



21st

**ANNUAL REPORT OF
ANDHRA PRADESH POWER
FINANCE CORPORATION LIMITED**

**10
TIMES**

**A
Year of
Amazing
Growth**



Vision & Mission Statement

Vision

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



Mission

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

TABLE OF CONTENTS

Section 1 //

Corporate Overview

01	Board of Directors	13 – 16
02	Key Events	17
03	About the Company	18 – 23
04	Performance at a Glance	24 – 25
05	Key Performance Indicators	26 – 27
06	Financial Parameters	28

Section 2 //

Forms & Reports

07	Notice	31 – 34
08	Director’s Report	35 – 50
09	Secretarial Audit Report – MR 3	51 – 53
10	Management Discussion and Analysis Report (MDAR)	54 – 63
11	Report on Corporate Governance	64 – 70

Section 3 //

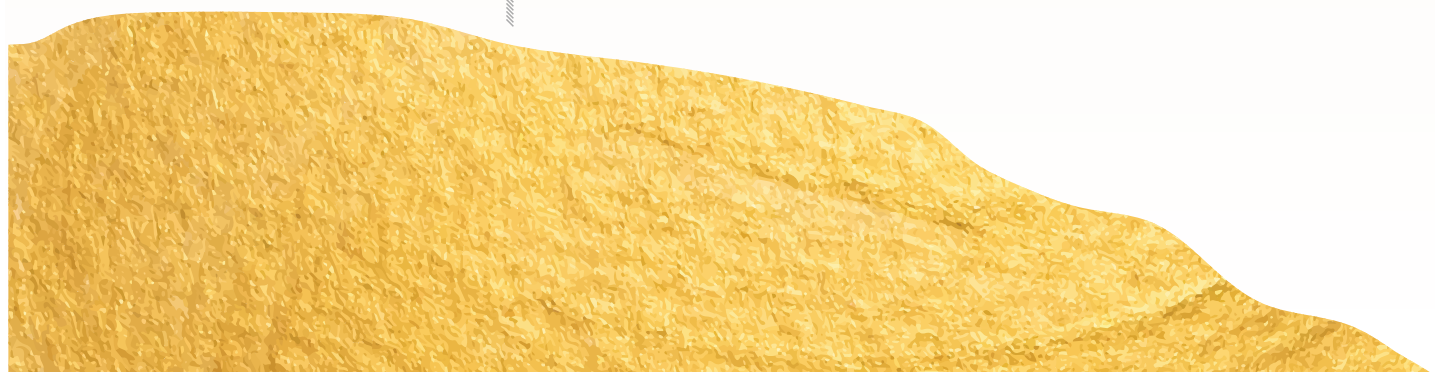
Financial Statements

12	Independent Auditor’s Report	73 – 82
13	C&AG Audit Report	83 – 86
14	Balance Sheet	87
15	Statement of Profit / Loss	88 – 89
16	Cash Flow Statement	90 – 91
17	Notes to Accounts	92 – 100

Section 4 //

Shareholder Corner

18	MGT-11: Proxy Form	103
19	MGT-12: Polling Paper	104
20	Attendance Slip	105
21	Route Map	107





Message from the Managing Director

On behalf of the Board of the Company, It gives me immense pleasure to welcome you all to the 21st Annual General Meeting of the Company.

The financial year 2020-21 has been a remarkable year for your Company “Andhra Pradesh Power Finance Corporation Limited” (APPFCL). During this Financial year, APPFCL could turn a new leaf with profits hitting a new high of Rs. 126 Crores. Needless to say that the team’s consistent efforts and hard work has contributed to unprecedented growth of the Company with increase in Net Profit exceeding 10 times as against the previous financial year. The Company has delivered record performance.

During the financial year, the management of the Company introduced Inter Corporate Deposits (ICDs) as a source of raising funds in addition to the existing business of availing bank term loans and issue of Non-Convertible Debentures (NCDs). Various policies and procedures have been approved by the Board to commensurate the rapidly growing business operations and also to ensure the best interest of the stakeholders at large.

The Assets under Management has seen a significant increase during the financial year recording a rapid growth of Rs. 5,250 Crores and as a result, the total revenue has nearly doubled in the financial year 2020-21 in comparison to the financial year 2019-20. APPFCL has maintained required Capital Adequacy Ratio (CRAR) as at 31st March, 2021

I place on record with conviction that APPFCL is well managed with proper checks and balances in place and that the management has always kept the interests of the investors and other stakeholders in alignment with the interests of the management in the decision making process. A strong and effective corporate governance has helped the Company to nurture integrity, accountability and thereby increasing performance of every member in the team , within the company and a sustainable business overall.

I am thankful and immensely grateful to every stakeholder for having had faith in the abilities of the management. I convey my special gratitude to the employees, Reserve Bank of India, Securities and Exchange Board of India, Comptroller & Auditor General of India, Statutory Auditors, Secretarial Auditors, Internal Auditors, Registrar of Companies and look forward for their support and also from various other Commercial banks and, Credit Rating Agencies

Dr. K V V Satyanarayana, IRAS
Managing Director



BOARD OF DIRECTORS



Sri. Shamsheer Singh Rawat, IAS
Principal Finance Secretary
Chairman and Director
DIN: 06927486



Dr. K V V Satyanarayana, IRAS
Secretary, Finance Dept. (B&IF)
Managing Director
DIN: 08076027



Dr. N Srikant, IAS
Director, APPFCL, CMD, AP Transco
DIN: 02426762



Smt. S Nagalakshmi, IAS
Director, APPFCL, CMD, APEPDCL
DIN: 07741194



Sri. B. Sreedhar, IAS
Director, APPFCL, MD, AP Genco
DIN: 02591298



Sri VN Babu
Director, APPFCL, CMA and CS
DIN: 08772842



Corporate Overview

Section 1 





Board of Directors

The Board of APPFCL as at 31st, March, 2021 is as follows:

1. **Sri Shamsheer Singh Rawat, IAS** – Chairman and Director (DIN: 06927486) – Principal Finance Secretary
2. **Dr. KVV Satyanarayana, IRAS** – Managing Director (DIN: 08076027) - Secretary, Finance Dept. (B&IF)
3. **Dr. N Srikant, IAS** – Director/APPFCL (DIN: 02426762), CMD/APTransco
4. **Sri B Sreedhar, IAS** – Director/APPFCL (DIN: 02591298), MD/AP Genco
5. **Smt. S Nagalakshmi, IAS** – Director/APPFCL (DIN: 07741194), CMD/APEPDCL
6. **Sri VN Babu, CMA and CS** – Director/APPFCL (DIN: 08772842), Director (Finance)/AP-SPDCL.

Sri K.V.N Chakradhara Babu, IAS was transferred from office of APPFCL vide G.O.RT No. 1149 dated 15/07/2020 and **Sri V.N. Babu** was appointed as Director of APPFCL vide G.O.RT No. 95 dated 12/11/2020.

The directors of the Company are Senior Government Employees holding important designations in the Government of Andhra Pradesh.



