to be executed and all acts done by and with the authority of the Board of Directors are hereby confirmed and ratified."

"FURTHER RESOLVED THAT the Company Secretary of the Company be and is hereby authorized to file necessary forms with the Registrar of Companies under the Companies Act, 2013 and to take all necessary steps to give effect to the above resolution.

By Order of the Board

Sd/-xxxx

K.S.V.S. Sastry  
Company Secretary

Place: Visakhapatnam  
Date: 01.08.2022



**Notes:**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote and such proxy need not be a member of the Company.
2. Proxy form is enclosed. Instrument appointing proxy shall be deposited at the Registered Office of the Company by not less than 48 hours before commencement of the meeting.
3. The Comments of the Comptroller and Auditor General of India (CAG) on the Audited Financial Statements for the Financial Year 2021-2022 shall be placed before the members at the Annual General Meeting of the Company.
4. Explanatory Statement pursuant to Sec 102(1) of the Companies Act, 2013 is enclosed.
5. Route map showing the venue of the meeting is enclosed and the same is available on the website of the company.



## EXPLANATORY STATEMENT

### **(Pursuant to Section 102(1) of the Companies Act, 2013)**

#### **Special Business:**

#### **Item : 3 & 4**

The Members of the Company has enhanced the borrowing powers of the Company to Rs.12,000 Crs in the 08th Extra Ordinary General Meeting of the Company held on 20.06.2020 as the necessary approval under Section 180 1(c) and 180 (1) (a) of the Companies Act, 2013 has been taken to borrow money from time to time notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the Ordinary course of business), will exceed the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount to be borrowed by the Board of Directors shall not exceed the sum of Rs.12,000 Crores (Rupees Twelve Thousand Five Hundred Crores only) at any one time.

Our Company is proposing to avail loans towards company's operations. In pursuance to the above, the loans liability of the Company may exceed the aforesaid limits of Rs.12,000 Crores (Rupees Twelve Thousand Five Hundred Crores only). Presently, the paid up share capital of the Company is Rs. 121.22 Crores and it has been proposed by the management to fix the borrowing limits u/s 180 1(c) of the Companies Act, 2013 to the extent of Rs.25,000 Crores (Rupees Twenty Five Thousand Crores Only).

Further, the Company to meet the financial requirements of the Company in connection with execution/Implementation of various schemes for constructing sub stations, RDSS Scheme, Erection of distribution transformers, implementation of World Bank Projects i.e Power for All, 24X7 Power Supply, Andhra Pradesh Disaster Recovery Project (Under Ground cabling project at Visakhapatnam, and implementation High Voltage Distribution System, issuance of Smart Meters, laying of new lines and electrification of un-electrified villages, Hamlets and Dalitwadas and taking up of various Energy efficient measures of the Company from time to time has been approaching various Banks/ Financial Institutions like REC Limited, Power Finance Corporation Limited etc. The aforesaid institutions are generally agreeing to finance the requirement of the Company on security of charge created on assets of the Company, either existing or future assets to be created under the various schemes.

However, the creation of charge on assets by hypothecation attracts the restrictive provisions of Section 180 1(a) of the Companies Act, 2013 to the extent of Rs.25,000 Crores (Rupees Twenty Five Thousand Crores Only) to which the prior consent of members at a General Meeting is essential.

Accordingly, consent of the members is sought for passing as Special Resolutions as set out for these items in the Notice.

None of the Directors and Key Managerial Personnel of the Company, their relatives, is in any way, concerned or interested, financially or otherwise, in the resolution set out for this item in the Notice.

The Board of Directors recommends the resolution set out for this item in the Notice for approval of the shareholders.

By Order of the Board

Sd/-xxxx

K.S.V.S. Sastry

Company Secretary

Place: Visakhapatnam

Date: 01.08.2022



# Board's Report



**EASTERN POWER DISTRIBUTION COMPANY OF  
ANDHRA PRADESH LIMITED**

**Regd.Office: P&T. Colony, Seethammadhara, Visakhapatnam-500013**

**BOARD'S REPORT**

**Dear Shareholders,**

Your directors take immense pleasure in presenting the Twenty Second Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March 2022. During the Twenty Second Year of Company's operations also your company advances on the path of progress by effective management through optimum utilization of resources and better management of human resources and Information technology. Your management continues its focus on the key areas of loss reduction and quality control together with dedicated customer care measures.

**FINANCIAL HIGHLIGHTS**

The financial performance of the Company in the area of Retail & Distribution business for the F.Y 2021-22 compared to APERC Approved figures for the F.Y 2021-22 and actually for Financial Year 2020-21 is as follows:

(Rs. In Crore)

Particulars	2021-22						2020-21		
	Retails Business		Distribution Business		Total		Retails Business	Distribution Business	Total
	APERC Approved	Actuals	APERC Approved	Actuals	APERC Approved	Actuals	Actuals	Actuals	Actuals
Revenue from Sale of Power	11798.92	11729.69			11798.92	11729.69	10481.35		10481.35
Other Operating Income		343.90				343.90	350.24		350.24
<b>A. Total Income (Tariff)</b>	<b>11798.92</b>	<b>12073.59</b>	<b>0.00</b>	<b>0.00</b>	<b>11798.92</b>	<b>12073.59</b>	<b>10831.59</b>	<b>0.00</b>	<b>10831.59</b>
Other Operating Income (Wheeling Charges)		167.68		0.30		167.98	42.11	0.77	42.88
Other Income	413.05	343.52	199.00	252.45	612.05	595.97	348.10	649.28	301.18
B. Total Non Tariff income	413.05	511.20	199.00	252.75	612.05	763.95	390.21	301.95	692.16
C. Loss taken over scheme Under UDAY		0.00	0.00		0.00	0.00	909.90		909.90
D. Tariff subsidy	2948.79	2901.25			2948.79	2901.25	3018.26		3018.26
<b>E. Total Revenue Income (A to D)</b>	<b>15160.76</b>	<b>15486.04</b>	<b>199.00</b>	<b>252.75</b>	<b>15359.76</b>	<b>15738.79</b>	<b>15149.96</b>	<b>301.95</b>	<b>15451.91</b>

<b>F. Cost of power purchase (Incl Addl interest on pension bonds)</b>	11628.52	12894.95			11628.52	12894.95	<b>11258.41</b>		<b>11258.41</b>
G. Employee benefits expense	0	0.00	1603	1260.05	1603.00	1260.05	0.00	2964.06	2964.06
H. Adm & Gen			155.00	104.48	155.00	104.48		90.46	90.46
I. R & M			197.00	157.09	197.00	157.09		154.48	154.48
J. Depreciation and Amortization expense			386.00	349.87	386.00	349.87		319.583	19.58
K. Finance Costs					0.00	0.00			0.00
- Interest on Consumer deposits	94.59	85.18			94.59	85.18	74.04		74.04
- Interest on Working Capital Loans	0.00	433.31			0.00	433.31	466.29		466.29
- Supply Margin in Retail Supply Business	20.87				20.87	0.00			0.00
- Return on Capital Employed			468.00		468.00	0.00			0.00
- Interest on CAPEX Loans				107.36	0.00	107.36		90.93	90.93
L. Other costs	48.29	48.66	53.00	(0.19)	101.29	48.47	91.74	(2.84)	88.90
M. Less:- Expense Capitalized			(113.00)	(98.74)	(113.00)	(98.74)		(88.21)	(88.21)
N. True-up for 4 years	1645.00				1645.00	0.00			0.00
O. Provisional True- down for FY2020-21	(1515.99)				(1515.99)				
<b>P. Total Expense (F to P)</b>	<b>11921.28</b>	<b>13462.10</b>	<b>2749.00</b>	<b>1879.92</b>	<b>14,670.28</b>	<b>15,342.02</b>	<b>11890.49</b>	<b>3528.33</b>	<b>15418.81</b>
<b>Q. Profit/(Loss) Before Tax</b>	<b>3239.48</b>	<b>2023.94</b>	<b>(2,550.00)</b>	<b>(1,627.17)</b>	<b>689.48</b>	<b>396.77</b>	<b>3259.48</b>	<b>(3,226.38)</b>	<b>33.10</b>
<b>R. Deferred tax &amp; Tax adjustments</b>	<b>0</b>				<b>0.00</b>	-		<b>(6.84)</b>	<b>(6.84)</b>
<b>S. Other comprehensive income</b>				<b>(30.25)</b>	<b>0.00</b>	<b>(30.25)</b>		<b>391.93</b>	<b>391.93</b>
<b>T. GAP- Profit/(Loss) (Q-R-S)</b>	<b>3239.48</b>	<b>2023.94</b>	<b>(2,550.00)</b>	<b>(1,657.42)</b>	<b>689.48</b>	<b>366.52</b>	<b>3259.48</b>	<b>(2,827.61)</b>	<b>431.87</b>

Note:-

1. An amount of Rs323.57 Crs interest on GOAP financed loans is not shown in the above under Other Income and Interest on working capital loans since the same amount has been shown as an expense and an income hence not considered both sides.
2. The actual figures for FY2020-21 are shown as per the Reclassifications and comparative figures made under note (xiv) of the Financial Statements of FY2021-22.

#### **Variation in Expenditure in 2021-22 when compared to APERC Approvals:**

The actual expenditure during the year 2021-22 is Rs. 15342.02 Crores as against the APERC approved expenditure of Rs14670.28 Crores. The details of current year's expenditure in certain key areas compared to the APERC Targets are as follows:

Particulars	APERC Approved Expenditure 2021-22	Actual Expenditure 2021-22	Remarks
Power Purchase cost (Incl. Addl. int on pension bonds)	<b>11628.52</b>	<b>12894.95</b>	Hon'ble APERC approved power purchase units 24740.43 M.Us @ 4.70 per unit amounting to Rs. 11628.52 Crore, but actual power purchase units 25341.71 M.U @5.09 per unit amounting to Rs.12894.95 Crore. Actual sales increased by 13.29% due to restoration of normal conditions after Covid 19 pandemic situation and also short term power purchases are taken place.
Employee benefits expense	<b>1603</b>	<b>1260.05</b>	Employee benefit expense have been decreased in F.Y 2021-22 due to the following reasons. a) Due to freezing of DA during the covid 19 Pandemic period i.e, 2019-20 & 2020-21 and releasing the same with prospective financial benefit which has impact on employee benefit expenses of FY2021-22. b) And also retirement of certain employees on voluntarily during the FY2021-22.
Interest on Consumer Security Deposits	<b>94.59</b>	<b>85.18</b>	Hon'ble APERC admitted net addition to Security deposit for Rs.293.06 Crore during F.Y 2021-22 and interest rate 4.25% , but actual net addition to Security deposit is Rs.205.84 Crore only & average bank rate during the F.Y 2021-22 is 4.25 %.
Interest on working Capital Loans	-	<b>433.31</b>	Hon'ble APERC has not allowed interest on working capital loans as ARR Component.

**As per the revised methodology communicated by CEA the AT&C Losses calculation for the F.Y 2021-22 as follows:**

Sl.No.	Description	UoM	2021-22
A	Net Input Energy (MkWh)	M Kwh	24765.45
B	Energy Sold (MkWh)	M Kwh	23129.70
C	Revenue from Sale of Energy (Rs Cr)	Rs. in Crores	14640.34
D	Adjusted Revenue from Sale of Energy on Subsidy Received basis (Rs Crores)	Rs. in Crores	14384.96
E	Opening Debtors for Sale of Energy (Rs Crores) (Excluding debtors for ED & DPS) (**)	Rs. in Crores	2476.94
F	Closing Debtors for Sale of Energy (Rs Crores) (Excluding debtors for ED & DPS) (**)	Rs. in Crores	2414.60
F		Rs. in Crores	0.00
G	Adjusted Closing Debtors for Sale of Energy	Rs. in Crores	<b>2414.60</b>
H	Collection Efficiency (%)	%	98.68
I	Units Realized (MkWh) = (Energy Sold * Collection efficiency)	M Kwh	22825
J	Units Unrealized (MkWh) = Net input Energy - Units Realized)	M Kwh	1941
K	AT &C Losses (%) = ((Units Unrealized / Net Input Energy )*100)	%	7.84

Note: (\*\*) Opening /Closing Debtors for sale of energy excluding debtors for Electricity Duty & Delay Payment Surcharge.

### **SURPLUS/(LOSS) IN REVENUE ACCOUNT:**

During the year 2021-22 company has earned Profit of Rs.366.52 Crores (including Other comprehensive income).

### **DIVIDEND AND TRANSFER TO RESERVES**

As there is no adequate surplus available for distribution of dividend, your Directors could not declare any dividend for the Financial year 2021-22.

### **SHARE CAPITAL:**

The Authorized Share Capital of the Company as on 31/03/2022 is Rs. 122,00,00,000 divided into 12,20,00,000 Equity Shares of Rs. 10/- each and the Issued and Paid Share Capital is Rs. 121,22,53,290/- divided into 12,12,25,329 Equity Shares of Rs. 10/- each and entire Share Capital is held by the Government of Andhra Pradesh.

## **PERFORMANCE AND OPERATIONAL HIGHLIGHTS:**

During the year, the Sale of Energy was 23,129.70 Million Units as compared to 20,416.44 Million Units for the previous year. The aggregate technical and distribution losses were stood at 6.62% as against 6.60% of previous year.

During the Financial year 2021-22, the DPE wing inspected 84,763 services and assessed an amount of Rs. 5458.64 Lakhs in respect of 15,860 cases booked, relating to Direct Tapping, Pilferage, Malpractice, Back Billing etc and realised an amount of Rs.2842.63 Lakhs.

## **SYSTEM IMPROVEMENT:**

The Company is continuously upgrading and augmenting its network to achieve different objectives viz., to reduce technical losses, to improve reliability of the system, to serve the consumers for better services and to give uninterrupted quality power.

## **PROGRESS OF PROJECT WORKS:**

Your Company continues to explore various modes to utilize project works for improving operational efficiency. Some of the highlights are:

### **1) External electrification of Jagananna Housing Colony layouts under "Navaratnalu-Pedalandariki Illu" flagship program (NPI).**

Government of Andhra Pradesh is constructing Jagananna Housing Colonies in rural and urban areas under the flagship programme "Navaratnalu - Pedalandariki Illu" (NPI) scheme to provide housing to all the eligible BPL beneficiaries in the State. As a part of this program, APEPDCL is providing external electrification in 4,635 Jagananna Housing Colony layouts covering 4,03,382 plots of Phase-I in 5 circles of APEPDCL.

The tenders in respect of 14Nos. packages for "Supply and erection of 11 KV/6.3 KV/LT Lines and Distribution Transformers in 5 circles of APEPDCL" were awarded and execution of works is under progress.

### **Construction of 33/11 KV GIS Sub-Stations under IPDS:**

- ❖ Erection of 6Nos New GIS Substations in the districts of Visakhapatnam, East Godavari & West Godavari and up-gradation of 10Nos existing AIS indoor Substations to GIS Indoor Sub-station in Visakhapatnam District are taken up under IPDS.
- ❖ Up-gradation of existing 10Nos 33/11KV Indoor Substation to GIS Substation in Visakhapatnam is taken up as new initiative in view of the existing 33KV Indoor Breakers (AIS) are giving frequent failures due to moisture entering into the bus bar chamber existing in the coastal area which can be avoidable by replacing with Gas Insulated Indoor Breakers (GIS breakers) which is closed and tight chamber.

- ❖ The maintenance costs with AIS Indoor breakers will be reduced by replacing with GIS Indoor Breakers.

### **Project Implementation Status:**

- ❖ All physical works were completed within the time lines specified by Monitor Committee Meeting i.e. by 31.12.2021 and scheme closure proposals were also submitted to Nodal agency M/s. Power Finance Corporation Limited

### **3. Revamped result linked Distribution Sector - Scheme: A Reforms based result linked Scheme (RDSS):**

- ❖ The new Scheme was launched by MoP, Gov of India with an outlay of Rs.3,03,758 Crores over 5 years with an estimated GBS (Grant Budgetary Support) of Rs.97,631 Crores from Central Government.
- ❖ Ministry of Power has forwarded sanction of Office Memorandum of the Revamped Distribution Sector Scheme - A Reforms-Based and Results-Linked Scheme with objective of improving the quality and Reliability of power supply to consumers through a financially and operationally efficient distribution sector.
- ❖ The scheme launching from FY 2021-22 and sunset date for the scheme will be 31.03.2026.
- ❖ As per the directions of Ministry of Power, District Electricity Committee (DEC) formed in Srikakulam, Vizanagaram, Visakhapatnam, East Godavari & West Godavari (5 erstwhile districts).
- ❖ The DRC has approved the DPR proposals of APEPDCL under RDSS.
- ❖ APEPDCL has submitted, the Action plan & revised DPR to ED (IPDS) M/s. Power Finance Corporation Limited covering metering, loss reduction & modernization, for placing before the Monitoring Committee for approval.
- ❖ The Monitor Committee has approved the Action plan and Revised DPR of Andhra Pradesh Eastern Power Distribution Company Limited (APEPDCL) under Phase-I of RDSS towards smart metering & Distribution Loss Reduction works.
- ❖ Accordingly, M/s. Power Finance Corporation Limited New Delhi has communicated the sanction letter on financial assistance to APEPDCL for implementation of projects under Revamped Distribution Sector Scheme (RDSS) of Govt of India and Implementation of RDSS scheme is under progress.

### **CONSUMER SERVICES:**

Your company dedicates itself to efficient and timely customer service and the following initiatives were further launched during the year:



- ❖ The Company is resolving immediately the complaints registered in Centralized Electricity Call Centre on a priority basis from time to time.
- ❖ Centralized call center Number 1912 established for better customer support for rectification electricity supply and other electrical problems.
- ❖ HT Consumers meets are being organized at Circle Offices and Corporate Office to resolve pending issues.
- ❖ Wide publicity activities were taken up such as exhibition of display boards, norms for new service connections and citizen charters etc.
- ❖ Regular visits are conducted for effective monitoring as part of continuous improvement.
- ❖ Implemented online e-payment system for collection of bills and also introduced UPI payment service for receiving electricity payments using BHIM app for better consumer service.

### **CONSUMER GRIEVANCES REDREESSAL FORUM**

Forum has conducted 58Nos. Public Hearings through Teleconference in 05 districts of CGRF Office, APEPDCL and disposed 223 Nos. complaints during the Year.

### **SAFETY MEASURES:**

Safety comes first and remains at the top of the agenda of Company round the year. Company has initiated various safety measures like procurement of safety equipments for the field staff and initiating safety awareness programmes etc.

- ❖ Safety Boards are displayed in all fault centers of APEPDCL Jurisdiction for enforcement of Safety rules.
- ❖ Safety training provided to line staff.
- ❖ Safety Committees formed up to Sub-Division level for strict implementation of safety measures.

### **INFORMATION TECHNOLOGY**

Your Company continues to explore various modes to utilize technological developments for improving operational efficiency and customer care. Some of the highlights of the areas in which the basic work is completed are as follows:

#### **1) Providing APEPDCL services through Whatsapp:**

As part of providing better services to the customers, APEPDCL has developed the 'Whatsapp Chat' application. Using this application, the customers can avail the following services:

- ◆ Display Present Bill
- ◆ Get Online Services information



- ◆ Pay Bill
- ◆ Assess Monthly Bill
- ◆ Register Meter Related complaints
- ◆ Register Supply Related complaints
- ◆ Register Billing related complaint
- ◆ Know Complaint status
- ◆ Request Call from CCC Executive

To start the chat on Whatsapp, the customer needs to send one of the following keywords to APEPDCL Whatsapp Number 8500001912

## **2) Mobile app for Billing:**

APEPDCL is billing all the LT services using Spot Billing Machines having IR Port scanners. A new mobile app was developed using IrDA Meter Scanners to scan 1-Phase & 3-phase Energy meters. This feature is added to the Line staff mobile app of APEPDCL, which is developed by the internal IT Team. All Agricultural services in Srikakulam Circle are being billed using this mobile app from November-2021 onwards.

Now, this mobile app is further enhanced for billing all types of services (both High-value and Low-value). The mobile app is under implementation from FY 2021-22.

## **3) Electronic Service Register (e-SR):**

In Pursuant to the Government Order G.O.MS.No. 99, APEPDCL has developed the electronic Service Register duly integrating the employee information with SAP HCM Module.

Using this application, all the Physical Service Registers are digitised, and all the Service Books of existing employees will be replaced with e-Service Registers. The Heads of Offices/ Heads of Departments who maintain Service Books of the employees have started updating all the entries in the new e-Service book format from 20-07-2021.

e- Service Register contains the following Parts for updation:

### **PART - 1 PERSONAL DETAILS**

This part provides a provision to update the Personal Details, Family Details, and Education Details along with the certificates

### **PART - 2 CERTIFICATES**

In this part, a provision is given to update all types of mutable and immutable certificates of the employee, GPF nominee details and Immovable Property details, along with the necessary documents.



### **PART - 3 SERVICE DETAILS**

In this part, provision is given to update the employee recruitment details along with the joining orders and appointment order upload provision. Employee Transfer details, promotion details, Reversions etc. can be maintained in this part.

### **PART - 4 PAY DRAWN DETAILS**

In this, the employee's basic salary at the time of joining, and subsequent increment details can be updated. Subsistence allowance and surrender leave details can also be updated.

### **PART - 5 LEAVE DETAILS**

In this part a provision is given to update all types of leaves like EL, HPL, EOL, Maternity, Paternity leaves etc.,

### **PART - 6 LEAVE TRAVEL CONCESSION DETAILS**

In this employee's LTC details can be updated like Home Town/ Within AP or Anywhere India along with necessary approval documents.

### **PART - 7 INTEREST-BEARING ADVANCES DETAILS**

In this part, all types of loans availed by the employee can be updated.

### **PART - 8 GROUP INSURANCE SCHEME DETAILS**

In this, GIS details of the employee can be updated along with the nominee details.

### **PART - 9 SERVICE VERIFICATION DETAILS**

In this e-verification, the SR is given for the prescribed users as done in the physical register.

### **PART - 10 DEPARTMENTAL TESTS AND TRAINING DETAILS**

In this, all types of departmental tests attended by the employee and the Training details can be updated along with the necessary documents and the date of Pass details.

### **PART - 11 INCENTIVES AND PUNISHMENTS DETAILS**

In this part, a provision is given to update the Rewards/Incentives of the employee and punishments details if any.

### **PART - 12 PENSION PROPOSALS**

Based on the information of the 11 parts, Pension Proposals of the employee will be generated with a single click with the validations.

#### **Advantages:**

- 1) Transparency in the employee data and easy to maintain.
- 2) More secure than the physical copies.

- 3) Reporting on the employee history without referring to the physical registers.
- 4) SRs can be given in the form of soft copies to the employee on request and can be corrected if the employee finds anything wrong in an entry.

**4) Automated Chatbot:**

Automated Chatbot is enabled in the Web Portal of APEPDCL

[www.apeasternpower.com](http://www.apeasternpower.com)) through which the customers of APEPDCL can avail of the following services:

- ❖ Bill related information
- ❖ Power supply status
- ❖ Register complaint
- ❖ View complaint status

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, are given below.

**(A) Conservation of energy:**

SOLAR Energy

- ❖ During the FY 2021-22, 2859 Nos rooftop services were synchronised to grid with a capacity of 70312 KW.
- ❖ During the FY 2021-22, 3.2 MW capacity was synchronised and the total capacity installed i.e. 103.926 MW.

**ENERGY AUDIT**

- ❖ APEPDCL distribution losses reduced from 6.62% in FY 2020-21 to 6.60 % in FY 2021-22.

**(B) Technology absorption:**

Major efforts made towards technology absorption.

- ❖ Company has upgraded its android application on Google play store so that any consumer can make the payment of the energy bill through its android mobile.
- ❖ Transformer load loss measurement facility at stores.
- ❖ Company is in the process of adopting new technologies to reduce the consumption of Electricity.

**(C) Foreign exchange earnings and outgo**

There were no foreign exchange earnings and outgo during the year.

### **UDAY SCHEME:**

Ministry of Power, Government of India (GOI) has notified UDAY (Ujwal Discom Assurance Yojana) Scheme for the financial turnaround of Power Distribution Companies and an Tripartite MOU was entered with GOI, Government of Andhra Pradesh and APDISCOMs on 24.06.2016. Government of Andhra Pradesh has issued G.O.Ms.No.27 Dated 26.07.2016 for implementation of UDAY Scheme.

### **AWARDS:**

The Company during the Financial Year 2021-22 has received 2nd Edition Green Urja and Energy Efficiency Award as Gold Winner under the Category of Energy Efficiency from Indian Chamber of Commerce. Further, the Company has also received 2nd Edition Green Urja and Energy Efficiency Award as Silver Winner under the Category of Rural Electrification from Indian Chamber of Commerce.

### **ANTI THEFT MEASURES:**

Company is having a full- fledged Vigilance Department (DPE Wing).

- ❖ Night raids have been conducted where department transformers are inside the consumer premises like fish tanks, poultry farms, marriage function halls & Industries.
- ❖ Awareness was created among staff members and public not to allow any sort of evil practices.
- ❖ High loss sections or low specific or unmanned Distributions, Low consumption, Nil consumption, stuck up meters, burnt meters, no billing & UDC services were Inspected.
- ❖ Review of MRB registers, abnormal consumption services in EPIMRS were checked.
- ❖ Conducted intensive inspections in theft prone areas based on information received from Public, Material published in News papers, Vigilance reports etc.
- ❖ Intensive inspections over a specified area were being conducted by pooling up DPE Units of various OPE Divisions on getting the information from the concerned Superintending Engineer/Operations, and also as per the instructions from Joint Managing Director (V&S), Directors & Chairman & Managing Director.

### **VIGIL MECHANISM:**

The Company has a Vigil Mechanism System as per the existing APSEB Employees Conduct Regulations. Further, a Vigil Mechanism Policy has also been in place to comply with the provisions of Section 177 (9) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

## **TARIFF**

Andhra Pradesh Electricity Regulatory Commission [APERC] is the authority who has been entrusted with the various functions inter alia determination of tariff for electricity for various categories of consumers.

## **RISK MANAGEMENT POLICY:**

The elements of risk threatening the Company's existence is very minimal. However, the Business risk evaluation and management is an ongoing process within the organization. And a Risk Management Policy has been in place in line with the provisions of Companies Act, 2013.

## **CORPORATE SOCIAL RESPONSIBILITY:**

As per the provisions of Section 135 of the Companies Act, 2013, the Board has constituted the Corporate Social Responsibility Committee with the following Directors:

Chairman & Managing Director

Director (Finance & HRD)

Director (Operations)

Representative Director of Energy Department, Government of Andhra Pradesh

The Board also adopted CSR Policy of the Company, which has been posted on the website of the Company. CSR Budget to be spent during the Financial Year 2021-22 is NIL as the company is not having any average net profits for the last three financial years i.e. 2018-19, 2019-20 and 2020-21. Hence, the Company has not undertaken any projects as per CSR Policy. However, being a Power Distribution Company, our Company continuously taking up energy efficiency measures as a part of CSR initiatives from time to time as per the State Government directives and with the association of Andhra Pradesh State Energy Conservation Mission (APSECM) and Andhra Pradesh State Energy Efficiency Development Corporation Limited which have been constituted by Government of Andhra Pradesh as a part of energy conservation measures. The Annual Report on CSR activities as specified is annexed in the prescribed format, which forms part of this report.

## **AP Re-Organisation Act, 2014:**

As per AP Re-Organisation Act, 2014, the demerger scheme for apportionment of assets and liabilities pertaining to 7 (Seven) Mandals of erstwhile Khammam District between TSNPDCL and APEPDCL had been approved by Board of Directors of both the Companies and also by the Expert Committee. Accordingly, the assets and liabilities as on 02.06.2014 in respect of 7 Mandals of erstwhile Khammam District were incorporated in the books of accounts for the Financial Year 2017-18 and also the transactions recognized in respect of 7 merged Mandals taken place between 02.06.2014 to 31.03.2015 were also incorporated in the books of accounts for the Financial Year 2017-18.

## **BOARD OF DIRECTORS**

The Details of Directors of the Board from the last Annual General Meeting to till date is as follows including changes.

<b>Name of the Director</b>	<b>Designation</b>	<b>Date of Appointment</b>	<b>Date of cessation</b>
Sri K.Santhosha Rao (DIN: 08879899)	Chairman and Managing Director	20.07.2021	---
Sri Shamsher Singh Rawat, IAS (DIN:06927486)	Director	04.11.2019	---
Sri B.A.V.P.Kumara Reddy (DIN:08521458)	Director	22.07.2019	---
Sri K.Rajabapaiah (DIN:08384715)	Director (Projects)	24.02.2019	23.02.2022
Sri B.Ramesh Prasad (DIN : 08686701)	Director (Operations)	31.01.2020	---
Sri D.Chandram, IRAS (DIN : 08963107)	Director (Finance &HRD)	16.11.2020	---
Smt Radhika Anusuri (DIN: 09505238)	Independent Non Whole Time / Woman Director	02.02.2022	---

## **KEY MANAGERIAL PERSONNEL**

The following are the Key Managerial Personnel of the Company.

Sri K.Santhosha Rao, Chairman and Managing Director

Sri D.Chandram, IRAS, Director (Finance & HRD)

Sri K.Rajabapaiah, Director (Projects)

Sri B.Ramesh Prasad, Director (Operations)

Sri K.S.V.S.Sastry, Company Secretary

## **MEETINGS:**

### **BOARD MEETINGS:**

During the Financial Year 2021-22, 8 (Eight) Board Meetings were held on

- i) 15.05.2021
- ii) 15.08.2021
- iii) 18.09.2021
- iv) 29.10.2021
- v) 29.11.2021
- vi) 23.12.2021 vii) 27.01.2022 & viii) 23.02.2022

## **AUDIT COMMITTEE:**

The Audit Committee of the Company consists of the following Directors as on date:

<b>Name of the Director</b>	<b>Designation</b>
Sri B.A.V.P.Kumara Reddy	Director
Smt. Radhika Anusuri	Director
Sri B.Ramesh Prasad	Director (Operations & Projects)

During the Financial Year 2021-22, 5 (Five) Audit Committee Meetings were held on 18.09.2021, 29.10.2021, 29.11.2021, 23.12.2021 and 23.02.2022

Regarding the statement on declaration by Independent Director under Sub-Section (6) of Section 149, being a Government Company, the Directors are officials of the Government of Andhra Pradesh and the Directors have disclosed their interest and was noted in the Board Meeting. Further, clause (a) and (c) of Sub- Sections (6) of Section 149 of the Companies Act, 2013, shall not apply to Government Company as per Notification of MCA Dt.05.06.2015.

Regarding policy on Directors appointment and remuneration including criteria for determining qualification, positive attributes u/s 178(3) of the Companies Act, 2013, it is informed that it is a Government Company. The Government of Andhra Pradesh have issued guidelines in G.O.Ms.No.18, Energy (Power – III) dept., Dt.14.05.2012 for appointment of Directors in which selection procedure, selection committee, process of Selection of eligible persons, etc were given. Section 197 of the Companies Act, 2013 shall not apply to Government of Company as per Notification of MCA Dt.05.06.2015 i.e. on Managerial remuneration. And Clause (e) of Sub- Section (3) of Section 134 of the Companies Act, 2013 shall not apply to Government Company as per the Notification of MCA Dt.05.06.2015 i.e. policy on Directors appointment and remuneration etc., However, the Company has constituted a Nomination and Remuneration Committee as per the provisions of Section 178 of the Companies Act, 2013.

## **DIRECTORS RESPONSIBILITY STATEMENT**

To the best of knowledge, belief and according to the information received, the Board of Directors confirm as under for the Financial Year 2021-22 in terms of Section 134 (3) (c) of the Companies Act, 2013.

- i. In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for that period;
- iii. The Directors had taken proper and sufficient care was taken 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 frauds and other irregularities; and
- iv. The Directors had prepared Annual Accounts on a going concern basis.

v. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **AUDITORS & AUDIT REPORT**

#### **i) INTERNAL AUDITORS:**

The Company had appointed Internal Auditors for each Division separately for conducting Internal Audit of the Company for the Period from 1st April, 2021 to 31st March, 2022 and the Internal Audit Wing of the Company is reviewing reports received from the internal auditors from time to time.

#### **ii) STATUTORY AUDITORS:**

The Office of the Comptroller and Auditor General of India (C&AG) have appointed M/s. B.V.RAO & CO LLP (SR0569), Chartered Accountants as Statutory Auditors of the Company for the Financial Year 2021-2022.

#### **iii) COST AUDIT:**

Under the directives of Section 148 (1) of Companies Act, 2013, the Company is required to conduct a cost audit. The Board, on the recommendations of the Audit Committee, appointed M/s. Narasimha Murthy & Co., Cost Accountants as Cost Auditor for the Financial Year 2021-22 and has received the cost audit report and will submit the same to the Central Government.

The Board also re-appointed M/s. Narasimha Murthy & Co., as Cost Auditor for the Financial Year 2022-23.

#### **iv) SECRETARIAL AUDITORS:**

The Board of Directors appointed Sri P.Vithal Kumar, Practicing Company Secretary as Secretarial Auditor of the Company for the FY.2021-22 and he has submitted his report along with his adverse remarks on the non compliance of provisions of Section 143 (6) by not ensuring placing of final comments of the Comptroller and Auditor General of India (CAG) at the Annual General Meeting held on 29.10.2021 and non compliance of Section 149 (1) of the Companies Act, 2013.

With regard to non compliance of Section 143 (6) by not ensuring placing of final comments of the Comptroller and Auditor General of India (CAG) at the Annual General Meeting held on 29.10.2021, management would like to inform you that the Company awaited final comments from CAG till the last due date of the Annual General Meeting, however, the final comments could not received till the due date, the members adopted the financial statements pending final comments of the Comptroller and Auditor General of India (CAG) at the Annual General Meeting held on 29.10.2021 with a direction to convene an Extra Ordinary General Meeting on receipt of final comments in this regard. Accordingly, after receipt of the final comments from CAG, an Extra Ordinary General Meeting (EGM) was convened on 23.12.2021, members present took note the final comments of the Comptroller and Auditor General of India (CAG) on the financial statements for F.Y. 2020-21 along with the replies of the management on the same.

With regard to non compliance of Section 149 (1) of the Companies Act, 2013, it is to bring to the notice of the members of the Company that Ms. Nagalakshmi. S, IAS (DIN 07741194) was transferred on 07.06.2021 and the Government of Andhra Pradesh

appointed Mrs. Radhika Anusuri (DIN 09505238) as Independent Non Whole Time Director cum Woman Director and she assumed charge as Director on 02.02.2022 and the delay in appointing new woman director is owing to administrative exigencies and not intentional on the part of the management.

With regard to non attendance of Sri. Shamsher Singh Rawat, IAS (DIN06927486), Director for any of the Board Meetings of the Company held during the year was owing to administrative exigencies only for which leave of absence was also sought and approved by the Board. Report of the Secretarial Auditor is annexed which forms part of this report..

#### **REPLIES TO COMMENTS OF THE STATUTORY AUDITORS AND THE C&AG**

Replies of the management to comments of the Statutory Auditors are annexed hereto and forms part of this Report. Further, NIL comments were received from the Comptroller and Auditor General of India (CAG) on the Audited Financial Statements of the Company for the Financial Year 2021-22.

#### **DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.

#### **RELATED PARTY TRANSACTIONS**

During the Financial year 2021-22, the Company has not entered into any related party transactions as per the provisions of Section 188 of the Companies Act, 2013.

#### **EXTRACT OF ANNUAL RETURN**

As provided under Section 92(3) of the Companies Act, 2013, the extract of annual return is Annexed in the prescribed Form MGT-9, which forms part of this report.

#### **COMPLIANCE WITH SEXUAL HARASSMENTS OF WOMEN AT WORK PLACE**

The Company has put in place an Anti Sexual Harassment Policy to prevent, prohibit and redress the issues on the Sexual Harassment of Women at the work place.

#### **HUMAN RESOURCE DEVELOPMENT ACTIVITIES**

- ❖ The Rule of Reservation is followed both in promotions and recruitment.
- ❖ Industrial harmony was maintained throughout the year and continuous interaction with respective unions / Associations were maintained.
- ❖ Motivational steps such as Non – Monetary Rewards, encouragement by commendation Certificates etc., were maintained.

#### **OTHER DISCLOSURES**

Your Directors state that no disclosure or reporting is required in respect of the following item as there were no transactions on these items during the year under Review:

1. During the year under review, the Company has neither accepted nor renewed any deposits covered / as defined under Chapter-V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.



2. The Managing Director of the Company did not receive any remuneration or commission from any of its subsidiaries as there are no subsidiaries.
3. No significant or material orders were passed by the regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. There is no occurrence of material change and commitment made between the end of Financial Year and date of this report which has affected financial position of the Company.
5. There was no change in the nature of business of the Company during the Financial Year 2021-22.
6. The company is engaged in distribution of power, being a Government Company which is covered under the exemptions notified by the Ministry in this regard on 5th June, 2015. Accordingly, the details of loan given or guarantee or security provided by the company are not required to be reported.
7. There were no instances of frauds identified or reported by the Statutory Auditor during the course of the Audit pursuant to Section 143 (12) of the Companies Act, 2013.
8. The Company has no subsidiary or joint venture Company as defined under the Companies Act, 2013.
9. The Company being a Government Company is exempted vide Notification No. GSR-163 (E) Dated 05-Jun-2015 issued by the Ministry of Corporate Affairs (MCA), Govt. of India, to furnish information as required under Section 197 of the Companies Act, 2013 relating to particulars of employees..

#### **ACKNOWLEDGEMENTS**

Your Directors acknowledge the invaluable support and co-operation of the Chairman & Managing Director, APTRANSCO and Chairman & Managing Director of APSPDCL and APCPDCL. We welcome Smt. Radhika Anusuri who has been appointed as Independent Non Whole Time / Woman Director of the Company on the Board by the Government of Andhra Pradesh. We also place on record our appreciation for the excellent contribution rendered by Sri K.Rajabapaiah, Director (Projects) of the Company during his tenure on the Board. We take this opportunity to thank the Secretary, Energy Department, Government of Andhra Pradesh, the Secretary, APERC and other officials of the Government of Andhra Pradesh, the Office of the Comptroller & Auditor General of India, the Bankers and Financial Institutions and look forward to their continued support in the future. We also wish to congratulate the employees as well as the Employees' Unions and the Engineers' and Officers' Associations of APEPDCL for their invaluable services. We further congratulate the Accounts Department for their dedicated involvement in preparing the Audited Financial Statements as per Indian Accounting Standards.

Date:26.08.2022

Place: Visakhapatnam

For and on behalf of the Board

Sd/-xxxx

K. Santhosha Rao

Chairman & Managing Director  
(DIN: 08879899)



## ANNUAL REPORT ON CSR ACTIVITIES

- 1) A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs:

The CSR policy of the Company states that the activities to be undertaken by the Company shall be within the gamut of activities specified in Schedule VII of the Companies Act, 2013. The amount of the expenditure to be incurred during any financial year shall be at least the amount specified in the said Act and the relevant rules.

- 2) The composition of the CSR Committee:

The CSR Committee of the Board of Directors consists of the following three members:

Chairman and Managing Director  
Director (Finance & HRD)  
Director (Operations)

Director representing Energy Department, Government of Andhra Pradesh

- 3) Average net profit of the company for last three financial years:

CSR Budget to be spent during the Financial Years 2021-22 is NIL as the Company recorded losses/profit to the extent of (-) 4252.98 Crores, (-) 152.35 Crores and (+) 33.09 Crores during the Financial Years 2018-19, 2019-20 and 2020-21 respectively. Therefore, the Company does not have any average net profits to arrive at CSR Budget for the respective financial years.

- 4) Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above): NIL

- 5) Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year: NIL

(b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year is detailed below:

S. No.	CSR project or activity identified	Sector in which the project is covered	Area where project was undertaken	Budgeted outlay (Rs. lakhs)	Actual expenditure (Rs. lakhs)	Cumulative expenditure up to 31-Mar-22 (Rs. lakhs)	Direct/ Implementing agency

The Company has not undertaken any CSR activities during the Financial Year 2021-22 as the Company does not have average net profits during the preceding Three Financial Years i.e. 2018-19, 2019-20 and 2020-21.



- 6) In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. NOT APPLICABLE
- 7) Responsibility statement:

The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the company.

For and on behalf of the Board of Directors

Sd/-xxxx

K.Santhosha Rao

Chairman & Managing Director  
(DIN No. 08879899)

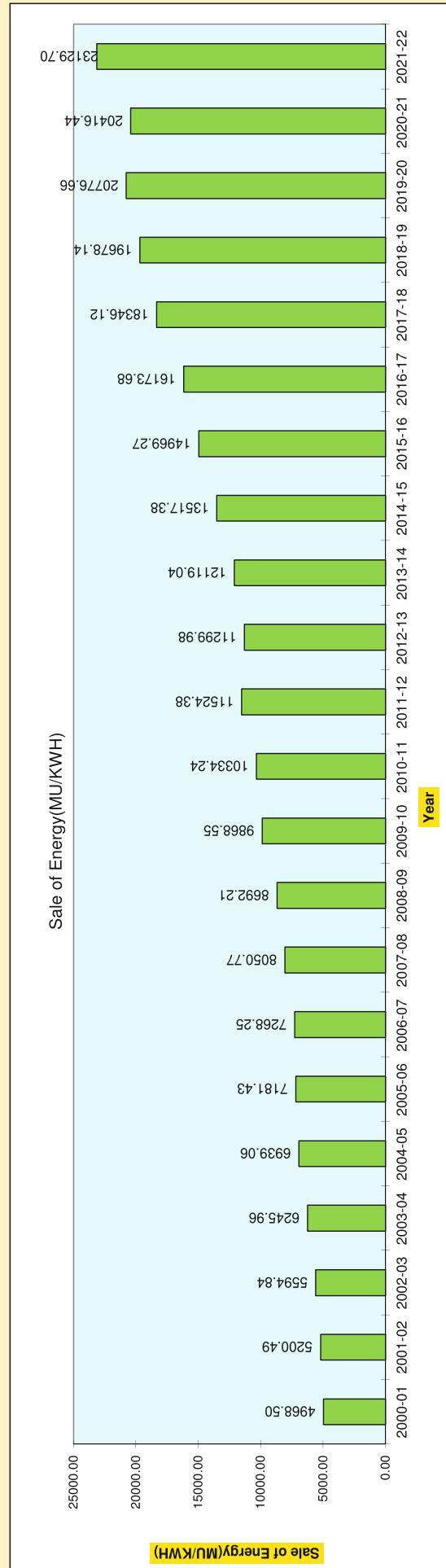
# Staying ahead consistently





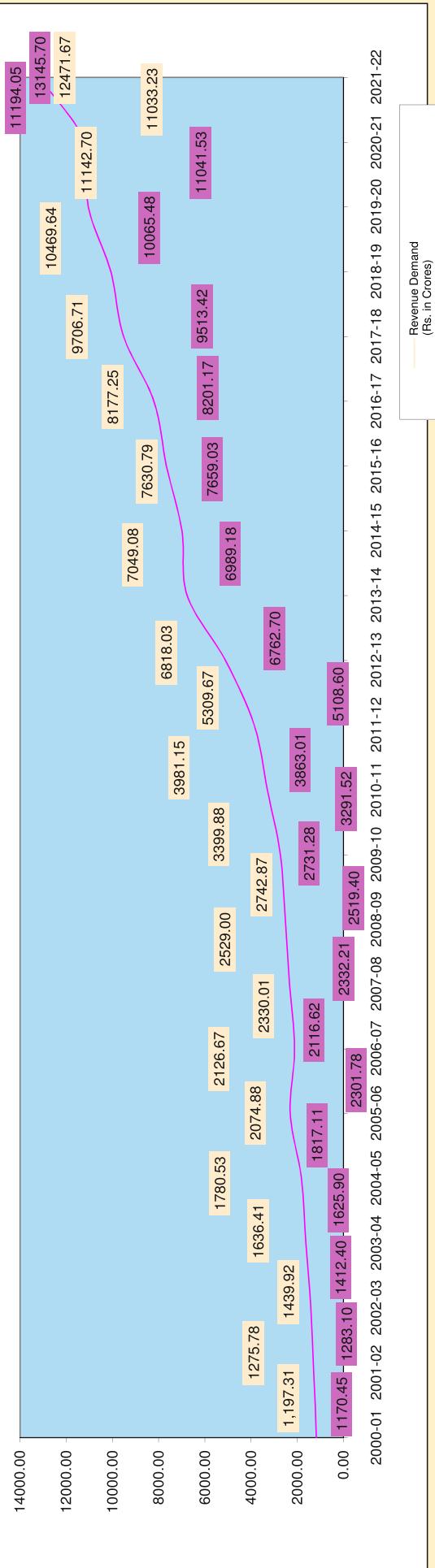
	YEAR	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
PRF- ORMA- NCE HIGH- LIGHTS	Sale of Energy(MU) (Rs. in Crores)	4968.50	5200.49	5594.84	6245.96	6939.06	7181.43	7268.25	8050.77	8692.21	9868.55	10334.24	11524.38	11299.98	12119.04	13517.38	14969.27	16173.68	18346.12	19678.14	20776.66	20416.44	23129.70
PRF- ORMA- NCE HIGH- LIGHTS	Revenue Demand (Rs. in Crores)	1197.31	1275.78	1439.92	1636.41	1780.53	2074.88	2126.67	2330.01	2529.00	2742.87	3399.88	3981.15	5309.67	6818.03	7049.08	7630.79	8177.25	9706.71	10469.64	11142.70	11033.23	12471.67
PRF- ORMA- NCE HIGH- LIGHTS	Revenue Collection (Rs. in Crores)	1170.45	1283.10	1412.40	1625.90	1817.11	2301.78	2116.62	2332.21	2519.40	2731.28	3291.52	3863.01	5108.60	6762.70	6989.18	7659.03	8201.17	9513.42	10065.48	11041.53	11194.05	13145.70
OPERATI- ONAL HIGH- LIGHTS	Technical & Commercial & losses %	17.91	17.92	16.79	15.29	15.17	12.95	12.43	9.01	8.29	7.90	7.00	6.90	6.46	6.33	10.97	8.43	9.10	12.65	18.31	6.64	21.52	7.84
PRF- ORMA- NCE HIGH- LIGHTS	Total Revenue (Rs. in Crores)	1198.11	1540.67	1663.98	1821.52	2013.25	2138.02	2322.68	2731.32	3534.14	3933.83	4470.83	5508.29	5091.41	6350.67	7960.71	8796.41	8729.24	10632.89	12111.65	12848.69	15485.97	16062.38
PRF- ORMA- NCE HIGH- LIGHTS	Total Expenditure (including O&C) (Rs. in Crores)	1198.11	1555.61	1658.34	1818.76	1999.21	2106.49	2309.62	766.23	3510.38	3966.55	4454.82	5489.83	6771.96	6486.52	8682.95	9268.27	9170.55	10622.44	16755.79	12845.42	15054.11	15695.85
PRF- ORMA- NCE HIGH- LIGHTS	Profit after Tax (including O&C) (Rs. in Crores)	0.00	(14.94)	5.19	2.54	12.89	18.89	13.78	35.32	13.59	18.33	12.82	25.24	(1680.55)	(135.85)	(722.24)	(471.86)	(441.31)	10.45	(4644.14)	3.27	431.86	366.53

AT&C Losses from the F.Y 2014-15 are arrived as per the Revised methodology circulated by CEA vide Lr no.CEA-GO-17(11)/1/2018/DP&R Div/408-530 Dt.08.08.2018.  
Note: AT&C Losses for F.Y 2020-21 calculated excluding Trade receivables for Electricity Duty & Delay Payment Surcharge.

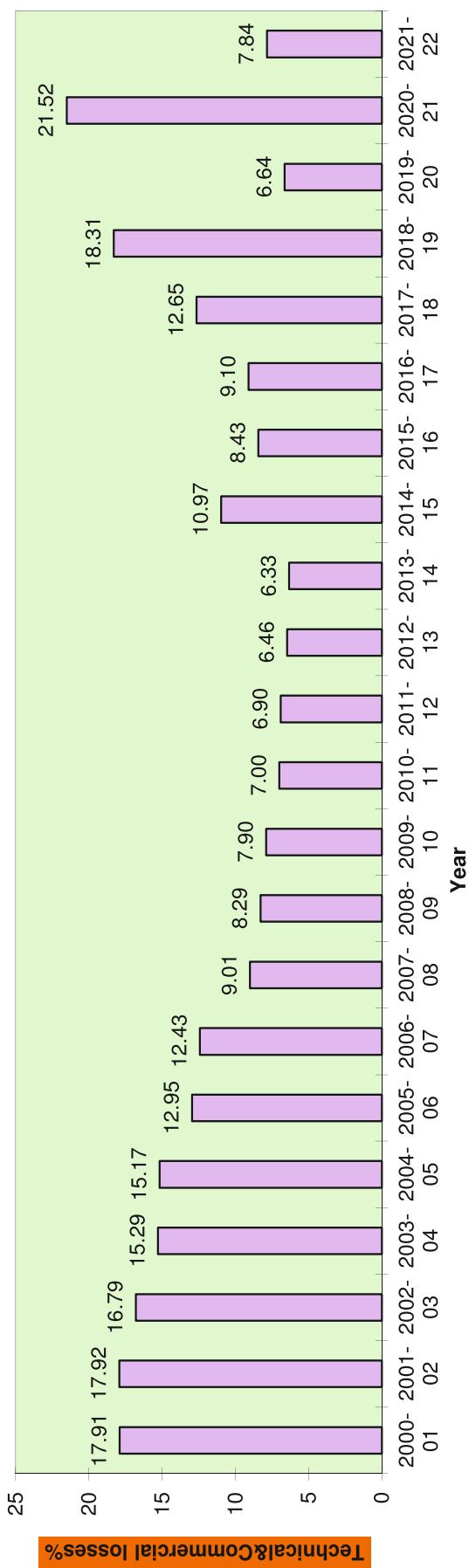




Revenue Demand Vs Revenue Collection(Rs in crores)



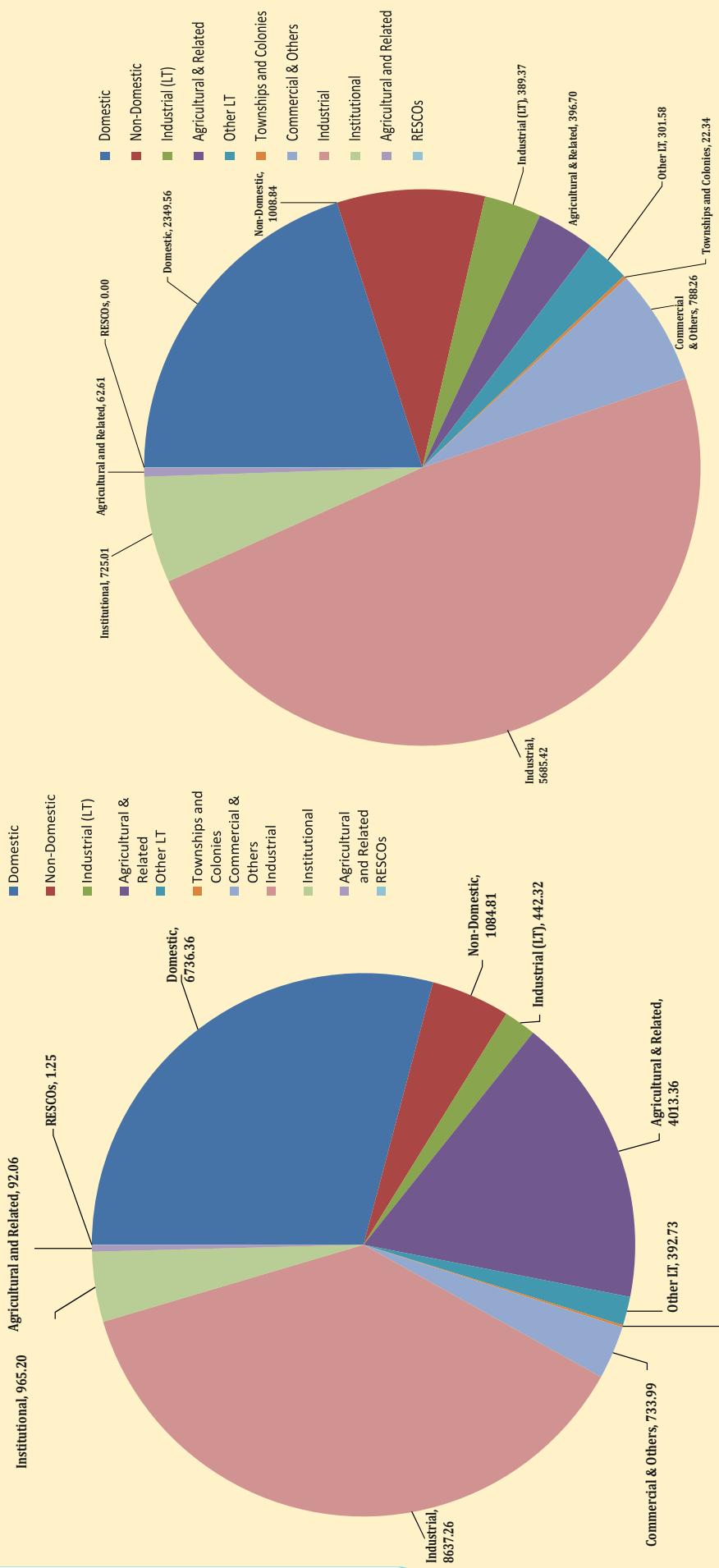
Technical&Commercial losses %





## SALES AND REVENUE - CATEGORY WISE 2021-22

Particulars	SALES		REVENUE	
	MU	%	Rs. Crores	%
Domestic	6736.36	29.12	2349.56	20.03
Non-Domestic	1084.81	4.69	1008.84	8.60
Industrial (LT)	442.32	1.91	389.37	3.32
Agricultural & Related	4013.36	17.35	396.70	3.38
Other LT	392.73	1.70	301.58	2.57
Townships and Colonies	30.37	0.13	22.34	0.19
Commercial & Others	733.99	3.17	788.26	6.72
<b>Industrial</b>	<b>8637.26</b>	<b>37.34</b>	<b>5685.42</b>	<b>48.47</b>
Institutional	965.20	4.17	725.01	6.18
Agricultural and Related	92.06	0.40	62.61	0.53
RESkos	1.25	0.01	0.00	0.00
<b>TOTAL</b>	<b>23129.70</b>	<b>100.00</b>	<b>11729.69</b>	<b>100.00</b>





**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2022**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1)  
of the Company (Management & Administration) Rules, 2014.

<b>I. REGISTRATION &amp; OTHER DETAILS:</b>	
1	CIN
2	Registration Date
3	Name of the Company
4	Category/Sub-category of the Company
5	Address of the Registered office & contact details
6	Whether listed company
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>				
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)				
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company	
1				
2	Power Distribution	9953	100%	
3				

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1					
2					
3		NIL			

<b>IV. SHARE HOLDING PATTERN</b>								
(Equity share capital breakup as percentage of total equity)								
(i) Category-wise Share Holding								

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) State Govt(s)	0	12,12,25,329	12,12,25,329	100.00%	0	12,12,25,329	12,12,25,329	100.00%	0.00%
d) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub Total (A) (1)</b>	-	12,12,25,329	12,12,25,329	100.00%	-	12,12,25,329	12,12,25,329	100.00%	0.00%

<b>(2) Foreign</b>									
a) NRI Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub Total (A) (2)</b>	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>TOTAL (A)</b>	-	12,12,25,329	12,12,25,329	100.00%	-	12,12,25,329	12,12,25,329	100.00%	0.00%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
	0	0	0		0	0	0		
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIIs	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
	0	0	0		0	0	0		
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	0	0	0	0.00%	0	0	0	0.00%	0.00%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals	0	0	0		0	0	0		
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0.00%	0	0	0	0.00%	0.00%
	0	0	0		0	0	0		
	0	0	0		0	0	0		
	0	0	0		0	0	0		
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0.00%	0	0	0	0.00%	0.00%
	0	0	0		0	0	0		
	0	0	0		0	0	0		
	0	0	0		0	0	0		
c) Others (specify)	0	0	0		0	0	0		
Non Resident Indians	0	0	0	0.00%	0	0	0	0.00%	0.00%
Overseas Corporate Bodies	0	0	0	0.00%	0	0	0	0.00%	0.00%
	0	0	0		0	0	0		
Foreign Nationals	0	0	0	0.00%	0	0	0	0.00%	0.00%
Clearing Members	0	0	0	0.00%	0	0	0	0.00%	0.00%
Trusts	0	0	0	0.00%	0	0	0	0.00%	0.00%
Foreign Bodies - D R	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Total Public (B)</b>	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.00%	0	0	0	0.00%	0.00%
	0	0	0		0	0	0		
	0	0	0		0	0	0		
<b>Grand Total (A+B+C)</b>	-	12,12,25,329	12,12,25,329	100.00%	-	12,12,25,329	12,12,25,329	100.00%	0.00%

**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Honorable Governor of Andhra Pradesh	12,12,25,320	99.999993%	0	12,12,25,320	99.999993%	0	0.00%
2	Individuals / Government Nominees	9	0.000007%	0	9	0.000007%	0	0.00%
3		12,12,25,329	100.00%	0	12,12,25,329	100.00%	0	0.00%

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
				No. of shares	% of total shares	No. of shares	% of total shares	
	At the beginning of the year	There is no change in Promoters' Shareholding between 01.04.2021 to 31.03.2022 except change of names of Government Nominees						
	Changes during the year							
	At the end of the year							

**(iv) Shareholding Pattern of top ten Shareholders**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year	01.04.2021		NIL			
	At the end of the year	31.03.2022					

**(v) Shareholding of Directors and Key Managerial Personnel:**

SI No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	Name						
1	Ms.Nagalakshmi.S, IAS	01.04.2021	At the beginning of the Year	1	0.00000082%	1	0.00000082%
		31.03.2022	At the end of the Year	-	0.00000000%	-	0.00000000%
2	Sri K.Santhosha Rao	01.04.2021	At the beginning of the Year	-	0.00000000%	-	0.00000000%
		31.03.2022	At the end of the Year	1	0.00000082%	1	0.00000082%
3	Sri D.Chandram, IRAS	01.04.2021	At the beginning of the Year	1	0.00000082%	1	0.00000082%
		31.03.2022	At the end of the Year	1	0.00000082%	1	0.00000082%
4	Sri K.Rajabapaiah	01.04.2021	At the beginning of the Year	1	0.00000082%	1	0.00000082%
		31.03.2022	At the end of the Year	1	0.00000082%	1	0.00000082%
5	Sri Ramesh Prasad	01.04.2021	At the beginning of the Year	1	0.00000082%	1	0.00000082%
		31.03.2022	At the end of the Year	1	0.00000082%	1	0.00000082%
6	Sri B.A.V.P.Kumara Reddy	01.04.2021	At the beginning of the Year	1	0.00000082%	1	0.00000082%
		31.03.2022	At the end of the Year	1	0.00000082%	1	0.00000082%

7	Sri Shamsher Singh Rawat, IAS	01.04.2021	At the beginning of the Year	-	0.0000000%	-	0.0000000%
		31.03.2022	At the end of the Year	-	0.0000000%	-	0.0000000%
8	Smt. Radhika Anusuri	01.04.2021	At the beginning of the Year	-	0.0000000%	-	0.0000000%
		31.03.2022	At the end of the Year	-	0.0000000%	-	0.0000000%

#### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	81,27,48,09,714	-	-	81,27,48,09,714.21
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>81,27,48,09,714</b>	<b>-</b>	<b>-</b>	<b>81,27,48,09,714.21</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	31,35,24,49,688	-	-	31,35,24,49,688.00
* Reduction	21,54,82,39,837			21,54,82,39,837.00
Net Change	9,80,42,09,851	-	-	9,80,42,09,851.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	91,07,90,19,565	-	-	91,07,90,19,565.21
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>91,07,90,19,565</b>	<b>-</b>	<b>-</b>	<b>91,07,90,19,565.21</b>

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director

SN.	Particulars of Remuneration	Name	Name of Managing Director	Total Amount
		Name	Ms.Nagalakshmi.S, IAS	(Rs.)
	Designation	Chairman Managing Director	Chairman Managing Director	
1	Gross salary	5,19,778	34,07,408	39,27,186.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	---	---	
		---	---	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	
		---	---	
2	Stock Option	---	---	
3	Sweat Equity	---	---	
	Commission	---	---	
4	- as % of profit	---	---	
	- others, specify	---	---	
5	Others, please specify	---	---	
	Total (A)	5,19,778	34,07,408	39,27,186.00
	Ceiling as per the Act			

**A. Remuneration to Whole-time Directors**

Sl.No.	Particulars of Remuneration	Name of Whole Time Director	Total Amount
	Name Designation	Sri B.Ramesh Prasad Director (Operations)	(Rs.)
1	Gross salary	47,80,309	34,84,301
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	---	---
		---	---
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	---	---
		---	---
2	Stock Option	---	---
3	Sweat Equity	---	---
	Commission	---	---
4	- as % of profit	---	---
	- others, specify	---	---
5	Others, please specify	---	---
	Total (A)	47,80,309	34,84,301
	Ceiling as per the Act	---	82,64,610.00

**A. Remuneration to Whole-time Directors**

Sl.No.	Particulars of Remuneration	Name of Whole Time Director	Total Amount
	Name Designation	Sri K.Rajabapaiah Director (Projects)	(Rs.)
1	Gross salary	50,06,449	50,06,449.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	---	-
		---	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	---	-
		---	-
2	Stock Option	---	-
3	Sweat Equity	---	-
	Commission	---	-
4	- as % of profit	---	-
	- others, specify	---	-
5	Others, please specify	---	-
	Total (A)	50,06,449	50,06,449.00
	Ceiling as per the Act	-	-

**B. Remuneration to other Directors**

Sl.No.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs.)
1	Independent Directors	Sri Shamsher singh Rawat, IAS	Sri B.A.V.P.Kumara Reddy	Smt. Radhika Anusuri	-
	Fee for attending board committee meetings	-	10,000.00	10,000.00	20,000.00
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	10,000.00	10,000.00	20,000.00
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	10,000.00	10,000.00	20,000.00
	Total Managerial Remuneration	-	-	-	1,72,18,245.00
	Overall Ceiling as per the Act	-	-	-	-



C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of the Key Managerial Personnel	Total Amount
	Name	K.S.V.S.Sastry	Rs.
	Designation	Company Secretary	-
1	Gross salary		18,04,188.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
	Commission	-	-
4	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total		18,04,188.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding			There were no penalties, punishment or compounding of offences during the year ended March 31, 2022		
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding			There were no penalties, punishment or compounding of offences during the year ended March 31, 2022		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding			There were no penalties, punishment or compounding of offences during the year ended March 31, 2022		



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

***FOR THE FINANCIAL YEAR ENDED 31.03.2022***

*[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,  
Eastern Power Distribution Company of Andhra Pradesh Limited  
CIN U40109AP2000SGC034117  
APEPDCL, Corporate Office, P&T Colony,  
Seethammadhara, Visakhapatnam – 530013.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Eastern Power Distribution Company of Andhra Pradesh Limited (CIN U40109AP2000SGC034117) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Eastern Power Distribution Company of Andhra Pradesh Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Eastern Power Distribution Company of Andhra Pradesh Limited ("the Company") for the financial year ended on 31.03.2022 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'), Securities and Exchange

Board of India Act, 1992 (SEBI) and SEBI Guidelines and Regulations to the extent they are applicable; and

(iii) The Electricity Act, 2003 read with the Electricity Rules, 2005 and Regulations of the appropriate Commission issued from time to time.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company convened its Annual General Meeting (AGM) for the Financial Year 2020-21 on 29.10.2021. At the AGM, the members of the Company adopted the audited financial accounts for F.Y. 2020-21, pending receipt of final comments from the Comptroller and Auditor General of India (CAG).

After receipt of the final comments from CAG, an Extraordinary General Meeting was convened on 23.12.2021 and the members of the Company took note the final comments of the CAG on the annual accounts for F.Y. 2020-21.

Hence, the Company has not complied with the provision to Section 143 (6) by not ensuring placing of final comments of the Comptroller and Auditor General of India (CAG) at the Annual General Meeting held on 29.10.2021.

2. Ms. Nagalakshmi .S, IAS (DIN 07741194), Woman Director, who was the Chairperson and Managing Director (CMD) of the Company ceased to be a Director and consequently, as CMD of the Company with effect from 07.06.2021.

Mrs. Radhika Anusuri (DIN 09505238) was appointed as Independent Non Whole Time Director cum Woman Director in the Company on 02.02.2022. Accordingly, the Company has not complied with the provisions of second proviso to Section 149(1) read with Rule 3 of The Companies (Appointment and Qualification of Directors) Rules, 2014.

3. Mr. Shamsher Singh Rawat, IAS (DIN 06927486), Director on the Board of Directors of the Company has not presented himself for any of the Board Meetings of the Company held during the year.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.



Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

Place : Visakhapatnam  
Date : 24.08.2022

Signature : Sd/-xxxx  
Name : P. VITHAL KUMAR  
ACS No. 14440  
CP No. 8224  
UDIN A014440D000836404

Note: 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,  
Eastern Power Distribution Company of Andhra Pradesh Limited  
CIN U40109AP2000SGC034117  
APEPDCL, Corporate Office, P&T Colony,  
Seethammadhara, Visakhapatnam – 530013.

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

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the content of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management representation about compliance with laws, rules and regulations, happening of events, etc.
5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My 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.

Place : Visakhapatnam  
Date : 24.08.2022

Signature : Sd/-xxxx  
Name : P. VITHAL KUMAR  
ACS No. 14440  
CP No. 8224  
UDIN A014440D000836404



**OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT)**  
**ANDHRA PRADESH, VIAJAYAWADA - 520 002.**

**Lr. No.PAG(Audit)/AP/TSC(PSUs)/AMG-II/AA/APEPDCL/2022-23/107 Dt:24/08/2022**

To

Chairman and Managing Director  
Eastern Power Distribution Company of Andhra Pradesh Limited  
Corporate Office, P&T Colony (P.O). Seethammadhara,  
Visakhapatnam-530013.

Sir,

Sub : Comments on the Annual Accounts of Eastern Power Distribution Company of Andhra Pradesh Limited for the year 2021-22.

1. I am to forward herewith 'NIL' comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 financial statements of your Company for the year ended 31<sup>st</sup> March 2022 for necessary action.
2. The date of placing of 'NIL' comments along with financial statements and Auditor's Report before the shareholders of the Company may please be intimated and a copy of the proceedings of the meeting furnished.
3. The date of forwarding the annual report for year ended 31 March 2022 and financial statements of the Company together with the Auditors Report and 'NIL' comments of the Comptroller and Auditor General of India to the State Government for being placed before the Legislature may also be intimated.
4. Five copies of the annual report for the year ended 31 March 2022 may be furnished in due course.
5. The receipt of this letter along with enclosure may please be acknowledged.

**Encl: As Above**

Yours Faithfully  
**Bhaskar Kalluru**  
Sr. Deputy Accountant General



## ANNEXURE-1

### **Comments of the Comptroller and Auditor General of India Under Section 143(6)(b) of the Companies Act, 2013 on the financial statements of Eastern Power Distribution Company of Andhra Pradesh Limited for the year ended 31 March 2022.**

The preparation of financial statements of Eastern Power Distribution Company of Andhra Pradesh Limited For the year ended 31 March 2022 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 Revised Audit Report dated 23.08.2022 which supersedes their earlier Audit Report dated 28.06.2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Eastern Power Distribution Company of Andhra Pradesh Limited for the year ended 31 March 2022 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 company personal and a selective examination of some of the accounting records.

In view of the revisions made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer or supplement to statutory auditor's report under section 143(6) of the act.

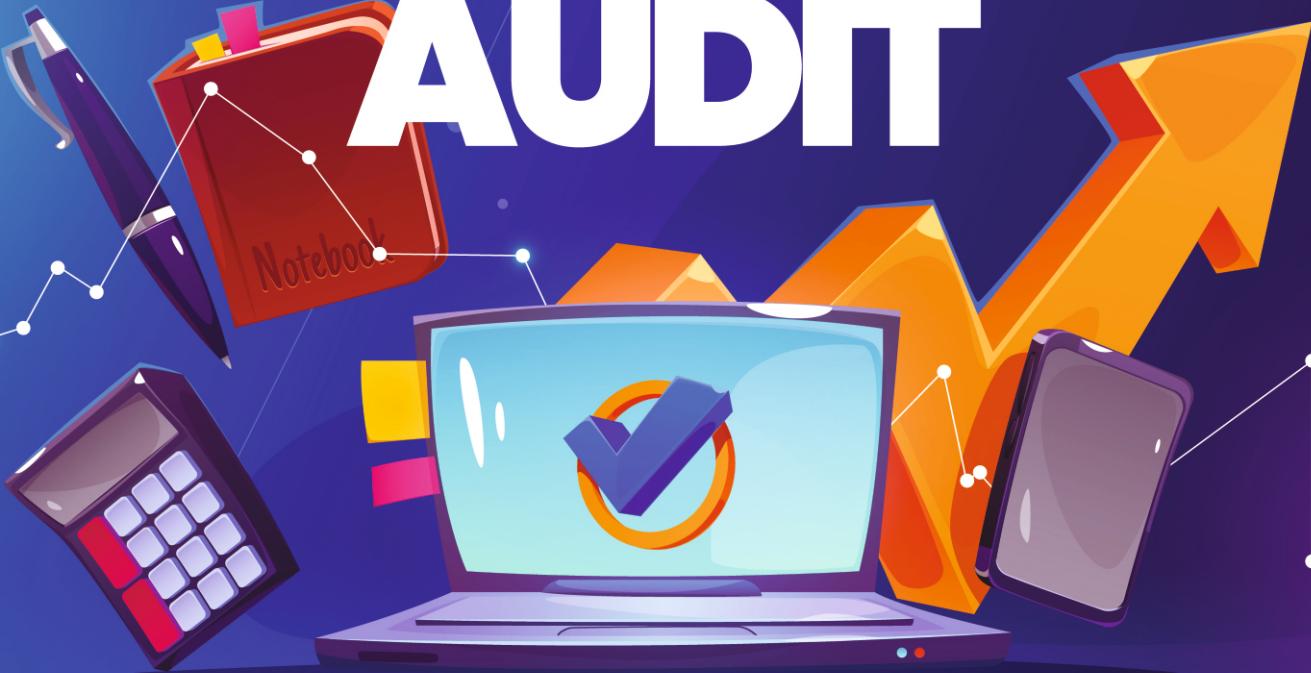
**For and on behalf of the  
Comptroller and Auditor General of India**

**Place : Vijayawada  
Date : 24-08-2022**

**Sd/-xxx  
(Indu Agrawal)  
Principal Accountant General/Audit**



# AUDIT







## INDEPENDENT AUDITOR'S REPORT

To

The Members of M/S Eastern Power Distribution Company of Andhra Pradesh Limited, Visakhapatnam

### **Revised Report on the Audit of Financial Statements**

#### **Qualified Opinion.**

**This report is in supersession of our report dated 28<sup>th</sup> June 2022 on the standalone financial statements of Eastern Power Distribution Company of Andhra Pradesh Limited ("the Company") for the financial year 2021-22.**

Our report dated 28<sup>th</sup> June 2022, along with the financial statements of the Company for the financial year 2021-22, was submitted to the Comptroller & Auditor General (C&AG) (office of the Principal Accountant General(Audit)) by the Company. C&AG conducted supplementary Audit of the accounts and gave their observations on the financial statements and in light of their observations on the financial statements, regarding 1. Non recognition of takeover of outstanding FPR Bonds of Rs.30149.00 lakhs as agreed by Govt. of Andhra Pradesh, 2. Excess provision for doubtful receivables/advances to the tune of Rs.2655.12 lakhs, 3. Non recognition of amount receivable from Govt. of AP towards reimbursement of salaries of Energy Junior Lineman Gr-II recruited by the Company as per the directions of the GOAP in G.O.Ms.No.110 dt 19.07.2019 and G.O.Ms.No.217 dt 20.07.2019, 4. Wrong classification of Unscheduled Interchange Charges of Rs.1208.00 lakhs 5. Wrong classification of Surcharge of Rs.972.58 lakhs for delayed payment of power purchase bills as power purchase cost, 6. Netting of interest liability of Rs.2999.82 lakhs on FPR Bonds which was payable by Govt. of Andhra Pradesh, and 7. Non disclosure of accounting policy for slow and non moving inventories; we revised our report dated 28<sup>th</sup> June 2022. No changes are made in the financial statements, for the year ended 31st March 2022 which were approved by the Management on 28<sup>th</sup> June 2022 and audited by us.

We have audited the accompanying standalone Financial statements of Eastern Power Distribution Company of Andhra Pradesh Limited ("the Company"), which comprises the Balance sheet as at 31<sup>st</sup> March 2022, and the Statement of Profit and Loss, Statement of changes in Equity and statement of Cash Flows for the year then ended, and notes to the Financial statements, including a summary of Significant Accounting Policies and other explanatory information(herein after referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effect of the matters described in the Basis for Qualified Opinion section of our Report, the accompanying standalone Financial Statements give 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 accounting principles generally accepted in India, including "Ind AS" specified under Section 133 of the act read with Companies (Accounts) rules 2014, of the state of affairs of the Company as at March 31, 2022, of its Profit, position of changes in equity and the cash flows for the year then ended.

#### **Basis of Qualified Opinion**

1. Capitalization of Rs.1397.62 lakhs being 1.65% of base capital expenditure during the year towards Admin and Gen. cost as per Note No.30 (ii) is contrary to the provisions of paragraph 19 of INDAS16. Consequently, the Profit for the year partly is Fixed Assets and partly Capital Work In progress are overstated. The impact of this deviation in the earlier years on the financial statements is not ascertained.
2. Contrary to the accounting policy of valuing Investments at fair value (vide Note No.2.1.1 of significant Accounting Policies),, the Investments as at 31<sup>st</sup> March,2022 are valued at the carrying cost of Rs14,674.921akhs. In the absence of the fair values, we are unable to state the impact of this departure on the Financial Statements.
3. The Company has to recognize deferred tax assets and liabilities as per the Company's accounting policy (vide Note No. 2.1.10) but the same are not recognized in the Financial Statements. In the absence of required information, we are unable to state the impact of this departure on the Financial Statements.
4. The provision for Un-Secured doubtful receivables is excess to the tune of Rs.2655.12 lakhs. Consequently the Profit for the year, Receivables and Equity of the Company as on 31.03.2022 are under stated to this extent.
5. The Company is entitled for reimbursement of salaries paid to Energy Junior Lineman Gr-II, recruited the Company as per the directions of the GoAP in G.O.Ms.No.110 Dt.19.07.2019 and G.O.Ms.No.217 Dt.20.07.2019, to the tune of Rs.4410.67 lakhs for current year and Rs.6404.12 lakhs for the earlier years. But the same is not recognized as income in the books of account as in the opinion of management; the same is not likely to be received. In our opinion, a suitable disclosure shall be made in the financial statements in this regard. But no such disclosure is made in the financial statements.
6. As mentioned in Note No.18 (a) GoAP agreed in November 2017 to takeover balance 25 percent of outstanding 2012 -FRP Bonds amounting to Rs.30149.00 lakhs and issue non-SLR Bonds under UDAY Scheme for discharging the debt of the Company. Accordingly the Company should have recognized the same as receivable from the GOAP on accrual basis while appropriately disclosing the facts in the Financial Statements. Consequently, Grants & Consumer Contributions and Receivables from GOAP are under stated to this extent.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under and provisions of the Companies Act, 2013 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics that are relevant to our audit of the financial statements in India under the Companies Act,2013, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

#### **Emphasis of Matter**

We invite attention to:

1. Note no. 30 (xvi) regarding non recognition of interest on Inter DISCOM Balances.
2. Note No.30(xv) regarding impact on financial statements relating to debit and credit balances inoperative accounts outstanding for more than one year under various asset and liability accounts, differences between the balances in various accounts as per APCC records and the Company records and outstanding entries in reconciliation statements relating to various bank accounts, and loan accounts, ii) un-reconciled entries in respect of a) differences between balances as per Company's records and balance confirmations to the extent received, b) differences between debtor balances and consumption deposits as per Financial Ledgers (SAP Data) and Consumer Ledgers (EPCCB Data), c) Inter Unit accounts , d) Debt Service Clearing A/C and e) GRIR Clearing accounts.
3. As mentioned in the note no 3 (Property Plant and Equipment) of the Financial Statements, most of the immovable properties held by the Company were previously held by APTRANSCO and vested in the Company by virtue of GO No.35 issued by GOAP. In the absence of details of the description, values etc., in the said GO or in any other legally enforceable document, we are unable to state whether all such properties held in the name of the Company or not. Most of the remaining of properties were received from local governments and in our opinion, the endorsements and certified copies of the resolutions are not adequate to legally establish the Company's title to the properties received from local governments. In the absence of the details such as values, mode of acquisition, date of acquisition etc., in the immovable property registers maintained, it is not possible to conclude whether all the properties owned by the Company are recorded in the registers or not.
4. Balance Confirmations for receivables from various parties, Trade payables and other payables are not obtained.
5. Note No 32 regarding impact on non - creation of provision in respect of bad and doubtful debts for which cases are pending in courts.
6. The Company has netted off the interest payable on FRP Bonds to the tune of Rs.2999.82 lakhs with the corresponding amount receivable from GOAP instead of inclusion of this amount in Finance Costs and Other Income.
7. Delayed payment surcharge of Rs.972.57 lakhs is included in power purchase Cost instead of including the same in Other Expenses.
8. Un-scheduled interchange (UI) income amounting to Rs. 1207.81 lakhs is included in "Other Income" instead of including the same in revenue from operations.
9. The company has not disclosed the accounting policy relating to provision for slow and non moving stock.

Our Opinion is not modified in respect of these matters.

**Material Uncertainty related to Going Concern:**

We draw attention to Note No. 30(i) in the Financial Statements, regarding Going concern assumption. Accordingly, our opinion is not qualified in respect of this matter.

**Information Other than the Financial Statements and Auditor's Report thereon:**

The Company's Board of Directors is responsible for the preparation of the other information. The other company information included in the Directors' Report, (but does not include the Standalone

Financial Statements and our auditors' report thereon), which are expected to be made available to us after the date of this auditors' report. Our opinion on the Standalone Financial Statements does not cover the other information and we do not and will not express any form of assurance or 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 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.

#### **RESPONSIBILITY OF THE MANAGEMENT:**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with rule 7 of companies (Accounts) rules,2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial statements, Board of Directors is 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 the Board Of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **AUDITORS RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS:**

Our objectives are to obtain reasonable assurance about whether the 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 in accordance with 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 on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the 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.

2. Obtain an understanding of internal control relevant to the audit in order 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 adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 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.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statement that, individually or in aggregate, makes 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) to evaluate 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

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:**

- 1) 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, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(5) of the act, we have considered the directions/subdirections issued by Comptroller and Auditor General of India, the action taken there on and its impact on the financial statements on the company are given in the Annexure B
- 3) As required by Section 143(3) of the Act, we report that subject to the matters in the Basis of Qualified Opinion part of this report:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for the matters described in the Basis for Qualified Opinion section of this report
- (b) In our Opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books except for the matters described in the Basis for Qualified Opinion section of this report.
- (c) The Balance Sheet, the Statement of Profit And Loss, The Cash Flow Statement and Statement Of Changes In Equity dealt with by this report are in agreement with the books of account
- (d) In our opinion the afore said financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, except for the matters described in the Basis for Qualified Opinion section of this report.
- (e) The matters described in the Basis for Qualified Opinion section of this report, in our opinion, may have a possible effect on the functioning of the Company.
- (f) Being a government company, pursuant to the notification no GSR463 (E) dated 5<sup>th</sup> June 2015 issued by Ministry of Corporate Affairs, Government of India; the Provisions of sub sections 2 of Section 164 and subsection 16 of 197 of the Companies Act 2013 are not applicable to the company.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (h) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified section of this report. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 litigations on Its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For M/s. B.V. Rao & Co LLP  
Chartered Accountants  
FRN.No.003118S/S200049**

**Sd/-xxxx  
(B.A.S.P.Ranga)  
Partner  
Membership No: 022649  
UDIN : 21022649AAAAAB2593**

**Place: Visakhapatnam**

**Date: 23-08-2022**



## ANNEXURE - A

Annexure referred to in paragraph 1 under 'Report on other Legal and Regulatory requirements' section of our report of the Independent Auditor's report of even date of APEPDCL, on the stand alone Ind AS Financial statements for the year ended March 31,2022.

In terms of information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state the following:

(I) (a) (A) The Company is maintaining proper records of Property Plant and Equipment containing required particulars such as date of acquisition, original cost, situation of fixed assets, quantitative details, asset identification number, year of purchase, useful life, residual value etc,

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) Lands and buildings (which constitutes 5.81% of total fixed assets) owned by the Company were physically verified by the Executive Engineers during the year. Though fixed assets grouped under Plant & Machinery (transformers etc.,), Lines & Cables, and Meters and Metering Equipment (which constitutes 92.15% of the Fixed Assets) are verified as mentioned in note no.30.iv, such verification is not with reference to the fixed assets registers. The other fixed assets such as furniture and fixtures, office equipment etc., are not physically verified. Hence, we are unable to comment regarding any material discrepancies between the fixed assets registers and the assets physically available.

(c) In the absence of the required details and information in the immovable property registers as mentioned in paragraph 3 of Emphasis matter of the main audit report, we are unable to furnish the details of Company's immovable properties for which title deeds are not held 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) No Proceedings have been initiated or are pending against the company as at March 31,2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.



(II) (a) Physical verification of inventory has been conducted during the year by the management at reasonable intervals. No discrepancies beyond 10% were noticed on such verification between the physical stocks and the stock records. The coverage and procedure for physical verification of inventory done by the management during the Financial year is appropriate.

(b) The Company was sanctioned working capital limits in excess of five crores by State Bank of India and Union Bank of India on the basis of security of current assets and we observed that though the gross values of the current assets were in agreement with the books of account, the Company has not deducted the relevant provisions for obsolete stocks etc. However such errors have no impact on the drawing power.

(III) (a) (A) The Company has not provided any loans or advances or stood guarantee or security to subsidiaries, joint ventures and associates.

(B) The Company has provided loans to companies other than subsidiaries, joint ventures and associates and the details of aggregate of loans given during the year and balances outstanding at the balance sheet date with respect to such loans are furnished here under:

Particulars	Aggregate amount of loans given during the year. (Rs. in lakhs)	Balance outstanding as on 31.03.2022 (Rs.in Lakhs)	Nature of Classification in books
APSPDCL	3,11,180.93	2,38,081.51	Other Current Financial asset
APCPDCL	1,539.21	14,676.26	Other Current Financial asset
TSSPDCL	-	1,00,640.29	Other Current Financial asset
Total	3,12,720.14	3,53,398.07	

(b) In our opinion, the loans/ advances/ Inter Corporate Deposits given to APSPDCL, APCPDCL, and TSSPDCL are prejudicial to the interests of the Company as interest is not charged and terms of repayment are not fixed.

(c) As rate of interest and repayment schedules are not fixed in respect of the loans given to APSPDCL, APCPDCL and TSSPDCL, we are unable to comment on the regularity of repayment of principal and payment of Interest.

(d) As repayment schedules are not fixed in respect of the loans given to APSPDCL, APCPDCL and TSSPDCL, we are unable to comment whether there are any over dues in respect of these loans.

- (e) As no loan or advance in the nature of loan granted fallen due during the year provisions of Clause 3(iii) (e) is not applicable.
- (f) The total of loans given without specifying any terms or period of repayments is Rs. 3,12,720.14 (as mentioned in clause no.3(iii) (a)(B) above) and the percentage of these loans to the total loans is 100%. No such loans are given to related parties as defined in clause (76) of section 2 of the Companies Act 2013.

(IV) The company has neither given any loan to the directors or any other persons in whom the director is interested nor given/provided any guarantee/security in connection with any loan taken by directors or such other persons as per the provisions of section 185 of the Companies Act.