BRIEF PROFILE OF DIRECTORS

Shri S.S. Rawat, IAS : Chairman

Shri Shamsheer Singh Rawat is a 1992 batch officer of the Indian Administrative Service of Andhra Pradesh cadre. Mr. S.S. Rawat has held several leadership roles during his illustrious administrative career spanning three decades, covering vast field experience, coupled with policy making and implementation responsibilities by serving as Secretary to Government through various important portfolios. Presently, he is serving as Special Chief Secretary to Government, Finance Department. Previously he has led important departments such as Industries, Social Welfare, Rural Development. Mr. S.S. Rawat has also served in the Chief Minister's Office as Special Secretary to Chief Minister. His rich administrative experience also includes working as VC&MD of Civil Supplies Corporation, and as director on the boards of several public sector undertakings. He was District Collector and District Magistrate of Chittoor district and the Joint Collector Nellore district.

As Special Chief Secretary, Finance Department, Mr. S.S. Rawat has been instrumental in wide scale adoption of information technology solutions in public finance management in order to enhance transparency and credibility of governance.

Dr. K.V.V Satyanarayana, IRAS : Managing Director

Dr. K.V.V Satyanarayana, IRAS, is the Managing Director of APPFCL since September 2019. He is also the Secretary Budget & Institutional Finance for the State of Andhra Pradesh and the Secretary Expenditure for certain departments since June 2017. He is one of the Board of Directors in various companies like APGENCO, APTRANSCO, APSPDCL, APIIC, APMDC etc., four Regional Rural Banks and several universities.

A Doctorate in Genetics from IARI, started his career in September 1997 as a Scientist (IARS) and played crucial role in exploration and preservation of wild and endangered plant species germplasm during his one year service in Indian Council of Agricultural Research (ICAR). Subsequently, he joined Indian Railway Accounts Service (IRAS) in September 1998 and served Indian Railways in various capacities for about 19 years. He is working in the Government of Andhra Pradesh on deputation since June 2017.

During the last two and half decades he handled diverse roles in Public Finance Management, Human Resource Management and Project Management etc. Through his extensive experience in resource mobilisation & financial closure, massive public procurements, project appraisal and contract management techniques with special focus on innovations, automation, expenditure optimization, revenue augmentation, systems review & audit, right sizing of manpower and modernisation etc., contributed for providing citizen centric premium quality public services. He also served as a resource faculty on these subjects.

His wealth of knowledge accumulated through trainings at various prestigious institutions like LBSNAA, NIFM, NAIR, NAARM, Harvard Kennedy School, Cambridge; INSEAD, Singapore; ICLIF, Kualalumpur, Beijing Jiaotang University, China; European Business School, London; European Business School, Paris and "Advanced Management Programme on Public Policy" from Indian School of Business (ISB) etc., helped in framing and implementing various policies in Public Finance Management.

His exceptional excellence in academic and professional life enriched with hard work, integrity with notable team work achievements resulted in receiving several accolades and awards including National Award for Outstanding Service.





Dr. N. Srikanth, IAS : Director

Srikant Nagulapalli has been the Chairman and Managing Director of APTransco since June 2019 and Secretary to Government of Andhra Pradesh (heading Energy department). APTransco, a state owned undertaking, operates the state transmission utility for the entire state supplying electricity to about 50 million consumers.

Srikant Nagulapalli looks back on a long career in government, local government and state owned undertakings. For 21 years, he handled diverse roles in the state such as Secretary to Government (Political) General Administration Department, Secretary to Government Tourism Culture and Language Department, Commissioner Visakhapatnam City, CEO Aarogyasri Healthcare Trust, Commissioner Capital Region Development Authority, Project Officer Integrated Tribal Development Agency, and District Collector.

Shri B. Sreedhar, IAS : Director

B. Sreedhar was appointed the Director on the board with effect from July 21, 2019.

He has a Bachelor's and Master's Degree in Engineering (Electronics and Telecommunications) and worked in ITS Department of Telecommunication, Government of India for six years from 1988 to 1994. Later joined in state service Government of Andhra Pradesh and worked as RDO, PD DRDA, CEO – ZP in various districts. During this he had rich experience in Revenue Administration, Rural Development and contributed a lot for weaker sections and women SHGs. After elevation to IAS he served as Joint Collector, Commissioner GVMC, Vice Chairman – VUDA. He successfully completed his tenure as District Collector in Nellore and Rangareddy Districts. After state bifurcation he worked as Secretary (IT), MD – APIIC, Secretary (Mines) and introduced many reforms for transparency in Administration. For the last three years he is successfully managing the APGENCO with lot of challenges in Power Sector.

Smt. S. Nagalakshmi, IAS : Director

She was appointed as a Director on the board with effect from 28th August 2019. She has a Bachelors degree in Engineering (Electrical & Electronics) from Birla Institute of Technology & Science (BITS), Pilani. She belongs to the 2012 batch of the Indian Administrative Service (IAS).

She has experience in Revenue, Land Administration, Municipal Administration, Urban Development and Energy Sector. She has worked as Sub-Collector & SDM Vijayawada, Municipal Commissioner, Guntur, Joint Collector & ADM, Prakasam. She has also worked as Chairperson & Managing Director (CMD) of APEPDCL and is currently serving as Collector & District Magistrate, Ananthapuramu.



Shri V.N Babu, CMA & CS : Director

Sri V.N. BABU is Professionally Qualified, Cost Accountant and Company Secretary and having membership with the following Institutes.

- i) Institute of Cost Management Accountant (ICMA) of India.
- ii) Institute of Company Secretaries of India
- iii) Chartered Institute of Public Finance and Accountancy (UK).

Sri V.N. Babu has started his carrier with GAIL (India) Ltd, a Central PSU under the Ministry of Petrol and Natural Gas, Government of India. During the tenure in GAIL he worked in various capacities in Financial Accounts Division from 1991 to 2008.