(V) The Company has not accepted any deposits from the public. Consequently, provisions of the clause 3(v) of the order are not applicable to the Company.

(VI) The Company is maintaining cost records as per sub-section (1) of Section 148 of the Companies Act.

(VII)(a) Undisputed Statutory dues including provident fund, income-tax, Goods and Services Tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. And there are no undisputed statutory dues outstanding as on 31.03.2022 for a period of more than 6 months from the date they became payable, except the following:

Name of the statute/ Authority	Nature of dues	Period to which the amount relates	Amount (Rs. in lakhs)
Andhra Pradesh Electricity duty, (Amendment)Act, 2003	Electricity Duty	2021-22 2020-21, 2019-20, 2018-19 and Prior to 01.04.2018	Rs.12,020.84 Rs.10,544.93 Rs.10,539.97 Rs. 9,924.20 Rs.16,502.85

- (b) As at 31<sup>st</sup> March 2022, there are no disputed dues, which have not been deposited with the respective authorities in respect of Income tax, Service tax, duty of customs, duty of excise, Goods and Service tax ,value added tax and Cess (excluding penalties), except the following:

S.NO	Name of the Statute	Nature of Disputed Statutory Dues	Gross Disputed Amount	Amount deposited under protest / adjusted by tax authorities	Amount not deposited	Period to which amount relates	Forum Where the dispute is pending
1	APVAT Act,2005	Entry Tax	602.06	301.04	301.02	From FY 2002-03 to 2004-05	Value Added Tax Tribunal
2	AP VAT Act 2005	Entry Tax	5030.42	1257.60	3772.82	From FY 2012-13 to 2017-18	Value Added Tax Tribunal
3	AP VAT Act 2005	VAT	1901.79	0	1901.79	2015-16	High Court
4	AP VAT Act 2005	VAT	658.35	0	658.35	2015-16	High Court
5	AP VAT Act 2005	VAT	658.35	0	658.35	From 01.01.12 to 31.10.13	High Court
6	AP VAT Act 2005	VAT	204.21	25.53	178.69	From FY 2013-14 to 2015- 16	AP GST Tribunal
7	AP VAT Act 2005	VAT	204.21	20	184.21	From 2013-14 to 2015-16	AP GST Tribunal
8	The Central Goods and Service Tax Act, 2017	GSTTax	2914.55	0	2914.55	From 2012-13 to 2017-18	High Court
9	The Central Goods and Service Tax Act,2017	GSTTax	364.70	27.35	337.35	From 2016-17 to 2017-18	High Court
10	The Income Tax Act I 1961	Income Tax	470.53	0	470.53	2018-19	ITAT
11	The Employee Provident Fund Act, 1952	EPF	343.11	185.38	157.73	From 1999-2006	High Court
		<b>Total</b>	<b>13,352.28</b>	<b>1,816.90</b>	<b>11,535.39</b>		

(VIII) As no assessment proceedings were completed under the Income Tax Act during the financial year 2021-22, the provisions of clause3 (VIII) of the order are not applicable.

(IX) (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to financial institution, bank, or Government as on the date of balance sheet, except the following.

Nature of Borrowings	Name of Lender	Amount Not Paid on due date	Whether principal or interest	No of Days delay or unpaid upto 31.03.2022	Remarks, if any
Term Loans	Bank Of India	237.26	Principal	1	Nil
Term Loans	APPFCL	5,264.92	Principal	1	Nil

- (b) The Company is not declared as a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion, to the extent of the inter corporate loans given to APSPDCL (Rs.3,11,180.93 lakhs) and APCPDCL (Rs.1,539.21 lakhs) are in the nature of diversion of funds.
- (d) No funds which were raised on short term basis were utilized for long term purposes by the company.
- (e) As the Company has not taken any funds from any entity or person on account of or to meet the obligations of subsidiaries, associates or joint ventures, provisions of Clause 3(ix)(e) of the order are not applicable.
- (f) As the Company has not raised any loan on the pledge of securities held in its subsidiaries, joint ventures or associate companies, the provisions of Clause 3(ix)(f) of the order are not applicable.

(X) (a) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the reporting period and hence reporting under Clause 3(x)(a) of the order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under Clause 3(x)(b) of the order is not applicable.

(XI) (a) No fraud by the company or on the Company is noticed or reported during the reporting period.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

- (c) We were informed that no whistle - blower complaint was received by the Company during the year.
- (XII) In our opinion, the company is not a Nidhi Company. Consequently, provisions of the clause 3(xii) of the order are not applicable.
- (XIII) According to the information and explanations given to us and on overall examination of the records of the Company, we report that all transactions with related parties are in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013 and the related party disclosures as required by relevant Accounting Standards are disclosed in the financial statements.
- (XIV) (a) As the scope and coverage of internal audit, relating to power purchase transactions, etc., (executed by APPCC) were designed prior to the implementation of SAP and Ind AS , the same needs to be reviewed.  
(b) We have considered the reports of the Internal Auditors for the period under audit.
- (XV) The Company has not entered into any non-cash transactions with the directors or persons connected with them during the year under report. Consequently, the provisions of clause 3(xv) of the order are not applicable.
- (XVI) (a) As the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, Provisions of the clause 3(xvi)(a)are not applicable.  
(b) As the company has not conducted any Non-Banking Financial or Housing Finance activities during the year, provisions of Clause 3(xvi)(b) are not applicable.  
(c) As The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India; provisions of Clause 3(xvi)(c) are not applicable.  
(d) As the Company is not a member of any "Companies in the Group" as defined in the Core Investment Companies (Reserve Bank) Directions, the provisions of the clause3(XVI)(d) of the order are not applicable.
- (XVII) The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- (XVIII) As there is no resignation by the Statutory Auditors during the year, the provisions of clause 3(XVIII) of the order are not applicable.
- (XIX) On the basis of the financial ratios, ageing 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, in our

opinion uncertainty exists regarding the Company's ability of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date and the uncertainty is mitigated by the Management's expected support of Central and State Governments to continue its operations uninterrupted and the approval of grants to the tune of Rs. 1,75,664 Lakhs under Revamped Distribution Sector Scheme (RDSS) of Govt Of India as mentioned in para No 30(i) to the financial statements. We, however, state that this is not an assurance as to the future viability of the company. 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 a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(XX)(a) There is no unspent amount towards Corporate Social Responsibility (CSR), which is required to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) As there is no amount remaining unspent under sub-section (5) of section 135 of the Companies Act, which is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

(XXI) As the financial statements audited by us are standalone financial statements, the provisions of clause 3(XXI) of the order are not applicable.

**For M/s. B.V. Rao & Co LLP  
Chartered Accountants  
FRN.No.003118S/S200049**

**Sd/-xxxx  
(B.A.S.P.Ranga)  
Partner  
Membership No: 022649  
UDIN : 21022649AAAAAB2593**

**Place: Visakhapatnam  
Date: 23-08-2022**

## ANNEXURE-B to the Auditor's Report

**Annexure referred to in paragraph 2 under 'Report on other Legal and Regulatory requirements' section of our report of the Independent Auditor's report of even date of APEPDCL, on the stand alone Ind AS Financial statements for the year ended March 31, 2022**

S.No.	Direction	Reply
1.	Whether the company has system in place to process all the accounting transaction through IT System? If yes , the implication of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implication, If any, may be stated.	<p>Yes, the company has a system in place to process all the accounting transaction through SAP IT System. During the FY 2021-22, all the accounting transactions have been processed through IT System. However, for preparation of financial statements some manual interventions are carried out. Major discrepancies in certain areas are given hereunder:</p> <ol style="list-style-type: none"> <li>1. Reclassification entries required for presentation of IND AS financial statements are not passed through SAP</li> <li>2. Vendor Payables as per APCC records and Company SAP records are yet to be reconciled.</li> </ol> <p>The above observation may have impact on financial statements</p>
2.	Whether there is any restructuring of an existing loan or cases of waiver /write off of debts / loans / interest etc, made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lending company).	According to the information and explanations provided to us, there are no restructuring of the existing loans and waivers /write off of loans/interest.
3.	Whether funds (Grants/subsidies etc) received /receivable for specific schemes from central /state government or its agencies were properly accounted for / utilized as per its terms and conditions? List the cases of Deviation	Based on the audit procedures carried out and as per the information and explanation given to us, the funds (Grants/subsidies/etc) received /receivable for specific schemes from Central /state agencies were properly accounted for and utilized as per the respective terms and conditions.

S.No.	Sub-Direction	Reply
	<b>General</b>	
1.	<p>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, utilized, 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 realized on these works, with full quantitative details may be detailed.</p>	<p>No funds are received during the year from Central or State governments /other user departments or their agencies for execution of works.</p>
2.	<p>Where Grants are received from Central or State government(s)/ other user department(s) or their agencies,</p> <p>Where grants are taken as revenue for the year, whether the concerned orders are clear that the funds can be utilized for revenue expenditure;</p> <p>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 utilized for the stated purpose;</p>	<p>During the year the Company accounted a sum of Rs.2,90,125.22 lakhs as revenue grants towards provision of free power and tariff concessions as per APERC tariff order for the financial year 2021-22 and this grant is in the nature of compensation and can be utilized for revenue expenditure.</p> <p>During the year the Company paid a sum of Rs.940 lakhs towards guarantee commission to Govt. of AP.</p> <p>Guarantee Commission was paid at the rate of 2% on the loans sanctioned by Power Finance Corporation Limited to the tune of Rs.23500 lakhs and by Rural Electrification Corporation Limited to the tune of Rs.23500 lakhs. The loans were sanctioned as a special long term transition for clearing outstanding dues of Rs.47721 lakhs payable to CPSU Gencos, Transcos, IPPs and RE Generators. Out these two sanctioned loans, a sum of Rs. 40,846 lakhs was availed after making payments against the outstanding dues to CPSU Gencos, Transcos, IPPs and RE Generators.</p>
3.	<p>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).</p>	<p>No long term liability is undertaken against an asset of finite life time.</p>
4.	<p>Whether the corresponding expenditure on which the taxes paid/ payable are accounted in the financial statements is also included appropriately.</p>	<p>The expenditure in respect of which taxes were paid/ payable are accounted in the financial statements appropriately.</p>
5.	<p>Whether there is a Public Deposit account in the name of the PSU? If yes, Funds debited from the PD account erroneously/ lapsed by the treasury, but claimed by the Company as receivable/ its own funds;</p> <p>If any funds given by any Government or agencies other than the State. Government were lapsed, the details of the same may be detailed;</p>	<p>There is a public deposit account in the name of company and the opening balance of Rs. 46672.12 lakhs as on 01-04-2021 was withdrawn during the year and there are no other transactions and the closing balance in this account nil. There are no lapses during the year no funds were deposited in this account.</p>

	<p>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;</p> <p>Whether suitable disclosure on the restrictions or additional permissions required on withdrawing the funds in PD Accounts is included or not;</p> <p>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;</p>	<p>We were informed that there were no restrictions on the funds the withdrawal of the opening balance.</p> <p>We were informed that no bills were sent for clearing against the PD account.</p>
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 utilized for the stated purpose	The Company raised loans from APPFC during the financial years 2019-20 to 2021-22 the tune of Rs.3,90,000.00 lakhs against subsidy/ claims receivable from GOAP and the payment of principal and Interest are both met by the State Govt.
7.	Whether the land owned by the Company is encroached, under litigation, not put to use or declared surplus. Details may be provided.	As per the information and explanations furnished by the Company there are no such cases.
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?	The inventory is taken on the basis of stores records maintained by the Company and physical verification was carried as per the Company's policy and necessary adjustments were made for the discrepancies and provision is made for slow and nonmoving stocks.
9.	Whether the cost incurred on abandoned projects has been written off?	As per the information and explanations furnished by the Company, no project is abandoned.
10.	Cases of wrong accounting of interest earned on account of non-utilization of amounts received for certain projects/schemes may be reported.	No such interest is earned.
11.	Whether the bifurcation plan (between Andhra Pradesh & Telangana States), if any, for the Company is finalized and approved; Whether the accounting treatment as per the plan and the suitable detailed disclosures are given. Deviations may be stated.	As per the information and explanations furnished by the Company, there are no finalized and approved bifurcation plans.
<b>Power Sector</b>		
1.	Adequacy of steps to prevent encroachment of idle land owned by Company may be examined. In case fund of the Company is encroached, under litigation, not put to use or declared surplus, details may be provided.	As per the information and explanations furnished by the Company, there is no surplus/ idle land and there are no encroachments and litigations.
2.	Where land acquisition is involved in setting up new projects, report whether settlement of dues done expeditiously and in a transparent manner in all cases. The cases of deviation may please be detailed.	No land is acquired for any project

3.	Whether the Company has an effective system for recovery of revenue as per contractual terms and the revenue is properly accounted for in the books of accounts in compliance with the applicable Accounting Standards?	The Company has an effective system for recovery of revenue as per contractual terms and the revenue is properly accounted for in the books of accounts in compliance with the applicable accounting standards.
4.	How much cost has been incurred on abandoned projects and out of this how much cost has been written off?	As per the information and explanations given, no project is abandoned.
<b>Distribution</b>		
1.	Has the company entered into agreements with franchise for distribution of electricity in selected areas and revenue sharing agreements adequately protect the financial interest of the company?	The Company has not entered into any agreements with franchisees for distribution of power.
2.	Report on the efficacy of the system of billing and collection of revenue in the company.	The Company is using a separate software ('EPCCB') for billing and collection of revenue and the same is efficient.
3.	Whether tamper proof meters have been installed for all consumers? If not then, examine how accuracy of billing is ensured.	We were informed that tamper proof meters are installed for all consumers.
4.	Whether the Company recovers and accounts, the State Electricity Regulatory Commission (SERC) approved Fuel and Power Purchase Adjustment Cost (FPPCA)?	During the year, APERC has not issued any orders for recovery of any Fuel and Power Purchase Adjustment cost.
5.	Whether the reconciliation of receivables and payables between the generation, distribution and transmission companies has been completed. The reasons for difference may be examined.	The reconciliation of receivables and payables between the Company and generation & transmission companies is not carried on due to non receipt of balance confirmations and account copies from the generators and transmission companies. In the absence of reconciliation statements, the differences, if any, are not quantified.
6.	Whether the Company is supplying power to franchisees	The Company is not supplying power to any franchisees.
7.	How much tariff roll back subsidies have been allowed and booked in the accounts during the year? Whether the same is being reimbursed regularly by the State Government shortfall if any	For the financial year 2021-22, APERC approved subsidy Rs.2,94,879 lakhs towards free power and concessional tariff and based on the actuals, the Company submitted claims to the tune of Rs.2,90,125.22 lakhs on monthly basis during the year and against these claims, the company received a sum of Rs.2,53,930 lakhs during the year.

For M/s. B.V. Rao & Co LLP  
 Chartered Accountants  
 FRN.No.003118S/S200049

Sd/-xxxx  
 (B.A.S.P.Ranga)  
 Partner  
 Membership No: 022649  
 UDIN : 21022649

Place: Visakhapatnam

Date: 23-08-2022



## **ANNEXURE-C to the Auditor's Report**

**Annexure referred to in paragraph 3(g) under 'Report on other Legal and Regulatory requirements' section of our report of the Independent Auditor's report of even date of APEPDCL, on the stand alone Ind AS Financial statements for the year ended March 31,2022.**

We have audited the internal financial controls over financial reporting of M/S Eastern Power Distribution Company of Andhra Pradesh Limited, as on March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **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 Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of 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 auditors' judgment, including the assessment of the risks of material misstatement of the 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 Qualified audit opinion on the Company's internal financial controls system over financial reporting

### **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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **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.

### **Qualified Opinion**

According to the information and explanation given to us, and based on our audit the following material weakness have been identified as at 31<sup>st</sup> March 2022.

- (a) The company's main accounting application is SAP, the evidence showing Information Technology General Controls (ITGCs), Viz Change Management controls, Access controls and SOD controls validations and review documentation were not available. Further, the input controls in SAP in respect of capturing data and recording of

transaction, access control system, disaster data recovery reviews validation no documentation is available. In absence of the above said evidences we are unable to conclude whether ITGCs are operating effectively throughout the year. Independent System audit on SAP implementation is not carried out since Go-Live of the Project.

- (b) Documentation and risk control matrix for the internal financial controls followed by the entity is not maintained.
- (c) Payments to power purchase vendors are being made by APPCC as per the records maintained by them. There is no system of reconciliation between those records and Company's SAP Data.
- (d) The system of follow up for the long pending unattended audit paras and compliance for the audit observations has to be improved. The scope and coverage of internal audit, relating to power purchase transactions, etc (Executed by APPCC) were designed prior to the implementation of SAP and IND AS Standards, the same needs to be reviewed.
- (e) There is no system for periodical review of long pending payables and receivables and long pending entries in reconciliation statements. Year after year the pending entries increasing in some cases.
- (f) Register for Contingent liabilities and an asset is not being updated until the closure of financials. The system of compiling contingent liabilities with reference to legal charges needs to be improved.
- (g) Reconciliation of Revenue, dues and consumption deposits from consumers as per Billing software and corresponding data as per SAP accounting application is not done.
- (h) There is no adequate system in place for obtaining periodical balance confirmations and reconciliation of balances relating to Capital Advances and Trade Payables.
- (i) There is no system in existence to identify Employee wise fund contribution towards Medical Benefit fund, Family benefit fund and GIS saving scheme.
- (j) There is no policy for physical verification of Property plant and equipment.
- (k) There is no adequate internal financial control system to ensure timely capitalization of fixed assets as and when the relevant work is completed and asset is ready for use.
- (l) Reconciliation of various modules information including APPCC data with finance module of SAP is not done.
- (m) There is no adequate internal financial control system to correlate capital expenditure incurred with grants/subsidy received, which could result in recognition of deferred revenue income.
- (n) The Company's design and implementation of controls and procedures need to ensure the adherence with the applicable regulations.



A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, because of the effect of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has not maintained adequate and effective internal financial controls over financial reporting as of 31.03.2022, based on the above comments in the preceding paras, "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".

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31.03.2022 weaknesses have affected our opinion on the standalone Financial Statements of the Company and we have issued an Qualified opinion on the Standalone Financial Statements.

**For M/s. B.V. Rao & Co LLP  
Chartered Accountants  
FRN.No.003118S/S200049**

**Sd/-xxxx  
(B.A.S.P.Ranga)  
Partner  
Membership No: 022649  
UDIN : 21022649**

**Place: Visakhapatnam  
Date: 23-08-2022**

S.No.	Audit Comment	EPDCL Reply
1.	<p>Capitalization of Rs.1397.62 lakhs being 1.65% of base capital expenditure during the year towards Admin and Gen. cost as per Note No.30 (ii) is contrary to the provisions of paragraph 19 of INDAS 16. Consequently, the Profit for the year partly is Fixed Assets and partly Capital Work In progress are overstated. The impact of this deviation in the earlier years on the financial statements is not ascertained.</p>	<p>The operation circles are involved in the execution of both capital works and operation &amp; maintenance works and it is not practicable to maintain records to identify the man hours spent by the staff on capital works. 1.65% percent of the cost of capital works incurred is added to capital work in progress as capitalization of Administration &amp; General expenses which is in line with the practice in the industry.</p>
2.	<p>Contrary to the accounting policy of valuing Investments at fair value (vide Note No.2.1.1 of significant Accounting Policies),, the Investments as at 31<sup>st</sup> March, 2022 are valued at the carrying cost of Rs14,674.92 lakhs. In the absence of the fair values, we are unable to state the impact of this departure on the Financial Statements.</p>	<p>All investments are Unlisted and unquoted, hence valued at cost.</p>
3.	<p>The Company has to recognize deferred tax assets and liabilities as per the Company's accounting policy (vide Note No. 2.1.10) but the same are not recognized in the Financial Statements. In the absence of required information, we are unable to state the impact of this departure on the Financial Statements.</p>	<p>In view of unabsorbed depreciation &amp; business losses, deferred tax asset/Liability were not recognized in the books.</p>
4.	<p>The provision for Un-Secured doubtful receivables is excess to the tune of Rs.2655.12 lakhs. Consequently the Profit for the year, Receivables and Equity of the Company as on 31.03. 2022 are understated to this extent.</p>	<p>The existing Provision for Bad and doubtful debts as on 31.03.2022 for an amount of Rs.214.46 Crores consists of the provision which was made available at the time of adoption of opening balances and also further accumulation of provision made in accordance with Ind AS 109 by applying expected credit loss model. The object of the continuance of the Provision for Bad and doubtful debts is in order to ensure that there would not be any short provision keeping view of uncertainty in assessing the exact amount of loss on account of bad debts hence the provision which was made available is continued along with the provision calculated in accordance with the Ind AS109.</p> <p>However, the audit comment is noted for future guidance and the same will be reviewed during the FY2022-23 and appropriate action will be taken.</p>

<p>5. The Company is entitled for reimbursement of salaries paid to Energy Junior Lineman Gr-II, recruited the Company as per the directions of the GoAP in G.O.Ms.No.110 Dt.19.07.2019 and G.O.Ms.No.217 Dt. 20.07.2019, to the tune of Rs.4410.67 lakhs for current year and Rs.6404.12 lakhs for the earlier years. But the same is not recognized as income in the books of account as in the opinion of management; the same is not likely to be received. In our opinion, a suitable disclosure shall be made in the financial statements in this regard. But no such disclosure is made in the financial statements.</p>	<p>In reply to the audit comment it is to submit that the GOAP has constituted Village Secretariat /Ward Secretariats in Gram Panchayats and Urban Local Bodies in State of Andhra Pradesh in accordance with G.O.Ms.No.110 dt 19.07.2019 and G.O.Ms.No.217 dt 20.07.2019 to revamp delivery system in the State with aim to improve living standards of the people through the concept of NAVARATHANALU as core theme of governance. To achieve this object, Village/Ward Secretariats was established in the State as per proposal of the Commissioner of Panchayat Raj Rural Development and Commissioner and Director of Municipal Administration. Accordingly formation of Village Secretariat /Ward Secretariats the Village/Ward Energy Secretary functions are initially allocated to Street Lighting, Power Supply, Power Subsidy etc., which are discharged by Panchayats and Urban Local Bodies.</p> <p>As per instructions laid down in vide G.O.Ms.No. 110 dt 19.07.2019, point 14(iv), i.e Each department shall follow their own norms for recruitment and basic minimum qualifications prescribed for a specific post under their service rules , in G.O.Ms.No. 217 dt 20.07.2019 point i(5) and the recruitment of ward Secretaries of other departments will be taken up by the Head of the respective departments, in accordance with the standard recruitment procedure of the respective departments respectively.</p> <p>Compliance to above instructions, the Energy Assistants( JLM Gr-II) were recruited in October 2019 by the APEPDCL as per the recruitment procedural applicable in APEPDCL Subsequently the JLM's functions are assigned to Energy assistant i.e JLM Gr-II, since the appointment of Energy Assistant of JLM Gr-II of Village Secretariat are working in APEPDCL and discharging the duties which are identical with duties &amp; functions of JLMs.</p> <p>Since Energy Assistants are recruited by APEPDCL, salaries are being paid by APEPDCL and the services rendered by them to the customers of APEPDCL are part of our business operations. Though originally they were under dual control and some of the services rendered by them were not part of our business operations, but subsequently they are under our exclusive control and they are not rendering any services which are not part of our business operations. Due to recruitment of Energy</p>
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		<p>Assistants ,the Company has not carried on recruitment to fill vacant JLM posts. Hence the same are charged to the Employees Benefit Expense.</p> <p>Further to above it is also to submit that APEPDCL has adopted the G.O.Ms.No.05 dt25.06.2022 of Department of Gram Volunteers /Ward Volunteers &amp; Village Secretariats / Ward Secretariats by issuing vide E.O.O.184 dt02.07.2022 for applicability of Pay Scales to these Energy Assistants(JLM Gr-II) recruited in APEPDCL.</p> <p>In view of the cited facts in the opinion of management the salary expenses of Energy Assistants are not likely to be reimbursed / receivable from GoAP. Hence the amount receivable as per the GO is not recognized in the Accounts.</p>
6.	<p>As mentioned in Note No.18 (a) GoAP agreed in November 2017 to takeover balance 25 percent of outstanding 2012 -FRP Bonds amounting to Rs.30149.00 lakhs and issue non-SLR Bonds under UDAY Scheme for discharging the debt of the Company. Accordingly the Company should have recognized the same as receivable from the GOAP on accrual basis while appropriately disclosing the facts in the Financial Statements. Consequently, Grants &amp; Consumer Contributions and Receivables from GOAP are understated to this extent.</p>	<p>It is to submit that as per G.O Ms. No 62 Dt.14.11.2013 as part of Financial Restructuring Package of Govt. of India, the state government agrees to assume the liability by way of guaranteed bonds issued by the DISCOMs which will become govt. bonds in the next few years as per the fiscal space of the State Government, as envisaged under Financial Restructuring Package.</p> <p>Govt. of Andhra Pradesh agreed vide Letter no. 367/Power-III/2017-2 Dt.16.11.2017 for taking over the balance 25% of FRP bonds of the DISCOMs to the tune of Rs.301.49 Crores to issue Non-SLR bonds under UDAY Scheme for discharging the debt of the DISCOM.</p> <p>Govt. of Andhra Pradesh has not taken over the FRP bonds till date. Consistently FRP bonds outstanding are showing as Debt of DISCOM since bonds were issued by the APEPDCL with Govt. guarantee. The above facts have also been disclosed in the Financial Statements vide Note.No.18(a) UDAY Scheme.</p>

# Financial Statements







## Eastern Power Distribution Company of Andhra Pradesh Limited

### Balance Sheet as at 31 March 2022

*(All amounts in Indian rupees in lakhs, except share data and otherwise stated)*

	Notes	31 March 2022	31 March 2021
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	3	5,11,497.14	4,72,741.01
Capital work-in-progress	4	37,940.33	34,485.55
Intangible assets	5	272.91	405.01
Financial assets			
<b>Investments</b>	6	14,674.92	14,674.92
Loans	7	9,527.75	9,107.62
Other non-current assets	9	1,230.76	1,282.19
<b>Total non-current assets</b>		<b>5,75,143.81</b>	<b>5,32,696.30</b>
<b>Current assets</b>			
Inventories	10	12,504.20	14,765.28
Financial assets			
Trade receivables	11	3,24,165.99	3,22,364.49
Cash and cash equivalents	12	29,652.08	28,988.71
Other financial assets	8	9,33,864.90	8,61,589.23
Other tax assets	13	2,958.82	2,235.91
Other current assets	9	5,680.26	54,262.08
<b>Total current assets</b>		<b>13,08,826.25</b>	<b>12,84,205.70</b>
<b>Total assets</b>		<b>18,83,970.06</b>	<b>18,16,901.99</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	14	12,122.53	12,122.53
Other equity	15	(7,06,509.56)	(7,43,162.26)
<b>Total equity</b>		<b>(6,94,387.03)</b>	<b>(7,31,039.73)</b>
Grants & Consumer contributions	18	5,74,311.20	5,32,400.14
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	16	7,95,535.79	6,22,131.78
Lease Liabilities	21.a	182.34	267.97
Other non-current liabilities	20	2,35,178.75	2,15,660.40
Provisions	17	89,837.09	86,851.11
Deferred tax liabilities (Net)	19	220.03	220.03
<b>Total non-current liabilities</b>		<b>11,20,954.00</b>	<b>9,25,131.29</b>

<b>Current liabilities</b>			
Financial liabilities			
Borrowings	16	1,15,254.40	1,90,616.32
Lease Liabilities	21.a	85.63	81.73
Trade payables	21		
Micro Enterprises and Small Enterprise		-	-
Other than Micro Enterprise and Small Enterprise		4,61,276.20	6,01,604.91
Other financial liabilities	22	35,750.27	33,432.70
Other current liabilities	20	1,19,294.62	1,04,362.07
Provisions	17	1,51,430.77	1,60,312.57
<b>Total current liabilities</b>		<b>8,83,091.89</b>	<b>10,90,410.30</b>
<b>Total liabilities</b>		<b>20,04,045.89</b>	<b>20,15,541.59</b>
<b>Total equity and liabilities</b>		<b>18,83,970.06</b>	<b>18,16,902.00</b>

*See accompanying notes forming part of the financial statements.*

This is the Balance sheet referred in our report dated

**For M/s. B.V.Rao & Co. LLP.**  
**Chartered Accountants**  
**FRN: 003118S / S200049**

**For and on behalf of the Board**

Sd/-xxxx  
**B.A.S.P.Ranga**  
**Partner**  
**Membership no.: 022649**

Sd/-xxxx  
**D. Chandram, IRAS**  
**Director (Finance & HRD)**  
**Din : 08963107**

Sd/-xxxx  
**K. Santhosha Rao**  
**Chairman &**  
**Managing Director**  
**Din : 08879899**

**Place : Visakhapatnam**  
**Date : 28.06.2022**

Sd/-xxxx  
**M.Ravindra**  
**Chief General Manager (Expr.)**

Sd/-xxxx  
**K.S.V.S. Sastry**  
**Company Secretary**



## Eastern Power Distribution Company of Andhra Pradesh Limited Statement of Profit and Loss

*(All amounts in Indian rupees in lakhs, except share data and otherwise stated)*

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Revenues</b>			
Revenue from operations	23	15,14,282.56	14,80,262.62
Other income	24	91,955.04	64,928.35
<b>Total income</b>		<b>16,06,237.60</b>	<b>15,45,190.97</b>
<b>Expenses</b>			
Purchase of Power	25	12,89,495.19	11,25,841.74
Employee benefits expense	26	1,18,086.08	2,89,206.34
Finance costs	27	94,384.01	62,788.82
Depreciation and amortisation expense	28	34,987.69	31,958.34
Operating and other expenses	29	29,606.82	32,086.58
<b>Total expenses</b>		<b>15,66,559.79</b>	<b>15,41,881.82</b>
<b>Profit/(Loss) before tax</b>		<b>39,677.81</b>	<b>3,309.15</b>
<b>Tax expense</b>			
Current tax		-	-
Deferred tax		-	-
<b>Tax expense Adjustment of Previous years</b>		-	<b>(684.43)</b>
Income tax expense		-	(684.43)
<b>Profit/(Loss) after tax (PAT)</b>		<b>39,677.81</b>	<b>3,993.58</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to profit and loss</b>			
Remeasurements of defined employee benefit plans		(3,025.11)	39,192.60
Income tax on items that will not be reclassified subsequently to profit or loss		-	-
<b>Total comprehensive income for the year (TCI)</b>		<b>36,652.70</b>	<b>43,186.18</b>
<b>Earnings per equity share (refer note 34 for further details)</b>			
Basic & Diluted ( Face value of INR 10 per share) on PAT		32.73	3.29
Basic & Diluted ( Face value of INR 10 per share) on TCI		30.24	35.62

*See accompanying notes forming part of the financial statements.*

This is the Statement of Profit and Loss referred in our report dated

**For M/s. B.V.Rao & Co. LLP.**

**Chartered Accountants**

**FRN: 003118S / S200049**

**Sd/-xxx**

**B.A.S.P.Ranga**

**Partner**

**Membership no.: 022649**

**Sd/- xxxx**

**D. Chandram, IRAS**

**Director (Finance & HRD)**

**Din : 08963107**

**Sd/-xxxx**

**K. Santhosha Rao**

**Chairman & Managing Director**

**Din : 08879899**

**Place : Visakhapatnam**

**Date : 28.06.2022**

**Sd/-xxxx**

**M.Ravindra**

**Chief General Manager (Expr.)**

**Sd- xxxx**

**K.S.V.S. Sastry**

**Company Secretary**



**Eastern Power Distribution Company of Andhra Pradesh Limited**  
**Statement of cash flows**  
**For the year ended 31 March 2022**

*(All amounts in Indian rupees in lakhs, except share data and otherwise stated)*

	<b>For the year ended 31 March 2022</b>	<b>For the year ended 31 March 2021</b>
<b>Cash flow from operating activities</b>		
Profit/(loss) after tax	39,677.81	3,993.58
<b>Adjustments for</b>		
Depreciation on property, plant and equipment	34,987.69	31,958.34
Amortisation of consumer contributions, subsidies, grants towards cost of capital assets	(20,690.55)	(23,692.80)
Income from Investments	(337.54)	(300.08)
Interest on Loans from FI's/Banks	85,866.50	55,384.40
Loss on sale of Investments	-	-
<b>Change in operating assets and liabilities</b>		
Decrease/(Increase) in trade receivables	(1,801.50)	5,954.76
Decrease/(Increase) in inventories	2,261.08	2,049.95
Decrease/(Increase) in other non current and current assets	48,633.25	(37,053.30)
Decrease/(Increase) in other financial (current and non-current) assets	(72,275.67)	(2,93,457.85)
(Decrease)/Increase in other loans	(420.13)	1,135.67
(Decrease)/Increase in grants	14,612.45	2,643.17
(Decrease)/Increase in other non-current and current financial liabilities	2,317.57	1,947.85
(Decrease)/Increase in other non-current and current liabilities	34,450.90	55,509.63
(Decrease)/Increase in provisions	(8,920.93)	1,63,734.24
(Decrease)/Increase in deferred tax liabilities	-	-
(Decrease)/Increase in Trade payables	(1,40,328.71)	(36,500.81)
(Decrease)/Increase in Lease liabilities	(81.73)	(76.90)
<b>Cash generated from operations</b>	<b>17,950.48</b>	<b>(66,693.25)</b>
Income taxes paid (net of CY payments)	722.91	622.09
<b>Net cash inflow from operating activities</b>	<b>17,227.57</b>	<b>(67,315.34)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(77,066.50)	(74,930.69)
Proceeds from sale of investments	-	-
Purchase of New Investments	-	-
Interest income from investments	337.54	300.08
<b>Net cash used in investing activities</b>	<b>(76,728.96)</b>	<b>(74,630.61)</b>

<b>Cash flows from financing activities</b>		
Repayment of borrowings	(2,15,482.41)	(1,27,671.48)
Proceeds from Long Term Borrowings	3,13,524.50	3,02,970.97
Proceeds towards others	27,298.61	12,988.46
Proceeds towards Capital Reserve/ Contingency reserve fund	-	-
Interest paid on borrowings	(85,866.50)	(55,384.40)
Amortisation of consumer contributions, subsidies, grants towards cost of capital assets(Current year)	20,690.55	23,692.80
<b>Net cash used in financing activities</b>	<b>60,164.75</b>	<b>1,56,596.35</b>
<b>Net decrease in cash and cash equivalents</b>	<b>663.37</b>	<b>14,573.50</b>
Cash and cash equivalents at the beginning of the financial year	28,988.71	14,415.21
<b>Cash and cash equivalents at end of the year</b>	<b>29,652.08</b>	<b>28,988.71</b>

This is the statement of Cash flow referred in our report dated

**For M/s. B.V.Rao & Co. LLP.**  
**Chartered Accountants**  
**FRN: 003118S / S200049**

**Sd/-xxx**  
**B.A.S.P.Ranga**  
**Partner**  
**Membership no.: 022649**

**Place : Visakhapatnam**  
**Date : 28.06.2022**

**Sd/- xxxx**  
**D. Chandram, IRAS**  
**Director (Finance & HRD)**  
**Din : 08963107**

**Sd/-xxxx**  
**M.Ravindra**  
**Chief General Manager (Expr.)**

**For and on behalf of the Board**

**Sd/-xxxx**  
**K. Santhosha Rao**  
**Chairman & Managing Director**  
**Din : 08879899**

**Sd- xxxx**  
**K.S.V.S. Sastry**  
**Company Secretary**

## Eastern Power Distribution Company of Andhra Pradesh Limited

### Statement of changes in equity

*(All amounts in Indian rupees in lakhs, except share data and otherwise stated)*

#### **A. Equity share capital**

Balance as at April 1, 2021	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
12122.53	0	0	0	12122.53

Balance as at April 1, 2020	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
12122.53	0	0	0	12122.53

#### **B. Other equity**

Description	Reserves and surplus		Other comprehensive income	Total
	Retained earnings	Contingency reserve	Remeasurement of defined benefit obligations	
<b>Balance as at 1 April 2021</b>	(7,65,441.40)	10,724.42	11,554.72	(7,43,162.26)
Profit /(loss) for the year	39,677.81	-	-	39,677.81
Other comprehensive income	-	-	(3,025.11)	(3,025.11)
<b>Total comprehensive income for the year</b>	<b>39,677.81</b>	-	<b>(3,025.11)</b>	<b>36,652.70</b>
Adjustment of losses in retained earnings	-	-	-	-
Amount added/(deducted) to contingency reserve	-	-	-	-
Amount added/(deducted) to other reserves	-	-	-	-
<b>Balance at 31 March 2022</b>	<b>(7,25,763.59)</b>	<b>10,724.42</b>	<b>8,529.61</b>	<b>(7,06,509.56)</b>
<b>Balance as at 1 April 2020</b>	<b>(7,69,434.98)</b>	<b>10,724.42</b>	<b>(27,637.88)</b>	<b>(7,86,348.44)</b>
Profit/(loss) for the year	3,993.58	-	-	3,993.58
Other comprehensive income	-	-	39,192.60	39,192.60
<b>Total comprehensive income for the year</b>	<b>3,993.58</b>	-	<b>39,192.60</b>	<b>43,186.18</b>
Adjustment of losses in retained earnings	-	-	-	-
Amount added/(deducted) to contingency reserve	-	-	-	-
Addition/(deduction) to other reserve	-	-	-	-
<b>Balance at 31 March 2021</b>	<b>(7,65,441.40)</b>	<b>10,724.42</b>	<b>11,554.72</b>	<b>(7,43,162.26)</b>

## **Eastern Power Distribution Company of Andhra Pradesh Limited**

### **Notes to the financial statements for the year ended 31 March 2022**

#### **1. Corporate Information:**

Eastern Power Distribution Company of Andhra Pradesh Limited('the Company') has been formed as a successor entity of the erstwhile APSEB through the second statutory transfer scheme, which was notified in the official gazette of the Government of Andhra Pradesh on March 31,2000 (the second transfer scheme) to, inter-alia, separate the then existing Transmission and Bulk Supply undertaking and business of AP Transco from the then existing Distribution and Retail Supply undertaking and business of AP Transco. The Company is a government company as defined under section 2(45) of the Companies Act, 2013 and the Company is not listed under in any stock exchange. The Company's Registered Office is located at Corporate Office, P&T Colony, Seethammadhara, Visakhapatnam, Andhra Pradesh - 530013

#### **2. Basis of preparation**

##### **(a) Statement of compliance**

These financial statements have been prepared on going concern basis following accrual system of accounting in accordance with Indian Accounting Standards ("IndAS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the Act) and other relevant provisions of the Act and the provisions of the Electricity (Supply) Act, 2003 to the extent possible and the rules made there under.

##### **(b) Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

##### **(c) Basis of measurement**

These financial statements have been prepared on the historical cost convention and going concern basis and accrual method of accounting, except for the following material items in the balance sheet:

- ❖ Financial assets are measured either at fair value or at amortised cost depending on the classification;
- ❖ Employee defined benefit assets/(liability) are recognised as the net total of the fair value of plan assets, adjusted for actuarial gains/ (losses) and the present value of the defined benefit obligation; and
- ❖ Long-term borrowings are measured at amortised cost using the effective interest rate method. Nominal Processing/Documentation charges paid are charged to P&L Account in the same year.

##### **(d) Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of

fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : Inputs for the asset or liability that are not based on observable market data (Unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### **(e) Use of estimates and judgements**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### **Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- ❖ Recognition of deferred tax liabilities and evaluation of recoverability of deferred tax assets
- ❖ Measurement of defined benefit obligations; key actuarial assumptions
- ❖ Impairment of trade receivables
- ❖ Impairment of non-financial assets
- ❖ Impairment of investments
- ❖ Provisions and other accruals
- ❖ Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources; and
- ❖ Useful life of property, plant and equipment.

## Critical judgements

In the process of applying company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

**Discount rates used to determine the carrying amounts of the Company's defined benefit obligations:** In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in Indian currency for estimation of post-employment benefit obligation.

### (f) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, Presentation of Financial Statements.

#### *Assets:*

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the reporting date; or
- d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

#### *Liabilities:*

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets and liabilities include the current portion of non-current assets and liabilities respectively. All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are always disclosed as non-current.

## 2.1 Significant accounting policies

### 2.1.1 Financial instruments:

Financial assets & financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

### a) Financial assets:

#### Initial recognition and measurement:

All financial assets are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through Profit or loss) are added to or deducted from the fair value of the financial assets as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through P &L are recognised immediately in the statement of P&L.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company's trade receivables do not contain any significant financing component and hence are measured at the transaction price measured under Ind AS 115.

#### Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

- ❖ Financial assets measured at amortised cost;
- ❖ Financial assets measured at fair value through profit or loss (FVTPL); and
- ❖ Financial assets measured at fair value through other comprehensive income (FVOCI).

The Company classifies its financial assets in the above mentioned categories based on:

- ❖ The Company's business model for managing the financial assets, and
- ❖ The contractual cash flows characteristics of the financial asset.

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

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

Amortised cost of a financial asset means the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- ❖ The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
- ❖ The asset's contractual cash flows represents SPPI.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

### **Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within other equity. Equity investments designated as FVTOCI are not subject to impairment assessment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired; or

Both (1) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and (2) either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing

involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### **Impairment of trade receivables and other financial assets**

In accordance with Ind AS 109, the Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset.

For this purpose, the Company follows a 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of this simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

### **(b) Financial liabilities**

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit.

#### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

##### *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss. However, the Company may transfer the cumulative gain or loss within other equity. All other changes in fair value of such liability

are recognised in the statement of profit and loss. The Company has not designated any financial liability as fair value through profit and loss.

### ***Loans and borrowings***

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss.

### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

## **2.1.2 Property, plant and equipment**

### **Recognition and measurement**

Items of property, plant and equipment are measured initially at cost, subsequently cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in the statement of profit and loss.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

### **Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

## Subsequent expenditure

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

## Depreciation

- a. In view of the Provisions of Part B of Schedule II of the Companies Act 2013, Depreciation on property, plant and equipment is provided under the 'Straight Line Method' up to 90% of the original cost of assets, at the rates notified by the Central Electricity Regulatory Commission (CERC) No.L1/236/2018/CERC Dt.7th March,2019,.
- b. Depreciation is calculated from the date of capitalization or procurement ( except in case of bulk materials like DTR, Conductor, Meters etc where depreciation calculated from the date of capitalization.) of the asset.
- c. Full cost of all small and low value assets each costing Rs.5000 or less is fully charged to revenue in the year in which the assets are put to use.
- d. An asset is capitalized when it is first put to use for commercial purposes.
- e. In respect of leasehold assets, depreciation is charged every year on such amount as is required to write off entire cost of leasehold asset, on a straight-line method, for the estimated useful life of the asset; or over the period of the lease whichever is shorter.
- f. With respect to the following Assets the rates applied during the previous reporting period, as per CERC No.L1/236/2018/CERC Dt.7th March,2019 notified rates which are different from rates prescribed under Schedule II of Companies Act, 2013.

Asset category	Depreciation as per CERC
Buildings and Other Civil Works	3.34%
Plant & Machinery	5.28%
Lines and Cable Network	5.28%
Meters and Metering Equipments	5.28%
Vehicle	9.50%
Furniture & Fixtures	6.33%
Office Equipments	6.33%
Computers and IT Equipments	15.00%

## De-recognition

Property, plant and equipment assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Losses arising on such de-recognition

are recorded in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective assets as at the date of de-recognition.

Scrap is valued at estimated realizable value . All costs incurred on retirement, scrapping and sale of assets are charged to Revenue Account in the year in which the cost are incurred like Building / Civil Works demolition costs, Plant decommissioning costs, Site restoration etc.

In case of scrapped asset for which no scrap / salvage value is realized, the written down value of such assets are charged in the Revenue Account for the year in which the scrapped assets are found unrealizable.

### **Capital work in progress**

Property, plant and equipment under construction, advance paid towards acquisition and cost of asset not put to use before the year end, are disclosed as capital work in progress, which further includes

- a) Eleven percent of the cost of capital works incurred is added to capital work in progress as employee cost (9.35%) and administration & general expenses (1.65%) .as the operation circles are involved in the execution of both capital works and operation & maintenance works and it is not practicable to maintain records to identify the man hours spent by the staff on capital works which is in line with the practice in the industry.
- b) Interest relating to construction period is calculated based on the average interest rate of loans drawn under a Scheme and capitalized. The interest is calculated from the date of expenditure incurred on respective Work Orders of the Scheme.

### **2.1.3 Intangible Assets**

#### **Recognition and measurement**

Other intangible assets that are acquired by the Company and that have finite useful lives are measured initially at cost, subsequently cost less accumulated amortisation and accumulated impairment losses.

#### **Subsequent expenditure**

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures, including expenditures on internally generated goodwill and brands, is recognised in the statement of profit and loss as incurred.

#### **Amortisation**

Amortisation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets that are not available for use are amortised from the date they are available for use.

#### **The estimated useful lives are as follows:**

Asset category	Useful life
Software	3 Years/5 Years

The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at each reporting date. Intangible assets relating to products in development, other intangible assets not available for use and intangible assets having indefinite useful life are subject to impairment testing at each reporting date. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. All impairment losses are recognised immediately in the statement of profit and loss.

#### **De-recognition of intangible assets**

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Losses arising on such de-recognition are recorded in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as at the date of de-recognition.

#### **2.1.4 Leases**

At the commencement of the lease, the Corporation recognizes right-of-use asset and lease liability, with an exception of short-term leases or lease of low-value underlying assets. The right-of-use asset is measured at cost, made up of the initial measurement of the lease liability, initial direct costs payments on or before commencement of the lease. The lease liability is measured at Present Value of the lease payments to be made during the course of the lease by using effective borrowing rate that prevail at the beginning of lease period. On re-measurement of lease liability, the right-of-use asset is suitably readjusted unless such readjustment lead to a restatement of carrying value below zero, in which case, the resultant amount is directly routed through Statement of Profit & Loss Account.

#### **2.1.5 Inventories**

Inventories of stores and fuel are valued at lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition. Spares (not meeting the definition of property, plant and equipment) are accounted as inventory and expensed to the statement of profit and loss when issued for consumption.

The factors that the Company considers in determining the provision for slow moving and obsolete inventory include planned product discontinuances, price changes and ageing of inventory, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

#### **2.1.6 Impairment of non-financial assets**

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such

indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

## 2.1.7 Employee benefits

### Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g, under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

### Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

### Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### 2.1.8 Revenue recognition

The Company's revenue is derived from sale of power and service income, each as more particularly described below. Most of such revenue is generated from the sale of Energy..

#### (a) Sale of Energy

- ❖ Accounting policies relating to revenue for the periods after 31 March 2020 are as follows: Revenue is recognized when the control of the goods has been transferred to a third party. This is usually when the title passes to the customer, upon consumption of electricity by the customer. At that point, there are no unfulfilled obligations that could affect the customer's acceptance.
- ❖ The tariff rates for sale of power are regulated by APERC ('the Regulator') under the Electricity Act 2003. Before the commencement of the accounting period, the tariff is set by the Regulator based on the estimated cost of power, operating & maintenance expenses, depreciation, interest and return on equity submitted by the Company to the Regulator. The regulatory mechanism provides for a rate review or 'truing up / truing down' exercise at periodic intervals to adjust the rates, upward or downward, to ensure recovery of costs and a reasonable return on investment. For 'truing up /down' of the initially determined rates, the Company provides the APERC with details of actual costs based on audited accounts and other supporting evidence. The details provided by the Company are reviewed by the Regulator and may also provide opportunity to other stakeholders to submit their comments on the Company's application for rate review. Upon such review, the Regulator determines

the additional costs which can be recovered by the Company or amounts which need to be refunded to the customers. Following the truing up exercise, the Regulator usually adjusts the rates to be charged from customers in the following periods so as to ensure recovery of additional costs or refund of amounts, as the case may be. The Regulator may also decide not to immediately adjust the rates due to various considerations and require the Company to defer the recovery or refund of the difference between the expected and actual amount of those costs. This results in a portion of the costs (or cost savings) of one period being included or adjusted in the revenue of another period and such amounts are considered as regulated asset / liability and as the Company elected to not follow IND AS 114 – Regulatory Deferral Accounts, the same are disclosed in the notes to accounts under Provisions, Contingent Liabilities & Contingent Asset.

- ❖ Unbilled revenue is recognized in the books of accounts on 'actual basis', considering the events occurring after balance sheet date.
- ❖ Bills raised for theft of energy, whether on a consumer or an outsider are not recognized in full until the final assessment order is received from the competent authority of the Company. The amount received against initial assessment is treated as "TE/MP Deposits".
- ❖ Sale of Energy under open access on short term basis will be entered by APPCC on behalf of DISCOMs with the traders and also through Indian Energy Exchange (IEX) for developers.
- ❖ The Swap arrangements on short term basis will be entered by APPCC on behalf of DISCOMs with the surplus utilities/states through the traders. The terms of SWAP transactions are to get back / return the power @ 100% to 105% (approximately) of the power availed. These transactions are entered purely on energy to energy basis.
- ❖ Electricity duty recovered from consumers and paid to the Government is neither a cost nor an income to the company. It is thus kept out of the revenue account altogether.
- ❖ Revenue from Malpractices/ Theft cases are recognized as per Final Assessment of Competent authority.

### **Service Income**

Service income, which primarily relates to revenue from rendering supervision services for turnkey projects, is recognized as and when the underlying services are performed. There was no change in the point of recognition of revenue upon adoption of Ind AS 115. Upfront non-refundable payments received under these arrangements continue to be deferred and are recognized over the expected period that related services are to be performed.

### **Other Income**

Interest on bank deposits is recognised on the effective interest rate (EIR method) using the underlying interest rates. Miscellaneous receipts are accounted on accrual basis. Recoveries whether from employees or outsiders are accounted on collection basis. Interest accrued on long term investment during the reporting period is credited to 'Interest accrued on investments'. Charges recovered from consumers for delayed payment are not clubbed with the revenue from sale of power but shown separately since these are more in the nature of a financial charge.

## 2.1.9 Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant; they are then recognised in profit or loss as other operating revenue on a systematic basis. Grants related to depreciable assets are recognised in profit or loss over the period and in the proportion in which depreciation expense on those assets is recognised. Grants and subsidies received from Government towards expensive power purchase and other government sponsored schemes are recognized in the profit or loss on accrual basis.

Consumer contributions related to depreciable fixed assets are treated as deferred income which is recognized in the profit and loss statement on a systematic and rational basis over the useful life of the asset, i.e., such amounts are allocated to income over the periods and in the same proportion in which depreciation on those assets is charged. Consumer Contribution, Capital Subsidies and Grants related to non-depreciable assets are treated as capital reserve.

## 2.1.10 Income-tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

### Deferred tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but

they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that the future taxable profits will allow the deferred tax assets to be recovered.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

In respect of unabsorbed depreciation & business losses, deferred tax asset were not recognised in the books as it is viewed that it is no longer probable that sufficient taxable profits would be available within the near future.

### **2.1.11 Segment reporting**

The Company is primarily engaged in distribution of electricity which is only the reportable business segment in line with the segment wise information which is being presented to the Chief Operational Decision Maker (CODM). Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. There are no reportable geographical segments, since all business with in India.

### **2.1.12 Earnings per share**

The basic earnings per share (“EPS”) for the year is computed by dividing the net profit/(loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has no potentially dilutive equity shares, as the company is a Government of Andhra Pradesh undertaking with 100% equity shareholding.

### **2.1.13 Provisions**

The company recognizes a provision when there is a present obligation as a result of a past event and it is probable that it would involve an outflow of resources and a reliable estimate can be made of the amount of such obligation. Such provisions are not discounted to their present value and are determined based on the management's estimation of the obligation required to settle the obligation at the balance sheet date and adjusted to reflect management's current estimates.

#### **Onerous contracts**

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its

obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with that contract.

### Contingencies

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

As per APERC Regulation the company has created a reserve fund for payment of compensation to victims of electrical accidents.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management but they are not recognised as assets in the balance sheet. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

The Company elected to not apply the provisions of Ind AS 114 – Regulatory Deferral Accounts but disclosed the regulatory deferral amounts as a contingent Asset in the notes.

#### 2.1.14 Borrowing cost

Borrowing costs are interest and other costs (including guarantee charges, commitment charges, legal charges / stamp duty for loan agreements / bonds /debentures, advertisement costs in a public issue of bonds, commission on issue of bonds / debentures, exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

#### 2.1.15 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and deposits with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.



## 2.1.16 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## 2.1.17 Adjustments pertains to earlier years.

Income /expenditure relating to earlier years which does not exceed 0.5 % of turnover in each transaction are treated as income /expenditure of current year.

**For M/s. B.V.Rao & Co. LLP.**  
Chartered Accountants  
FRN: 003118S / S200049

Sd/-xxx  
**B.A.S.P.Ranga**  
Partner  
Membership no.: 022649

Place : Visakhapatnam  
Date : 28.06.2022

Sd/- xxxx  
**D. Chandram, IRAS**  
Director (Finance & HRD)  
Din : 08963107

Sd/-xxxx  
**M.Ravindra**  
Chief General Manager (Expr.)

**For and on behalf of the Board**

Sd/-xxxx  
**K. Santhosha Rao**  
Chairman & Managing Director  
Din : 08879899

Sd- xxxx  
**K.S.V.S. Sastry**  
Company Secretary

**Eastern Power Distribution Company of Andhra Pradesh Limited**  
**Notes to the financial statements (continued)**  
**3 Property, plant and equipment**



Description	Land and Land rights	Buildings	Other civil works	Plant and Machinery	Lines and Cable Network	Meters & Metering Equipment	Vehicles	Furniture and Fixtures	Office Equipment	Computers	Right of Use Lease Asset( Electric Cars)	Total
<b>Gross Carrying Cost</b>												
Balance as at 1st April,2020	8,257.45	22,731.89	5,831.35	22,1,866.44	2,392,10.40	57,859.12	95.25	1,454.06	1,825.78	7,479.07	499.37	5,67,110.18
Additions	0.42	2,590.59	832.23	33,500.13	38,517.29	9,767.34	-	98.25	1,179.90	387.51	-	86,873.66
Deletions	18.65	(27.75)	9.10	(153.68)	(14,115.79)	13,037.67	-	6.49	140.81	(147.48)	-	(1,231.98)
<b>Balance as at 31st March,2021</b>	<b>8,276.52</b>	<b>25,294.73</b>	<b>6,672.68</b>	<b>25,5212.89</b>	<b>2,63,611.90</b>	<b>80,664.13</b>	<b>95.25</b>	<b>1,558.80</b>	<b>3,146.49</b>	<b>7,719.10</b>	<b>499.37</b>	<b>6,52,751.86</b>
<b>Accumulated Depreciation</b>												
Balance as at 1st April,2020	-	2,091.35	501.57	59,780.07	57,477.57	24,746.27	67.62	736.63	634.42	3,209.89	83.88	1,49,329.27
Depreciation for the year	-	840.28	215.09	12,695.07	13,015.88	3,694.55	1.88	99.48	158.25	1,023.42	84.41	31,828.31
Accumulated depreciation on deletions	-	-	-	(128.27)	(4,298.50)	3,280.21	-	(19.96)	17.57	2.22	-	(1,146.73)
<b>Balance as at 31st March,2021</b>	<b>-</b>	<b>2,931.63</b>	<b>716.66</b>	<b>72,346.87</b>	<b>66,194.95</b>	<b>31,721.03</b>	<b>69.50</b>	<b>816.15</b>	<b>810.24</b>	<b>4,235.53</b>	<b>168.29</b>	<b>1,80,010.85</b>
<b>Net carrying amount as at 31st March,2021</b>	<b>8,276.52</b>	<b>22,363.10</b>	<b>5,956.02</b>	<b>1,82,866.02</b>	<b>1,97,416.95</b>	<b>48,943.10</b>	<b>25.75</b>	<b>742.65</b>	<b>2,336.25</b>	<b>3,483.57</b>	<b>331.08</b>	<b>4,72,741.01</b>
<b>Gross Carrying Cost</b>												
Balance as at 1st April,2021	8,276.52	25,294.73	6,672.68	2,55,212.89	2,63,611.90	80,664.13	95.25	1,558.80	3,146.49	7,719.10	499.37	6,52,751.86
Additions	7.00	1,331.01	518.35	27,118.83	35,266.54	7,726.52	31.65	40.96	83.24	1,657.82	-	73,781.92
Deletions & Adjustments	-	-	-	(796.98)	(1149.3)	(786.96)	-	-	-	-	-	(1,698.87)
<b>Balance as at 31st March,2022</b>	<b>8,283.52</b>	<b>26,625.74</b>	<b>7,191.03</b>	<b>2,81,554.74</b>	<b>2,98,763.51</b>	<b>87,603.69</b>	<b>126.90</b>	<b>1,599.76</b>	<b>3,229.73</b>	<b>9,376.92</b>	<b>499.37</b>	<b>7,24,834.91</b>
<b>Accumulated Depreciation</b>												
Balance as at 1st April,2021	-	2,931.63	716.66	72,346.87	66,194.95	31,721.03	69.50	816.15	810.24	4,235.53	168.29	1,80,010.85
Depreciation for the year	-	902.47	239.27	13,829.92	14,534.29	4,038.75	1.55	97.86	182.45	944.62	84.41	34,855.59
Accumulated depreciation on deletions	-	-	-	(717.28)	(103.44)	(707.95)	-	-	-	-	-	(1,528.67)
<b>Balance as at 31st March,2022</b>	<b>-</b>	<b>3,834.10</b>	<b>955.93</b>	<b>85,459.51</b>	<b>80,625.80</b>	<b>35,051.83</b>	<b>71.05</b>	<b>914.01</b>	<b>992.69</b>	<b>5,180.15</b>	<b>252.70</b>	<b>2,13,337.77</b>
<b>Net carrying amount as at 31st March,2022</b>	<b>8,283.52</b>	<b>22,791.64</b>	<b>6,235.10</b>	<b>1,96,075.23</b>	<b>2,18,137.71</b>	<b>52,551.86</b>	<b>55.85</b>	<b>685.75</b>	<b>2,237.04</b>	<b>4,196.77</b>	<b>246.67</b>	<b>5,11,497.14</b>

## Details of Benami Property Held- Nil

### Title deeds of Immovable Properties:

The Company's immovable property mainly consists of the lands and buildings vested in the Company on 01-04-2001 by virtue of G.O no.35 dated March 31st 2000 and issued by GOAP for Transfer of various Assets, Properties, Liabilities, Obligations, proceedings and Personnel of APTRANSCO to four distribution companies constituted under subsection 6 of section 23 of AP Electricity Reforms Act and incorporated under The Companies Act 1956 (including this Company) in connection with Second Transfer Scheme as a part of power sector reforms initiated by GOAP in 1999. By virtue of this G.O. the assets, owned by APTRANSCO and relating to the electricity distribution business of APTRANSCO in the revenue districts of West Godavari, East Godavari, Visakhapatnam, Vizianagaram and Srikakulam as on 31.03.2000, vested in the Company and are included in the Property Registers maintained at Circle and Divisional Offices of the Company and they are in the possession and enjoyment of the Company. However the description and value of each property is not mentioned in the said G.O. After 01.04.2000, the Company received some lands by way of gift from various local governments for establishing sub stations in various villages etc., and the relevant copies of resolutions of the governing bodies concerned and endorsements are on record. In the opinion of the Management such endorsements constitutes title deeds. The Company also received a few properties from private parties through registered gift deeds for establishing sub stations. The Company did not pass any entries in the books of account for these properties except payment of registration charges if any. The G.Os and Endorsements/Proceedings from local authorities are title deeds for immovable properties held by the company. Pending finalization of Policy for transfer of Land to other entities (like APTRANSCO, GVMC, BSNL) for public use, no entries passed in the books of accounts.

### 4 Capital work-in-progress

Description	Capital Work in Progress
<b>Gross Carrying Cost</b>	
Balance as at 1 <sup>st</sup> April, 2020	48,768.43
Additions	75,015.94
Capitalized	(86,901.21)
(*) Amount receivable from WB under UG Cable scheme towards centage charges & Consultancy services	(2,397.61)
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>34,485.55</b>
<b>Net carrying amount as at 31<sup>st</sup> March, 2021</b>	<b>34,485.55</b>
<b>Gross Carrying Cost</b>	
Balance as at 1 <sup>st</sup> April, 2021	34,485.55
Additions	77,643.72
Capitalized	(73,781.92)
(*) Amount receivable from WB under UG Cable scheme towards centage charges (during F.Y 2021-22)	(407.02)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>37,940.33</b>
<b>Net carrying amount as at 31<sup>st</sup> March, 2022</b>	<b>37,940.33</b>
(*) Amount paid to GVMC towards Centage charges & Consultancy charges of Rs.2804.63 Lakhs up to 31.03.2022 for providing UG Cable works in Visakhapatnam. These amounts will be capitalized as and when UG Cable assets transferred to APEPDCL.	

(4a) The Capital work in Progress ageing Schedule for the year ended 31<sup>st</sup> March 2022 is as follows :

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
End of 31.03.2022	28102.44	2020.02	4496.39	3321.48	37940.33
End of 31.03.2021	23005.63	7184.39	2568.06	1727.47	34485.55

(4b) The Capital work in Progress whose completion is overdue or has exceeds its cost compared to original plan.

Particulars	To be Completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
End of 31.03.2022	3125.96	0	0	0	3125.96
End of 31.03.2021	5810.68	0	0	0	5810.68

## 5 Intangible assets

Description	Computer Software
<b>Gross Carrying Cost</b>	
Balance as at 1st April,2020	637.60
Additions	27.55
Deletions	-
<b>Balance as at 31st March,2021</b>	<b>665.15</b>
<b>Accumulated Amortization</b>	
Balance as at 1st April,2020	130.11
Amortization for the year	130.03
Accumulated amortization on deletions	-
<b>Balance as at 31st March,2021</b>	<b>260.14</b>
<b>Net carrying amount as at 31st March,2021</b>	<b>405.01</b>
<b>Gross Carrying Cost</b>	
Balance as at 1st April,2021	665.15
Additions	-
Deletions	-
<b>Balance as at 31st March,2022</b>	<b>665.15</b>
<b>Accumulated Amortization</b>	
Balance as at 1st April,2021	260.14
Amortization for the year	132.10
Accumulated amortization on deletions	-
<b>Balance as at 31st March,2022</b>	<b>392.24</b>
<b>Net carrying amount as at 31st March,2022</b>	<b>272.91</b>
<b>Intangible assets under Development - Nil</b>	



## Eastern Power Distribution Company of Andhra Pradesh Limited

### Notes to the financial statements (continued)

*(All amounts in Indian rupees in lakhs, except share data and otherwise stated)*

#### 6. Investments

	31 March 2022	31 March 2021
<b>Non-current investments</b>		
<b>Investments in Government securities</b>		
Contingency Reserve Investments		
Contingency Reserve Investments allocated by TSNPDCL Under Demerger Scheme ( i )	3.37	3.37
<b>Investments in Equity (Unquoted)</b>		
Investment in APPDC LTD-146180000 no. of shares @ Rs.10/- each fully paid up #	14,618.00	14,618.00
Investments in APPDCL allocated by TSNPDCL Under Demerger Scheme ( i )	24.44	24.44
Investment in APSEEDCO - 200000 no.of shares @ Rs.10/- fully paid up	20.00	20.00
Investment in RESCOs Cheepuripalli - 9 shares @ Rs.100000/- each fully paid up	9.07	9.07
Investments in RESCO allocated by TSNPDCL Under Demerger Scheme ( i )	0.04	0.04
	<b>14,674.92</b>	<b>14,674.92</b>
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate value of unquoted investments	14,674.92	14,674.92
Aggregate amount of impairment in value of investments-	-	-

# Equity Participation in 1600MW Power Project at Krishna Patnam in Sri Potti Sriramulu Nellore District. As per the Resolution passed in 61st Board Meeting held on 29-10-2009. APEPDCL Share is 6.76% (out of 49%). Equity Payment made so far to the end of 31-03-2021 is Rs. 146,18,00,000.

(I) Investments allocated by TSNPDCL in Demerger Scheme are yet to be transferred to APEPDCL.

#### 7. Loans

	31 March 2022	31 March 2021
<b>Secured considered good</b>		
Loans to employees	6,465.43	6,386.36
<b>Unsecured considered good</b>		
Loans to employees (Loans and advances given for marriage & Education)	155.24	59.59
Interest receivable from employees	2,907.08	2,661.67
	<b>9,527.75</b>	<b>9,107.62</b>

Loans given to the employees are secured and considered good except for the loans related to marriage & education advance are unsecured but considered good. Loans includes interest accrued on employee loans

## 8. Other financial assets

	31 March 2022	31 March 2021
<b>Current</b>		
<b>Unsecured considered good</b>		
Loans to employees ( i )	355.81	359.91
Interest accrued on bank deposits	12.01	19.97
Interest accrued on investments	20.52	20.52
Receivable from others	5,994.10	(5.68)
Receivables from AP Online E-Seva & Internet	973.21	1,229.38
Receivables from Government/FSA (*)	5,37,163.66	5,09,762.94
Provision for Government Receivables	(25,382.99)	(25,382.99)
Recb subsidy Ferro	0.21	0.21
Sundry Debtor for Sale of Scrap	91.19	201.17
Receivable from P&G/GPF trust	14,057.53	5,068.39
Receivable from Govt/APDRP/UGC	614.74	1,014.69
Receivable from Govt/APDRP/UGC- Centage charges	2,804.63	2,397.61
Advances - Others (iii)	15,763.56	15,589.95
Power Purchase Vendor -Debit balances	27,998.66	29,819.98
Inter discom balances (ii)	3,53,398.06	3,21,493.18
	<b>9,33,864.90</b>	<b>8,61,589.23</b>

( i ) Loans given to the employees are interest free, recoverable in one year from the salaries and the Company can recover from the terminal benefits of the employees also. As no risk is involved, these loans are measured at cost.

(\*) includes the subsidy receivable from Govt. of Andhra Pradesh. Year wise details of amount receivable from Govt. of Andhra Pradesh towards subsidy :

Details	2021-22	2020-21	2019-20	2018-19	Total
Tariff subsidy	813.71	205800.22	10544.30	50098.17	267256.40
Agl. Additional Subsidy	0.00	20482.00	5433.00	0.00	25915.00
Scheme subsidy	36195.70	0.00	0.00	0.00	36195.70
<b>Total</b>	<b>37009.41</b>	<b>226282.22</b>	<b>15977.30</b>	<b>50098.17</b>	<b>329367.10</b>

### (ii) Inter Discom balances

Name of the Discom	31 March 2022	31 March 2021
<b>(ii) Inter Discom balances Receivable</b>		
TSSPDCL	1,00,640.29	1,00,640.29
APSPDCL	2,38,081.51	2,07,705.03
APCPDCL	14,676.26	13,147.86
<b>Total Inter Discom balances Receivable</b>	<b>3,53,398.06</b>	<b>3,21,493.18</b>

**iii) Includes - Advance to APGENCO (GVK Plant Phase-I)- Godavari Gas Power Plant (GGPP) handing over to APGENCO**

APDISCOMs have taken over M/s GVK Industries Limited Phase-I on 22.04.2016 in terms of the PPA entered into with GVK Industries Limited for an amount of Rs.332.15 Crores on proportionate sharing basis with APSPDCL/Tirupathi. Advance amount paid to M/s GVK Industries Limited of Rs.11057 Lakks.

For hold on operations APGENCO employees were deputed to APEPDCL to work at the plant of GVK Industries Limited at Jegurupadu. However certain difficulties were encountered in continuing the operations due to lack of technical capabilities to run the plant besides others thereby giving rise to the option of handing over the plant to APGENCO since they are engaged in generation and well experienced in running generating units as their core business. Accordingly it has been decided to hand over the unit of Godavari Gas Power Plant to APGENCO during the meeting of APPCC held on 19th June 2017.

As per LR. No 2374/Power-1/2014 Dt.04.05.2018 of Principal Secretary/Energy Infrastructure & Investment/ Govt. of Andhra pradesh agreed to transfer the assets in the name of APGENCO directly from M/S GVK Industries. EPDCL Board has also approved the proposal at the meeting dated 11.07.2018. APGENCO board has taken note of the Government direction and authorized for execution and transfer of the subject project in favour of APGENCO and directed to take necessary action accordingly vide minutes of 164th APGENCO Board meeting dt 15.03.2019. The APGENCO has agreed to adjust the payables to APGENCO on transfer of asset in the name of APGENCO vide Lr. No 231/19 Dt.21.03.2019. Power generated at GGPP ( GVK Phase-I) is sharing between 3 Discoms as per PP ratio.

However due to refusal of M/s GVK to execute document to transfer the entire lands together with assets of GVK Phase -I in favor of the the AP DISCOMs as per agreement, the transfer of project to APGENCO is pending and AP DISCOMs has filed O.P No 59/2021 with Hon'ble APERC for Execution of registered sale deed transferring the entire land together with assets of GVK Phase - I in favour of APDISCOMs.

**9. Other assets**

		<b>31 March 2022</b>	<b>31 March 2021</b>
<b>A. Non-current</b>			
Prepaid employee cost		1,230.76	1,282.19
		<b>1,230.76</b>	<b>1,282.19</b>
		<b>31 March 2022</b>	<b>31 March 2021</b>
<b>B. Current</b>			
Amount recoverable from Employees / Ex-employees		679.90	862.04
Prepaid expenses		865.59	2,526.89
Prepaid employee cost		91.22	97.25
Other misc receivables ( i )		287.60	47,039.58
Security deposit ( Deposit with local Agencies)		3,755.95	3,736.32
		<b>5,680.26</b>	<b>54,262.08</b>

( i ) In F.Y 2020-21 Amount includes Rs.46672.12 Lakhs received towards Electricity charges of Gram panchayat Street Lighting & water works deposited in APEPDCL PD Account.

**10. Inventories**

	<b>31 March 2022</b>	<b>31 March 2021</b>
Stores and spares	13,258.37	15,519.45
Provision for Slow & Non moving stock	(754.17)	(754.17)
	<b>12,504.20</b>	<b>14,765.28</b>

Inventories of stores and spares are valued at lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition.

Though inventory is used for Repairs and Maintenance works and Capital Works, but mainly for R&M Works. As the classification of the inventory based on usage is not feasible, entire inventory is grouped under current assets. Inventory includes assets with drawn from active use, but meant for future use and transferred to stores and these devolved assets are valued at Rs.1 per asset.

## 11. Trade receivables

	31 March 2022	31 March 2021
<b>( i) Trade receivables</b>		
Secured considered good	52,147.27	43,176.31
Unsecured considered good	170522.11	1,79,558.50
Unsecured considered doubtful- increase in credit risk	18,790.99	24,959.59
Credit Impaired	-	-
Unbilled revenue	1,02,960.48	91,403.17
Others *	1,191.25	1,294.56
	<b>3,45,612.10</b>	<b>3,40,392.13</b>
<b>(ii) Provision for doubtful receivables / advances</b>		
Provision for doubtful receivables	(21,446.11)	(18,027.64)
	(21,446.11)	(18,027.64)
<b>Net trade receivables</b>	<b>3,24,165.99</b>	<b>3,22,364.49</b>

\* Others include Unconnected minimum charges from customers etc.

The Trade receivables ageing Schedule for the year ended 31st March 2022 is as follows:

Particulars	Outstanding for following periods from date of payment						
	Accrued but not due	Less than 6 Months	6 Months to 1 Year	1 -2 Years	2 -3 Years	More than Years	Total
( i) Undisputed Trade Receivables considered Good	1,02,960.48	31,135.95	7,110.36	49,443.44	15,219.55	33,138.62	2,39,008.40
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	1,289.63	419.75	5,004.48	8,453.99	3,623.14	18,790.99
(iii) Undisputed Trade Receivables Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered Good	-	3,480.70	2,227.02	2,017.8	28.44	50,058.75	87,812.71
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables Credit impaired	-	-	-	-	-	-	-

Trade receivables includes the amount receivable from various Govt. departments and age wise amount receivable from Govt. departments are as follows:

Details	<6 months	>6 months to 1 Year	1 Year to 2 Years	2 Year to 3 Years	More than 3 Years	Total
Govt. department arrears	60492.00	24481.00	14367	11,871.00	8,930.00	1,20,141.00

Details of Consumer balances as per Financial Accounts and Consumer Ledger (EPCCB)

Details	LT Customers	HT Customers	Total
As per Financial Accounts	79,700.46	1,61,844.99	2,41,545.45
As per Consumer Ledger (EPCCB)	78,531.17	1,68,481.55	2,47,012.72
Differences	1,169.29	(6,636.56)	(5,467.27)

The difference between Financial accounts and Consumer ledger arise due to adoption of 2nd transfer scheme balances in Financial accounts, where as Consumer accounts are maintained on actual basis.

**12. Cash and cash equivalents**

	<b>31 March 2022</b>	<b>31 March 2021</b>
Balance with banks		
- in current accounts	28,778.97	14,709.82
- in deposit accounts (i)	840.45	14,216.28
Cash on hand	32.66	62.61
Cash / Remittances in transit	-	-
<b>Cash and cash equivalents</b>	<b>29,652.08</b>	<b>28,988.71</b>
<b>(i) Deposit accounts with more than 3 months but less than 12 months maturity</b>	<b>-</b>	<b>-</b>

A Bank Account in the name of AP Power Distribution Companies Pool Account is opened by all the three Discoms jointly and is operated by the nominees of APPCC. Discom wise balance confirmation is not available and the balance in Bank A/C relating to power purchases transaction on the basis of communication from APPCC.

**13. Other tax assets**

	<b>31 March 2022</b>	<b>31 March 2021</b>
Advance Income Tax & TDS	1,238.54	515.63
MAT credit Entitlement	1,720.28	1,720.28
	<b>2,958.82</b>	<b>2,235.91</b>

<b>Assessment year wise MAT Credit Balances</b>		
<b>SI No</b>	<b>Assessment Year</b>	<b>Amount</b>
1	2008-09	463.05
2	2009-10	182.07
3	2010-11	377.82
4	2011-12	319.13
5	2012-13	378.21
<b>Total</b>		<b>1720.28</b>

<b>Assessment year wise TDS Balances</b>		
<b>SI No</b>	<b>Assessment Year</b>	<b>Amount</b>
1	2015-16	5.58
2	2018-19	13.41
3	2019-20	105.24
4	2020-21	21.08
5	2021-22	370.32
6	2022-23	722.91
<b>Total</b>		<b>1238.54</b>

**14. Share Capital**

	<b>Number of shares 31 March 2022</b>	<b>Number of shares 31 March 2021</b>
Authorized equity share capital 12,20,00,000 ( 31.03.2022 : 12,20,00,000) Equity shares of Rs 10 each	1,220.00	1,220.00
Issued share capital 12,12,25,329 ( 31.03.2022 : 12,12,25,329) Equity shares of Rs 10 each	1,212.25	1,212.25
Subscribed and paid up capital 12,12,25,329 ( 31.03.2022 : 12,12,25,329) Equity shares of Rs 10 each	1,212.25	1,212.25
<i>(i) Reconciliation of the shares outstanding at the beginning and at the end of the year</i>		
<b>As at 1 April 2020</b>	<b>1,212.25</b>	<b>12,122.53</b>
Issue of shares during the year	-	-
<b>As at 31 March 2021</b>	<b>1,212.25</b>	<b>12,122.53</b>
Issue of shares during the year	-	-
<b>As at 31 March 2022</b>	<b>1,212.25</b>	<b>12,122.53</b>
<b>Terms and rights attached to equity shares</b>		
The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share.		
<i>(ii) Shares of the Company held by holding company</i>		
	<b>31 March 2022</b>	<b>31 March 2021</b>
State Government of Andhra Pradesh	1,212.25	1,212.25

(iii) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	31 March 2022 No. of shares	%Holding	31 March 2021 No. of shares	%Holding
His Excellency the Honourable Governor of Andhra Pradesh (Govt. of Andhra Pradesh)	12,12,25,320	99.999993	12,12,25,320	99.999993
Government Nominees	9	0.000007	9	0.000007
<b>Total</b>	<b>12,12,25,329</b>	<b>100</b>	<b>12,12,25,329</b>	<b>100</b>

(iv) Details of shareholding of Promoters

Name of the shareholder	31 March 2022 No. of shares	%Holding	31 March 2021 No. of shares	%Holding
Government of Andhra Pradesh	12,12,25,329	100	12,12,25,329	100
<b>Total</b>	<b>12,12,25,329</b>	<b>100</b>	<b>12,12,25,329</b>	<b>100</b>

**15. Other equity**

	31 March 2022	31 March 2021
Reserves and Surplus		
Retained earnings (i)	(7,25,763.59)	(7,65,441.40)
Contingency reserve (ii)	10,724.42	10,724.42
Other comprehensive income (iii)	8,529.61	11,554.72
<b>Total other equity</b>	<b>(7,06,509.56)</b>	<b>(7,43,162.26)</b>

i) Retained earnings

	31 March 2022	31 March 2021
Opening balance	(7,65,441.40)	(7,69,434.98)
Add: Profit/(Loss) for the year	39,677.81	3,993.58
<b>Closing balance</b>	<b>(7,25,763.59)</b>	<b>(7,65,441.40)</b>

ii) Contingency reserve

	31 March 2022	31 March 2021
<b>Opening balance</b>	<b>10,724.42</b>	<b>10,724.42</b>
Add: Additions during the year		
Less: Deductions during the year	-	-
<b>Closing balance</b>	<b>10,724.42</b>	<b>10,724.42</b>

Contingency reserve is required to be created mandatorily out of appropriation account as per Andhra Pradesh Electricity Regulatory Commission (APERC rules). The amount so transferred will be invested in various securities and bonds from time to time.

iii) Other comprehensive income  
Other items of OCI

	31 March 2022	31 March 2021
Opening balance	11,554.72	(27,637.88)
Add: Remeasurement of defined benefit obligations (liability net of tax)	(3,025.11)	39,192.60
<b>Closing balance</b>	<b>8,529.61</b>	<b>11,554.72</b>

## 16. Borrowings

	31 March 2022	31 March 2021
<b>Non-current borrowings</b>		
Term loans		
Secured		
From Financial Institutions - Refer note (a) below (ai)	7,95,535.79	6,22,131.78
Unsecured		
From Financial Institutions	-	-
	<b>7,95,535.79</b>	<b>6,22,131.78</b>
<b>Current borrowings</b>		
Secured		
Loans repayable on demand from Financial institutions - Refer note (a) below (aii)	44,435.18	16,253.28
Current maturities on long term borrowings - Refer note (a) below (aiii)	70,819.22	1,74,363.04
Unsecured		
Loans repayable on demand from Financial institutions	-	-
Current maturities on long term borrowings	-	-
	<b>1,15,254.40</b>	<b>1,90,616.32</b>

The Working capital loans obtained from State of Bank of India & Union Bank of India secured against hypothecation of receivables and inventories

## Charge created on secured loans

Sl. No.	Short Description of the Property Charged	Charge ID	Date of Creation or date of acquisition of property subject to charge	Date of registration of creation charge	Period and amount secured by the Charge (Rs. Crores)	Name and Address of the Charge holder
1.	First charge all the Borrower's books - debts, receivables and capital and consumables goods / other movable assets	100500649	28-10-2021	23-11-2021	1800 Crores	Andhra Pradesh Power Finance Corporation Limited, # 48-12-16, 2nd Floor, East wing, Vidyut Soudha, Gunadala Vijayawada - 520004
2.	The whole of the existing movable assets in the form Power Transformers (PTR) of various capacities, VCBs of various specifications and Distribution Transformers (DTR) of various capacities created at Eluru, Rajamahendravaram, Srikakulam, Visakhapatnam, Vizianagaram circles in the jurisdiction area of APEPDCL now valued at Rs.180 Crores based on the Book value.	100431467	26-03-2021	07-04-2021	150 Crores	M/s REC Limited, (Formerly Rural Electrification Corporation Limited) Core 4 Scope, Complex - 7, Lodi Road, New Delhi-110003
3.	First pari passu charge on company's present and future receivables.	100424745	04-03-2021	19-03-2021	1000 Crores	Andhra Pradesh Power Finance Corporation Limited # 48-12-16, 2nd Floor, East wing, Vidyut Soudha, Gunadala Vijayawada - 520004
4.	First pari passu charge on company's present and future receivables.	100371830	01-09-2020	29-09-2020	900 Crores	Andhra Pradesh Power Finance Corporation Limited # 48-12-16, 2nd Floor, East wing, Vidyut Soudha, Gunadala Vijayawada - 520004

5.	First pari passu charge on company's present and future receivables.	100333053	13-03-2020	12-04-2020	1200 Crores	Andhra Pradesh Power Finance Corporation Limited# 48-12-16, 2nd Floor, East wing, Vidyut Soudha, Gunadala Vijayawada - 520004
6.	First charge by hypothecation of all the future movable properties of the respective Scheme under the Project including movable machinery, equipments, machinery, machinery spares, tools, implements and accessories installed (hereinafter referred to as "Movable") and its stock of materials and equipment created under the respective Scheme of the Project and procured out of loan sanctioned by REC, totaling to the project cost of Rs. 13011.32 Lakhs (Rupees Thirteen Thousand Eleven Lakhs and Thirty-Two Thousand only) (hereinafter referred to "Stacks") created, installed and procured out of the Loans as security to adequately cover of the amount of Loans, interest, penal interest and other costs and charges to the satisfaction of REC.	100322128	06-02-2020	14-02-2020	117.1019 Crores	M/s REC Limited, (Formerly Rural Electrification Corporation Limited)Core 4Scope, Complex - 7, Lodi Road, New Delhi - 110003
7.	First charge by way of hypothecation, of all the movable assets of the project created/ to be created under implementation of ERP under IPDS in APEPDCL in the state of Andhra Pradesh, as fully described and hereunder written including movable machinery, machinery spares, tools and accessories, spares and material at all the project site, present and future.	100313781	30-12-2019	10-01-2020	3.21 Crores	M/s Power Finance Corporation LimitedUrijanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi -110001
8.	First charge by way of hypothecation, of all the movable assets of the project created/ to be created under implementation of RT-DAS Projects under IPDS in APEPDCL in the state of Andhra Pradesh, as fully described and hereunder written including movable machinery, machinery spares, tools and accessories, spares and material at all the project site, present and future.	100313784	30-12-2019	10-01-2020	1.44 Crores	M/s Power Finance Corporation LimitedUrijanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi -110001
9.	First charge by way of hypothecation, of all the movable assets of the project created/ to be created under implementation of GIS Projects under IPDS in APEPDCL in the state of Andhra Pradesh, as fully described and hereunder written including movable machinery, machinery spares, tools and accessories, spares and material at all the project site, present and future.	100313772	30-12-2019	10-01-2020	17.19 Crores	M/s Power Finance Corporation LimitedUrijanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi -110001