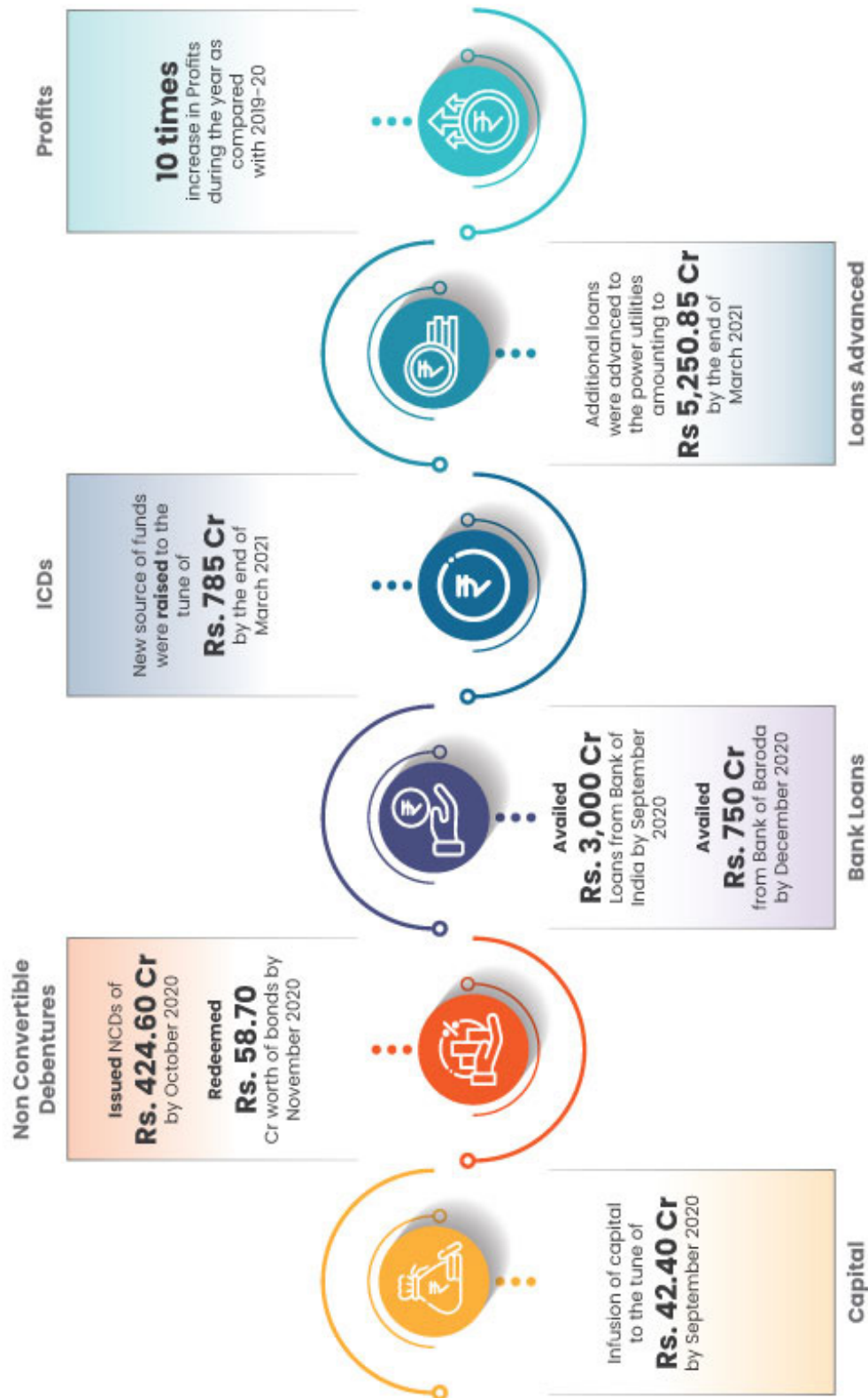
Subsequently, he joined in HLL Life care Limited, a CPSU under Ministry of Health & Family Welfare, Government of India. During his tenure in HLL worked as Vice – President / Project Finance, CFO of HLL Biotech Limited from 2008 to 2012.

Then he joined NLC India Limited (Formerly Neyveli Lignite Corporation Limited), a CPSU under Ministry of Coal, Government of India. During his tenure in NLC he worked as CFO of NLC Tamilnadu Power Limited, and also as GM / CGM & Executive Director (Finance) in NLC India Limited.

Presently he is working as Director (Finance) / CFO in APSPDCL since 11.05.2020.



Key Events



About the Company

Preface:

Andhra Pradesh Power Finance Corporation limited (APPFCL) was established as a Government Company vide G.O.Ms. No. 54 Energy (Power-III) dated 19-05-2000 under the Companies Act, 1956 (CIN: U40109AP2000SGC107482) and commenced business on 13th July, 2000 with 100% ownership by the Government of Andhra Pradesh. APPFCL is also registered with Reserve Bank of India (RBI) as Non-Banking Finance Company (NBFC) – NDSI (Non-Deposit Taking Systematically Important) Company with effect from 25th August, 2000.

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

As at 31st March, 2021, The Company has an Authorised Share Capital of Rs. 30,00,00,00,000 (Rupees Three Thousand Crores) and Paid up Share Capital of Rs. 3,48,37,40,100 (Rupees Three Forty-Eight Crores Thirty Seven Lakhs Forty Thousand and Hundred)

Major Developments in the FY 2020-21

- **Inter Corporate Deposits:** With a view to assist in building the infrastructure facilities for the power sector in the State of Andhra Pradesh, it was decided by the Board of APPFCL to accept the surplus and temporary funds of other Government Companies in the form of “Inter Corporate Deposits” in addition to the term loans availed from banks and issuance of NCDs. The management of the Company has decided to offer ICD's with a minimum deposit of Rs. 1,00,000/-, minimum tenor of 1 year and maximum tenor

of 10 years and above. Interest rates offered by APPFCL are more than the rates offered by the nationalised banks and it varies anywhere from 4.5% to 8.2% based on the tenor.

During the financial year under review, the Company raised funds through issue of Non-Convertible Debentures in the first half of the financial year and accepted Inter Corporate Deposits in addition to new term loans availed from banks in the second half of the financial year.

- **Asset under Management (AUM):** The Assets under Management represents the loans and advances given to Power Generating Companies and Power Distribution Companies owned by Govt. of Andhra Pradesh in order to cater their financial need in infrastructure and working capital requirements. The Assets under Management (AUM) of the Company increased by around 1.4 times in the year 2020-21. The AUM as on March 31, 2020 was Rs. 11,052 Crores and has seen a growth to Rs. 16,303 Crores as on 31st March, 2021. The Company has recorded a growth of Rs. 5,250 Crores in the AUM.
- **Loan Book:** The loan book of the Company has increased by 1.4 times in the FY 2020-21 as compared to FY 2019-20. The loan books are represented by debt securities, bank loans and ICDs. The debt securities have increased by 1.06 times. (The ISIN wise details are provided in the separate head on page 23 under “Issue of Debentures”) The Company has availed new term loans from Bank of Baroda amounting to Rs. 750 Cr and from Bank of India to the tune of Rs. 3000 Cr. The Company has accepted Inter Corporate Deposits amounting to Rs. 785 Cr and thereby increasing the loan books of the Company during the year under review.
- **Income:** The total Income of the Company has nearly doubled in the year 2020-21 over 2019-20 i.e., approx twice the income earned during the previous financial year. The main reason stems from the fact that there has been a significant growth in the AUM. The major



source of income is from the interest collected on loans provided to the Customers, which has grown from Rs. 687.63 Cr in the FY 2019-20 to Rs. 1276.93 Cr in the FY 2020-21. Receipts from Govt of Andhra Pradesh are for meeting the interest and instalment repayments of Debentures/Bonds issued by the Company prior to bifurcation of the state of Andhra Pradesh. The amount received was utilized accordingly. The Company also earned a meagre amount of interest on bank deposits where the surplus funds were invested.

- **Profits:** The Company has recorded a growth in Net Profit exceeding 10 times during the financial year 2020-21 as compared to FY 2019-20 i.e., Rs. 36.18 Cr after providing for Standard Assets and Taxation amounting to Rs. 65.21 Cr and Rs. 25.56 Cr respectively from the total Gross Profit of Rs. 126.95 Cr as against the Net Profit of Rs. 3.41 Cr during the financial year 2019-20 after providing for tax Rs. 1.27 Cr from Gross Profit of Rs. 4.68 Cr.

The Company has created Provision on Standard Assets at 0.4% as per RBI Master Circular vide DBOD.No.BP.BC.9/21.04.048/2014-15 in the Financial Year 2020-21. In the Previous Financial Year, the Company had not made such a provision, as the profits were not sufficient to create the provision. In this regard, the Company had sought permission from the RBI to exempt from creation of Provision on Standard Assets for the FY 2019-20.