10.	First charge by way of hypothecation, of all the movable assets of the project created/ to be created under implementation of IT phase-II Projects under IPDS in APEPDCL in the state of Andhra Pradesh, as fully described and hereunder written including movable machinery, spares, tools and accessories, spares and material at all the project site, present and future.	100313776	30-12-2019	10-01-2020	4.66 Crores	M/s Power Finance Corporation Limited Urjanidhi, 1, Barkhamba Lane, Connaught Place, New Delhi - 110001
11.	The Borrower is required to secure due repayment of the Loans, together with interest, penal interest and other costs and charges thereon, by way of exclusive first charge by hypothecation of all the future movable properties of the respective Scheme under the Project including movable machinery, equipment's, machinery, machinery spares, tools, implements and accessories installed (hereinafter referred to as "Movables") and its stock of materials and equipment created under the respective Scheme of the Project and procured out of loan sanctioned by REC, totaling to the project cost of Rs.1934.00 Lakhs(Rupees Nineteen Hundred Thirty Four Lakhs only) (herein after referred to "Stocks") created, installed and procured out of the Loans as security to adequately cover of the amount of Loans, interest, penal interest and other costs and charges.	100300479	02-11-2019	16-11-2019	5.80 Crores	M/s REC Limited, (Formerly Rural Electrification Corporation Limited)Core 4Scope, Complex - 7, Lodi Road, New Delhi - 110003
12.	The whole of the Existing movable assets in the form of 33/1 1 KV Sub Stations, Power Transformers(PTR) of various capacities, 33 KV Lines, 11/6.3 KV Lines, VCBs of various specifications, Conductors of various specifications, LT Lines, LTAB cables, Distribution Transformers (DTR) of various capacities, 11 KV 2 MVAR Capacitor Banks and VHF Equipment created under various loans sanctioned by REC under various categories at various districts in the jurisdiction area of APEPDCL now valued at Rs. 330.00 Crores (Rupees Three Hundred and Thirty Crore only) based on fair market value (details as per Schedule-I(a) hereunder) are now secured to REC under exclusive first charge by way of hypothecation to the Corporation as security.	100263305	15-05-2019	25-05-2019	274 Crores	M/s REC Limited, (Formerly Rural Electrification Corporation Limited)Core 4Scope, Complex - 7, Lodi Road, New Delhi - 110003
13.	Hypothecate all the future Movables and Stocks to be created under the Project including those procured out of the loans sanctioned by REC, totaling to the project cost Rs. 103200.00 Lakhs (Rupees One Lakh Three Thousand and Two Hundred Lakhs only) (hereinafter collectively referred to as "Hypothecated Goods") subject to the maximum value of being 110% of the loan amount sanctioned i.e. Rs.30650.40 Lakhs ( Rupees Thirty Thousand Six Hundred Fifty Lakh and Forty thousand only) as detailed in Schedule-I forming part of this Agreement and the Parties have agreed to execute a common agreement to record the hypothecation of all Movables and Stocks in terms of the Loan Agreements pertaining to all the Schemes and/or under the Project.	100232085	28-12-2018	25-01-2019	278.64 Crores	M/s REC Limited, (Formerly Rural Electrification Corporation Limited)Core 4Scope, Complex - 7, Lodi Road, New Delhi- 110003

14.	First charge by way of hypothecation of Existing movable assets in the jurisdiction of APEPDCL in the state of Andhra Pradesh, having a net book value of Rs 146.00 crores (Rupees One Hundred and Forty Six Crores only) as on 31-03-2018, as detailed in Schedule-IV (hereinafter)	100224896	06-12-2018	28-12-2018	111.83 Crores	M/s REC Limited, (Formerly Rural Electrification Corporation Limited)Core 4Scope, Complex - 7, Lodi Road, New Delhi. – 110003
15.	First charge by way of hypothecation of Existing movable assets in the jurisdiction of APEPDCL in the state of Andhra Pradesh, having a net book value of Rs 127.19 crores (Rupees One Hundred Twenty Seven Crores and Nineteen Lakhs only) as on 31-12-2017.	100163988	13-03-2018	28-03-2018	86.03 Crores	M/s REC Limited, (Formerly Rural Electrification Corporation Limited) Core 4Scope, Complex - 7, Lodi Road, New Delhi - 110003
16.	First charge by hypothecation of all the future movable properties of the respective Scheme under the Project including movable machinery equipments, machinery, machinery spares, tools, implements and accessories installed (hereinafter referred to as "Movable") and its stock of materials and equipment created under the respective Scheme of the Project and procured out of loan sanctioned by REC, totaling to the project cost of Rs. 281.45 Crores (Rupees Two Hundred Eighty One Crores and Forty Five Lakhs only).	100149041	10-01-2018	24-01-2018	112.58 Crores	M/s REC Limited, (Formerly Rural Electrification Corporation Limited) Core 4Scope, Complex - 7, Lodi Road, New Delhi. – 110003
17.	First charge by hypothecation of existing movable assets in the jurisdiction of APEPDCL in the State of Andhra Pradesh. List of Assets enclosed as per Bulk hypothecation of Assets dt.18.11.2017	100138416	18-11-2017	08-12-2017	157.19 Crores	M/s REC Limited, (Formerly Rural Electrification Corporation Limited) Core 4Scope, Complex - 7, Lodi Road, New Delhi. – 110003
18.	A first charge by way of hypothecation in favour of the Corporation on the whole of the movable assets (save and except book debits) of the Borrower's assets comprising of Meters, conductors, cables, LT Lines etc located at Srikakulam, Vizianagaram, Visakhapatnam, Rajahmundry and Eluru etc operation Circles of Eastern Power Distribution Company of Andhra Pradesh Limited in respective District(s) of Andhra Pradesh including its movable machinery, machinery spares, tools and accessories, spares and material at project site, both present and future.	100132385	03-11-2017	08-11-2017	500 Crores	M/s Power Finance Corporation Limited Urianidhi, 1, Barakhamba Lane, Connaught Place, New Delhi -110001

19.	The whole of the movable properties of the Borrower's created/ to be created under implementation of distribution strengthening projects under IPDS in 5 circles/ projects covering 29 towns of APEPDCL in the state Andhra Pradesh. List of Movable assets enclosed as per the Hypothecation Deed Dt.18.05.2017	100099086	23-12-2019	31-12-2019	95.40 Crores	M/s Power Finance Corporation Limited Urijanidhi,1, Barakhamba Lane, Connaught Place, New Delhi-110001
20.	First Pari passu charge on all Current Assets (both present and future) with minimum coverage of 1.2 times of loan amount, as per Memorandum of Hypothecation dated 24th June, 2016	100035554	24-06-2016	01-07-2016	100 Crores	M/s PTC Limited 7th Floor, Telephone Exchange, Bhikaji cama palce, New Delhi -110066
21.	The whole of the movable properties/assets of movable plants & machineries, movable machinery, machinery spares, tools and accessories, fuel stock, spares and material and other various equipments etc. at the said Project Town including associated balance of plant equipments/ Items located at each Project Town, both present and future as well as the existing movables assets - 33/11 KV Substation located at Visakhapatnam (Keys Indoor substation) in the State of Andhra Pradesh.	100022983	28-04-2016	02-05-2016	16.07 Crores	M/s Power Finance Corporation Limited Urijanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi -110001
22.	First Pari Passu Charge On All Current Assets (Both Present And Future) With Coverage Of Min.1.2 Times Of Loan Amount. Exclusive Charge On Escrow Account, As Per Memorandum Of Hypothecation Dated 04th March, 2016	10624636	04-03-2016	10-03-2016	100 Crores	M/s PTC Limited 7th Floor, Telephone Exchange, Bhikaji cama palce, New Delhi -110066
23.	Exclusive First Charge by way of Hypothecation to the Corporation to the extent 1.1 times as security for the payment of loan and interest. Existing movable assets in the form of 33/11 KV Sub Stations, Power Transformers of various capacities, 33 KV Lines, 11 KV Lines, Single Phase and three phase Meters, capacitor banks, LT Lines, LT Cables Single and three Phase Distribution Transformers (DTR) of various capacities created under own funds of APEPDCL as well as created under various loans sanctioned by REC under various categories located at Srikakulam, Vizianagaram, Visakhapatnam, East Godavari and West Godavari districts in the jurisdiction area of APEPDCL (details as per Schedule I hereunder) are now secured to REC under exclusive first charge by way of hypothecation to the Corporation to the extent of times (hereinafter referred to as "Existing Assets" or	10594441	30-09-2015	07-10-2015	500 Crores	M/s REC Limited, (Formerly Rural Electrification Corporation Limited) Core 4Scope, Complex - 7, Lodi Road, New Delhi. - 110003

24.	The Borrower hereby hypothecated and creates a first charge in favor of PFC GEL over its specific movable assets including movable machineries, machinery spares, tools and accessories, spares and materials and other various equipments etc., in the state of AP. The said details of hypothecated assets are given below. 1.Ponnammada - Rajahmundry, 2.Kotilingapeta - Rajahmundry, 3.Zimnam -Vizianagaram, 4.Pasalapudi - Rajahmundry 5.Konda Tamrapalli - Vizianagaram, 6.Garugubilli-Vizianagaram, 7.Kottu-Vizianagaram 8. Asilmetta(Indoor) - Visakhapatnam, 9.Bobbili Growth Centre-2 -Vizianagaram, 10.Kambala Tank, 11.Venkateswara General Market and 12.Market Yard - Rajahmundry 13.K.P.Palem, 14. Arikirevula, 15.Navarasapuram (Kovvuru), 16.Sitarampuram, 17.Kodigudem, 18.Vempadu, 19.Kunchumpudi, 20.K.Savaram (Palangi), 21.Ayyavaram-Eluru, 22.Anthakapalli – Visakhapatnam as scheduled in the annexure to the hypothecation deed.	10583040	29-07-2015	03-08-2015	25.50 Crores	M/s PFC Green Energy Limited Urjanidhi, 1 Barakhamba Lane, Connaught Place, New Delhi - 110001
25.	The whole of the movable properties / assets of the borrower created / to be created out of the counterpart loans for R-APDRP (Part-B) project towns under Loan No.31637001 Amadalavasa) 31637005(Bhimnavaram), 31637007(Eluru), 31637008(Ichapuram), 31637011(mandapeta), 31637016 (Plasa), 31637019 (Pithapuram), 31637029 (RC Puram) comprising of movable properties and etc., both present and future assets -33/11KV Sub Stations at Pithapuram, Ashok Nagar, and Amadalavasa to the extent of Rs.4.20 Crs (being more than 10% of the loan amount to APEPDCL) in the state of AP whether installed or not and whether not and whether not lying loose or in cases or which are not lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about the Borrowers factories, premises and goodwills situated at Andhra Pradesh or wherever else the same may be or be held by any party to the order or disposition of the borrower or in the course or transit or on high seas or on order, or delivery, howsoever, and wheresoever in the course of transit or on high seas or on order, or delivery, howsoever, and wheresoever in the possession of	10556101	06-01-2015	22-03-2015	38.28 Crores	M/s Power Finance Corporation Limited Urjanidhi, 1 Barakhamba Lane, Connaught Place, New Delhi -110001

26.	the Borrower and either by way of substitution or addition AND i make aforesaid declaration for and on behalf of the company solemnly and sincerely believing the same to be true and knowing fully well that on the faith thereof the PFC has agreed to complete the said transaction of hypothecation of movable properties as aforesaid.					
27.	The whole of the movable properties / assets of the borrower created / to be created out of the counterpart loan for R-APDRP (part-B) Amalapuram project Town under Loan No.31637002 comprising of movable plant & machineries, machinery spares, materials, fuel stocks, tools and accessories, plant turbine and other various equipments etc., both present and future movable assets - 33/11KV Substation located in Peruru, Amalapuram Mandal, EGG Dist in the state of A.P. whether installed or not and whether now lying loose or in cases or which are not lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about the borrowers factories, premises and godowns situated at Andhra Pradesh or wherever else the same may be or be held by any party to the order or disposition of the borrower or in the course of transit or on high seas or on order, or delivery, howsoever, and wheresoever in the possession of the Borrower and either by way of substitutions or addition. And I make aforesaid declaration for and on behalf of the company solemnly and sincerely believing the same to be true and knowing fully well that on the faith thereof the PFC has agreed to complete the said transaction of hypothecation of movable properties as aforesaid.	10556077	06-01-2015	22-03-2015	5.61 Crores	M/s Power Finance Corporation Limited Urianidhi, 1, Barakhamba Lane, Connaught Place, New Delhi -110001
28.	Exclusive first charge by hypothecation of all the future movable properties of the respective schemes under the project including movable machinery, equipments, machinery spares, tools, implements and accessories installed and stock of materials and equipment created under the respective schemes of the project and procured out of loan sanctioned by rec created installed and procure out of the loans as security to cover the amount of loans, interest, penal interest and other costs and charges.	10052754	05-03-2007	14-03-2007	110.37 Crores	M/s REC Limited, (Formerly Rural Electrification Corporation Limited) Core 4 Scope, Complex - 7, Lodi Road, New Delhi. - 110003

The following Loans were cleared, however the company is yet to be receive NOC from Banks/PFC/REC to file satisfaction of Charge.  
**Charge created on secured loans**



Sl. No.	Short Description of the Property Charged	Charge ID	Date of Creation of Charge or date of acquisition of property subject to charge	Date of registration of creation charge	Period and amount secured by the Charge (Rs. Crores)	Name and Address of the Charge holder
1.	First Charge to the Corporation as security for and be charged with repayment to the Corporation of principal amount of the Loan and repayment or payment of other moneys including interest, penal interest, premia on prepayment or on redemption, costs, charges and expenses and all other moneys due to the corporation under the memorandum of agreement	100331934	12-03-2020	24-03-2020	500 Crores	M/s Power Finance Corporation LimitedUjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi - 110001
2.	As per the Deed of Hypothecation Dated :30.12.2019	100311046	30-12-2019	31-12-2019	300 Crores	M/s Power Finance Corporation LimitedUjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi - 110001
3.	100% by way of the Current Assets of the Borrower, on pari-passu charge basis, wherever lying or held including in Trust and Retention Account/Escrow Account opened /to be opened with a Scheduled Bank for the purpose of receivables of the Borrower, including any other monies credited therein (Project No. 002020ST) , and elsewhere both present and future & also Exclusive charge on receivables of power from said Project and other monies credited/to be credited in TRA of the Borrower and also lying or held wherever else.	100234904	14-12-2018	06-02-2019	500 Crores	M/S Indian Renewable Energy Development Agency Limited, India Habitat Centre, 1st Floor, East Court, Core4 , Lodi Road, New Delhi - 110003
4.	Existing movable assets in the form of 33/11 KV Sub Stations, Power Transformers (PTR) of various capacities, 33 KV Lines, 11/6.3 KV Lines, VCBs of various specifications, Conductors of various specifications, LT Lines, LT AB cables, Distribution Transformers (DTR) of various capacities, 11 KV 2 MVAR Capacitor Banks and VHF Equipment created under various loans sanctioned by REC under various categories at various districts in the jurisdiction area of APEPDCL now valued at Rs. 84.99 Crores (Rupees Eighty Four Crore and Ninety Nine Lakhs only) based on fair market value are now secured to REC under exclusive first charge by way of	100207568	11-09-2018	10-10-2018	70 Crores	M/s REC Limited, (Formerly Rural Electrification Corporation Limited) Core 4 Scope, Complex – 7, Lodi Road, New Delhi. - 110003

5.	First charge by way of (i) Hypothecation of unencumbered Existing Assets equivalent to 120% of the loan amount sanctioned and (ii) Hypothecation of Receivables of tariff subsidy from Govt. of Andhra Pradesh, adequate to cover the amount of loan" and interest "thereon	100163998	09-03-2018	28-03-2018 450 Crores
6.	A first charge by way of hypothecation in favour of the Corporation on the whole of the movable assets (save and except book debts) of the Borrower's assets comprising of Meters, conductors, cables, LT Lines etc located at Srikakulam, Vizianagaram, Visakhapatnam, Rajahmundry and Eluru etc operation Circles of Eastern Power Distribution Company of Andhra Pradesh Limited in respective District(s) of Andhra Pradesh including its movable machinery, machinery spares, tools and accessories, spares and material at project site, both present and future.	100131840	03-11-2017	08-11-2017 500 Crores
7.	OCC- Hypothecation of all current assets of the Company on Priority 1st pari -passu basis with other working capital lenders (syndicate Bank & Lakshmi Vilas Bank) to the extent of 200% exposure under multiple banking arrangement. ILC / BG - Counter Guarantee of the Company for BG limit in addition to hypothecation of all current assets of the Company on priority 1st pari-passu basis with other working capital lenders (Syndicate Bank & Lakshmi Vilas Bank) to the extent of 200% of our exposure under multiple banking arrangement.	100095845	03-05-2017	10-05-2017 400 Crores
8.	Pari Passu charge on current assets of the Company	10618383	12-01-2016	09-02-2016 50 Crores

9.	The whole of the movable properties / assets of the borrower created/ to be created out of the loan under the R-APDRP, part - B project towns for Amalapuram (Loan No.31634002) comprising of movable plants & machinery, machinery spares, materials, fuel stocks tools and accessories plant turbine and other various equipments etc. both present and future as well as the existing movable assets - 33/11 KV sub station located at Kamangarava, Amalapuram to the extent of Rs.1.40 Crs in the state of AP.	10555859	06-01-2015	22-03-2015	1.87 Crores	M/s Power Finance Corporation Limited Urianidhi, 1, Barakhamba Lane, Connaught Place, New Delhi - 110001
10.	The whole of the movable properties / assets of the borrower created / to be created out of the loan under R-APDRP, Part - A (SCADA DMS) project town for VSP (Loan No.31638027) comprising of movable plant & machineries, machinery spares, materials, fuel stocks, tools and accessories, plant turbine and other various equipments etc., both present and future 33/11 KV Indoor sub station located at Nakkavani Palam, Visakhapatnam Town of APEPDCL in the state of Andhra Pradesh. whether installed or not and whether now lying loose or in cases or which are not lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about the borrowers factories, premises and 'godowns' situated at Andhra Pradesh or wherever else the same may be or be held by any party to the order or disposition of the borrower or in the course of transit or on high seas or on order, or delivery, howsoever, and wheresoever in the possession of the Borrower and either by way of substitutions or addition. AND i make aforesaid declaration for and on behalf of the company solemnly and sincerely believing the same to be true and knowing fully well that on the faith thereof the PFC has agreed to complete the said transaction of hypothecation of movable properties as aforesaid.	10556045	06-01-2015	22-03-2015	9.75 Crores	M/s Power Finance Corporation Limited Urianidhi, 1, Barakhamba Lane, Connaught Place, New Delhi - 110001
11.	The whole of the movable properties / assets of the borrower created / to be created out of the loan under R-APDRP, Part - B (SCADA DMS) project town for VSP (Loan No.31634027), comprising of movable plant & machineries, machinery spares, materials, fuel stocks, tools and accessories, plant turbine and other various equipments etc., both present and future 33/11 KV Indoor sub station located at Dondaparthi and 33/11 KV out door SS at venkateswara metta, VSP town in the state of Andhra Pradesh. whether installed or not and whether now lying loose or in cases or which are not lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about the borrowers factories, premises and godowns situated at Andhra Pradesh	10555861	06-01-2015	22-03-2015	5.35 Crores	M/s Power Finance Corporation Limited Urianidhi, 1, Barakhamba Lane, Connaught Place, New Delhi - 110001

	or wherever else the same may be or held by any party to the order or disposition of the borrower or in the course of transit or on high seas or on order, or delivery, howsoever, and wheresoever in the possession of the Borrower and either by way of substitutions or addition. AND i make aforesaid declaration for and on behalf of the company solemnly and sincerely believing the same to be true and knowing fully well that on the faith thereof the PFC has agreed to complete the said transaction of hypothecation of movable properties as aforesaid.			
12.	Primary security as per FRP of Discoms first charge on current assets on pari-pasu basis.	10518699	16-07-2014	10-09-2014 150 Crores
13.	Exclusive first charge on future assets to be created under the schemes as mentioned in schedule -I, schedule -II, schedule -III and schedule - IV annexed hitherto totaling to project cost of Rs.15725.29 lakhs	10447111	12-08-2013	11-09-2013 141.52 Crores
14.	Charge on current assets to the extent of 300 Crores.	10442274	15-07-2013	14-08-2013 200 Crores
15.	A first charge by way of hypothecation in favour of the corporation of all the Borrower's movable assets to be created out of these eight (08) loans of Part-B of R-APDRP Project present and future (save and except book debts) along with newly financed movable assets including movable machinery, machinery spares, tools and accessories, fuel stock, spares and material at project site in Amaladavalsa, Bhimavaram, Eluru, Ichapuram, Mandapeta, Palasa, Pithapuram & RC Puram towns of Andhra Pradesh and also on the additional existing movable assets of the borrower including transformers, Sub-stations, Capacitors etc., as per the approved DPRs sanctioned under Part-B, Loans of R-APDRP created in 33/11 kV Stadium Sub-station at Borubadra, Tekkali Mandal, Sriakulam District, Andhra Pradesh valuing 1.37 Crores more fully described under the schedule to the Deed of hypothecation executed on 26.06.2013 for Loan numbers 31634001, 31634005, 31634007, 31634008, 31634011, 31634016, 31634019 & 31634029 (8 Nos)	10437020	26-06-2013	19-07-2013 12.75 Crores

16.	First charge on current assets of the company to the tune of Rs.200 Crores with a comfort equivalent to the exposure. Default Escrow Mechanism account.	10426749	24-04-2013	22-05-2013	200 Crores	M/s Canara Bank, Prime Corporate Branch, SR Complex, SP Road, Secunderabad - 500003
17.	First charge on current assets on pari passu basis along with all secured lenders.Pari Passu First charge on the amount receivable from Government of Andhra Pradesh against the explicit authorization given by GoAP for procurement of additional power purchases by APDISCOMs from time to time.	10399760	07-01-2013	30-01-2013	150 Crores	M/s Dena Bank 5-1-757/3, 1st Floor, Bank Street, Koti, Hyderabad - 5000195
18.	Pari Passu Charge On Current Assets Of The Company. The Company Must Retain Asset Coverage Ratio Of At least 1.25 Times During The Tenor Of The Term Loan. Irrevocable & Unconditional Escrow Agreement.	10396290	29-12-2012	10-01-2013	100 Crores	Union Bank of India 6-2-984, Pavani plaza, Commercial Complex, Kharibatbad, Hyderabad - 500004
19.	1st charge in favour of the Bank by way of hypothecation of all current assets of the company present and future. (the charge to be shared along with the working capital sanctioned to the company).	10381822	29-03-2014	07-06-2014	50 Crores	State Bank of Hyderabad C&I Division, Gunfoundry, Hyderabad - 500177
20.	A First charge will extend to and operate on the whole of the newly financed assets created under the loan as well as on the existing movable assets created in area store MPPKVVCL Indore to secure the due repayment of the loan of Rs. 2.48 Crore along with interest, interest tax if any, costs charges, and other money's due from time to time against the loan.	10334118	03-02-2012	08-02-2012	2.48 Crores	M/s Power Finance Corporation Limited Ujanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi - 110001
21.	First charge by way of hypothecation in favour of the corporation on all the movable assets comprising of all newly financed assets under the project including movable machinery, machinery spares, tools and accessories, fuel stock, spares and material at project site etc, present and future as well as on the existing movable assets of 33/11 KV S/s at Chuchukonda in Visakhapatnam town in the State of A.P.	10277579	24-03-2011	08-04-2011	0.83 Crores	M/s Power Finance Corporation Limited Ujanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi - 110001
22.	The Charge operates is securing for due payment by the company to the lender of its Rupee Term loan of Rs 60.66 Crs together with interest with interest tax and other payments due as per terms and conditions of Memorandum of Agreement dated 24.03.2009	10167592	24-02-2011	08-04-2011	61.44 Crores	M/s Power Finance Corporation Limited Ujanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi - 110001

23.	Exclusive First Charge By Hypothecation Of All The Future Movable And Immovable Properties Of The Repetitive Schemes Under The Project Including Machinery, Equipments, Machinery Spares, Tools, Implements And Accessories Installed And Stock Of Materials And Equipment Created Under This Schemes Of The Project And Procured Out Of Loan Sanctioned By REC created Installed And Procured As Security To Cover The Amount Of Loans, Interest, PenelInterest And Other Costs And Charges.	10117130	28-07-2008	22-08-2008	45.31 Crores	M/s Rural Electrification Corporation Limited, Core 4 Scope, Complex – 7, Lodi Road, New Delhi 110003
24.	First charge in favour of the Bank by way of hypothecation of all present and future goods, book-debts and all other movable assets of the borrower including documents of title to the goods, outstanding money, receivables including receivables by way of cash assistance and/or cash incentives under the cash incentive scheme or any other scheme, claims including claims by way of refund of customs/excise duties, etc.	10042813	26-03-2007	02-04-2007	67.20 Crores	State Bank of India Commercial branch d.no.48-10-20, Veeramachaneni Gunfoundary, Hyderabad - 500001
25.	First charge on current assets of the Company, present and future	10052754	25-09-2020	12-10-2020	320 Crores	State bank of India Commercial branch d.no.48-10-20, Veeramachaneni NTR health University,Gunadala, vijayawada
26.	Hypothecation of future assets to be created out of the project loan sanctioned by REC.	10034745	13-04-2006	22-09-2006	24.58 Crores	M/s Rural Electrification Corporation Limited, Core 4 Scope, Complex – 7, Lodi Road, New Delhi 110003
27.	Future Movable Properties including machinery, equipment, machinery spares, tools, implements and accessories created/ installed out of the loan	90130422	05-03-2004	07-04-2004	91.24 Crores	M/s Rural Electrification Corporation Limited, Shivarampally Hyderabad - 500052

**a. Details of borrowing based on its nature**

Particulars	Account Code	31 March 2022	31 March 2021
<b>Secured Term Loans</b>			
From Banks		-	-
From Others		-	-
Acquisition of Fixed assets			
Loan from REC .....( i )	5303100	50,007.34	56,598.18
Loan from REC-RGGVY.....(ii)	5303530	430.81	514.73
Loan from PFC.....(iii)	5303200	13,795.76	20,492.56
LT Loans-PFC GEL (Solar Pump sets)	5303210	1,359.72	1,484.84
Loan from Govt. of Andhra Pradesh	5303300	1,927.52	1,927.52
Power for All- REC Loan	5303510	10,063.54	7,459.94
Power for All- Govt. of AP- IBRD Loan	5303510	8,163.77	3,795.00
Power for All- Govt of AP-AIIB Loan	5303510	5,442.23	2,530.00
<b>Working Capital Requirements:</b>			
Loan from PFC	5303200	1,43,184.92	55,508.06
Loan from REC	5303100	1,37,340.90	1,06,213.42
Loan from PTC FSLtd	5303600	2,725.19	6,733.18
Loan Bifurcation from TSNPDCL	5303700	1,614.39	1,614.39
Loan Bifurcation from APPFC	5303900	3,72,719.77	2,99,791.67
Loan from IREDA	5303800	11,687.00	19,687.50
STL Frm APTRANSCO	4603051	4,703.49	6,219.61
<b>Financial Restructuring Plan</b>			
FRP-9.95% Unsecured Bonds - I.....(iv)	5303540	30,149.00	30,149.00
FRP-10% Unsecured Bonds - II	5303550	-	-
FRP- Conversion of STL to Term Loans...(iv)	5303560	220.44	1,412.18
<b>(ai ). Total Long term borrowings</b>		<b>7,95,535.79</b>	<b>6,22,131.78</b>
<b>(a ii). Loans Repayable on Demand from Banks</b>			
CC Limits from SBI, Syndicate bank & Andhra Bank	5000102	44,435.18	16,253.28
<b>(a iii). Current maturities of long term borrowings -(v)</b>		<b>70,819.22</b>	<b>1,74,363.04</b>
<b>Total borrowings ( ai+a ii+a iii)</b>		<b>9,10,790.19</b>	<b>8,12,748.10</b>

**Secured loans and assets pledged as security**

Secured Term Loan from M/s REC amounting to Rs.60501.69 (P.Y. Rs.64572.85) outstanding as on 31.03.2022 is secured by specific assets for which the loan is availed. The repayment is in equated monthly/ quarterly instalments spread for a period of 10 years. The rate of interest is ranging from 8.62% to 12.00%

Secured Term Loan from M/s Power Finance Corporation amounting to Rs.15155.48 (P.Y. Rs.21977.40) outstanding as on 31.03.2022 is secured by the specific assets for which the loan is availed. The repayment is in equated quarterly instalments spread for a period of 4-15 years. The rate of interest is ranging from 9.5% to 10.71%

**(i) Loan from REC**

Particulars	31 March 2022	31 March 2021
JBIC- Monthly	-	656.39
JBIC- Quarterly	1,923.96	1,703.10
Indiramma	296.46	417.58
LED	873.61	1,054.08
HVDS	6,189.11	7,261.04
AGL Solar Pump sets	6,810.62	7,680.89
EEPS	5,872.32	6,544.59
DDUGJY	8,647.40	9,644.09
Solar Off Grid pump sets	9,242.16	10,373.92
DDG ( Electrification of 229 Habitations)	463.24	514.27
‘Agl 9 Hrs supply	9,688.46	10,748.23
	<b>50,007.34</b>	<b>56,598.18</b>

**(ii) Loan from REC-RGGVY**

Particulars	31 March 2022	31 March 2021
Non-current		
RGGVY	264.65	124.23
DDG	166.16	390.50
	<b>430.81</b>	<b>514.73</b>

**(iii) Loan from PFC**

Particulars	31 March 2022	31 March 2021
Non-current		
RAPDRP Part-A (GOI)	-	5,116.23
RAPDRP Part-B (75%)	3,406.19	3,745.24
RAPDRP Part-B (GOI)	1,204.80	1,204.80
RAPDRP SCADA Part-A (GOI)	-	747.00
RAPDRP SCADA Part-B (GOI)	507.85	507.85
IPDS	7,566.68	8,131.70
IPDS- IT	1,110.24	1,039.74
	<b>13,795.76</b>	<b>20,492.56</b>

**(iv) Financial Restructuring Plan**

Details of Bonds issued & Re-structured STL under Financial Restructuring Plan retained with APEPDCL after UDAY Scheme

Particulars of Restructured Loans under FRPScheme	9.95% Unsecured Bonds - I	Conversion of STL to Term Loans
Non-current		
A.P.Genco	30,149.00	
Bank of India		220.44
	<b>30,149.00</b>	<b>220.44</b>

**(v) Current maturities of long term borrowings**

Particulars	Account Code	31 March 2022	31 March 2021
Secured Term Loans			
From Banks		-	-
From Others		-	-
Acquisition of Fixed assets			
Loan from REC.....( i )	5303100	6,511.99	5,708.25
Loan from REC-RGGVY.....( i )	5303530	128.00	332.58
Loan from REC (Power for All)	5303510	728.15	121.36
Loan from PFC.....(ii)	5303200	961.85	1,015.82
LT Loans-PFC GEL (Solar Pump sets)....(ii)	5303210	122.68	169.32
Loan from Govt. of Andhra Pradesh	5303300	533.00	533.00
<b>Working Capital Requirements:</b>			
Loan from PFC	5303200	5,156.42	84,685.90
Loan from REC	5303100	26,496.56	36,895.03
Loan from PTC FSLtd	5303600	4,008.00	4,000.00
Loan from IREDA	5303800	10,688.00	23,437.50
APTRANSCO	4603051	1,718.74	2,708.33
APPFC	5303900	12,336.83	10,208.33
APGECL	5000106	-	1,000.00
NREADCAP	5000106	-	2,000.00
<b>Financial Restructuring Plan</b>			
FRP- Conversion of STL to Term Loans...(iii)	5303560	1,429.00	1,547.62
<b>Total current maturities of long term borrowings</b>		<b>70,819.22</b>	<b>1,74,363.04</b>

Secured Term Loan from M/s REC amounting to Rs7368.14 Lakhs (P.Y. Rs.6162.19) Lakhs is secured by specific assets for which the loan is availed. The repayment is in equated monthly/ quarterly instalments spread for a period of 10 years. The rate of Interest is ranging from 8.62% to 12 %

Secured Term Loan from M/s Power Finance Corporation amounting to Rs. 1084.53 (P.Y. Rs.1185.104 ) is secured by the specific assets for which the loan is availed.

The repayment is in equated quarterly instalments spread for a period of 4-15 years. The rate of Interest is ranging from 9.5% to 10.71%

**( i) Details of REC Term Loans**

<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
JBIC- Monthly	112.33	622.81
JBIC- Quarterly	319.39	542.00
Indiramma	120.15	120.15
LED	178.77	178.77
HVDS	1,061.65	1,061.65
AGL Solar Pump sets	860.33	860.33
Solar Off Grid pump sets	664.83	1118.3
EEPS	986.40	443.22
DDUGJY	1,118.30	657.6
DDG ( Electrification of 229 Habitations)	50.40	16.8
Agl 9 Hrs supply	1,039.44	86.62
<b>Sub total</b>	<b>6,511.99</b>	<b>5,708.25</b>

RGGY	79.78	284.36
DDG	48.22	48.22
<b>Sub total</b>	<b>128.00</b>	<b>332.58</b>
<b>Grand total</b>	<b>6,639.99</b>	<b>6,040.83</b>

**(ii) Details of PFC Term Loans**

<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
RAPDRP Part-B (75%)	337.33	341.59
IPDS	541.67	638.29
IPDS- IT	82.85	35.94
<b>Total</b>	<b>961.85</b>	<b>1,015.82</b>
LT Loans-PFC GEL (Solar Pump sets)	122.68	169.32

**(iii) Details of Bonds issued & Re-structured STL under Financial Restructuring Plan retained with APEPDCL after UDAY Scheme**

<b>Particulars of Restructured Loans under FRP SCHEME</b>	<b>Conversion of STL to Term Loans</b>	
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Bank of India	1,429.00	1,547.62
<b>Total</b>	<b>1,429.00</b>	<b>1,547.62</b>

**Details of Terms of Borrowings:  
Borrowings for Capital Works:**

S. No	Lending Agency	Name of Scheme	Initial Loan amount	Outstanding Balance as on 31.03.2022 (***)	Total Loan Tenure (Months)	Balance Loan Tenure (Months) (***)	Int. Rate (%)	Terms of Payment
1	M/s Rural Electrification Corporation Limited	Indiramma	1201.54	416.62	120	30	11.95	Monthly
2	M/s Rural Electrification Corporation Limited	HVDS Scheme	10394.36	7250.76	120	69	10.50	Monthly
3	M/s Rural Electrification Corporation Limited	LED Lights	1787.68	1052.37	120	58	11.00	Monthly
4	M/s Rural Electrification Corporation Limited	Energy Efficiency AGL Motors	6648.32	6537.16	120	110	10.00	Monthly
5	M/s Rural Electrification Corporation Limited	Solar AGL Pump Sets	8603.30	7670.95	120	94	10.44	Monthly
6	M/s Rural Electrification Corporation Limited	Power for All	10675.64	10791.68	120	116	8.62	Monthly
7	M/s Rural Electrification Corporation Limited	Off Grid Solar Pump Sets	11183.00	10360.46	120	103	10.45	Monthly
8	M/s Rural Electrification Corporation Limited	DDG under (DDUGJY) New Scheme	504.035	13.64	120	114	10.50	Monthly
9	M/s Rural Electrification Corporation Limited	AGL 9 Hours Supply	10394.40	10727.90	120	117	11.00	Monthly
10	M/s Rural Electrification Corporation Limited	DDUGJY	9863.99	9633.80	120	110	10.70	Monthly
11	M/s Rural Electrification Corporation Limited	APEPDCL-JBIC	3080.72	2243.34	120	36	11.15	Quarterly
12	M/s Rural Electrification Corporation Limited	JBIC	6215.19	112.33	120	3	10.95	Monthly
13	M/s Rural Electrification Corporation Limited	APEPDCL-RGGVY	841.01	344.42	120	25	10.75	Quarterly
14	M/s Rural Electrification Corporation Limited	APEPDCL-DDG	488.96	214.38	120	115	10.31	Quarterly
15	M/s Rural Electrification Corporation Limited	COUNTER PART 'B' RAPDRP	5448.71	3743.53	180	111	10.71	Quarterly
16	M/s Rural Electrification Corporation Limited	IPDS COUNTERPART	8828.52	8108.34	180	129	10.25	Quarterly
17	M/s Rural Electrification Corporation Limited	IPDS COUNTERPART-GOI	709.30	693.71	180	175	10.65	Monthly
18	M/s Rural Electrification Corporation Limited	IPDS COUNTERPART -IT	537.69	499.38	180	154	10.65	Monthly
19	M/s Rural Electrification Corporation Limited	AGL SOLAR PUMP SETS	2204.45	1482.40	144	126	10.61	Quarterly
20	M/s Rural Electrification Corporation Limited	RAPDRP Part-B (GOI)	1204.80	1204.80	0	0	—	—
21	M/s Rural Electrification Corporation Limited	RAPDRP SCADA Part-B (GOI)	507.85	507.85	0	0	—	—
22	GOVT.OF AP	Loan from Govt. of A P	2460.52	2460.52	0	0	2.25	
23	The International Bank of Reconstruction and Development (IBRD)	Power for All	8163.77	8163.77	0	0	2.34	
24	Asian Infrastructure Investment Bank (AIIB)	Power for All	5442.23	5442.23	0	0	2.34	
	<b>Total Borrowings</b>		<b>117389.98</b>	<b>100176.36</b>				

(\*\* )Includes current year instalments

(\*\*\*)Outstanding Balance as on 31.03.2022 includes current and non current borrowings

**Borrowings for Working Capital :**

S. No	Lending Agency	Name of Scheme	Initial Loan amount	Outstanding Balance as on 31.03.2022 (***)	Total Loan Tenure (Months)	Balance Loan Tenure (Months) (***)	Int. Rate (%)	Terms of Payment
1	Bank of India	FRP CTL	10000.00	1649.44	61	17	8.70	Monthly
2	M/s Power Finance Corporation	MTL	50000.00	1224.67	48	2	10.60	Monthly
3	M/s Power Finance Corporation	MTL	50000.00	1270.67	48	2	10.71	Monthly
4	M/s Power Finance Corporation	COVID	105000.00	105000.00	96	96	9.50	Monthly
5	M/s Power Finance Corporation	Spl TL- 2 - Covid - 19	20423.00	20423.00	96	96	9.50	Monthly
6	M/s Rural Electrification Corporation Limited	MTL	50000.00	33065.75	84	50	10.70	Monthly
7	M/s Rural Electrification Corporation Limited	RPO Loan	27400.00	10771.71	24	3	12.00	Monthly
8	M/s Rural Electrification Corporation Limited	COVID	105000.00	105000.00	96	96	9.50	Monthly
9	M/s Rural Electrification Corporation Limited	MTL	15000.00	15000.00	24	24	9.75	Monthly
10	M/s Rural Electrification Corporation Limited	Spl TL-2- Covid - 19	20423.00	20423.00	96	96	9.50	Monthly
11	M/s Power Trading Corporation	MTL	10000.00	3105.29	60	15	11.40	Monthly
12	M/s Power Trading Corporation	STL	37500.00	9375.00	8	2	11.84	Monthly
13	IREDA	STL	15000.00	13000.00	30	24	11.50	Monthly
14	IREDA	TL	50000.00	46874.60	32	30	9.00	Monthly
15	Andhra Pradesh Power Finance Corporation	TL-I (SBI)	50000.00	50000.00	48	48	9.00	Monthly
16	Andhra Pradesh Power Finance Corporation	TL-II (AB)	50000.00	20000.00	48	48	9.00	Monthly
17	Andhra Pradesh Power Finance Corporation	TL- IV (Canara)	50000.00	50000.00	48	48	9.00	Monthly
18	Andhra Pradesh Power Finance Corporation	TL- V (Canara)	50000.00	10000.00	48	48	9.00	Monthly
19	Andhra Pradesh Power Finance Corporation	TL	15000.00	15000.00	48	48	9.00	Monthly
20	Andhra Pradesh Power Finance Corporation	TL	15000.00	15000.00	48	48	9.00	Monthly
21	Andhra Pradesh Power Finance Corporation	TL	15000.00	15000.00	48	48	9.00	Monthly
22	Andhra Pradesh Power Finance Corporation	TL	11300.00	11300.00	48	48	9.00	Monthly
23	Andhra Pradesh Power Finance Corporation	TL	40000.00	38182.00	32	30	9.00	Monthly
24	Andhra Pradesh Power Finance Corporation	TL	5000.00	5000.00	48	48	9.00	Monthly
25	Andhra Pradesh Power Finance Corporation	TL	1950.00	1950.00	48	48	9.00	Monthly
26	Andhra Pradesh Power Finance Corporation	TL	6500.00	6500.00	48	48	9.00	Monthly

27	Andhra Pradesh Power Finance Corporation	TL	1000.00	1000.00	48	48	9.00	Monthly
28	Andhra Pradesh Power Finance Corporation	TL	5870.00	5870.00	48	48	9.00	Monthly
29	Andhra Pradesh Power Finance Corporation	TL	22500.00	22500.00	48	48	9.00	Monthly
30	Andhra Pradesh Power Finance Corporation	TL	5880.00	5880.00	48	48	9.00	Monthly
32	Andhra Pradesh Power Finance Corporation	TL	5000.00	5000.00	48	48	9.00	Monthly
34	Andhra Pradesh Power Finance Corporation	TL	5000.00	5000.00	48	48	9.00	Monthly
35	Andhra Pradesh Power Finance Corporation	TL	30000.00	30000.00	48	48	9.00	Monthly
36	Andhra Pradesh Power Finance Corporation	TL	18000.00	18000.00	48	48	9.00	Monthly
37	APTRANSICOICD	ICD	5000.00	1422.23	24	6	12.25	Monthly
38	APTRANSICOICD	ICD	5000.00	5000.00	On Demand	—	9.05	On Demand
39	FRP Bonds	FRP-9.95% Unsecured Bonds	30149.00	30149.00	0	0	—	—
40	SBI & UBI	CC Limits	45000.00	44435.18	0	0	10.75	Monthly
41	TSNPDCL	Loan Bifurcation from TSNPDCL	1614.39	1614.39	0	0	—	—
	<b>TOTAL</b>		<b>1002509.39</b>	<b>810613.84</b>				
	<b>GRAND TOTAL</b>		<b>1119899.37</b>	<b>910790.20</b>				

(\*\*)Includes current year instalments

(\*\*\*)Outstanding Balance as on 31.03.2022 includes current and non current borrowings

#### Government Guarantee availed Details:

S. No.	Item	Amount for Which Government Guarantee Issued	Amount for Which Government Guarantee Availed	GO No and Date
1.	special Term Loan under Atmanirbar Bharath Policy (Covid -19) (Rs.4500 Cr -APSPDCL and Rs. 2100 Cr -APEPDCL	Rs.2100	Rs.2100 (ROI 9.5%)	Deed dated :30-06-2020 (REC) and Deed dated : 03-07-2020 (PFC) GO. No. 17, dated:14-06-2020
2.	SL TTL under Atmanirbar Bharath Policy (Covid -19) from PFC and REC (Rs.1300 Cr -APSPDCL and Rs.470 Cr -APEPDCL	Rs.470	Rs.173.46 ( ROI 9.5%)	Deed dated :19-06-2020 (REC) and Deed dated : 19-05-2021 (PFC) GO. No. 2, dated:06-03-2021 Out of which an amount of Rs.823.46 Cr has been released by FIs

## 17. Provisions

<b>Non-current</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Provisions for employee benefits		
Provision for EL Encashment	68,992.89	65,783.70
Provision for Medical Expense Reimbursement	20,844.20	21,067.41
	<b>89,837.09</b>	<b>86,851.11</b>
<hr/>		
<b>Current</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Provisions for employee benefits		
Provision for EL Encashment	2,565.59	2,601.61
Pension for others		
Provision for Pension & Gratuity for Employee < 1-2-99	4,37,611.38	4,08,120.71
Provision for Gratuity for Employees > 1-2-99	(2,92,076.83)	(2,53,589.88)
Provision for Medical Expense Reimbursement	3,330.63	3,180.13
	<b>1,51,430.77</b>	<b>1,60,312.57</b>

### Post employment benefit obligations

The Company operates the following post-employment defined benefit plans.