- **Policies:** In line with the Company's objective towards increasing stakeholder's value, the Company has framed various policies during the financial year under review. The policies are subject to scrutiny and revision every year upon the valuable inputs provided by the management based on the receipt of a report from the office of Reserve Bank of India (RBI). The policies as listed below were approved in the 173rd Board Meeting of APPFCL held on 21st day of October, 2021. The ALM Policy which was approved in the 167th Board Meeting held on 7th day of September, 2020 which was subsequently revised and approved in the 173rd Board Meeting of the Company.

» **Risk Management Policy:** The Risk Management Policy was drafted as per RBI Master Guidance and Circular DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016. Risk Management Policy has been prepared in a way that the framework/clauses of the policy would attempt to identify the key events / risks impacting the objectives of the Company and also an attempt to implement relevant risk policies and strategies to ensure timely evaluation, reporting and monitoring of key business risks.

» **Asset Liability Management Policy (ALM):** The ALM policy was drafted as per RBI Master Guidance and Circular DBOD No. BP. BC. 94/ 21. 04. 098/ 98. Asset and liability management (ALM) is a practice to mitigate financial risks resulting from a mismatch of assets and liabilities by strategically matching assets and liabilities. This helps the Company to achieve greater efficiency and profitability while also reducing the unseen risks and concerns that the Company may face at any time. Some of the most common risks faced by APPFCL and addressed by ALM are interest rate risk and liquidity risk.

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



- » **Grievance Redressal Policy:** The Grievance Redressal Policy was drafted as per RBI Master Guidance and Circular DBOD. No. Leg BC.81/09.07.005/2007-08. The purpose of the policy is to ensure “zero complaints” against the Company with regard to non-payment or delay in interest/principal payments

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

- **Fair Practices Code:** The Fair Practices Code was drafted as per RBI Master Guidance and Circular DNBR (PD) CC.No.054/03.10.119/2015-16. The Board approved the policy in its 173rd Meeting held on 21st day of October, 2021. It is to be noted that the main business activity of the Company and being an NBFC is to extend loans and in the process of attracting more number of borrowers, there could be instances where the Company may resort to practices that gives undue advantage and can infringe on the benefits of the borrower. In order to protect the rights of the borrowers, present or future and to provide transparency and clarity to the borrowers with regard to the transactions carried out with the Company, the “Fair Practices Code” policy was drafted and approved by the Management of the Company.

Credit Rating:

The ratings for the Bonds issued (details as provided earlier) by APPFCL are provided by CRISIL Limited and ICRA Limited. The ratings for the Bank term loans of the Company are provided by Brickwork Ratings India Private Limited.

During the year under review, the Rating Agencies reaffirmed/issued ratings to the Company as under:

Name of the Credit Rating Agency	Amount (in Crores)	Rating
CRISIL LTD	3,862.9	CRISIL D (REAFFIRMED)
ICRA LIMITED	4,053.3	ICRA D (REAFFIRMED)
BRICKWORK RATINGS INDIA PVT. LTD.	9,741.33	BWR A (CE) STABLE

Brickwork – Rating Agency

Brickwork has carried out ‘Mid Term Review’ on the company and has given their rating. The ratings are valid for 12 months from the date of Mid Term Review i.e., on 27th October, 2021.

Brickwork has given ratings for the following Bank Loans:

Sl. No.	Name of the Bank/Lender	Type of Facilities	Long Term (Rs.Crs)	Short Term (Rs. Crs)	Total (Rs.Crs)
01	State Bank of India	Term Loan	1,500	-	1,500
02	Union Bank of India (Andhra Bank)	Term Loan	1,500	-	1,500
03	Canara Bank	Term Loan	2,000	-	2,000
04	Bank of India	Term Loan	3,000	-	3,000
05	Bank of Baroda	Term Loan	750	-	750
06	Indian Overseas Bank	Term Loan	500	-	500
TOTAL SANCTIONED					9250
TOTAL PROPOSED					491.33
TOTAL AMOUNT RATED					9741.33



ICRA – Rating Agency

ICRA Limited (formerly Investment Information and Credit Rating Agency of India Limited) was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency. Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange.

ICRA had given “A (SO)” rating which indicates “Adequate Credit Quality” and “SO” indicates Structured Obligations, to APPFCL Debentures issued prior to the bifurcation of the State of Andhra Pradesh in June 2014, at the time where APPFCL’s only activity was to issue debentures. It was in the Financial Year 2019-20 that APPFCL expanded its operations to include “Loan-Based Funding” apart from “Bifurcated Bond Servicing”. For the year 2019-20 and 2020-21, ICRA had rated APPFCL under “D” rating. And also the FY 2021-22, ICRA had rated APPFCL under “D” rating, yet it is to be noted that APPFCL has been servicing the Principal and the Interest amount on or before the due date. However, for the delay in the month of January 2022, APPFCL has been categorised under “D” rating. The ICRA ratings and the corresponding reason/rational are given below:

ICRA for the purpose of the rating action of APPFCL’s bond programme has factored the dispute between Telangana State Power Finance Corporation (TSPFC) and APPFCL regarding the distribution of assets and liabilities, following the bifurcation of the erstwhile state of Andhra Pradesh (AP) in June 2014. APPFCL and TSPFC have been jointly servicing these bonds till now based on their current bifurcation of the liabilities between the two entities. The delay in the month of January 2022, owes to the receipt of TS’s share subsequent to the due date by which the said payments has to be made by APPFCL.

Following table depicts the debenture rated by ICRA:

ICRA						
ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE847E08DQ3	NCD programme	Nov 09, 2012	9.75%	Nov 09, 2022	1,787.60	[ICRA]D

CRISIL – Rating Agency

CRISIL is a leading, agile and innovative global analytics Ccompany driven by its mission of making markets function better.

CRISIL had rated “A (SO)/Stable” which indicates “Adequate Credit Quality” and “SO” indicates Structured Obligations to APPFCL Debentures issued prior to the bifurcation of the state of Andhra Pradesh until the financial year 2015-16. For the years thereafter until the current financial year, CRISIL has rated APPFCL under “CRISIL D (Reaffirmed)” for the outstanding bonds.

In the CRISIL report, it was stated that the rating continues to reflect the delays in interest payments on listed bonds. However, for the financial year 2020-21, APPFCL has been making timely payments to the investors, there have been delays by the Telangana State in releasing the funds to APPFCL.

The CRISIL ratings and the corresponding reason/rational are given below:



CRISIL						
ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs. In Crore)	Rating
INE847E08CY9	Bond Series I/2005	30-Mar-05	8.15%	29-Mar-20	597.2	CRISIL D
INE847E08CZ6	Bond Series I/2005	04-Apr-05		03-Apr-20		CRISIL D
INE847E08DP5	Bond Series II/2012	18-Jul-12	9.75%	18-Jun-22	1000	CRISIL D

There are bonds of APPFCL rated by both ICRA and CRISIL Rating Agency. The following table depicts the bonds rated by both ICRA and CRISIL:

ICRA & CRISIL						
ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE847E09011	NCD programme	Nov 15, 2010	8.49%	Nov 15, 2020	42	D
INE847E09029	NCD programme	Nov 15, 2010	8.74%	Nov 15, 2022	1,011.30	D
INE847E08DK6	NCD programme	Dec 15, 2011	9.60%	Dec 15, 2023	149.2	D
INE847E08DJ8	NCD programme	Dec 15, 2011	9.10%	Dec 15, 2021	5	D
INE847E08DM2	NCD programme	Jan 30, 2012	9.97%	Jan 30, 2024	586.9	D
INE847E08DL4	NCD programme	Jan 30, 2012	9.85%	Jan 30, 2022	157.2	D
INE847E08D08	NCD programme	Jun 08, 2012	9.64%	Jun 08, 2024	249.4	D
INE847E08DN0	NCD programme	Jun 08, 2012	9.50%	Jun 08, 2022	64.7	D

Issue Of Debentures

Andhra Pradesh Power Finance Corporation Limited (APPFCL), prior to the “Demerger” or “Reconstitution of the state of A.P” had issued Debentures and the same were listed on the Stock Exchange. Consequent to the reorganization of the state of Andhra Pradesh, both successor states have agreed to pay the Principal & Interest amounts, in the ratio as per G.O Ms.No.28 i.e., 59.54% (TS): 40.46% (AP).

It is to be noted that both the state of Andhra Pradesh and Telangana have been adhering to the payments as per the Expert Committee Recommendations. Such payments are being made by the bifurcated states for a period of 8 years and the uncertainty as referred to by the Rating agencies connotes only for those bonds which are due for maturity over a period of next 2 years.

It is pertinent to note that Rs.3863.6 Cr bonds are maturing in the financial year 2022-23 & the remaining Rs.985.5 Cr bonds will mature in 2023-24. APPFCL's liability is only 40.46% of the total liability of Rs.4849 Cr.



The outstanding amount of listed debentures issued prior to the bifurcation of the State of Andhra Pradesh was Rs. 1,986.40 Cr. In April 2019, Government of Andhra Pradesh raised debentures amounting to Rs. 4000 Cr at an interest rate of 10.32% which were prematurely redeemed. The Company re-issued unsecured, un-rated, unlisted, redeemable, taxable Non-Convertible Debentures supported by unconditional & irrevocable guarantee by the Government of Andhra Pradesh at an interest rate of 8.2%, amounting to Rs. 4,424.60 Cr with the improved performance of the Company.

The following table depicts the outstanding debentures as on March 31, 2021:

							(Rs. In Crores)	
Series	YEAR	LOAN AMOUNT	Allotment dates	TENURE	REPAYMENT DATE & YEAR	PRINCIPAL Outstanding	RATE OF INTEREST	
1/2010*	2010	410.00	15.11.2010	12	15.11.2022	368.30	8.74	
	TOTAL	427.00				368.30		
1/2011*	2011	2.10	15.12.2011	10	15.12.2021	2.10	9.1	
		60.00	15.12.2011	12	15.12.2023	60.00	9.6	
	TOTAL	62.10				62.10		
2/2011*	2011	63.60	30.01.2012	10	30.01.2022	63.50	9.85	
		237.50	30.01.2012	12	30.01.2024	237.50	9.97	
	TOTAL	301.10				301.00		
1/2012*	2012	26.30	08.06.2012	10	08.06.2022	26.30	9.5	
		100.80	08.06.2012	12	08.06.2024	100.80	9.64	
	TOTAL	127.10				127.10		
2/2012*	2012	404.60	18.07.2012	10	18.07.2022	404.60	9.75	
	TOTAL	404.60				404.60		
3/2012*	2012	723.30	09.11.2012	10	09.11.2022	723.30	9.75	
	TOTAL	723.3				723.3		
FY 2020-21 Outstanding Bifurcated Bonds						1986.40		
1/2019*	2019	4000.00	23.04.2019	10	23.04.2029	0.00	10.32	
1/2020	2020	1789.70	20.04.2020	10	20.04.2030	1789.70	8.2	
2/2020	2020	2000.00	29.07.2020	8	29.07.2028	2000.00	8.2	
3/2020	2020	251.90	12.08.2020	8	12.05.2028	251.90	8.2	
4/2020	2020	383.00	18.11.2020	8	18.11.2028	383.00	7.5	
GRAND TOTAL		10710.90				4424.60		
OUTSTANDING APPFCL BONDS 2020-21						6411.00		

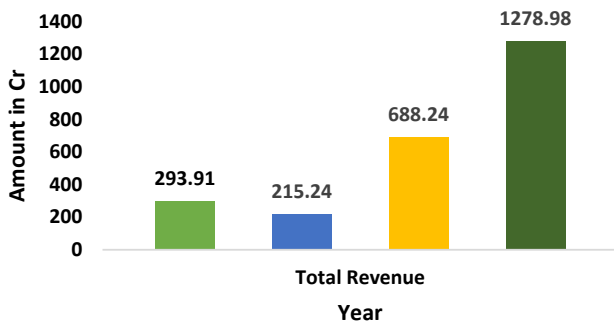
The Company adheres to the applicable compliances and the necessary filings are carried out at regular intervals of time with SEBI.