#### ( i ) Leave encashment

The leave obligations cover the Company's liability for the sick and the earned leave for all employees. Based on the past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The level of benefits provided depends on the employees length of service and salary at retirement age. All regular employees are eligible for encashment of Earned Leave for 15 days per year and maximum of 300 days (including HPL if Earned leave accumulated below 300 days) at the time of retirement. The 100% liability will be discharged by the APEPDCL.

<b>a. Financial Assumptions</b>		
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Discount Rate	7.20%	6.90%
Salary Growth Rate	8.50%	8.50%
Expected rate of return	N.A	N.A

<b>b. Demographic Assumptions: Withdrawal Rates per annum</b>		
<b>Age Band</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
25 & Below	1.00%	1.00%
26 to 35	1.00%	1.00%
36 to 45	1.00%	1.00%
46 to 55	1.00%	1.00%
56 & above	1.00%	1.00%

<b>c. Mortality Rates -- Indian Assured Lives mortality (2006-08) Table</b>		
<b>Sample Rates per annum of Indian Assured Lives mortality</b>		
<b>Particulars ( Age in years )</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
20	0.089%	0.089%
30	0.106%	0.106%
40	0.180%	0.180%
50	0.495%	0.495%
60	1.153%	1.153%

<b>d) Reconciliation of defined benefit obligation</b>		
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Opening Defined Benefit Obligation	68385.31	71224.54
Service Cost	-	-
a. Current service cost	1032.62	932.70
b. Past service cost	-	-
c. (Gain) / loss on settlements	-	-
d. Loss (gain) on curtailments	-	-
Interest Cost	4718.59	4700.82
Benefit Payments from Plan Assets	-	-
Benefit Payments directly by Employer	(7023.64)	(6867.30)
Contributions by Employees / Participants	-	-
Effects of Acquisition / Merger	-	-
Settlements	-	-
Transfer In/Out	-	-
Actuarial LossGain- Demographics	-	-
Actuarial LossGain- Experience	6957.11	830.20
Actuarial Loss (Gain- Financial)	(2511.49)	(2435.66)
Total Actuarial Loss (Gain)	4445.61	(1605.46)
Exchange differences on foreign plans	-	-
<b>Closing Defined Benefit Obligation</b>	<b>71558.48</b>	<b>68385.31</b>

<b>e) Profit and loss account for current period</b>		
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Current service cost	1,032.62	932.70
Recognised Past Service Cost-Vested	-	-
Loss/(gain) on curtailments and settlement	-	-
Total Service Cost	1,032.62	932.70
interest on obligation	4,718.58	4,700.82
Expected return on plan assets	-	-
Net Interest Cost	4,718.59	4,700.82
<b>Total Included In 'Employee Benefit Expense'</b>	<b>5,751.20</b>	<b>5,633.52</b>

<b>f) Effects Recognized In Other Comprehensive Income</b>		
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Actuarial (Gain) / Loss due to Demographic Assumption changes in DBO	-	-
Actuarial (Gain) / Loss due to Financial Assumption changes in DBO	(2511.49)	(2435.66)
Actuarial (Gain) / Loss due to Experience on DBO	6957.10	830.20
Return on Plan Assets (Greater) / Less than the Expected Return	-	-
Changes in Asset Ceiling	-	-
Any other Effect	-	-
<b>Net actuarial loss/ (gain) for the year</b>	<b>4445.61</b>	<b>(1605.46)</b>

<b>g) Total Cost Recognized in Comprehensive Income</b>			
<b>Particulars</b>		<b>31 March 2022</b>	<b>31 March 2021</b>
Cost Recognized In P&L		5751.21	5633.52
Remeasurement Effects Recognized in OCI		4445.61	(1605.46)
<b>Total Cost Recognized In Comprehensive Income</b>		<b>10196.82</b>	<b>4028.07</b>

<b>h) Sensitivity to key assumptions</b>			
<b>Particulars</b>		<b>31 March 2022</b>	<b>31 March 2021</b>
Discount rate sensitivity			
Increase by 1%		64024.74	61089.41
(% change)		-10.53%	-10.67%
Decrease by 1%		80446.16	77011.39
(% change)		12.42%	12.61%
Salary growth rate sensitivity			
Increase by 1%		79510.90	76087.76
(% change)		11.11%	11.26%
Decrease by 1%		64640.00	61695.59
(% change)		-9.67%	-9.78%
Withdrawal rate (W. R.) sensitivity			
Increase by 1%		70828.45	67520.75
(% change)		-1.02%	-1.26%
Decrease by 1%		72384.02	69363.76
(% change)		1.15%	1.43%

Balance sheet amounts - Pension

### **Pension & Gratuity**

#### **(ii) (a) Pension**

The employees appointed before 01.02.1999 are eligible for Pension, commutation and Gratuity after retirement. The 100% liability will be discharged by APGENCO Master Trust in case of employees retired before 01.02.1999. In case of employees retired after 01.02.1999 the liability will be discharged at 74% by APGENCO Master Trust and 26% by APEPDCL Pension and Gratuity Trust as per the tripartite agreement.

#### **(ii) (b) Gratuity for Employees appointed before 01-02-1999**

The 100% liability will be discharged by APGENCO Master Trust in case of employees retired before 01.02.1999. In case of employees retired after 01.02.1999 the liability

will be discharged at 74% by APGENCO Master Trust and 26% by APEPDCL Pension and Gratuity Trust as per the tripartite agreement. The amount of gratuity payable on retirement / termination is based upon Andhra Pradesh Revised Pension Rules,1980.

<b>a. Financial Assumptions</b>			
<b>Particulars</b>		<b>31 March 2022</b>	<b>31 March 2021</b>
Discount Rate for Active Employees		6.80%	6.40%
Discount Rate for Pensioners		7.00%	6.70%
Salary Growth Rate		8.50%	8.50%
Expected rate of return		7.55%	7.40%

**b. Demographic Assumptions: Withdrawal Rates per annum**

Age Band	31 March 2022	31 March 2021
25 & Below	1.00%	1.00%
26 to 35	1.00%	1.00%
36 to 45	1.00%	1.00%
46 to 55	1.00%	1.00%
56 & above	1.00%	1.00%

**c. Mortality Rates -- Indian Assured Lives mortality (2006-08) Table**

**Table 5: Sample Rates per annum of Indian Assured Lives mortality**

Age ( in Years )	31 March 2022	31 March 2021
20	0.089%	0.089%
30	0.106%	0.106%
40	0.18%	0.18%
50	0.495%	0.495%
60	1.153%	1.153%

**d. Reconciliation of defined benefit obligation**

Particulars	31 March 2022	31 March 2021
Opening Defined Benefit Obligation	1,49,528.00	1,83,786.02
Service Cost	-	-
a. Current service cost	74.76	53.94
b. Past service cost	1,062.47	-
c. (Gain) / loss on settlements	-	-
d. Loss (gain) on curtailments	-	-
Interest Cost	10,377.55	11,906.00
Benefit Payments from Plan Assets	(8863.00)	(10753.00)
Benefit Payments directly by Employer	-	-
Contributions by Employees / Participants	-	-
Effects of Acquisition / Merger	-	-
Settlements	-	-
Transfer in/Out	-	-
Actuarial Loss (Gain) - Demographics	-	-
Actuarial Loss (Gain) - Experience	9,439.92	(33201.36)
Actuarial Loss (Gain) - Financial	(4529.62)	(2263.61)
Total Actuarial Loss (Gain)	4910.30	(35464.96)
Exchange differences on foreign plans	-	-
Closing Defined Benefit Obligation	1,57,090.09	1,49,528.00

**e. Profit and loss account for current period**

Particulars	31 March 2022	31 March 2021
Current service cost	74.76	53.94
Recognised Past Service Cost-Vested	1062.47	-
Loss/(gain) on curtailments and settlement	-	-
Total Service Cost	1137.23	53.94
interest on obligation	10377.55	11906.00
Expected return on plan assets	(14548.71)	(12762.17)
Net Interest Cost	(4171.16)	(856.17)
Total Included In 'Employee Benefit Expense'	(3033.93)	(802.23)

**f. Effects Recognized In Other Comprehensive Income**

Particulars	31 March 2022	31 March 2021
Actuarial (Gain) / Loss due to Demographic Assumption changes in DBO	-	-
Actuarial (Gain) / Loss due to Financial Assumption changes in DBO	(4529.62)	(2263.61)
Actuarial (Gain) / Loss due to Experience on DBO	9439.93	(33201.36)
Return on Plan Assets (Greater) / Less than the Expected Return	1932.88	(470.30)
Changes in Asset Ceiling	-	-
Any other Effect	-	-
Net actuarial loss/ (gain) for the year	6843.19	(35935.26)

**g. Total Cost Recognized in Comprehensive Income**

Particulars	31 March 2022	31 March 2021
Cost Recognized In P&L	(3033.93)	(802.23)
Remeasurement Effects Recognized in OCI	6843.19	(35935.26)
Total Cost Recognized in Comprehensive Income	3809.26	(36737.49)

**h. Sensitivity to Key Assumptions**

Particulars	31 March 2022	31 March 2021
Discount rate sensitivity		
Increase by 1%	144371.73	136750.40
(% change)	-8.10%	-8.55%
Decrease by 1%	171743.84	164391.26
(% change)	9.33%	9.94%
Salary growth rate sensitivity		
Increase by 1%	159516.93	151428.13
(% change)	1.54%	1.27%
Decrease by 1%	154776.31	147760.39
(% change)	-1.47%	-1.18%
Withdrawal rate (W. R.) sensitivity		
Increase by 1%	154370.31	149606.99
(% change)	-1.73%	0.05%
Decrease by 1%	1,59,981.70	1,49,443.28
(% change)	1.84%	-0.06%



### (iii) Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Under the act, employees who are in continuous service of five years are entitled to specific benefit. The level of benefits provided depends on the employees length of service and salary at retirement age.

#### Gratuity for Employees appointed after 01-02-1999

The employees appointed after 01-02-1999 are eligible for Gratuity as per the provisions of Gratuity Act and liability will be discharged by EPDCL Pension & Gratuity Trust.

#### Balance sheet amounts - Gratuity

The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows :

##### a. Financial Assumptions

Particulars	31 March 2022	31 March 2021
Discount Rate	7.30%	6.90%
Salary Growth Rate	8.50%	8.50%
Expected rate of return	7.55%	7.40%

##### b. Demographic Assumptions: Withdrawal Rates per annum

Age Band	31 March 2022	31 March 2021
25 & Below	1.00%	1.00%
26 to 35	1.00%	1.00%
36 to 45	1.00%	1.00%
46 to 55	1.00%	1.00%
56 & above	1.00%	1.00%

##### c. Mortality Rates-- Indian Assured Lives mortality (2006-08) Table

###### Sample Rates per annum of Indian Assured Lives mortality

Age ( in Years )	31 March 2022	31 March 2021
20	0.089%	0.089%
30	0.106%	0.106%
40	0.18%	0.18%
50	0.495%	0.495%
60	1.153%	1.153%

##### d. Reconciliation of defined benefit obligation

Particulars	31 March 2022	31 March 2021
Opening Defined Benefit Obligation	22075.04	21096.33
Service Cost	-	-
a. Current service cost	993.38	903.76
b. Past service cost	-	-
c. (Gain) / loss on settlements	-	-
d. Loss (gain) on curtailments	-	-
Interest Cost	1523.18	1392.36
Benefit Payments from Plan Assets	(417.96)	(194.00)

Benefit Payments directly by Employer	-	-
Contributions by Employees / Participants	-	-
Effects of Acquisition / Merger	-	-
Settlements	-	-
Transfer in/Out	-	-
Actuarial Loss (Gain) - Demographics	-	-
Actuarial Loss (Gain) - Demographics- Experience	(1482.65)	(917.94)
Actuarial Loss (Gain) - Financial	(1255.39)	(205.46)
Total Actuarial Loss (Gain)	(2738.04)	(1123.41)
Exchange difference on foreign plans	0.00	0.00
<b>Closing Defined Benefit Obligation</b>	<b>21435.60</b>	<b>22075.04</b>

**e. Profit and loss account for current period**

Particulars	31 March 2022	31 March 2021
Current service cost	993.38	903.76
Recognised Past Service Cost-Vested	-	-
Loss/(gain) on curtailments and settlement	-	-
Total Service Cost	993.38	903.76
interest on obligation	1,523.18	1,392.36
Expected return on plan assets	(1798.04)	(1425.05)
Net Interest Cost	(274.86)	(32.69)
Total Included In 'Employee Benefit Expense'	718.52	871.07

**f. Effects Recognized In Other Comprehensive Income**

Particulars	31 March 2022	31 March 2021
Actuarial (Gain) / Loss due to Demographic Assumption changes in DBO	-	-
Actuarial (Gain) / Loss due to Financial Assumption changes in DBO	(1255.39)	(205.46)
Actuarial (Gain) / Loss due to Experience on DBO	(1482.65)	(917.94)
Return on Plan Assets (Greater) / Less than the Expected Return	(3901.09)	(528.48)
Changes in Asset Ceiling	-	-
Any other Effect	-	-
<b>Net actuarial loss/ (gain) for the year</b>	<b>(6639.13)</b>	<b>(1651.89)</b>

**g. Total Cost Recognized in Comprehensive Income**

Particulars	31 March 2022	31 March 2021
Cost Recognized In P&L	718.51	871.07
Remeasurement Effects Recognized in OCI	(6639.13)	(1651.89)
<b>Total Cost Recognized In Comprehensive Income</b>	<b>(5920.62)</b>	<b>(780.82)</b>

**h. Sensitivity to key assumptions**

Particulars	31 March 2022	31 March 2021
Discount rate sensitivity		
Increase by 1%	18665.89	19206.15
(% change)	-12.92%	-13.00%
Decrease by 1%	24755.78	25515.06

(% change)		15.49%	15.58%
Salary growth rate sensitivity			
Increase by 1%	22903.75	23450.38	
(% change)	6.85%	6.23%	
Decrease by 1%	19846.98	20562.06	
(% change)	-7.41%	-6.85%	
Withdrawal rate (W. R.) sensitivity			
Increase by 1%	21655.92	22347.31	
(% change)	1.03%	1.23%	
Decrease by 1%	21159.92	21753.01	
(% change)	-1.29%	-1.46%	

#### **(iv) Medical Reimbursement Benefits:**

The Company provides for Medical reimbursement benefits to employees and pensioners.

##### **a. Financial Assumptions**

<b>Discount Rates</b>		
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Actives	6.80%	6.40%
Pensioners	6.80%	6.40%

<b>Demographic Assumptions:</b>		
<b>Withdrawal Rates per annum</b>		
<b>Age Band</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
25 & Below	1.00%	1.00%
26 to 35	1.00%	1.00%
36 to 45	1.00%	1.00%
46 to 55	1.00%	1.00%
56 & above	1.00%	1.00%

<b>Sample Rates per annum of Indian Assured Lives Mortality</b>		
<b>Age (in years)</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
20	0.09%	0.09%
30	0.11%	0.11%
40	0.18%	0.18%
50	0.50%	0.50%
60	1.15%	1.15%

<b>Reconciliation of defined benefit obligation</b>		
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>Rs.</b>	<b>Rs.</b>
Opening Defined Benefit Obligation	24247.54	N.A
Service Cost		
a. Current service cost	N.A.	N.A
b. Past service cost	N.A.	N.A

c. (Gain) / loss on settlements	N.A.	N.A
d. Loss (gain) on curtailments	N.A.	N.A
Interest Cost	1551.84	N.A
Benefit Payments from Plan Assets	-30.46	N.A
Benefit Payments directly by Employer	N.A.	N.A
Contributions by Employees / Participants	N.A.	N.A
Settlements	N.A.	N.A
Transfer In/Out	N.A.	N.A
Actuarial Loss (Gain) - Demographics	-951.6	N.A
Actuarial Loss (Gain) - Experience	-642.5	N.A
Actuarial Loss (Gain) - Financial	-1594.1	N.A
Total Actuarial Loss (Gain)	N.A.	N.A
Exchange differences on foreign plans	N.A.	N.A
<b>Closing Defined Benefit Obligation</b>	<b>24,174.83</b>	<b>24,247.54</b>

<b>Profit and loss account for current period</b>		
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>Rs.</b>	<b>Rs.</b>
Current service cost	N.A.	N.A
Recognised Past Service Cost-Vested	N.A.	N.A
Loss/(gain) on curtailments and settlement	N.A.	N.A
Total Service Cost	N.A.	N.A
Interest on obligation	1551.84	N.A
Expected return on plan assets	N.A.	N.A
Net Interest Cost	1551.84	N.A
<b>Total included in 'Employee Benefit Expense'</b>	<b>1551.84</b>	<b>N.A</b>

<b>Sensitivity to Key Assumptions</b>		
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Discount rate Sensitivity		
Increase by 1%	22,694.61	22,705.05
(% change)	-6.12%	-6.36%
Decrease by 1%	25,846.69	25,996.70
(% change)	6.92%	7.21%
Incidence rate Sensitivity		
Increase by 10%	25,441.72	26,672.29
(% change)	5.24%	10.00%
Decrease by 10%	22,790.16	21,822.78
(% change)	-5.73%	-10.00%
Withdrawal rate (W.R.) Sensitivity		
Increase by 1%	23,876.76	23,922.16
(% change)	-1.23%	-1.34%
Decrease by 1%	24,498.43	24,601.90
(% change)	1.34%	1.46%

**(iv) GRATUITY & PENSION Actuarial LIABILITY of the MASTER TRUST as on 31.03.2022**  
**Shown separately pertaining to the years 2021-2029 and after the year 2029 :**

The employees appointed before 01.02.1999 are eligible for Pension, commutation and Gratuity after retirement. The 100% liability will be discharged by APGENCO Master Trust in case of employees retired before 01.02.1999. In case of employees retired after 01.02.1999 the liability is being discharged at 74% by APGENCO Master Trust and 26% by APEPDCL Pension and Gratuity Trust.

As per the Letter received from The Trustee & Convener, APSEE Mastr P&G Trust, Vijayawada as per provisions of the agreement, the Bond-2 expires by the year 2029. There after, 100% liability has to be borne by the respective P&G Trusts of DISCOMs.

However based on the audit comment of the C&AG of India regarding short provision of liability towards Pension & Gratuity of APSEB origin employees during the audit of Annual Accounts for the FY 2017-18 , the matter is being referred to APPCC since a uniform decision is to be taken at APPCC for making provision pertaining to 74% Pension and Gratuity liability after 2029 as the liability of Master Trust ceased after December,2029.

As per Minutes of 21st Board meeting of APSEE Master Pension and Gratuity Trust Lr. No.Convener Master Trust/FA&CCA(A&T)/Dy.CCA(A&T)/D.No145/21 Dt.03.03.2021, it is decided to continue the APSEE Master Pension & Gratuity Trust with APGENCO till maturity of Bonds.

APEPDCL board decided to recognize the liability beyond 2029 in a phased manner i.e year on year from 2018-19 to 2029-30 ( i.e in 12 years) thorough Profit & loss account along with regular liability of 26%. instead of recognizing total liability in one year. Out of estimated liability of Rs.203825.89 Lakhs some of Rs.18438.33 Lakhs & Rs.19369.17 Lakhs was provided during F.Y 2018-19 & 2019-20 respectively. EPDCL board agreed to recognize the balance liability i.e 74% Pension and Gratuity liability after 2029 in F.Y 2020-21 & such amount arrived Rs.166018.39 Lakhs along with regular liability of 26%.

The company has carried out for the Master Trusts liability as at 31 March, 2022 in respect of Pension/Gratuity benefits payable to its Post Feb 99 employees showing the same liability separately for the period 31.3.2022 - 31.3.2029 and after 31.03.2029 & provide for in respect of Pension/Gratuity benefits payable to its Post Feb 99 employees after 31.03.2029.

Accrued Liability in respect of	Unit Trust	Master Trust
Gratuity for employees who continued on rolls beyond 31 <sup>st</sup> January 1999	26% till 31 Dec 2029	74% till 31 Dec 2029
	100% after Dec 2029	
Pension for employees who continued on rolls beyond 31 <sup>st</sup> January 1999 (excluding those retired from 1st Feb 1999 till date of valuation)	26% till 31 Dec 2029	74% till 31 Dec 2029
	100% after Dec 2029	
Pension for employees who joined with the units on or after 1 <sup>st</sup> February, 1999	Not eligible	Not eligible
Pension to the Pensioners (including family pensioners) who retired from employment on or before 31 <sup>st</sup> January 1999	0% till 31 Dec 2033	100% till 31 Dec 2033
	100% after 2033	
Pensioners (Including family pensioners) who retired from employment after 1 <sup>st</sup> February 1999 till date of valuation	26% till 31 Dec 2029	74% till 31 Dec 2029
	100% after Dec 2029	

Accrued Liability Item	Unit ( Rs. In Lakhs)	Master ( Rs. In Lakhs)
Gratuity for Active Employees	8348.93	9273.78
Pension for Active Employees	90607.19	80859.52
Pension for Employees who retired on or after 01/02/1999	164847.76	105032.62
Pension for Employees who retired before 01/02/1999	1416.76	14943.24
Family Pension for Employees who retired on or after 01-02-1999	99153.65	46069.19
Family Pension for Employees who retired before 01.02.1999	13147.45	37232.42
Total Accrued Liability as at 31st March 2022	377521.74	293410.77
Less: Accrued Liability ( 26% already recognised as on 31.03.2022)	157090.09	
Accrued liability after 2029 as on 31.03.2022	220431.65	
Less: P&G liability already recognized & Provision created in F.Y 2018-19	18438.33	
Less: P&G Liability already recognised and provision created in F.Y 2019-20	19369.17	
Less: P&G Liability already recognised and provision created in F.Y 2020-21	166018.39	
Balance Accrued P&G Liability recognized in F.Y 2021-22	16605.76	

#### 18. Grants & Consumer contributions

	Non-current	
	31 March 2022	31 March 2021
Capital grant .....( i )	2,99,899.00	2,99,899.00
Grant towards cost of capital .....(ii)	61,893.38	47,280.83
Subsidies towards cost of Capital Assets.....(iii)	1.74	1.84
Consumer Contribution for Service Connections.....(iv)	2,12,517.08	1,85,218.47
	<b>5,74,311.20</b>	<b>5,32,400.14</b>
<i>(i) Capital grant under UDAY Scheme (a)</i>	<b>31 March 2022</b>	<b>31 March 2021</b>
Opening balance	2,99,899.00	2,99,899.00
Add: Received during the year		
Less: Amortised during the year	-	-
<b>Closing balance</b>	<b>2,99,899.00</b>	<b>2,99,899.00</b>
<i>(ii) Grant towards cost of capital</i>	<b>31 March 2022</b>	<b>31 March 2021</b>
Opening balance	47,280.83	44,636.66
Add: Received during the year ( i )	17,444.97	5,344.95
Less: Amortised during the year	(2,832.42)	(2,700.78)
<b>Closing balance</b>	<b>61,893.38</b>	<b>47,280.83</b>

Grants and Consumer contributions are non refundable in nature and shown as a separate item in Balance sheet . The Grants grouped this under head are capital grants and there are no unfulfilled obligations.

**(i) The details of Govt. grants received during the F.Y 2021-22**

Details	Amount
conversion of RAPDRP-PartA (IT) loan into grant	5,215.86
conversion of SCADA-A loan into grant	817.69
Final grant for DDUGJY from REC	1,891.58
Final grant for DDUGJY(RJY)	458.70
Advance grant for RDSS from PFC	7,737.00
Final Grant received from REC for DDG	1,210.34
Final Grant received from PFC for ERP	69.20
Final Grant received from PFC for IT-2 and RT-DAS	44.60
<b>Total</b>	<b>17444.97</b>

**(ii) Subsidies towards cost of Capital Assets**

	31 March 2022	31 March 2021
Opening balance	1.84	2.84
Add: Received during the year	-	-
Less: Amortised during the year	(0.10)	(1.00)
<b>Closing balance</b>	<b>1.74</b>	<b>1.84</b>

**(iii) Consumer Contribution for Service Connections**

	31 March 2022	31 March 2021
Opening balance	1,85,218.47	1,72,230.01
Add: Received during the year	45,156.64	33,979.48
Less: Amortised during the year	(17,858.03)	(20,991.02)
<b>Closing balance</b>	<b>2,12,517.08</b>	<b>1,85,218.47</b>

**(a) UDAY Scheme**

GOI/ Ministry of Power has notified UDAY( Ujwal Discom Assurance Yojana) Scheme for the financial turnaround of Power Distribution Companies( DISCOMS). Tripartite MOU was entered with GOI, GOAP and APDISCOMs on 24.06.2016. Govt. of AP has issued G.O.Ms. No.27 Dt 26.07.2016 for implementation of UDAY Scheme.

The following loans are covered under UDAY scheme:

1) 100 % of FRP Bonds: Rs. 1,205.95 Crores

2) 75% of Working Capital Loans: Rs.2,094.53 Crores (Total outstanding loan Rs. 2,792.70 Crores)

As per G.O Ms. No. 243 Dt.19.12.2016 Govt. of India has given their consent under article 293 (3) of the Constitution of India for taking over the liabilities 75% of outstanding DISCOM debt, including FRP 2012 bonds of State DISCOMs to issue non-SLR bonds under UDAY Scheme for discharging the debt of State Power DISCOMs. Accordingly the GOAP has taken over the following outstanding Loans as on 30.09.2015 from APEPDCL during October 2016 by issuing non-SLR bonds and the proceeds realised from issue of bonds have been disbursed directly to the respective Banks/ Financial Institutions to discharge the DISCOM Loans/Debts.

(I) 75% of FRP Bonds:	Rs. 904.46 Crores
(ii) 75 % of Working Capital Loans:	Rs.2,094.53 Crores
<b>Total</b>	<b>Rs.2,998.99 crores</b>

Loans discharged amount of Rs.2,998.99 crores under UDAY scheme with support of Government of Andhra Pradesh is treated as Capital Grant

Govt. of Andhra Pradesh agreed vide Letter no. 367/Power-III/2017-2 Dt.16.11.2017 for taking over the balance 25% of FRP bonds of the DISCOMs to the tune of Rs.301.49 Crores to issue Non-SLR bonds under UDAY Scheme for discharging the debt of the DISCOM.

Govt. of Andhra Pradesh has given its consent vide G.O 36 Dt.06.12.2017 for arranging Government guarantee for swapping of loans with the banks for balance 25% remained with the DISCOMs. Swapping of loans with banks is under process.

#### **19. Deferred tax liabilities (Net)**

	<b>31 March 2022</b>	<b>31 March 2021</b>
Deferred tax liability		
On employee benefits	220.03	220.03
Depreciation		
	<b>220.03</b>	<b>220.03</b>

#### **20. Other liabilities**

	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>Non-current</b>		
Security Deposits from Consumers	2,26,011.26	2,05,426.65
Other Reserves & Reserve Funds(GIS,FBF,& GPF etc)...( i )	1,795.67	1,649.66
Deposits for Electrification, Service Connection Etc.	7,371.82	8,584.09
	<b>2,35,178.75</b>	<b>2,15,660.40</b>
<b>Current</b>		
Other Liabilities /FSA Payable	22,290.87	24,353.36
Staff Related Liabilities	20,127.45	12,651.93
Deposits and retentions from suppliers and contractors	12,435.94	15,534.70
Statutory dues payable	1,786.80	1,078.67
Advance receipts from consumers	1,222.17	1,125.92
Temporary Supply & TEMP Deposits	1,838.47	2,011.80
Security deposit-st	60.12	93.73
Elecy Duty payable	59,532.80	47,511.96
	<b>1,19,294.62</b>	<b>1,04,362.07</b>

*i) Other Reserves & Reserve Funds(GIS,FBF, & GPF etc)*

	<b>31 March 2022</b>	<b>31 March 2021</b>
Opening balance	1,649.66	1,140.11
Add: Additions during the year	7,881.94	6,133.28
Less: Amortised during the year	(7,735.93)	(5,623.73)
<b>Closing balance</b>	<b>1,795.67</b>	<b>1,649.66</b>

**21. Trade payables**

	<b>31 March 2022</b>	<b>31 March 2021</b>
AP Transco & Power Purchase Liability	4,31,295.10	5,73,965.27
Liability-Materials, Works-Capital and O&M	24,907.02	20,494.37
Creditors Other Discoms on Power Purchase	1,142.77	1,142.72
Liability for Expenses	3,931.31	6,002.55
	<b>4,61,276.20</b>	<b>6,01,604.91</b>

*Trade payables aging Schedule*

Particulars	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	276336.33	62969.64	3256.12	80563.26	423125.35
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	1749.18	4906.63	737.28	30757.76	38150.85

**21.1 Information relating to Suppliers as required under the provisions of Micro, Small and Medium Enterprises Act, 2006 (based on the information available with the company):**

Sl.No.	Particulars	As at 31.03.2022
1	The amounts due there on remaining un paid to any supplier as at the end of the year	
	a) Principal	NIL
	b) Interest	NIL
2	Payments made beyond the appointed day and interest there on during the year	NIL
3	The amount of interest due and payable for the period of delay in making payments but without adding the specified in interest the Act.	NIL
4	The amount of further interest remaining unpaid at the end of the year.	NIL
5	The amount of further interest remaining due and payable in the succeeding year until the date such interest is actually paid.	Nil

### 21.1 (a) Lease liabilities

	31 March 2022	31 March 2021
Non-current		
Lease liabilities	182.34	267.97
<b>Total</b>	<b>182.34</b>	<b>267.97</b>
<b>Current</b>		
Lease liabilities	85.63	81.73
<b>Total</b>	<b>85.63</b>	<b>81.73</b>

### 22. Other financial liabilities

	31 March 2022	31 March 2021
Debt Service Clg Acc	14,227.89	12,374.41
Interest Payable on Security Deposit	7,953.18	7,412.51
Retention money	1,352.29	1,428.87
Inter discom balances Payable ( i )	12,216.91	12,216.91
	<b>35,750.27</b>	<b>33,432.70</b>

<b>(i) Inter Discom balances Payable</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
<b>TSNPDCL</b>	<b>12,216.91</b>	<b>12,216.91</b>
<b>Total Inter Discom balances Payable</b>	<b>12,216.91</b>	<b>12,216.91</b>

**For M/s. B.V Rao & Co. LLP.**  
**Chartered Accountants**  
**FRN: 003118S / S200049**

**For and on behalf of the Board**

Sd/-xxxx  
**B.A.S.P.Ranga**  
**Partner**  
**Membership no.: 022649**

Sd/-xxxx  
**D. Chandram , IRAS**  
**Director ( Finance & HRD )**  
**Din : 08963107**

Sd/-xxxx  
**K.Santhosha Rao**  
**Chairman & Managing Director**  
**Din : 08879899**

**Place : Visakhapatnam**  
**Date : 28.06.2022**

Sd/-xxxx  
**M.Ravindra**  
**Chief General Manager (Expr)**

Sd/-xxxx  
**K.S.V.S. Sastry**  
**Company Secretary**



## Eastern Power Distribution Company of Andhra Pradesh Limited

### Notes to the financial statements (continued)

(All amounts in Indian rupees in lakhs, except share data and otherwise stated)

#### 23. Revenue from operations

	31 March 2022	31 March 2021
Sale of Power		
LT- Category-I	2,34,955.76	2,23,039.51
LT - Category-II	1,00,883.60	93,465.44
LT- Category-III	38,937.10	30,676.92
LT - Category-IV	30,158.87	26,707.30
LT- Category-V	39,669.77	75,755.81
HT- Category-I	2,233.61	2,491.08
HT- Category-II	78,826.05	68,599.98
HT- Category-III	5,68,542.16	4,49,119.63
HT- Category-IV	72,500.79	54,752.17
HT- Category-V	6,261.35	23,527.19
	<b>11,72,969.06</b>	<b>10,48,135.03</b>

#### Disaggregate revenue information

The table below represents disaggregated revenues from contract with customers by geography wise in which company has its operations.

#### Revenues by geography

Categoey	Eluru	Rajamahen dravaram	Srikakulam	Visakha -patnam	Vizia -nagaram	Grand Total
LT- Category-I	54936.00	70462.72	18018.97	74109.06	17429.01	2,34,955.76
LT - Category-II	23416.83	28658.62	9733.80	30737.74	8336.61	1,00,883.60
LT- Category-III	11659.60	12842.19	4846.08	6556.35	3032.88	38,937.10
LT - Category-IV	9783.44	9163.80	3157.98	5793.74	2259.91	30,158.87
LT- Category-V	25466.49	12127.11	1009.56	756.95	309.66	39,669.77
HT- Category-I	0.00	83.71	30.26	2031.57	88.07	2,233.61
HT- Category-II	6546.77	14229.25	2417.89	53175.98	2456.16	78,826.05
HT- Category-III	90080.30	70370.56	27770.30	291229.24	89091.76	5,68,542.16
HT- Category-IV	8953.84	11646.33	13013.10	27839.18	11048.34	72,500.79
HT- Category-V	2113.90	3448.05	391.91	77.51	229.98	6,261.35
<b>Grand Total</b>	<b>2,32,957.17</b>	<b>2,33,032.34</b>	<b>80,389.85</b>	<b>4,92,307.32</b>	<b>1,34,282.38</b>	<b>11,72,969.06</b>

<b>Other operating income</b>		
Interstate sales & DD sales	1,694.20	20.75
Miscellaneous charges from consumers	36,556.51	38,567.66
Recoveries for theft of power / Malpractices	947.32	723.51
Grid Supporting Charges	11,990.25	-
Revenue grant under UDAY Scheme	-	90,989.67
Subsidies and grants from Government	2,90,125.22	3,01,826.00
	<b>3,41,313.50</b>	<b>4,32,127.59</b>
	<b>15,14,282.56</b>	<b>14,80,262.62</b>

#### **24. Other income**

	<b>31 March 2022</b>	<b>31 March 2021</b>
UI & other charges*	1,207.81	1,165.47
Interest from Banks & Investments	337.54	300.08
Delayed payment charges from consumers	30,644.62	32,593.03
Miscellaneous receipts	4,065.59	5,980.79
Income from trading (Profit on sale of scrap etc.)	335.09	104.17
Interest on staff loans and advances	392.15	515.96
Amortization of grants & consumer contributions (I)	20,690.55	23,692.80
Interest income-unwinding of employee advances	238.49	291.68
Interest on ED	239.19	247.85
Other interest support from Govt. on Govt. Serviced Loans	33,804.01	36.52
Electricity Duty recovery	12,020.84	10,544.93
Less:		
Electricity Duty payable	(12,020.84)	(10,544.93)
	<b>91,955.04</b>	<b>64,928.35</b>

\* Unscheduled Interchange charges

#### **(i) Amortization of grants & consumer contributions**

<b>Particulars</b>	<b>March 2022Current Year</b>	<b>March 2021Previous Year</b>
Amortisation of Government grants	2,832.53	2,701.78
Amortisation of Consumer contributions	17,858.02	20,991.02
	<b>20,690.55</b>	<b>23,692.80</b>

*Quantitative Details of Purchase, Sale of Power, Losses are as stated below : (As per Revised methodology of CEA)*

<b>SI No</b>	<b>Particulars</b>	<b>March 2022Current Year</b>	<b>March 2021Previous Year</b>
1	Input Energy (Mus)	24,765.45	21,862.75
2	Total Units Sold (Mus) (a+b)	23,129.70	20,416.44
a)	Agl Sales (M.Us)	2,221.51	2,276.69
b)	Other than Agl sales (M.U)	20,908.19	18,139.75
3	Losses (MUs) (3-4-5)	1,635.75	1,446.31
4	T & D Loss % ( 6/3*100)	6.60	6.62



## Eastern Power Distribution Company of Andhra Pradesh Limited

### Notes to the financial statements (continued)

(All amounts in Indian rupees in lakhs, except share data and otherwise stated)

#### 25. Purchase of Power

	31 March 2022	31 March 2021
Purchase of Power (**)	12,90,167.13	11,29,248.32
Less: Rebate on PP Bills & Incentive	(671.94)	(3,406.58)
	<b>12,89,495.19</b>	<b>11,25,841.74</b>

(\*\*) Developer wise Power purchase cost booked during the F.Y 2021-22 is furnished in ANNEXURE-I

- a. The Government of Andhra Pradesh constituted one APEX Committee (Power Coordination Committee (PCC)) and two sub committees (Power Trading Committee (PTC) and Balancing and Settlement Committees (BSC) to work under guidance of PCC) in order to put in place an institutional arrangement and to ensure optimal utilisation of the resources for the benefit of the State in a coordinated manner ( Vide G.O.No. Ms.no.21 dated 12.05.2014 – Energy (Power –III) Department). These committees are operational for the three DISCOMS in the State ( i.e APEPDCL, APSPDCL & APCPDCL).
- b. Composition of the Committees : Secretary to Government, Energy Department is the Chairperson , Chairman & Managing Director, APTRNSCO (as per G.O Ms. No5 Dt.30.07.2021), Director (Finance) and Director (Commercial) of APTRANSCO and CMDs of the three DISCOMs are the members of PCC, SE(Commercial ) of the three DISCOMs are members of PTC and CE –SLDC of APTRANSCO is special invitee of PTC meetings and CGM (Commercial) of the three DISCOMs are members of BSC and CE-SLDC and SE- EBC of APTRANSCO are special invitees for the meetings of BSC.
- c. The three committees are collectively called as APPCC and responsible for the matters related to power procurement from all generators, scheduling load relief, SRLDC at regional level, and inter regional sales, review of energy accounting and billing inter - utility trading of power and imbalance settlement, compliance of regulation for market operation by the three DISCOMs, resolution of disputes between the three DISCOMs and reconciliation of energy exchanges and settlement of imbalances among the three DISCOMs
- d. As per the above mechanism the transactions relating to the power purchase, Inter-state sales and Inter-DISCOM sale of power and related payments of three the DISCOMs are accounted by APPCC and communicated to the DISCOMs on the basis of certification / authentication by a firm of Chartered Accountants, Internal Auditors of APPCC.
- e. The details of power purchase agreements are furnished in ANNEXURE-II
- f. Initially Power purchase cost is accounted as per invoices raised by the generators though the relevant power is consumed by all the three Discoms as per their requirements. The consequential adjustments are made at the year end at the rate determined by APCC on the basis of the recommendations of the Committee constituted by APCC during the year. Till the end of the previous year, the rate was computed as per the method specified by APERC in the Retail Supply Tariff order.

- g. Power purchase cost inter discom purchases of Rs.279311.79 Lakhs.
- h. The power purchase bills, debit/credit notes raised by the generators are subject to revision at a later date the results of which are to be shared by DISCOMs in the ratio specified in the Gazette Notification. Power purchase cost includes suplimentary claims to the tune of Rs.66190 Lakhs. Supplementary claims received after the end of the year and before the cut off date ,i.e. 26.06.2022 and relating to the period prior to 31.03.2022, are considered and accounted in these financial statements.
- i. Power purchase cost includes the surcharge towards delayed payment of power purchase bills for Rs.972.58 Lakhs.

## 26. Employee benefits expense

	31 March 2022	31 March 2021
Salaries	73,446.22	73,292.28
Dearness Allowance	11,914.71	5,802.83
Other Allowances	10,190.69	10,669.51
Medical expenses( Mothly & Reimbursement)	4,162.75	26,773.09
Leave Travel Assistance	2.11	2.34
Earned Leave Encashment	5,734.45	5,633.52
Miscellaneous Employee Cost	318.05	405.82
Other welfare expenses	276.34	237.29
Social Security cum PF Booster scheme	3.80	1.40
Managerial Remuneration & Allowances to Directors	167.18	150.14
Terminal Benefits - PF Employer Cont. Joined <1.2.99 (I)	14,324.14	1,68,458.26
Employer Contribution to EPF	5,464.19	4,979.95
Employee Cost Capitalised	(7,918.55)	(7,200.09)
	<b>1,18,086.08</b>	<b>2,89,206.34</b>

(i) refer to note no 17 (iv)

### Related Party disclosures:

#### (a) Parent entity

**Name of related party** **Place of incorporation** **Ownership interest**

		31 March 2022	31 March 2021
State Government of Andhra Pradesh	India	99.9999930%	99.9999930%
Government Nominees		0.000007%	0.000007%

#### (b) Key Managerial Personnel and their relationship with the APEPDCL:

The APEPDCL has identified the following persons to be the Key Management Personnel as per the Accounting Standard

- 1) Sri K. Santhosa Rao, Chairman & Managing Director w.e.f 20.07.2021
- 2) Ms. Naga Lakshmi.S IAS, Chairman & Managing Director w.e.f27.06.2019 to 17.06.2021
- 3) Sri K. Raja Bapaiah, Director Projects w.e.f 24.02.2019 to 23.02.2022
- 4) Sri B. Ramesh Prasad , Director Operation w.e.f 31.01.2020
- 5) Sri D.Chandram, Director (Finance & HRD) w.e.f 16.11.2020

### Key management personnel compensation

(Rs. In Lakhs)

Sl.No.	Name	Relation Ship	Nature of Transaction	31 March 2022	31 March 2021
1	Sri K. Santhosha Rao	Chairman & Managing Director	Remuneration	34.07	-
2	Ms. Nagalakshmi .S	Chairman & Managing Director	Remuneration	5.20	24.88
3	Sri K. Raja Bapaiah	Director(Project)	Remuneration	50.06	63.13
4	Sri B. Ramesh Prasad	Director(Operation)	Remuneration	47.80	52.35
5	Sri D. Chandram	Director( Finance & HRD)	Remuneration	34.84	12.82

Compensation of the Company's key managerial personnel includes salaries, non-cash benefits and contributions to post-employment defined benefit plan.