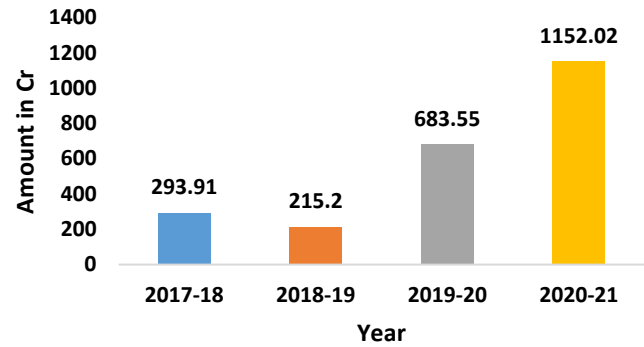


Performance at a Glance

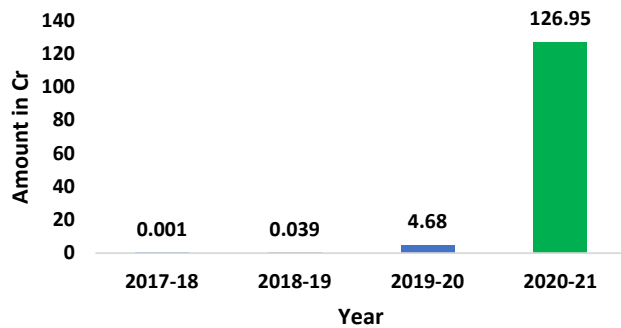
Total Revenue



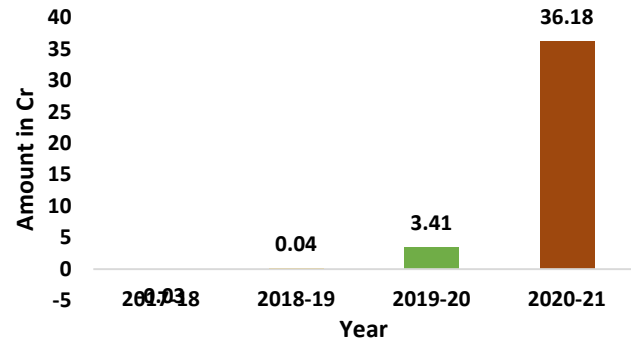
Total Expense



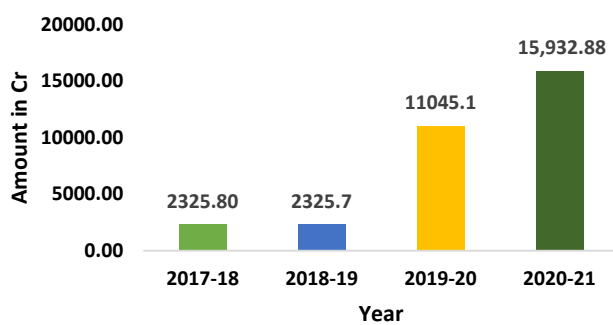
Profit Before Tax



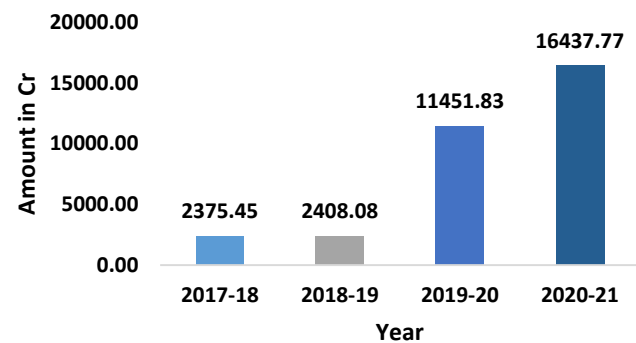
Profit After Tax



Loan Book



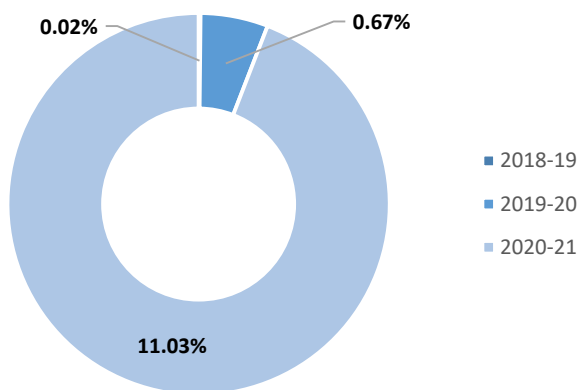
Asset Under Management



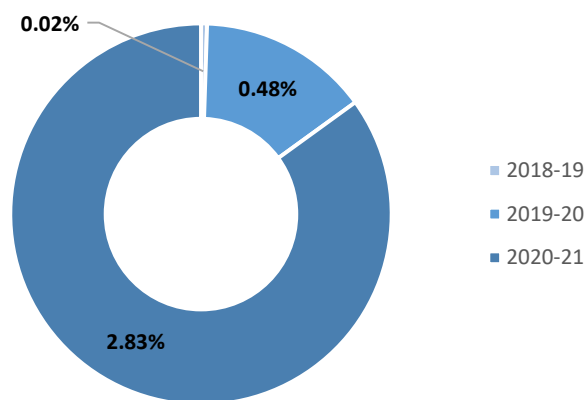


Key Financial Ratios

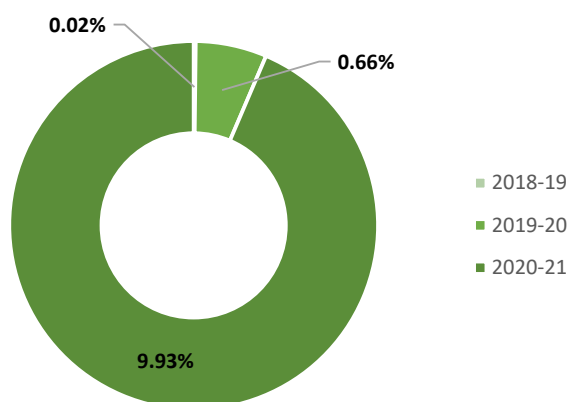
Interest Coverage Ratio



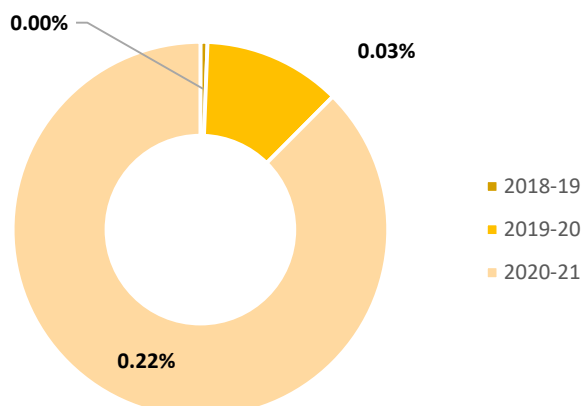
Net Profit Margin



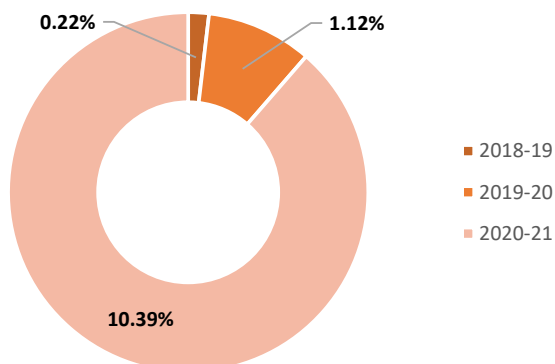
Gross Profit Margin



Return on Assets (ROA)



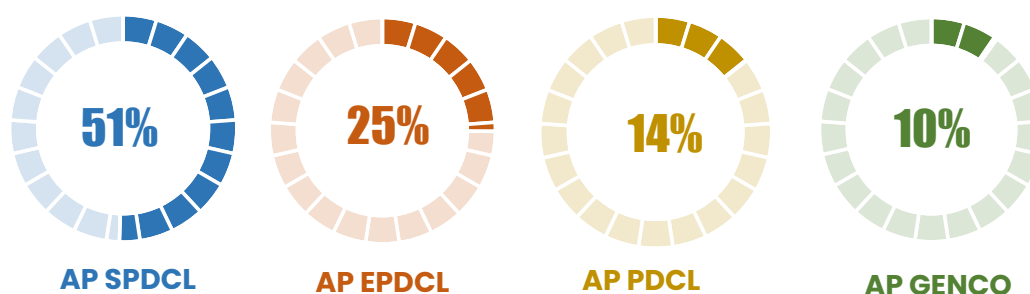
Return on Equity (ROE)



Key Performance Indicators

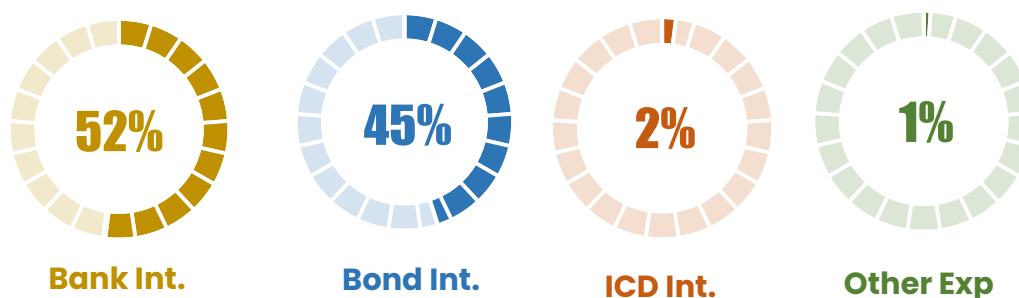
Income/Revenue for the FY 2020-21

Your Company has earned Total Revenue of Rs. 1,278 Cr during the Financial Year 2020-21. Out of the total amount of Rs. 1,278 Cr, your Company has earned an income of Rs. 445 Cr from APSPDCL, Rs. 220 Cr from APEPDCL, Rs. 34 Cr from APPDCL, Rs. 45 Cr from APGENCO and Rs. 532 Cr from the Government of Andhra Pradesh. The split up of revenue earned by your Company from Companies in Power Sector, represented as percentage (%) is given in the graph below



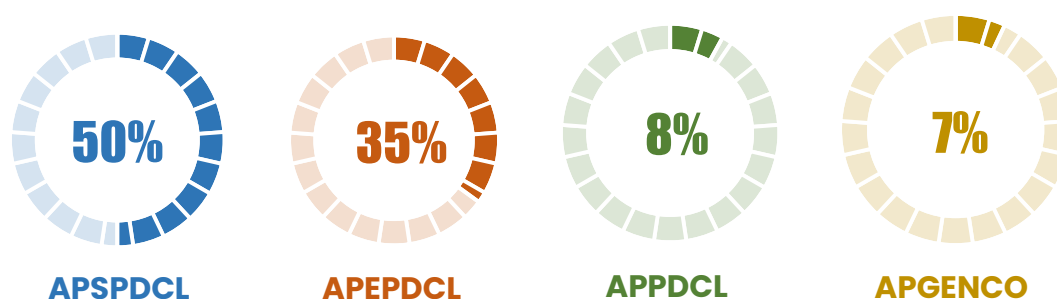
Expenses for the FY 2020-21

Your Company has incurred an Expense of Rs. 1,152 Cr during the Financial Year 2020-21. Out of the total amount of Rs. 1,152 Cr, Finance Cost constituted 99% of the total expenses and the Other Expenses constituted only 1% of the total expenses. Finance Cost includes Interest paid on Debentures, ICD holders and Bank Term Loans. Interest paid to Debenture holders amounted to Rs. 522 Cr, Rs. 20 Cr to ICD holders and Rs. 608 Cr towards Bank interests.. The split up of the expenses incurred by your Company, represented as percentage (%) is given in the graph below



Loans & Advances for the FY 2020-21

The Assets Under Management of your Company is represented by the Loans advanced to the Power utility Companies. Your Company has advanced Rs. 6,195 Cr to APSPDCL, Rs. 3,100 Cr to APEPDCL, Rs. 412 Cr to APGENCO, Re. 610 Cr to APPDCL and Rs. 5986.40 to SPDCL & EPDCL before the bifurcation of the State of Andhra Pradesh. The loans & advances given to the Companies in Power Sector as represented in percentage (%) are given in the graph below



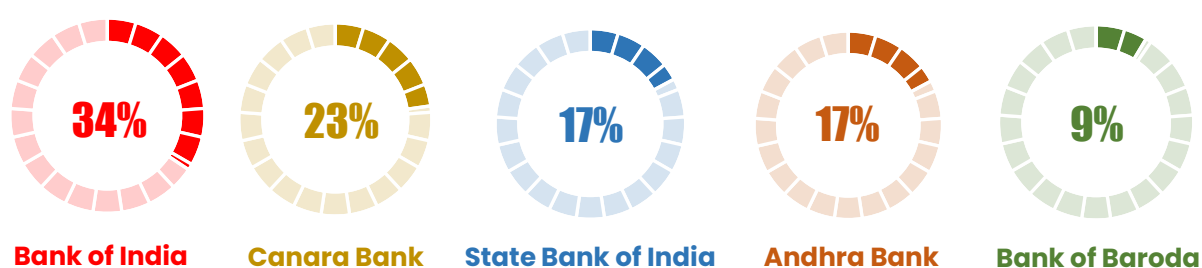


Outstanding Debt Securities for the FY 2020-21

The Debentures issued by your Company consists of Listed and Unlisted Non-Convertible Debentures issued prior and subsequent to the bifurcation of the State of Andhra Pradesh. The list of Debentures with their ISIN and closing balances are given in page no. 23.

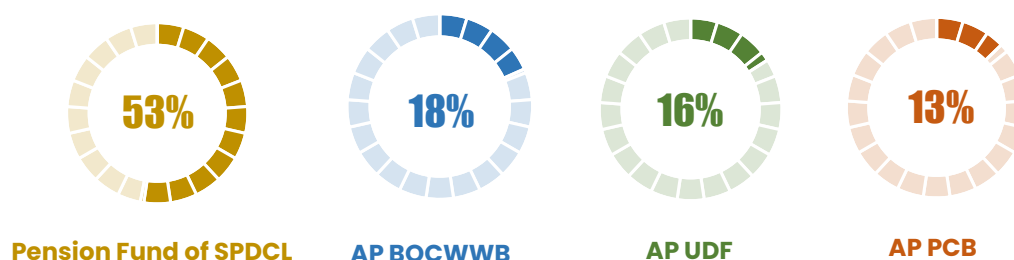
Term Loans from Banks for the FY 2020-21

Your Company has availed new term loans from Bank of India amounting to Rs. 3,000 Cr and Bank of Baroda amounting to Rs. 750 Cr during the year under review. In the Financial Year 2019-20, your Company has availed Rs. 1,500 Cr loan from State Bank of India, Rs. 1,500 Cr loan from Union Bank of India and Rs. 2,000 Cr from Canara Bank. The total outstanding loans as at 31st March 2021 as a percentage (%) is represented in the graph below



Inter Corporate Deposits (ICDs) for the FY 2020-21

Your Company has accepted Rs. 785 Cr during the Financial Year 2020-21. The ICDs accepted from AP Building and Other Construction Workers Rs. 144 Cr, from AP Pollution Control Board Rs. 100 Cr, from AP SPDCL & Trust Rs. 416 Cr and from AP Urban Development Fund Rs. 125 Cr. The ICDs accepted by the Company as represented in percentage (%) are given in the graph below



Financial Parameters

Particulars	Rs In (Crores)			
	As on 31.03.2021 (As per Ind AS)	As on 31.03.2020 (As per Ind AS)	As on 31.03.2019 (As per Ind AS)	As on 31.03.2018 (As per Ind AS)
ASSETS				
Financial Assets				
Cash and cash equivalents	-	-	0.00	0.00
Bank Balance other than above	31.36	256.00	30.76	2.09
Derivative financial instruments	-	-	-	-
Receivables				
(I) Trade Receivables	149.53	142.99	51.48	47.43
(II) Other Receivables	-	0.13	-	-
Loans	16,238.23	11,052.60	2,325.70	2,325.80
Non-financial Assets				
Inventories	-	-	-	-
Current tax assets (Net)	18.65	0.13	0.15	0.13
Deferred tax Assets (Net)	-	-	0.00	-
Property, Plant and Equipment	0.00	0.00	0.00	0.00
Total Assets	16,437.77	11,451.84	2,408.09	2,375.45
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
Payables				
(I) Trade Payables	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	95.70	65.10	32.70
Debt Securities	6,411.00	6,045.10	2,325.70	2,325.80
Borrowings (Other than Debt Securities)	9,521.88	5,000.00	-	-
Non-Financial Liabilities				
Current tax liabilities (Net)	26.04	1.27	0.01	-
Provisions	-	0.04	0.03	0.02
Deferred tax liabilities (Net)	0.02	-	-	-
Other non-financial liabilities (to be specified)	90.86	0.33	0.32	-
EQUITY				
Equity Share capital	348.37	305.97	16.91	16.91
Other Equity	39.60	3.43	0.01	0.02
Total Liabilities and Equity	16,437.77	11,451.84	2,408.09	2,375.45





Forms & Reports

Section 2



Notice

Shorter Notice is hereby given that the 21st Annual General Meeting (AGM) of the Members of Andhra Pradesh Power Finance Corporation Limited will be held on Wednesday, the 16th day of March, 2022 at 12 PM in the PFS Chambers, 01st floor, Block-2, A.P. Secretariat, Velagapudi, to transact the following business.