### 27. Finance costs

	31 March 2022	31 March 2021
R.E.C	25,624.53	21,373.85
P.F.C	15,920.39	18,730.69
Interest on Overdraft	39,229.98	8,840.42
Interest to Consumers	8,517.51	7,404.42
Interest on Employee Funds (GIS,GPF&FBF)	78.37	71.47
Other Borrowing Charges	942.02	8.03
Bank charges	(65.20)	207.31
Interest on Working Capital	4,552.69	6,337.77
Interest on Capex loans- AIIB, IBRD	126.50	132.39
Interest on Lease Payments	15.83	20.53
Interest during construction Period	(558.61)	(338.06)
	<b>94,384.01</b>	<b>62,788.82</b>

### 28. Depreciation expense

	31 March 2022	31 March 2021
Depreciation	34,855.59	31,828.31
Amortisation	132.10	130.03
	<b>34,987.69</b>	<b>31,958.34</b>

### 29. Other expenses

	31 March 2022	31 March 2021
<b>Other expenses :</b>		
PP Cost Save DELP	(31.54)	178.82
Miscellaneous Losses and write offs	3,237.58	7,215.44
Compensations	345.82	609.32
Materials /Scrap/Assets Loss etc	16.67	7.25
Cost of Solar Agl Pump Sets	1,133.12	877.42
Extra Ordinary debits (Loss on account of Flood, Cyclone, Fire etc.)	145.02	1.29
	<b>4,846.67</b>	<b>8,889.54</b>

<b>Repairs and maintenance expenses :</b>		
Buildings & Civil Works	986.72	1,429.04
Substation maintenance by Pvt.agencies	8,210.25	5,700.06
Transformers	2,372.04	2,889.61
Plant and Machinery	281.23	35.80
Lines, Cable net work etc.	3,859.05	5,386.30
Vehicles - Expenses	0.05	7.65
	<b>15,709.34</b>	<b>15,448.46</b>

<b>Administration and general expenses :</b>		
Rent, Rates and Taxes	544.77	94.62
Licence Fee - APERC	247.40	257.20
Other professional charges	4,640.39	4,078.25
Communication and related expenses	425.43	351.50
Legal charges	180.95	165.67
Consultancy/Professional charges	492.29	288.10
Other Expenses	294.71	71.83
Vehicle running exp.(Cars,Jeeps,Etc.)	120.39	82.93
Vehicle hire charges	1,496.22	1,436.73
Audit fees	45.03	12.53
Printing & Stationary	73.94	73.17
Advertisement	165.27	172.43
Electricity charges	784.91	759.31
Miscellaneous Expenses	236.60	271.46
Training & Participation	0.13	(0.89)
Insurance	10.97	5.86
Stores related Expenses	(135.70)	79.38
Travelling expenses & Conveyance	824.73	831.86
<b>Less :</b>		
Adm & General Charges Capitalised	(1,397.62)	(1,283.36)
	<b>9,050.81</b>	<b>7,748.58</b>
	<b>29,606.82</b>	<b>32,086.58</b>

**( i ) Payments to auditors**

	<b>31 March 2022</b>	<b>31 March 2021</b>
As auditor		
- Statutory audit	6.49	6.49
- Tax audit	1.33	1.33
In other capacity	-	-
- Taxation matters	-	-
- Company law matters	-	-
Reimbursement of expenses	1.50	1.50
	<b>9.32</b>	<b>9.32</b>

### **30. Other disclosures**

#### **(i) Going concern**

Though the net worth of the Company is negative, the same does not affect the Company's ability to continue as a going concern as:

- i). The Company has been honoring all its long term and short term financial commitments promptly in spite of the losses in the last few years,
- ii). The Company's entitlement of about Rs.60928 Lakhs towards true-up claim approved by APERC as on 31.03.2022 ( to be recovered from the consumers in the FY 2022-23 ) and other pending true up claims and the quasi capital of Rs.574311.19 Lakhs in the form of Grants and Consumer Contributions offsets more than 91% of the negative net worth and,
- iii) Monitoring committee for Revamped Distribution Sector Scheme (RDSS) of Govt. of India under chairmanship of Secretary Power, Govt. of India has approved to extend financial support in the form of Govt. of India Grant of Rs.1714.72 Crore and Additional Incentive of Rs.41.92 Crore vide PFCLr no .02:10 RDSS 2021:1 APEPDCL 76016 Dt.17.03.2022
- iv). The Central and State Governments will render the required assistance to enable the Company, which is wholly owned by Govt. of Andhra Pradesh, to continue its operations uninterruptedly as the business activity of the Company i.e. distribution of electricity, is very essential and crucial to the economy regulated and is a rate regulated activity.

Hence in the opinion of the Management the Company has the ability to continue as going concern and carry on its operations uninterruptedly in the foreseeable future and the financial statements are prepared on going concern assumption.

#### **(ii) Capitalisation of expenses:**

The operation circles are involved in the execution of both capital works and operation & maintenance works and it is not practicable to maintain records to identify the man hours spent by the staff on capital works. Eleven percent of the cost of capital works incurred is added to capital work in progress as employee cost and administration & general expenses which is in line with the practice in the industry.

The percentage of capitalization of expenses is fixed at 11% on base capital expenditure ( Emp. Cost 9.35% & Adm. & Gen 1.65%). The Employee cost capitalised during the year amounts to Rs.7918.55 Lakhs (P.Y Rs.7200.09 Lakhs) , Adm & Gen. cost capitalised during the year amounts to Rs.1397.62 Lakhs ( P.Y Rs.1283.36 Lakhs.). Interest during construction period (IDC) capitalized Rs.558.61 Lakhs (P.Y Rs.338.06 Lakhs))

#### **(iii) Fixed Assets/Depreciation:**

- (a) Depreciation on fixed assets is provided under 'Straight line method' at the rates prescribed by the Central Electricity Regulatory Commission (CERC) No. L1/236/2018/CERC Dt.7th March,2019
- (b) The Company's Vehicles have been insured fully and other Assets wherever considered essential in view of nature of assets. The Company has taken a fidelity insurance coverage for INR 6906.48 lakhs for the Cash in transit and INR.57.55 lakhs for cash on hand.
- (c) The following softwares procured are an integral part of the computer hardware and inseparable from the Hardware and hence treated as part of Fixed asset and depreciation provided accordingly as stated above.

Name of software	Amount
1) SAP Application Sofware for 500 Users	227.05
2) Vmware Vsphere Enterprise version	52.50
3) Red Hat Enterprise Linux 6.0	11.09
4) RMDAS one time cost of Software License	25.00
5) EPCCB Software License	351.00

**(iv) Ind AS Accounting standard 36 Impairment of Assets:**

The Fixed Assets of APEPDCL mainly consist of Lines & Cable Network, Plant and Machinery and Meters Equipment & these assets consists 92% out of total gross assets. Similarly Land and Building consists of 5.81% out of total gross assets and these assets are in the occupancy of EPDCL Offices & Substations and these assets are verified in physical verification of assets. The Lines and Cable Network are physically verified and inspected during patrolling of lines by the Designate Officers as per the duties assigned to them and also during the course of preventive maintenance in the pre monsoon period also thoroughly inspected by the Officials. Similarly Power Transformers and Distribution Transformers verification and inspection attended by the Transformers and Protection wing and also by Operation Team part of their duty. The verification and inspection of Meters and Equipment also periodically attended by the HT Meters and LT Meters wing and also by Operation team during the Time of Meter readings and while attending exceptional. Based on the reports of Asst. Engineer/Asst. Executive Engineer/Executive Engineers required action is taken either to replace the defective assets or undertake repairs. Based on the above verification and inspection attended by the Technical Officers there is no material impairment land other losses related to the Fixed Assets as such there is no consequential impact of these losses on the Financial Statements.

For DTRs a module is developed in SAP for every DTR drawn from SAP will be shown to the user and he has to add New structure code only through this. User has no other option for adding the equipment. Also APEPDCL has developed in-house mobile application for geo-tagging the Assets like DTRs, substations.

**(v) Second Transfer Scheme Balances**

The Opening balances as on 1st April 2000 of all Assets and Liabilities includes balances adopted from the 2nd Transfer Scheme Vide G.O.Ms.No.109, dated 29-09-2001 as per the notification of the Government of Andhra Pradesh. The said opening balances are allocated among the circles. The Head wise Opening Balances of the Company as a whole has been tallied and certified by the internal auditors of the company and the same was incorporated in the SAP system. The annual accounts for the year 2020-21 along with relevant notes have been derived from SAP system.

**(vi) Third Transfer Scheme with effect from 9th June 2005**

The Government of Andhra Pradesh (GOAP) vide G.O.Ms.No.58, Energy (Power-III), Dt.07-06-2005 notified the transfer of Bulk Supply Undertaking and Power Purchase Agreements from Transmission Corporation of Andhra Pradesh Limited (APTRANSCO) to the four Distribution Companies (DISCOMs) in specified ratios, as on 09-06-2005. The share of the Company in generation capacities of all generating stations allocated to our DISCOM is 16.70%. The GOAP has,

vide G.O.Ms.No.53, Energy (Power-III), dt 28-04-2008, amended the share of four DISCOMs Generating Stations as per which the revised share of APEPDCL is 15.80%. This G.O shall be deemed to have come into force with retrospective effect from 09.06.2005. The retrospective implementation of the G.O involves many calculations, revisions, etc. The Andhra Pradesh Power Co-ordination Committee( APPCC) has requested the GoAP to amend the date of implementation from April,2008 onwards.

After Bifurcation of State of Andhra Pradesh under AP Reorganisation Act 2014,out of 46.11% Power allocation to Residual Andhra Pradesh, APEPDCL Share is 34.27% with effect from 02.06.2014 vide G.O Ms No.21 Dt.12.05.2014.

As per G.O.Ms. No.41 Dt.05.12.2019, The Government of Andhra Pradesh has created a new DISCOM bifurcating the existing APSPDCL into APCPDCL. As per G.O Ms. No.13 Dt.06.04.2020 allocated shares to DISCOMs as on 01.04.2020 as follows: APEPDCL 36.22% ,APSPDCL 40.44% &APCPDCL 23.34%.

**(vii)** The Assets and Liabilities of the company as on 31.03.2021 include the balances transferred to the company as per the Second Transfer Scheme notified by the GOAP vide G.O.Ms.No.35, Energy (Power-III) and Third Transfer Scheme notified by the GOAP vide G.O.Ms.No.58, Energy (Power-III), dt.07-06-2005.

**(viii)** As per IND AS 108 - Operating segments are identified in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) i.e Chairman and Managing Director. Power distribution has been considered as the only reportable segment. Hence, no separate financial disclosure have been provided for the segment reporting.

**(ix) Frauds**

- a) Misappropriation of funds in Operation Division/ Paderu pertaining to remittance of amounts to outside agencies for the period from 01.04.2005 to 30.09.2007 amounting to Rs.8.18 lakhs has been identified and out of that an amount of Rs.3.32 lakhs was realized and balance amount Rs.4.86 lakhs is yet to be realized. The departmental action is in progress.
- b) Misappropriation of funds in Operation Division/ Zone-III pertaining to remittance of amounts to EPF/Tax authorities for the period from April,2020 to Nov.2021 amounting to Rs.45.32 lakhs has been identified and out of that an amount of Rs.45.32 lakhs was realized, but interest payable is Rs.2.40 Lakhs. The departmental action is in progress.

**(x) IndAS 37: Provisions, contingent liabilities & contingent assets**

- a) The receivables for sale of power as on 31-03-2022 includes Rs.87812.72 lakhs which are subject to finalisation of disputes in court cases.
- b) Agreements were entered into with M/S Nagarjuna Construction Company Ltd. for executing works in Rajahmundry and Eluru Circles. Later while execution of works the subject matter of contract came under the net of "service tax" from 10.09.2004 and the contractor alleged that this was an unforeseen expenditure and hence filed an application in the Hon'ble High Court for claiming reimbursement of the amount already paid to service tax department. The Hon'ble High court upon hearing both the parties appointed Sri Justice Dasaratha Rama reddy as the sole arbitrator for resolving the said Dispute.

Arbitrator appointed by Hon'ble High Court had passed (October 2007) an award directing the EPDCL for payment of Rs.71.25 lakhs with interest at 12% per annum to M/s Nagarjuna Construction Company Limited towards service tax incurred by them in respect of works executed for the EPDCL. The EPDCL had disputed the award and filed Original petitions (Ops) vide OPNM 884,886,887,888/2008 against the award and the same were dismissed by the High court, Hyderabad. Again Set aside Petitions were filed against the arbitration award in OPNs 884,886,887,888 of 2008.

As per Note orders dated: 17.10.2016, approval was accorded authorising the Chief General Manager /Projects /APEPDCL for filing appeal/CMAs against arbitration OP No. 884, 886, 887 & 888/2008 before the Hon'ble High court of AP against the orders dated 09.02.2016 passed by the 3rd additional Chief Justice, City Civil Court, Hyderabad in OPs 884,886,887,888 of 2008 before Hon'ble High Court of AP and also approval accorded for handing over the above cases from Advocate Sri. S.Chandra Mohan Reddy to Sri. M. Ravindra, SLA for APEPDCL for filing of appeals/CMAs.

A letter was received from the Branch Manager, SBI, APEPDCL Branch, Visakhapatnam informing that they have received an Attachment Order Dt: 08.06.2017 with regard to M/s. NCC Ltd from the Hon'ble Court of XII Addl. District Judge at Visakhapatnam to attach the bank accounts of APEPDCL, Corporate Office. The CRPs were filed before the Hon'ble High Court of A.P, Hyderabad against the order Dt.08.06.2017. On Dt: 30.06.2017, the Hon'ble High court has issued the following order against the above CRPs. "In view of the undertaking given by the petitioner, which is a Government of Andhra Pradesh undertaking, an interim stay of the impugned order of attachment on condition that the petitioner deposits 50% of the E.P. amount to the credit of the execution proceedings before the Court below, within a period of four (4) weeks. Accordingly 50% amount against 4 Nos. EPs for an amount of Rs.83.85 lakhs was deposited in the Honble District court, Visakhapatnam on Dt: 22.09.2017.

- c) An agreement was entered with M/s Y.S.Rao Engineers Pvt. Ltd, Secunderabad for execution of HVDS works in Srikakulam and Vizianagaram circles on partial turnkey basis for an amount of Rs. 1,113.96/- lakhs. The contractor has failed to complete the work in full shape and completed only 55% work in Srikakulam district and 39% in Vizianagaram district even though time extension was given three times and agreement was terminated duly forfeiting the performance security Bank Guarantee for Rs. 55.70/- lakhs. On request of the contractor for waiver of penalties i.e. liquidated damages of Rs.66.34/- lakhs and Performance Bank Guarantee of Rs. 55.69/- lakhs totalling Rs. 122.04/- lakhs, Discom Board has decided to constitute a committee with Director/Projects, Director/RA & Director/Finance on the finalization of LD and settlement of claims to the firm M/s Y.S.Rao Engineers Pvt. Ltd.

M/S Guru & Co has filed a petition before the IIIrd Addl. Chief Judge, City Civil Court, Hyderabad seeking a direction against garnishee to hold an amount of Rs.22.24/- lakhs which belongs to dependents and lying with garnishee and the same is still pending. The Board of Directors of the Company on 20.12.2010, resolved to impose 10% Liquidated Damages on the left over unfinished portion of the work which is equivalent to Rs.66.34/- lakhs on M/s Y.S Rao and Co. and to settle the dues to the extent of Rs.10.20/- lakhs and the contractor was informed that balance amount of Rs.10.20/- lakhs available with EPDCL will be released after disposal of the court case filed by M/s Guru & Company in the III Addl. Chief Judge, City Civil Court, Hyderabad.

The suit is dismissed for default on 22-06-2012, The SLA was requested to address legally M/s. Guru & Co., so as to take further action to release the balance amount of Rs.10.20/-lakhs to M/s. Y.S.Rao & Co., Secunderabad, and again Addressed SLA for taking further action on receipt of intimation from Guru & Company on restoration of suit. The suite was restored on 17.11.2015 and 10.02.2017. Now it is posted for judgement on dt:13.06.2017 and disposed on 13.06.2017. Judgement copy is yet to be received.

- d) An amount of Rs. 97.87 & 3.38 lakhs deposited at Hon'ble A.P. High Court under Protest against the SSI penal interest.
- e) There is dispute on implementation of Employees Provident Fund Scheme in respect of Contract labour engaged for which notices received from the Provident fund Authorities against that the following amounts were paid under protest and Appeal filed in Tribunal/ High court.

***The division wise details are furnished hereunder***

Division/Circle	Amount involved	Paid/ Deposited
Vizianagaram	15.12	7.56
Bobbili	11.39	5.69
Circle Office /Visakhapatnam	2.41	1.21
Zone-I/Visakhapatnam	3.95	-
Paderu	6.80	4.03
Rajamahendravaram Circle Office	7.99	4.79
Rajamahendravaram	36.99	16.65
Ramachandrapuram	9.56	7.17
Amalapuram	62.14	31.07
Jaggampeta	40.25	20.13
Eluru	51.13	30.44
Tadepalligudem	28.22	16.94
Bhimavaram	19.94	11.96
Nidadavole	47.22	27.74
<b>Total</b>	<b>343.11</b>	<b>185.38</b>

- f) Appeal on Entry Tax to the extent of Rs. 602.06 lakhs is pending before Value Added Tax Appellate Tribunal. An amount of Rs.301.04 lakhs towards the 50% of the Disputed Entry Tax paid to the Commercial Tax Officer/ Chinawaltair Circle/ Visakhapatnam. The case is filed before Sales Tax Appellate Tribunal. Present status of the case is as follows:

Sno.	T.A No	Assessment year	Amount paid
1	448/2009	2002-03 (Entry Tax)	131.47
2	451/2009	2003-04 (Apr to Jun 2003) Entry Tax	34.46
3	453/2009	2003-04 (Jul to Nov 2003) Entry Tax	38.39
4	393/2011	2003-04 (Dec to Mar 2004) Entry Tax	47.45
5	392/2011	2004-05 (Apr to Nov 2004) Entry Tax	49.28
		<b>Total</b>	<b>301.04</b>

g) Assessment Notice has been issued by the CTO/Dwarakanagar towards purchasing the Electrical Goods from other State dealers for own consumption against C form as per assessment of Tax on Entry of goods into Local areas Act, 2001. Writ petition were filed before Hon'ble high court. The details are as follows:

Sno.	W.P No	Assessment year	Assessment amount	Amount paid	Balance amount
1	7286/2018	2012-13	156.93	39.23	117.70
2	1246/2019	2013-14	113.85	28.46	85.39
3	1230/2019	2014-15	1,232.46	308.12	924.35
4	1241/2019	2015-16	1,518.35	379.59	1,138.76
5	1242/2019	2016-17	1,563.42	390.85	1,172.56
6	1272/2019	2017-18	445.41	111.35	334.06

h) The Commercial Tax Officer/ Chinawaltair Circle/ Visakhapatnam has issued the Assessment Order dated 31.08.2015 for Rs.1,901.79 lakhs towards the VAT on Deemed sale of Energy Meters for the period April 2007 to December 2011 in the financial year 2015-16 .The Writ Petition No.34320/2015 is filed in the Hon'ble High Court against the above Assessment Order and also APEPDCL obtained stay order against the above assessment vide WPMP 44135 of 2015. Case is pending in High Court of Andhra Pradesh.

i) The Commercial Tax Officer/ Kurupam market / Visakhapatnam has issued the Assessment Order dated 14.08.2015 for Rs.658.35 lakhs towards the VAT on Deemed sale of Energy Meters for the period 01.01.2012 to 31.10.2013 in the financial year 2015-16 .The Writ Petition No.34425/2015 is filed in the Hon'ble High Court against the above Assessment Order . However , APEPDCL obtained stay order against the above assessment vide WPMP 44250 of 2015. Case is pending in High Court of Andhra Pradesh.

j) The commercial Tax Officer/Kurupam market Circle/Visakhapatnam has issued an Order dated 19.09.2016 for Rs.658.35 lakhs towards 100% penalty against the VAT Assessment Order dt.14.08.2015 for the sale of Energy Meters for the period 01.01.2012 to 31.10.2013 in the financial year 2015-16 . The Writ Petition No.38203/2016 is filed in the Hon'ble High Court against the above Order. Stay Order also has been obtained by APEPDCL against the above penalty Order vide WPMP No 47073/2016. Case is pending at High Court of Andhra Pradesh.

k) The Commercial Tax Officer/ Dwarakanagar Office, Visakhapatnam has passed an order vide A.O. NO 91991 dt 12.12.2017 for Rs. 2,04.21 Lkhs towards VAT on sale of scrap and on meter rental charges. Appeal filed before Hon'ble additional commissioner (legal) vijayawada by paying 12.5% on demand amount of Rs. 25.53 Lakhs and appellate authority has set aside the original demand and appeal there on remanded. Refund is yet to be received and being pursued.

l) The Commercial Tax Officer/ Dwarakanagar Office, Visakhapatnam has issued notice for 100% penalty on 09.01.2018 on the A.O. NO 91991 dt 12.12.2017 for Rs. 204.21 Lakhs and proposed to implement RR act. to avoid implementation of RR Act immediate payment of Rs.20.00 Lakhs was made. Appeal filed before Hon'ble additional commissioner (legal) vijayawada by paying 12.5% on demand amount of Rs.25.53 Lakhs and appellate authority has set aside the notice and appeal there on remanded. Refund is yet to be received and being pursued.

- m) The Principal Commissioner of Central Tax, GST Bhavan, Port area Visakhapatnam, has issued an Order In Original vide Order In Original No VSP –EXCUS -001-COM-05-20- 21 dated 14-08-2020 for Rs.364.70 Lakhs towards Non payment of Service Tax against penalties collected from Contractors & Suppliers during the period from October2012 to June 2017. The appeal was filed to Appellate Tribunal under sub-section (1) of section 86 of the Finance Act,1994 in the Customs, Central Excise and Service Tax Appellate Tribunal, Regional Branch, Hyderabad, Further it is to inform that an amount of Rs.27.35 Lakhs paid towards the mandatory deposit (i.e. 7.5% of Rs.364.70 Lakhs) as required under section 35F of central Excise Act which made applicable to Finance Act 1994 vide section 83 of Finance Act 1994.
- n) The Principal Commissioner of Central Tax GST Bhavan Port area Visakhapatnam, has Passed an Order vide C.No:V/60/2018-Adj, dated 14-08-2020 for Rs.2914.55 Lakhs towards short payment of Service Tax on penalties charged and collected from Contractors &Suppliers of goods/services, and short payment of RCM charges for the period from 01.07.2012 to 30.06.2017. Writ Petition No. 25703/2020 is filed in the Hon'ble High Court of AP against the above Assessment Order and the Hon'ble High court of AP granted stay order directing the respondents therein not to take any Coercive steps against the petitioner. Case is pending in High Court of Andhra Pradesh.
- o) Other Contingent Liabilities: compensations against Non-fatal accidents etc. pending in courts.

<b>Name of the Circle/Division</b>	<b>Amount</b>
Tekkali Division	42.71
Palkonda Division	2.50
Vizianagaram Division	26.15
Bobbili Division	87.47
Parvathipuram Division	13.49
Zone-II	17.96
Zone-III	5.00
Narsipatnam	4.50
Rajamahendravaram Division	23.00
Kakinada Division	0.25
R.C.Puram Division	1.05
Jaggampeta Division	3.00
Nidadavolu	0.66
J.R Gudem	0.48
<b>Total</b>	<b>228.22</b>

- p) Cross subsidy surcharge for captive consumption from captive consumers pending in courts.

<b>Name of the Circle/Division</b>	<b>Amount</b>
Srikakulam	112.03
Vizianagaram	390.17
Visakhapatnam	34.78
Rajamahendravaram	73.12
Eluru	80.07
<b>Total</b>	<b>690.17</b>

q) Case file in I.A.840/17 & I.A. 841/17 O.S. No. 29/2013 on damage occurred to the sugar cane fields due to short circuit of Electricity Supply. Sri S.Bhaskara Rao of Koyyalagudem has approached Principal Senior Civil Judge Court to pass decree for Rs.2.35 Lakhs with interest towards damages for loss of sugarcane in the fields due to short circuit of electrical supply and for the costs of the suit. Further the Petitioner filed EP 43/2017 in the Principal Senior Civil Judge Court Kovvur and the Hon'ble Court directed to Bank authorities to withhold the amount of Rs.3.33 Lakhs.

r) Provision is not recognized for liabilities whose future outcome cannot be ascertained with reasonable certainties. Such contingent liabilities are not recognized but are disclosed on the basis of judgement of the management or independent expert. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

(Rs. in Crores)

S. No	Particulars	No. of Cases	EPDCL
1	NCE_Wind & solar Differential Energy Charges.(CUF Limitation for 2016-17 to 2021-22)	80	166.69
2	NCE Wind generators (Generation based incentive (GBI) Charges for 2016-17 to 2018-19)	90	142.25
3	Court cases	58	3537.84
4	Unutilized energy charges APPCL	1	2.10
	<b>Total</b>	<b>229</b>	<b>3848.88</b>

- 1) NCE \_ Wind & solar Differential Energy Charges(CUF Limitation) : As per management decision vide note ref no:1240/Power.II.2/2016 dated 14/03/2017, energy generated from NCEs are restricted to 23.5 % of Capacity Utilization Factor(CUF) though the actual energy generated and billed are more than the 23.50%. The energy of 1510.15 MU which is over and above 23.50% CUF, cost of Rs.694.44 Crores are not accounted in books though the generator are billed on APPCC. (EPDCL Share of Rs.166.69 Crore)
- 2) NCE Wind generators (Generation based incentive (GBI): As per the note approved by CMD/AP TRANSCO, Date 24.03.17 para No. 33 & 34 GBI amount of Rs. 0.50/ per unit is deducted from Feb.17 onwards as per APERC Regulation No. 1 of 2015. As per the approval of CMD APTRANS CO & APPCC, Date 06.11.2018 (FLM Contd. Note. No. 5000960, Date. 31.08.18) with regard to stoppage of deduction of GBI amounts from the bills of wind developers as per the orders of Hon'ble High court, Dt. 23.08.18. Accordingly stopped deduction of GBI amount of Rs. 0.50 per unit and unit rate @Rs. 4.84/ was adopted w.e.f Sept. 18 bill. Hence the cost from Feb.17 to Aug.18 of Rs. 415.10 crores was not accounted in books.(EPDCL Share of Rs.142.25 Crore)
- 3) Change in Law : Supplementary bills were received from M/s. KSK Mahanadi Power Ltd., due to change in law and as per CERC order dt. 16.09.20 and also request to release the payment as per Article 10 of Power purchase agreement (PPA) dt. 31.03.2012 and agreement dt. 19.12.14 and for the period of 13.08.2013 to 31.03.14 as per Hon'ble CERC order Dt. 16.09.19.
- 4) (i) M/s LVS power ltd has filed a WP 37518 of 2013 in High court of AP for fixed charges claim of Rs. 46.14 Crs for the period from Feb 2013 to Nov. 2013 and APPCC filed SP in High court of AP, WP No. 32760/2013, Dt. 17.09.2013 stating that around Rs. 180.00 Crs is payable by M/s. LVS

power for the period from Feb.2013 to Till PPA expiry (October 2017) and prayed that APEPDCL is not liable to pay fixed charges. The case was listed on 28.12.2018 and next date of hearing is yet to be posted

(ii) M/s Lanco has filed a case in NCLT. The Hon'ble NCLT issued order on 27.11.19 in IA 740/19 in CP (IB) No. 678/7/HBD/2018 to release the payment of Rs. 23,91,37,582/- which was recovered towards, excess payment made after expiry of PPA. Aggrieved by this order the AP Discoms filed WP No. 15090/2020 in Hon'ble High Court of Telangana on 20.11.2020. The Hon'ble High Court of Telangana has stayed the NCLT Order. Next posting date is awarded.

s) Letter of credits (LC) Outstanding as on 31.03.2022

S. No	Name of the Bank	LC/BG No	Name of Beneficiary	Amount (Rs. In Lakhs)
1	State Bank of India	1657621LC - 54, 1657622LC-04	M/s.NTPC Ltd (SR)	3508.25
2	State Bank of India	1657621LC - 41, 1657622LC - 02	M/s Gail ( India ) Ltd	2560.00
3	State Bank of India	1657622LC - 08	M/s.NTPC Tamilnadu Energy Company Ltd, Vallur.	778.73
<b>Total</b>				<b>6846.98</b>

t) Hon'ble APERC has approved true up cost of Rs.60928 Lakhs for 3rd control period vide common order on Retail supply tariff 2022-23 volume no-II Dt. 30.03.2022 in O.P.34 & 41 of 2020 to collect the amount from consumers in 18 instalments commencing from 01.08.2022.

u) Income Tax

Appeals in respect of the following assessment years are pending in connection with the income tax assessment of the Company

Asst year	Authority before which the appeal/ Tribunal(ITAT) / High court is pending	Amount in dispute
2003-04	High Court	137.46
2004-05	High Court	177.28
2013-14	High Court	72.20
2014-15	High Court	128.60
2017-18	ITAT	216.29
2018-19	ITAT	470.53

v) Estimated Capital Commitments to end of 31.03.2022 of Rs.4693.12 Lakhs towards unexecuted capital works.

w) Grid Supporting charges: Notices issued to various Generators/Customers for payment of Grid Supporting charges for Rs.28196.71 Lakhs and out of which amount of Rs.11990.25 Lakhs amount realized & recognized. Certain Generators/Customers approached to Court/APERC etc. on Grid support. In view of lack of reasonable certainty in realization of balance Grid supporting charges not recognized of Rs.16206.46 Lakhs.

(xi) Power purchase cost transferred by the TSNPDCL for the period 02.06.2014 to 31.03.2015 was Rs.13,74,03,113/-(21810018 Units at Rs.6.30 per unit), but the as per the Audited annual reports of TSNPDCL for the F.Y 2014-15 Average Power Purchase cost is Rs.4.67 per unit. Hence Power Purchase cost arrived for 21810018 Units @ 4.67 Average price for Rs.1018.53 Lakhs). The details communicated to TSNPDCL for confirmation. Soon on receipt of confirmation from TSNPDCL differential cost will be accounted.

(xii) Pending submission and approval of True up claim for the F.Y 2020-21. No contingent Asset is diclosed.

(xiii) Regulatory deferral accounts:

Ind As - 114 “Regulatory Deferral Accounts” permits the Company to apply the requirements of this standard in its first Ind As financial statements if and only if it conducts rate –regulated activities and recognised amounts that qualify as regulatory deferral account balances in its financial statements in accordance with its previous GAAP. As the company had consistently elected not to recognize the regulatory deferral balances in its previous GAAP, the requirement of IND AS 114 does not apply to the Company.

(xiv) Reclassifications and comparative figures :

Certain Reclassifications have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements .

As a result, certain line items have been reclassified in the balance sheet and statement of cash flows, the details of which are as under:

Items of balance sheet before and after reclassification as at 31 March 2021

Sl.No.	Particulars	Amount before reclassification	Reclassification	Amount after reclassification
1	Other income ( Note no 24)	68334.93	-3406.58	64928.35
2	Employee Benefit Expense (Note No 26)	3,22,583.07	-33376.73	2,89,206.34
3	Purchase of Power ( Note No 25)	10,95,871.59	29970.15	11,25,841.74
4	Other Current Liabilities ( Note No 20)	138671.06	-34309.8	1,04,362.07
5	<b>Other Liabilities Current( Note no 20)</b>		0.81	
6	<b>Other financial liabilities( Note No 22)</b>	33433.51	-0.81	33,432.70
7	Trade payables ( Note No 21)	537824.83	34309.8	6,01,604.91
			-349.70	
			29819.98	
8	Lease Liabilities	0	349.70	349.70
9	Other non-current assets ( Note No. 9)	20608.46	-19326.27	1,282.19
10	Other current assets ( Note No. 9)	50525.76	19326.27	54,262.08
			-15589.95	
11	Capital work in Progress ( Note No 4)	36883.16	-2397.61	34,485.55
12	Other financial assets -Current ( Note no 8)	905184.86	2397.61	8,61,589.23
			-91403.17	
			5589.95	
			29819.98	
13	Trade Receivables (Note No 11)	230961.32	91403.17	3,22,364.49



(xv) There are Debit and Credit balances in various inoperative asset and liability accounts for more than 1 year and unreconciled amounts in bank accounts, loan accounts, Inter unit account, GRIR clearing account, debt service clearing account, debtor balances as per Financial Ledger and Consumer Ledger and account balances as per APPCC Records and the company records. In the opinion of the management the possible loss if any will not have significant impact on financial statement.

(xvi) In order to achieve the objective of least/Minimum operation and maintenance cost and reduce the interest cost and to ensure optimum utilization of cash flows for the power sector as a whole, adjustment of funds have been made among DISCOMs at APPCC. Hence accrued interest on Inter DISCOM balances has not been recognized in P&L Account.

(xvii) APERC in its proceedings No. APERC/E-221/19/2021 Dated 25.03.2021, has directed the APEPDCL to take over the activities of Distribution and Retail Sale of Electricity in the RECSCOs area pending settlement of issues relating to assets and liabilities by the competent authority, accordingly the APEPDCL has been supplying power to the consumers in the RESCOs' areas namely Anakapalli RECS and Cheepurpalli w.e.f., 01.09.2021 for which necessary accounting entries for raising of bills under respective LT Categories collections and related collection expenses incurred have been taken in the books of accounts for the FY2021-22

(xviii) Previous years figures are regrouped and rearranged where ever necessary.

**For M/s. B.V Rao & Co. LLP.**  
**Chartered Accountants**  
**FRN: 003118S / S200049**

Sd/-xxxx  
B.A.S.P.Ranga  
Partner  
Membership no.: 022649

Place : Visakhapatnam  
Date : 28.06.2022

Sd/-xxxx  
D. Chandram , IRAS  
Director ( Finance & HRD )  
Din : 08963107

Sd/-xxxx  
M.Ravindra  
Chief General Manager (Expr)

**For and on behalf of the Board**  
**K.Santhosha Rao**  
**Chairman & Managing Director**  
**Din : 08879899**

**Sd/-xxxx**  
**K.S.V.S. Sastry**  
**Company Secretary**



## Eastern Power Distribution Company of Andhra Pradesh Limited

### Notes to the financial statements (continued)

(All amounts in Indian rupees in lakhs, except share data and otherwise stated)

#### 31. Financial instruments

The carrying value and fair value of financial instruments as at 31 March 2022 and 31 March 2021 were as follows:

	31 March 2022		31 March 2021	
	FVTOCI	Amortized Cost	FVTOCI	Amortized Cost
Financial assets				
Investments	14,627.07	47.86	14,627.07	47.86
Trade receivables		3,24,165.99		2,30,961.32
Loans and advances to staff		9,527.75		9,107.62
Cash and cash equivalents		29,652.08		28,988.71
Other financial assets		9,33,864.90		9,05,184.86
<b>Total financial assets</b>	<b>14,627.07</b>	<b>12,97,258.58</b>	<b>14,627.07</b>	<b>11,74,290.37</b>
Financial liabilities				
Borrowings		9,10,790.19		8,12,748.10
Other financial liabilities		35,750.27		33,433.51
<b>Total financial liabilities</b>		<b>9,46,540.46</b>		<b>8,46,181.61</b>

Note 1: For the purpose of above abbreviations, FVTOCI - Fair value through other comprehensive income; amortised cost - fair value through amortized cost.

Note 2: Other financial assets and liabilities relate to level 3 financial instruments where the carrying value reasonably approximates to their fair value.

#### (i) Fair value hierarchy

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis

At 31 March 2022	Level 1	Level 2	Level 3	Total
FVTOCI - Financial asset - Investment in equity securities	-	-	14,627.07	14,627.07
At 31 March 2021	Level 1	Level 2	Level 3	Total
FVTOCI - Financial asset - Investment in equity securities	-	-	14,627.07	14,627.07

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

#### **(ii) Valuation technique used to determine fair value**

The Company has not adopted any fair value technique to measure its financial assets and financial liabilities. All of the resulting fair value estimates are included in level 3, where the fair values have been determined based upon the present values and the discount rate used were adjusted for counterparty or own credit risk.

#### **(iii) Loans and advances to staff**

Loans given to employees are carried at cost whereas under Ind AS wherever the loans given at below market rate of interest were taken to the market rate which is considered as 9%.

The difference between the the market rate and the actual interest rate considered as prepaid employee cost. The loans are measured at amortized cost at the rate of prevailing market rate.

### **32 Financial risk management**

#### **Risk management framework**

The Company's board of directors have overall responsibility for the Company's risk management framework. The board of directors are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The board of directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

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

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit risk	Cash and cash equivalents, trade receivables	Ageing analysis, credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings, Other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

*This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.*

## A. Credit risk

### i) Credit risk management

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, and arises principally from the Company's receivables from customers.

### ii) Provision for Expected credit loss

The Company has receivables from customers Rs.241460.37 ( 2021- Rs. 247694.40 Lakhs ,2020- Rs.246068.27) out of which Government department arrears are INR 120141 lakhs

(2021- Rs.150444 lakhs, 2020- Rs.154897.11 Lakhs ) and Pending in court cases are Rs.87812.72 lakhs (2021-Rs.45598.09 Lakhs , 2020- INR..44337.45 lakhs ) has not been considered for Expected credit loss.

#### Year ended 31 March 2022

#### (A) Expected credit loss for trade receivables under simplified approach

Ageing (LT)	Not due	>1 Month to 5 Months	>5 Months to 1 Year	>1 Year to 1.5 Years	>1.5 Years to 2 Years	Above 2 years	Total
Gross carrying amount	1789.56	3081.82	1931.41	1002.61	3176.52	3096.68	14,078.60
Security Deposit Available	7229.59	9618.74	1683.62	356.91	347.52	28.35	19,264.73
Net Carrying amount	(5,440.03)	(6,536.92)	247.79	645.70	2829.00	3068.33	(5,186.13)
Expected loss rate	10%	20%	25%	89%	93%	1	
Expected credit losses (loss allowance provision)	-	-	60.80	572.86	2,641.94	3,068.33	6,343.93
<b>Carrying amount of trade receivables (net of Bad debts allowance)</b>	<b>1,789.56</b>	<b>3,081.82</b>	<b>1,870.61</b>	<b>429.75</b>	<b>534.58</b>	<b>28.35</b>	<b>7,734.67</b>

Ageing (HT)	Not due	>1 Month to 5 Months	>5 Months to 1 Year	>1 Year to 1.5 Years	>1.5 Years to 2 Years	Above 2 years	Total
Gross carrying amount	3091.28	7181.17	3697.00	1732.61	2528.21	9410.46	27,640.73
Security Deposit Available	4687.52	3148.52	2753.42	828.53	1426.51	401.66	13,246.16
Net Carrying amount	(1,596.24)	4032.65	943.58	904.08	1101.70	9008.80	14394.57
Expected loss rate	26%	32%	38%	84%	93%	1	
Expected credit losses (loss allowance provision)		1,289.63	358.95	760.70	1,028.97	9,008.80	12,447.04
<b>Carrying amount of trade receivables (net of Bad debts allowance)</b>	<b>3,091.28</b>	<b>5,891.54</b>	<b>3,338.05</b>	<b>971.91</b>	<b>1,499.24</b>	<b>401.66</b>	<b>15,193.69</b>

## Significant estimates and judgments

### Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company used judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### (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. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company maintains the following lines of credit:

### (C) Market risk

#### i. Foreign currency risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company is not exposed to currency risk on purchases, sales and cash balances that are denominated in a currency other than the functional currencies of the Company.

#### ii. Interest rate risk

As of 31 March 2022 and 31 March 2021, the Company had Rs.910795.9 and Rs.812748.10 lakhs respectively loans carrying a fixed interest rate of 2.34% to 12.25%. These loans expose the Company to risk of changes in interest rates.

Profit and loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates

#### *Impact on Profit after tax*

	31 March 2022	31 March 2021
Interest rates - increases by 50 basis point*	4,390.93	2,304.74
Interest rates - decreases by 50 basis point*	4,390.93	2,304.74
* Holding all other variables constant		

### 33. Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to equity shareholders. The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt. The capital gearing ratio as on 31 March 2022 and 31 March 2021 was (16.50)% and (9.85)% respectively.

The Company's debt to adjusted capital ratio at the end of the reporting period was as follows:

	31 March 2022	31 March 2021
Total liabilities	20,04,045.89	19,85,721.61
Less : cash and cash equivalents	29,652.08	28,988.71
Adjusted net debt (A)	19,74,393.81	19,56,732.90
Total equity (B)	(1,20,075.83)	(1,98,639.59)
Adjusted net debt to adjusted equity ratio (A/B)	(16.44)	(9.85)

### 34 Earnings per share (EPS)

Computation of earnings per share	31 March 2022	31 March 2021
Profit after tax attributable to owners of the equity (INR in lakhs) (A)	39,677.81	3,993.58
Weighted average number of shares for Earnings per share (B)	1,212.25	1,212.25
<b>Basic and Diluted Earnings per share of INR 10 = (A) / (B)</b>	<b>32.73</b>	<b>3.29</b>
Total Comprehensive income (INR in lakhs) (A)	36,652.70	43,186.18
Weighted average number of shares for Earnings per share (B)	1,212.25	1,212.25
<b>Basic and Diluted Earnings per share of INR 10 = (A) / (B)</b>	<b>30.24</b>	<b>35.62</b>

### 35 Additional Regulatory Information - Key financial ratios

	31 March 2022	31 March 2021	% Change
(a) Current ratio ( in times)			
(i) Current assets	1308826.25	1284205.70	
(ii) Current Liabilities	883091.89	1090410.30	
Current Ratio (i)/(ii)	1.48	1.18	25%

**Current ratio has improved due to reduction of trade payables during F.Y 2021-22.**

(b) Debt-Equity Ratio ( in times)	31 March 2022	31 March 2021	% Change
(i) Total Debt	910790.19	812748.1	
(ii) Total Equity ( Including Grants & Consumer contributions)	(1,20,075.83)	(1,98,639.59)	
Debt-Equity Ratio (i)/(ii)	-7.59	-4.09	86%

**New debt added is Rs.98047.81 Lakhs, but addition to equity through Total comprehensive income is Rs.38898.23 Lakhs & Grants and Contributions Rs.41911.06 Lakhs.**

(c) Debt service coverage Ratio ( in times)	31 March 2022	31 March 2021	% Change
(i) Earnings for Debt service			
(a) Net profit after tax	39677.81	3993.58	
(b) Non Cash Operating Expense ( Depreciation)	34987.69	31958.34	
(c) Interest ( Excluding Interest on consumers deposit & Other bank charges )	85853.33	55105.62	
Total Earnings for Debt service ( a+b+c)	160518.83	91057.54	
(ii) Debt service = (Interest and lease payments + Principal repayments)	301417.47	182854.00	
Debt service coverage Ratio ( in times) (i)/(ii)	0.53	0.50	7%

(d) Return on Equity Ratio	31 March 2022	31 March 2021	% Change
(i) Net Profit after tax	39677.81	3993.58	
(ii) Total Equity	(1,20,075.83)	(1,98,639.59)	
Return on Equity Ratio (i)/(ii)	-33%	-2%	1544%

**Return on Equity Ratio has improved due to increase in profit after tax & addition to equity through Total comprehensive income & Grants and Contributions.**

(e) Trade Receivables Turnover ratio	31 March 2022	31 March 2021	% Change
(i) Revenue from Operations	15,14,282.56	14,80,262.62	
(ii) Average Trade receivables (Gross)	343002.12	293913.64	
Trade Receivables Turnover ratio (i)/(ii)	4.41	5.04	-12%

(f) Trade Payables Turnover ratio (in times)	31 March 2022	31 March 2021	% Change
(i) Cost power Purchase	1289495.19	1125841.74	
(ii) Avg. Power purchase Payables	502630.19	555234.98	
Trade Payables Turnover ratio (in times)	2.57	2.03	27%

**Trade payables turnover ratio has improved due to decrease in Trade payables in spite of increase in Power Purchase cost.**

(g) Net capital turnover ratio (in times)	31 March 2022	31 March 2021	% Change
(i) Revenue from operations	1514282.56	1480262.62	
(ii) Average working capital (i.e. Total current assets less Total current liabilities)	425734.36	193795.40	
Net capital turnover ratio (in times) (i)/(ii)	3.56	7.64	-53%



**Net Capital turnover ratio has improved due to increase in working capital as well as increase in revenue from Operations in F.Y 2021-22.**

(h) Net Profit Ratio ( % )	31 March 2022	31 March 2021	% Change
(i) Net Profit	39677.81	3309.15	
(ii) Total Revenue	1606237.60	1545190.97	
Net Profit Ratio	2.47%	0.21%	1053%

**Net profit ratio improved due to increase in Net profit in F.Y 2021-22**

(i) Return on Capital employed ( % )	31 March 2022	31 March 2021	% Change
(i) Earnings before Interest and Tax (EBIT)	125531.14	59099.20	
(ii) Capital employed= Total assets- current Liabilities	1000878.17	726491.69	
Return on Capital employed ( i)/(ii)	12.54%	8.13%	54%

**Return on Capital employed ratio has improved due to increase in EBIT as well as decrease in current liabilities during F.Y 2021-22.**

(j) Inventory turnover ratio	NA	NA
(k) Return on Investment	NA	NA

<b>36 Loans or Advances in the nature of Loans granted to Promotors, Directors, KMPs and related parties.</b>	<b>Nil</b>	<b>Nil</b>
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<b>37 Relationship with Struck off Companies</b>	<b>Nil</b>	<b>Nil</b>
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**For M/s. B.V Rao & Co. LLP.  
Chartered Accountants  
FRN: 003118S / S200049**

Sd/-xxxx  
B.A.S.P.Ranga  
Partner  
Membership no.: 022649

Sd/-xxxx  
D. Chandram , IRAS  
Director ( Finance & HRD )  
Din : 08963107

**For and on behalf of the Board**

Sd/-xxxx  
K.Santhosha Rao  
Chairman & Managing Director  
Din : 08879899

Place : Visakhapatnam  
Date : 28.06.2022

Sd/-xxxx  
M.Ravindra  
Chief General Manager (Expr)

Sd/-xxxx  
K.S.V.S. Sastry  
Company Secretary

## Developer wise Power Purchase cost for the F.Y 2021-22

(Annexure-I)

<b>Name of the Developer</b>	<b>Energy (in M.U)</b>	<b>Fixed Cost (Rs. in Lakhs)</b>	<b>Variable Cost (Rs. in Lakhs)</b>	<b>Total (Rs. in Lakhs)</b>
Dr.NTPPS	2734.15	24975.45	89360.40	114335.85
Dr.NTPPS-IV	1083.47	10006.35	33724.45	43730.80
RTPP Stage-I	461.62	6939.36	17717.63	24656.99
RTPP Stage-II	595.67	8118.71	22780.50	30899.21
RTPP Stage-III	323.72	5447.52	12415.17	17862.70
RTPP Stage-IV	861.86	22155.10	31393.28	53548.38
<b>Sub Total APGenco Thermal</b>	<b>6060.49</b>	<b>77642.50</b>	<b>207391.44</b>	<b>285033.93</b>
Srisailam -RBPH	510.00	8090.10	0.00	8090.10
NSRPCPH	100.31	927.96	0.00	927.96
NSTPDC PH	48.48	1838.53	0.00	1838.53
Upper Sileru	116.38	2849.44	0.00	2849.44
Lower Sileru	329.34	5461.43	0.00	5461.43
Donkarai	23.45	296.82	0.00	296.82
Pennaahobilam	1.82	481.00	0.00	481.00
Mini Hydel (Chettipeta)	0.87	63.75	0.00	63.75
Machkund	137.24	1375.95	0.00	1375.95
TB Dam	64.62	863.53	0.00	863.53
<b>Sub Total APGenco Hydel</b>	<b>1332.51</b>	<b>22248.50</b>	<b>0.00</b>	<b>22248.50</b>
<b>APGenco Total</b>	<b>7393.00</b>	<b>99890.99</b>	<b>207391.44</b>	<b>307282.43</b>
APPDCL Unit -1	1005.19	15622.05	31563.08	47185.13
APPDCL Unit -2	910.94	15622.05	28603.38	44225.42
FCA CLAIMS FY 21-22	0.00	73.34	-2423.03	-2349.69
Godavari Gas Power Plant	177.50	762.03	4543.54	5305.56
<b>TOTAL</b>	<b>9486.63</b>	<b>131970.45</b>	<b>269678.40</b>	<b>401648.85</b>
NTPC (SR) Ramagundam I & II	696.01	4841.49	19709.09	24550.58
NTPC (SR) Simhadri Stage 1	1115.39	13021.25	31986.77	45008.02
NTPC (SR) Simhadri Stage 2	469.81	8163.06	13749.76	21912.81
NTPC (SR) Talcher Stage II	453.17	3507.81	7916.48	11424.29

<b>Name of the Developer</b>	<b>Energy (in M.U)</b>	<b>Fixed Cost (Rs. in Lakhs)</b>	<b>Variable Cost (Rs. in Lakhs)</b>	<b>Total (Rs. in Lakhs)</b>
NTPC (SR) Ramagundam Stage-III	200.80	1730.05	5619.16	7349.21
NTPC Kudgi Stage I	340.15	9632.82	13298.81	22931.62
NTPC DADRI	0.00	730.42	67.35	797.77
NTECL Valluru	207.64	4253.60	7008.53	11262.13
NLC Stage-I	116.88	867.57	3115.93	3983.50
NLC Stage-II	182.40	1389.73	4846.78	6236.51
NPC (MAPS)	11.60	0.00	302.61	302.61
NPC (Kaiga Unit-I,II & III)	319.37	0.00	11049.70	11049.70
NTPC Mouda	0.00	0.00	-6.88	-6.88
SCED	0.00	-263.88	0.00	-263.88
NTPL (NLC Tamilnadu Power Ltd Stage-1)	213.45	3709.52	6868.35	10577.87
NLC NNTPS	110.81	2091.73	2426.11	4517.85
<b>CGS TOTAL</b>	<b>4437.48</b>	<b>53675.17</b>	<b>127958.55</b>	<b>181633.72</b>
Spectrum Power	73.67	0.00	1816.48	1816.48
Lanco Kondapalli	131.38	0.00	3087.43	3087.43
Thermal Powertech Corporation India	641.91	10141.54	14343.29	24484.83
Hinduja National Power Corp Ltd(HNPCL)	80.48	0.00	3074.49	3074.49
<b>IPP TOTAL</b>	<b>927.44</b>	<b>10141.54</b>	<b>22321.70</b>	<b>32463.24</b>
Indian Energy Exchange Ltd	3685.03	0.00	197353.51	197353.51
Indian Energy Exchange Ltd(STOA charges)	0.00	0.00	8787.63	8787.63
Power Exchange India Ltd	39.79	0.00	1933.46	1933.46
Power Exchange India Ltd(STOA Charges)	0.00	0.00	95.53	95.53
Kreate Energy(Trading)	10.84	0.00	425.67	425.67
PTC India Ltd (Trading)	200.74	0.00	7507.10	7507.10
Kreate Energy (STOA Charges)	0.00	0.00	26.68	26.68
NVVNL Limited (Trading)	37.48	0.00	1536.91	1536.91
NVVNL-JPL	26.51	0.00	1251.33	1251.33
PTC-OTPC	5.28	0.00	237.76	237.76
PTC-SEIL	26.72	0.00	1287.81	1287.81
PTC-EMPL	26.80	0.00	1291.58	1291.58

<b>Name of the Developer</b>	<b>Energy (in M.U)</b>	<b>Fixed Cost (Rs. in Lakhs)</b>	<b>Variable Cost (Rs. in Lakhs)</b>	<b>Total (Rs. in Lakhs)</b>
SEMCORP GAYATRI POWER LTD	0.00	-0.03	0.00	-0.03
MANIKARAN POWER LIMITED(STOA Charges)	0.00	3.38	0.00	3.38
<b>INTER STATE TRADERS (SHORT TERM)</b>	<b>4059.18</b>	<b>3.34</b>	<b>221734.95</b>	<b>221738.30</b>
Chodavaram Sugars	5.96	97.31	201.11	298.42
EID Parry India Ltd (GMR Tech)	0.56	36.80	-28.35	8.45
<b>NCE -BAGASSE Total</b>	<b>6.52</b>	<b>134.11</b>	<b>172.76</b>	<b>306.87</b>
Shri Papers Limited	13.66	245.94	718.60	964.54
<b>NCE-Biomass Total</b>	<b>13.66</b>	<b>245.94</b>	<b>718.60</b>	<b>964.543</b>
F Industries Ltd (Foods & Fats)	12.72	197.42	668.98	866.40
Jindal urban waste Mangament (Viskaptanam)	7.01	0.00	436.14	436.14
<b>NCE-Industrial Waste TOTAL</b>	<b>19.73</b>	<b>197.42</b>	<b>1105.11</b>	<b>1302.53</b>
Sardar Power	6.21	145.97	0.00	145.97
Vetamamidi MHPP Project	3.91	68.20	0.00	68.20
Ncl Energy TB Dam	9.85	0.00	178.00	178.00
<b>Mini Hydel Total</b>	<b>19.97</b>	<b>214.17</b>	<b>178.00</b>	<b>392.17</b>
EAAMA Estate Pvt Ltd	4.09	0.00	279.00	279.00
VBC RENEWABLE ENERGY PVT LTD	1.24	0.00	84.97	84.97
Cyber Village Solutions Pvt. Ltd.,	0.04	0.00	1.47	1.47
REPAL RENEWABLES PVT LTD., (VIZIANAGARAM DIST)	0.02	0.00	0.44	0.44
Visakhapatnam Port Trust	3.56	0.00	132.96	132.96
New & Renewable Energy Development Corporation Of Andhra Pradesh Ltd (Solar Project)	0.72	0.00	48.80	48.80
Apgenco (solar) Project	7.17	0.00	434.12	434.12
<b>NCE-SOLAR Total</b>	<b>16.83</b>	<b>0.00</b>	<b>981.76</b>	<b>981.76</b>
NTPC NVVNL Bundled Power (Only COAL)	68.19	0.00	3201.22	3201.22
NTPC NSM Phase-II, Bundled Power (COAL)	0.00	0.00	413.29	413.29
<b>OTHERS NCEs Total</b>	<b>68.19</b>	<b>0.00</b>	<b>3614.51</b>	<b>3614.51</b>
PGCIL POC Charges(CGS Tr.Charges)	0.00	39103.59	0.00	39103.59
PGCIL Non POC Charges(ULDC)	0.00	171.16	0.00	171.16
APTRANSCO Transmission Charges (EP)	0.00	73300.82	0.00	73300.82

<b>Name of the Developer</b>	<b>Energy (in M.U)</b>	<b>Fixed Cost (Rs. in Lakhs)</b>	<b>Variable Cost (Rs. in Lakhs)</b>	<b>Total (Rs. in Lakhs)</b>
APTRANSCO SLDC Charges (EP)	0.00	1093.43	0.00	1093.43
AP TRANSCO ANNUAL FEE	0.00	166.07	0.00	166.07
POSOCO SRLDC Charges	0.00	133.49	0.00	133.49
Long Term (SEIL-LTOA) Tr. Charges	0.00	4.74	0.00	4.74
POSOCO-Deviation Charges (CGS UI charges)	76.20	7991.26	0.00	7991.26
POSOCO Reactive charges/Tangedco	0.00	83.35	0.00	83.35
POWER COMPANY OF KARNATAKA LIMITED (PCKL) SRPC	0.00	45.36	0.00	45.36
<b>Trasmission &amp; UI Charges</b>	<b>76.20</b>	<b>122093.27</b>	<b>0.00</b>	<b>122093.27</b>
<b>Inter State Traders ( MTOA)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
RCI POWER Limited (Diferencial cost)	0.00	0.00	903.47	903.47
Bharat Wind Farms (Diferencial cost)	0.00	0.00	193.68	193.68
NSL Sugars (KUPPAM)	0.00	0.00	35.97	35.97
NSL Sugars (Tungabhadra)	0.00	0.00	12.30	12.30
SNJ SUGARS(surcharge share)	0.00	0.00	318.25	318.25
JSW PTC (Surcharge Share)	0.00	0.00	562.71	562.71
GMR ENERGY TRADING (SURCHARGE SHARE)	0.00	0.00	20.42	20.42
Vayu Urja Bharat Pvt Ltd (GBI)	0.00	0.00	1374.78	1374.78
Vayu Urja Bharat Pvt Ltd (CUF)	0.00	0.00	1041.78	1041.78
CHANGE IN LAW (SEIL) FOR THE PERIOD	0.00	0.00	1729.38	1729.38
(Carrying Cost) FOR THE PERIOD	0.00	0.00	1955.50	1955.50
<b>Others</b>	<b>0.00</b>	<b>0.00</b>	<b>8148.23</b>	<b>8148.23</b>
<b>Grand Total</b>	<b>19131.83</b>	<b>318675.42</b>	<b>656612.58</b>	<b>975288.00</b>
DISCOM TO DISCOMS SETTELMENT EPDCL	6209.88	0.00	279311.79	279311.79
<b>Grand Total including D to D</b>	<b>25341.71</b>	<b>318675.42</b>	<b>935924.37</b>	<b>1254599.79</b>
<b>Solar Power Purchase cost accounted in LT/HT customers</b>			432.15	432.15
<b>Additional Interest on Pension bonds</b>		34567.08		34567.08
<b>Total Power Purchase cost (**)</b>	<b>25341.71</b>	<b>353242.49</b>	<b>936356.53</b>	<b>1289599.02</b>

(\*\*) Power purchase cost after offsetting of Reavtive Income \* UI Revenue at APPCC of Rs. 568.11 Lakhs

## ANNEXURE -II

### Details of power purchase Agreements under long term with Central Generating Stations (CGS)

Sl. No	Name of the Developer	Total Station Capacity (MW)	Andhra Pradesh Capacity (MW)	APEPD CL Capacity Net (MW)	Type of Station (Thermal / Hydel/ Gas)	PPA Signed Date	PPA valid up to	Average Cost (Rs/Unit) as per Tariff order 2021-22	COD
1	NTPC (Simhadri) Stage I, NTPC Road, Visakhapatnam	1000	461.10	<b>167.01</b>	Thermal	Coal	04.02.1997	4.37	Unit 1 : 01.09.2002 & Unit 2 : 01.03.2003
2	NTPC(Simhadri) Stage II, NTPC Road, Visakhapatnam	1000	204	<b>73.89</b>	Thermal	Coal	03.02.2007	4.57	Unit 1 : 16.09.2011 & Unit 2 : 01.09.2012
3	NTPC Ramagundam Stage I (3 X200 MW) & Stage II (3X500 MW), Karimnagar Dist, Telangana	2100	275.84	<b>99.91</b>	Thermal	Coal	22.03.1985	3.13	Total 6 Units Unit 1 : 01.03.1984 & Unit 6 : 01.04.1991
4	NTPC Ramagundam Stage III, Karimnagar Dist, Telangana	500	69.38	<b>25.13</b>	Thermal	Coal	01.02.2001 Till the life of Project	3.09	25.03.2005
5	NTPC SR Talcher Stage II, Kaniha, Angul, Odisha	2000	176.03	<b>63.76</b>	Thermal	Coal	01.10.1994	2.72	Total 4 Units Unit 1 : 01.08.2003 & Unit 4 : 01.08.2005
6	NLC TPS II Stage-I, Neyveli, Tamilnadu	630	46.70	<b>16.91</b>	Lignite	Lignite	18.02.1999	4.12	Total 3 Units Unit 1 : 29.09.1986 & Unit 6 : 23.04.1988
7	NLC TPS II Stage-II, Neyveli,Tamilnadu	840	85.61	<b>31.01</b>	Lignite	Lignite	18.02.1999	3.48	Total 4 Units Unit 1 : 25.01.1992 & Unit 4 : 09.04.1994
8	NPC (MAPS - Madras Atomic Power Station), Kalpakkam, Chennai, India	440	18.13	<b>6.57</b>	Atomic	Nuclear/ Uranium	24.12.2011	2.61	Unit 1 : 27.01.1984 & Unit 2 : 21.03.1986

## Details of power purchase Agreements under long term with Central Generating Stations(CGS)



Sl. No	Name of the Developer	Total Station CAPAC ITY	Andhra Pradesh Capacity	APEPDC L Capacity Net	Type of Station (Thermal/ Hydel/ Gas)	Fuel Type	PPA Signed up to	PPA valid up to	Average Cost (Rs/Unit) as per Tariff order 2021-22	COD
9	NPC (Kaiga) Unit I&II, Karwar, Karnataka	440	55.205	<b>20.00</b>	Atomic	Nuclear/ Uranium	24.12.2011		3.48	Total 4 Units Unit 1 :16.11.2000 & Unit 2 : 16.03.2000
10	NPC (Kaiga) Unit III & IV, Karwar, Karnataka	440	58.901	<b>21.33</b>	Atomic	Nuclear/ Uranium	24.12.2011		3.48	Unit 3 :06.05.2007 & Unit 4 : 20.01.2011
11	NTECL Valluru Thermal Power Project, Velliyoval chavadi, Kuruvimedu,Tamilnadu	1500	86.15	<b>31.20</b>	Thermal	Coal	20.02.2008 and 14.03.2012	Till the life of Project	4.98	Unit 1 :29.11.2012 Unit 2 :25.08.2013 Unit 3 :28.02.2014
12	Neyveli New Thermal Power Station (NNTPS), Kolliruppu, Tamilnadu. (2x500)	1000	52.70	<b>19.09</b>	Thermal	Coal	30.11.2010		4.61	Unit 1 : 28.12.2019 Unit 2 : 10.02.2021
13	Tuticorin (2x500) Thermal Power Station, Harbour Estate, Tuticorin Beach Road, Salt pans, Thoothukudi, Tamilnadu	1000	121.33	<b>43.95</b>	Thermal	Coal	30.11.2010		4.59	Unit 1 :18.06.2015 & Unit 2 : 29.08.2015
14	M/s NTPC Kudgi Stage-I, Bijapur Dist, Karnataka (3X800 MW)	2400	230.16	<b>83.36</b>	Thermal	Coal	03.12.2010		4.83	Unit 1 : Sep 2016 & Unit 2 : March 2017
15	JNNSM Phase I Thermal		39.27	<b>14.22</b>	Thermal	Coal		This is additional allocation from existing NTPC Plants	5.30	
	<b>Total</b>	<b>15290</b>	<b>1980.506</b>	<b>717.34</b>						

## Details of power purchase Agreements under long term with State Generating Stations (SGS)



S.No	Name of the Developer	Total Station Capacity	Andhra Pradesh Capacity in MW	APEPDCL Capacity Net in MW	Fuel Type	Average Cost (Rs/Unit) as per Tariff order 2021-22	PPA Signed	COD	PPA Period
1	Godavari Gas Power Plant (Now own source previously GVK-I, GGPP, Jegurupadu East Godavari (Dist).	216.82	216.82	78.53	Gas	2.40	Buyout on 22.04.2016	20-06-1997	-
2	Sri Damodaran Sanjeevayya TPS (Unit-I ) APPDCL (1x800), Krishnapatnam, Nelluru (Dist),A.P	800	720	260.78	Coal	4.74	24.08.2016	Unit 1 :05.02.2015 Unit 2- 24.08.2015	25 years from the date of COD
3	Sri Damodaran Sanjeevayya TPS (Unit-II ) APPDCL (1x800), Krishnapatnam, Nelluru (Dist),A.P	800	720	260.78	Coal	4.74	24.08.2016	Unit 1 :05.02.2015 Unit 2 :24.08.2015	25 years from the date of COD
	Total	<b>1816.82</b>	<b>1656.82</b>	<b>600.09</b>					

## Details of power purchase Agreements under long term with APGenco



Sl. No	Name of the Developer	Total Station capacity in MW	Andhra Pradesh Capacity in MW	APEPDCL Capacity in MW	Fuel Type	PPA Signed	Average Cost (Rs/Unit) as per Tariff order 2021-22	PPA Period	COD
<b>APGENCO Thermal</b>									
1	Dr. NTTPS -I (2x210), Ibrahimpatnam, Vijayawada, Krishna Dist	420	420	152.12	Coal	20.03.2019	4.20	01.04.19 to 31.03.2024	Unit I : 30.11.1979 Unit II :10.10.1980
2	Dr. NTTPS -II (2x210) , Ibrahimpatnam, Vijayawada, Krishna Dist	420	420	152.12	Coal	20.03.2019	4.20	01.04.19 to 31.03.2024	Unit III : 05.10.1989 Unit IV :23.08.1990
3	Dr. NTTPS -III (2x210), Ibrahimpatnam, Vijayawada, Krishna Dist	420	420	152.12	Coal	20.03.2019	4.20	01.04.19 to 31.03.2024	Unit V : 31.03.1994 Unit VI :24.02.1995
4	Dr. NTTPS -IV, Ibrahimpatnam, Vijayawada, Krishna Dist	500	500	181.10	Coal	20.03.2019	4.03	01.04.19 to 31.03.2024	06.04.2009
5	RTPP Stage- I, Muddanuru , Cuddapah Dist, (2x210)	420	420	152.12	Coal	20.03.2019	4.84	01.04.19 to 31.03.2024	Unit I : 31.03.1994 Unit II : 25.02.1995
6	RTPP Stage- II, (2x210) Muddanuru , Cuddapah Dist,	420	420	152.12	Coal	22.12.2009	4.82	02.11.07 to 19.11.2032	Unit I : 12.08.2007 Unit II : 29.03.2008
7	RTPP Stage- III, Muddanuru , Cuddapah Dist,	210	210	76.06	Coal	22.12.2009	5.12	10.02.11 to 09.02.2036	10.02.2011
8	RTPP Stage- IV, Muddanuru , Cuddapah Dist,	600	600	217.32	Coal	22.11.2010 and 28.01.2019	5.52	25 Years from the date of COD	29.03.2018
	<b>Total Thermal</b>	<b>3410</b>	<b>3410</b>	<b>1235.08</b>					

## Details of power purchase Agreements under long term with APGenco



Sl. No	Name of the Developer	Total Station capacity in MW	Andhra Pradesh Capacity in MW	APEPD CL Capacity in MW	Fuel Type	PPA Signed	Average Cost (Rs/Unit) as per Tariff order 2021-22	PPA Period	COD
<b>APGENCO Hydel</b>									
1	Machkund Power HOUSE, Onkudelli, Koraput, Orissa (3x17+3x23 =120) - Inter State	120	84	30.42	Hydel	20.03.2019	1.49	01.04.2019 to 31.03.2024	19.08.1955 to 08.08.1959
2	Upper Sileru (USR) Power House, Visakhapatnam (4 x 60)	240	240	86.93	Hydel	20.03.2019	1.43	01.04.2019 to 31.03.2024	Unit-I 14.10.1967, Unit-II 31.03.1968, Unit-III 31.03.1994, Unit -IV 21.03.1995
3	Donkarayi , East Godavari Dist (Small Hydel)	25	25	9.06	Hydel	20.03.2019	1.43	01.04.2019 to 31.03.2024	04.10.1983
4	Mini Hydel Chettipeta, Chettipeta, West Godavari Dist (2 X500 KW)	1	1	0.36	Hydel	20.03.2019	6.64	01.04.2019 to 31.03.2024	Unit 1 : 01.10.1991 Unit II : 04.10.1991
5	Tungabhadra Power House, TB Dam, Bellari, Karnataka (AP Share( 4*9 =36 ,4*9=36 (State Share 57.6) Inter State	72	57.6	20.86	Hydel	20.03.2019	1.49	01.04.2019 to 31.03.2024	26.01.1957 to 19.06.1964, 10.02.1958 to 09.06.1964
6	Lower Sileru (LSR)PH, Motugudem, Bhadravti Dist (4 * 115)	460	460	166.61	Hydel	20.03.2019	1.43	01.04.2019 to 31.03.2024	Unit-I 28.03.1976, Unit-II 06.10.1976, Unit-III 08.11.1977, Unit -IV 13.06.1978

## Details of power purchase Agreements under long term with APGenco

Sl. No	Name of the Developer	Total Station capacity in MW	Andhra Pradesh Capacity in MW	APEPDCL Capacity in MW	Fuel Type	PPA Signed	Average Cost (Rs/Unit) as per Tariff order 2021-22	PPA Period	COD
<b>APGENCO Hydel</b>									
7	SSLM Right Bank PH (7x110), Sunnipenta, Srisailam, Kurnool Dist.	770	770	278.89	Hydel	20.03.2019	2.41	01.04.2019 to 31.03.2024	Unit-I 30.08.1982, Unit-II 14.12.1982, Unit -III 19.11.1983, Unit-IV 27.08.1984, Unit-V 31.03.1986, Unit-VI 30.10.1986, Unit-VII 19.03.1987
8	NSRCPH ( Nagarjunasagar Right Canal Power House), Vijayapuri South, Guntur Dist. (3 X30 MW)	90	90	32.60	Hydel	20.03.2019	2.27	01.04.2019 to 31.03.2024	Unit -I 24-02-1983, Unit-II 14-09-1983, Unit -III 10-09-1990
9	Penna Ahobilam (PABM), HLC Colony, Anantapur Dist (*Small Hydel) (2x10),	20	20	7.24	Hydel	20.03.2019	23.97	01.04.2019 to 31.03.2024	Unit-I 10.01.1994 , Unit-II 23.01.1994
10	Nagarjuna Sagar Tail Pond 2x25, Sahasrasala Village, Macherla Mandal ,Guntur Dist	50	50	18.11	Hydel	30.12.2010 and 02.08.2017	5.70	35 years from the date of COD	Unit -I 05.01.2017, Unit-II 28.01.2017
* These projects have no variable Cost. APDISCOMs have to pay only Fixed Cost for these projects. As per the approved Fixed Cost by APERC, APDISCOMs will pay the fixed cost monthly in equal amount out of the total fixed cost for the year 2020-21 irrespective of the units generated from these projects. So, Average unit rate should not be compared for these projects.									
<b>Total Hydro</b>	<b>1848</b>	<b>1797.60</b>	<b>651.08</b>						
<b>Total Genco</b>	<b>5258</b>	<b>5207.60</b>	<b>1886.16</b>						

## Details of power purchase Agreements under long term with IPPS



S. No	Name of the Developer	Total Station Capacity in MW	Andhra Pradesh Capacity in MW	APEPDC L Capacity in MW	Fuel Type	PPA Signed	PP Cost (Rs/Unit) as per Tariff order 2021-22	PPA Period	COD
	<b>IPPs</b>								
1	M/s. Sembcorp Energy India Ltd (Thermal Power Tech Corporation India Ltd.) (2x660 MW), Nelloor District, Andhra Pradesh	1240	230.55	83.51	Coal	01.04.2013, 10.04.2015 & 03.05.2018	4.07	25 years from the date of signing	Unit-I : 02.03.2015 Unit-II : 15.09.2015
2	Spectrum Power Generation Ltd, Beach Road, Uppada, Kakinada, East Godavari Dist	205.187	205.19	<b>74.32</b>	Gas/ Naphtha	23.01.1997	Rs 2.37/unit upto 30.09.2021 and Rs.3.01/Unit from 01.10.2021 to 31.03.2022	PPA Expired	Power purchased in Short Term Open Access as per APERC Directions for the FY 2021-22
3	LANCO Kondapalli Power Plant, Ibrahimpatnam, Andhra Pradesh	361.92	361.92	<b>131.09</b>	Gas/ Naphtha	31.03.1997 and 28.04.2017	2.35	02.01.2016 to 01.01.2026	30 Years from the COD of the 2nd generating unit
4	M/s. Hinduja National Power Corporation Ltd, Palavalasa Village, Visakhapatnam Dist. (2x520 MW)	1040	1040	<b>376.69</b>	Coal	15.04.1998 and 28.04.2016	- (Rs .3.82/unit is actual PP Cost)	Unit-I : 11.01.2016 Unit-II : 03.07.2016	
	<b>TOTAL</b>	<b>2847.107</b>	<b>1837.66</b>	<b>665.610</b>					

**Details of power purchase Agreements under long term with IPPS –  
4 New Gas Based Power Plants (Present No Generation)**



Sl. No	Name of the Project	Location of the Plant	Capacity in MW	Unit Rate in Rs/Kwh	Date of signing of PPA	Date of COD	PPA term	Expiry date	Remarks
1	GVK Entns	Jegurupadu,East Godavari District	220	Fixed Cost(1.09) + Variable cost with Domestic Gas Supplies (2.56)	18.06.2003	14.04.2009	15 Years	13.04.2024	These Projects are stranded for want of natural gas supplies from 01.03.2013 onwards.
2	GVK Gautami	Peddapuram, East Godavari District	464	Fixed Cost(1.12) + Variable cost with Domestic Gas Supplies (2.56)	18.06.2003	05.06.2009	15 Years	04.06.2024	
3	GMR Vemagiri	Vemagiri (V),Kadiam (M), East Godavari District.	370	Fixed Cost(0.699) + Variable cost with Domestic Gas Supplies (2.56)	18.06.2003 subsequently amended on 02.05.2007	16.09.2006	15 Years	15.09.2029	
4	Konaseema	Devarapalli (V),Ravulapalem (M), East Godavari District.	444.08	Fixed Cost(1.12) + Variable cost with Domestic Gas Supplies (2.56)	18.06.2003 subsequently amended on 02.05.2007	30.06.2010	15 Years	29.06.2025	
<b>Total</b>									<b>1498.08</b>

## Total No. of NCE Projects existing in APEPDCL



Sl. No	Name of the Project	Date of Agreement	Date of COD	Agreement Validity upto	Period of Agreement	Installed Capacity in MW	Auxiliary Consumption in MW	Captive Consumption in MW	Sale to Grid in MW	Power Evacuation	Variable Cost	Total Unit Cost in Rs.	Remarks
<b>Bagasse based power plants</b>													
1	M/s. Navbharat Ventures Ltd ( Erst while Navabharat Ferro Alloys Ltd ( Deccan Sugars), Samalkot, E.G.Dist,	06.05.2006 Amended on 12.02.2007	2 MW COD 07.02.1999, 7MW COD and amended on 04.01.2017	22.11.2025 Years	20 Years	7	0.975	0.8	4.4	0.45	3.625	6	33 KV 1.43
2	Jeypore Sugars Company Ltd., Chagall (V&M), West Godavari Dist	01.10.2003	11.12.2003	10.12.2023	20 Years	17	1	2	0.5	9	13.5	132 KV 1.55	3.47
3	Chodavaram Cooperative Sugars Ltd., Govada, Chodavaram (M), Visakhapatnam	29.03.2003	06.04.2003	05.04.2023	20 Years	7	-	-	-	6.25	6.25	132 KV 1.62	3.47
										31	1.975	2.8	6.4
											0.95	18.875	25.75

## Total No. of NCE Projects existing in APEPDCL

Sl. No	Name of the Project	Date of Agreement	Date of COD	Agreement Validity upto	Period of Agreement	Instal led Capa city in MW	Auxiliary Consumption in MW	Captive Consumption in MW	Sale to Grid in MW	Power Evacuat ion	Vari able Cost	Total Unit Cost in Rs.	Remarks
<b>Bio-mass based power plants</b>													
4	M/s.Sri Kalyani Agro products & Industries Ltd., Prathipad(v), Pentapadu (M), W.G.Dist.	28.03.2002	19.12.2002	18.12.2022	20 Years	4	0.4	0.4	0.4	3.2	33 KV	1.80	5.26
5	M/s.Shree Papers Limited, G.Ragampetta, Peddapuram(M), E.G.Dist.	19.03.2002	10.03.2003	09.03.2023	20 Years	4	0.2	0.2	0.4	3.4	33 KV	1.80	5.26
6	NSL Renewable Power Pvt. Ltd. (Formerly Perpetual Energy Systems Ltd.), Appayyapeta(v), Seethanagaram(M), VZM Dist	16.02.2002 and amended on 23.01.2014	23.03.2003	22.03.2023	20 Years	6	0.54	0.54	0	5.46	33 KV	1.80	5.26
7	Vishnu Vidyut India Ltd, Narsingibilli (V), Kasimkota(M), Visakhapatnam Dist.	17.01.2017	26.12.2012	25.12.2024	12 Years	7.5	0.72	0.72	0	6.78	33 KV	1.59	5.26
										21.5	<b>1.86</b>	<b>0.8</b>	<b>6.85</b>

## Total No. of NCE Projects existing in APEPDCL



Sl. No.	Name of the Project	Date of Agreement	Date of COD	Agreement upto Validity upto	Period of Agreement	Installed Capacity in MW	Auxiliary Consumption in MW	Captive Consumption in MW	Sale to Grid in MW	Power Evacuation	Fixe d Voltage	Vari able Cost	Total Unit Cost in Rs.	Remarks
<b>Industrial waste based power plants</b>														
8	M/s.Sai Renewable power Plant, Kamavarapukota(V& Md) J.R. Gudem, West Godavari Dist	12.09.2001, Amended on 13.01.2004	08.04.2004	07.04.2024	20 Years	4.5	0.45	0	0	4.05	33 KV	1.71	5.26	6.97
9	3 F Industries Ltd (Formerly M/s Food Fats & Fertilisers Ltd.), Tanuku Road, Thadepalli Gudem, West Godavari Dist	14.05.2002, Amended on 24.04.2004	04.05.2006	03.05.2026	20 Years	6	0.6	0.6	1.2	4.2	33 KV	1.56	5.26	6.82
10	M/s Arganic Green Power Limited (formerly RAUS Power Ltd.,) Duppulapudi (V), Anaparthy (M), E.G.Dist-533 342	18.02.2002, Amended on 06.08.2002 and 27.01.2003	27.02.2009	26.02.2029	20 Years	3 x 1.22	0.33	0	0	3.33	33 KV	1.37	5.26	6.63

## Total No. of NCE Projects existing in APEPDCL



## Other PPAs information of APEPDCL

Sl. No	Name of the Generator	Name of Discom	PPA date	PPA term (Years from COD)	Type of Energy Thermal, Solar, Wind etc.,	Contracted Demand (MW)	Rate per Units (Rs/Kwh)	COD	Remarks
1	APPDCL/ SDSTPS/ Stage-II, UNIT-III (Under Construction)	Original PPA is with 4 nos Discoms of combined AP and the same is to be revised with 2 Nos APDISCOMs, as was done in case of SDSTPS- Stage-1	04.01.2011	25 years from COD	Thermal	800	APERC	TBC	•Earlier PPAs were entered with 4 Discoms of Combined AP and after state bifurcation APERC returned the PPAs vide order dated: 11.08.2014. •Expected annual energy from Dr. NTTPS Unit-VIII (@ 80% PLF) from date of COD will be 5606.4 MU and from Polavaram HES will be as per the Designed energy of the project.
2	Polavaram HES		30.12.2010	35	Hydel (12x80 MW)	960	APERC	TBC	
3	Dr. NTTPS Unit-VIII			4 Discoms of combined AP*					
			22.01.2013	25	Thermal	800	APERC	TBC	

### Information of Solar Energy PPAs entered by APEPDCL to end of FY 2021-22.

Sl.No .	Name of the Generator	Type of power	Capacity MW	Date of COD	PPA tenure	Rate of power purchase per unit in Rs.
1	M/s.NREDCAP (Canal Top)	Solar	1.0	10.08.2016	25 Years	6.80
2	M/s.VBC Renewable Energy Pvt Ltd.	Solar	3.0	20.07.2016	25 Years	5.99
3	M/s.EAAMA Estates Pvt Ltd	Solar	3.0	30.03.2016	25 Years	5.94
4	M/s.APGENCO (Canal Bund)	Solar	5.426	19.11.2016	25 Years	5.99

For and on behalf of the Board

For M/s. B.V Rao & Co. LLP.  
Chartered Accountants  
FRN: 003118S / S2000049

Sd/-xxxx  
B.A.S.P.Ranga  
Partner  
Membership no.: 022649

Sd/-xxxx  
K.Santhosh Rao  
Chairman & Managing Director  
Din : 08879899

Sd/-xxxx  
M.Ravindra  
Chief General Manager (Expr)  
Place : Visakhapatnam  
Date : 28.06.2022

Sd/-xxxx  
K.S.V.S. Sastry  
Company Secretary



**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 : U40109AP2000SGC034117  
Name of the company : EASTERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED  
Registered office : CORPORATE OFFICE, P&T COLONY, SEETHAMMADHARA VISAKHAPATNAM - 530013

Name of the member (s) :

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

Name : .....

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 22nd Annual General Meeting of the Company to be held on Tuesday, 30th August, 2022 at 05.30 P.M. at the Registered Office of the Company at P&T Colony, Seethammadhara, Visakhapatnam – 530 013 and at any adjournment thereof In respect of such resolutions as are indicated below:



Sl.No.	Resolutions
<b>Ordinary Business:</b>	
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 together with the Board's Report, Statutory Auditors' Report and Comments of the Comptroller and Auditor General of India, thereon.
2.	To take note of appointment of Statutory Auditors by the Comptroller and Auditor General of India for the Financial Year 2022-23 as per the provisions of Section 139 of the Companies Act, 2013 and to fix the remuneration of Statutory Auditors for the Financial year 2022-23 as per the provisions of Section 142 of the Companies Act, 2013.
<b>Special Business:</b>	
3.	Enhancement of Borrowing Powers of the Company as per the Section 180 1(c) of the Companies Act, 2013
4.	Enhancement of Borrowing Powers and creation of Charge on the assets of the Company as per the Section 180 1(a) of the Companies Act, 2013

Signed this..... day of August, 2022

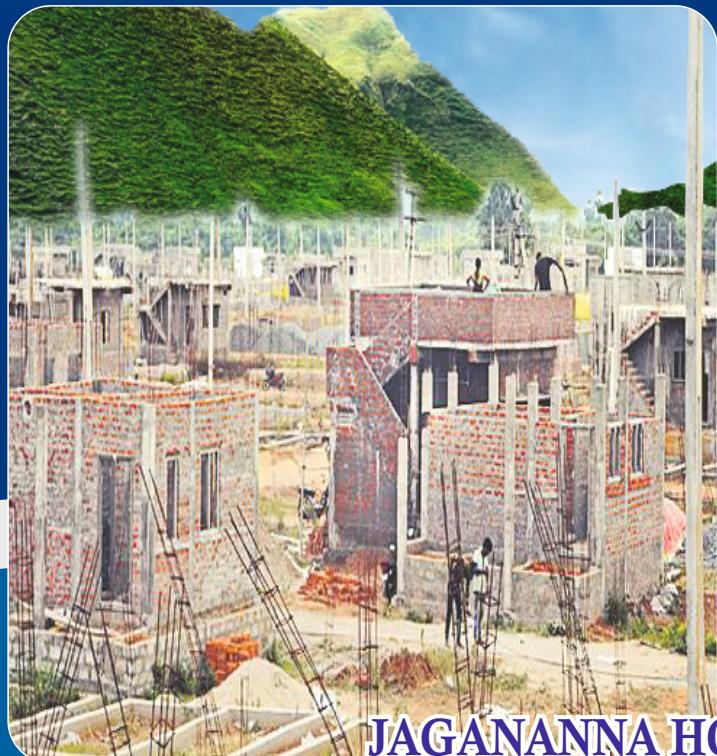
Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Please  
Affix  
Revenue  
Stamp





**JAGANANNA HOUSING COLONY**



**Eastern Power Distribution Company of Andhra Pradesh Limited**

**ఆంధ్రప్రదేశ్ తూర్పు ప్రాంత విద్యుత్ పంచిణి సంస్థ**

**P & T Colony, Seethammadhara, Visakhapatnam**