ORDINARY BUSINESS:

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTIONS AS ORDINARY RESOLUTION

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2021, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date of the Company together with Directors Report, Statutory Auditors Report, Secretarial Auditors Report and Comments of Comptroller and Auditor General of India and adoption of the following resolution as an Ordinary Resolution.

“RESOLVED THAT the members of the Company be and hereby approve the Audited Balance Sheet of the Company as on 31st March, 2021, the Statement of Profit & Loss and Cash flow statement for the year ended as on that date together with the Directors' Report, the Auditors' Report, the Secretarial Audit Report and Comments of the Comptroller and Auditor General of India for the F.Y. 2020 - 2021.”

2. To take note of appointment of Seshachalam & Co., Chartered Accountants Hyderabad as Statutory Auditors of the Company for the financial year 2021-22, as appointed by the Comptroller & Auditor General of India and to fix remuneration thereof.

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, the members of the Company consent for the appointment of M/S Seshachalam & Co., Chartered Accountants, Hyderabad as the Statutory Auditor of the Company from the conclusion of this AGM till the conclusion of next AGM (for the financial year 2021-22) and as appointed by the Comptroller and Auditor General at a remuneration of Rs. 75,000/- plus GST as applicable, in addition to actual reasonable out of pocket expenses.”

SPECIAL BUSINESS:

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTIONS AS SPECIAL RESOLUTION

3. Enhancement of Borrowing Powers of the Board from Rs. 15,000 Cr to Rs. 25,000 Cr:

“RESOLVED THAT pursuant to the provisions under section 180(1)(C) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 the approval of the members of the company be and are hereby accorded to borrow money, from time to time, at their discretion either from the company's bank or any other Bank, Financial Institutions or any other lending Institutions or persons on such terms and conditions as may be considered suitable for the purposes of the business of the company shall not exceed the sum of Rs. 25,000 Crores (Rupees Twenty-Five Thousand Crores Only) at any time.”





“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things as may be required for giving effect to this Resolution.”

By Order of the Board
Andhra Pradesh Power Finance Corporation Limited

Place: Vijayawada
Date: 16/03/2022

Sd/-
Chairman
APPFCL, Vijayawada

Notes:

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



Explanatory Statement Pursuant to Section 102 of Companies Act, 2013

Item no. 3

Enhancement of Borrowing Powers of the Board from Rs. 15,000 Cr to Rs. 25,000 Cr

i. Background:

The main object of the company is to mobilize funds with competitive interest rates by issuing medium to long term (10 to 20 years) Bonds and availing Loans from Scheduled Commercial Banks and Inter Corporate Deposits from other Government Corporations for onward lending to Power Generating Companies and Power Distribution companies owned by the Govt. of AP to finance their infrastructure and working capital needs.

Notwithstanding anything contained in the objects of the company and pursuant to the provisions of the Companies Act, 2013, approval was sought in the Extra Ordinary General Meeting held on 08th September, 2003 by the Board to borrow funds from the Banks or financial institutions up to Rs. 10,000 Crores (Ten Thousand Crores).

Subsequently, pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, approval was sought in the 18th Annual General Meeting and 157th Board Meeting, both the meetings were held on 27th November, 2018, to enhance the borrowing limits of the Board to Rs. 15,000 Crores (Rupees Fifteen Thousand Crores) from Rs. 10,000 Crores (Rupees Ten Thousand Crores).

ii. Proposal Statement in the 173rd Board Meeting held on 21st October, 2021:

Outline	To enhance the Borrowing Powers of the Board from Rs. 15,000 Crores to Rs. 25,000 Crores
Purpose	Secretarial Compliance
Time	With immediate effect
Cost	Nil

The Board has given its consent to increase the Borrowing powers of the Company to Rs. 25,000 Cr.

iii. Justification:

APPFCL, as on 31st December, 2021, has expanded its operations by availing loans from the Scheduled Commercial Banks (SCBs) and also by raising ICDs and Bonds. In the recent past Rs. 10,000 Cr were borrowed from SCBs and Rs. 1,871 Cr ICDs were raised from various corporations of AP. APPFCL also redeemed Rs. 4,000 Cr bonds of high coupon rate of 10.32% and raised fresh bonds of Rs. 4,000 Cr with the coupon rate of 8.2% which resulted in substantial savings to the Govt. of AP which is servicing these bonds.

APPFCL is raising funds from the SCBs, Bonds and through ICDs at the interest rates ranging from 5% to 8.2% and lending to the power utilities at fixed rate of 9%. Increased operations of APPFCL has not only increased its operational profits from mere Rs.13 lakhs in 2018-19 to more than Rs. 126 Cr in 2020-21 but also helped saving power utilities more than Rs. 300 Crore per annum on debt servicing cost.

As the interest rates offered by APPFCL to various power utilities are very competitive and less than the other borrowing alternatives available like PFC and REC of GOI which are lending to the power utilities at more than 10%, all the power utilities of AP are requesting to arrange more funds through APPFCL. This resulted in increased demand for more borrowings by APPFCL. Therefore, APPFCL wants to enhance its borrowing ceiling limits to meet the demand posed by the power utilities of AP.



APPFCL so far (as on 31st December, 2021) raised funds amounting to Rs. 18,215.60 Cr (Rs. 12,332.60 Cr for its operations in the form of Borrowings from SCBs - Rs. 10,000 Cr, ICDs - Rs. 1,908 Cr & Bonds - Rs. 424.60 Cr and Rs. 5883 Cr to Govt. in the form of outstanding Bonds being serviced by Govt.) and lent Rs. 12,689.44 Cr to power utilities and funded Rs. 5,883 Cr to the Govt. Thus, as on December 31, 2021 APPFCL has total assets (AUM) of Rs. 18,712.21 Cr. The details of funds raised and utilized are furnished below:

Sl. No.	Particulars	Amount Raised	Amount utilised
01	Bank Loans	10,000 Cr	SPDCL: 5,955 Cr EPDCL: 3,105 Cr APGENCO: 330 Cr APPDCL: 610 Cr
02	Bonds Issue	424.60 Cr	APGENCO: 82 Cr SPDCL: 242.6 Cr EPDCL: 100 Cr
03	Inter Corporate Deposits	1,908.00 Cr	SPDCL: 1,441.55 Cr EPDCL: 466.45 Cr
	Sub Total Borrowings	Rs. 12,295.6 Cr	Rs. 12,332.6 Cr
04	APPFCL Paid up capital	348.37 Cr	348.37 Cr
05	APPFCL Profits	8.47 Cr	8.47 Cr
	Sub Total	Rs. 356.84 Cr	Rs. 356.84 Cr
06	Deposits	139.77 Cr	With Banks
	Sub Total with Banks	Rs. 139.77 Cr	Rs. 139.77 Cr
07	Bonds issued by united AP	1,983 Cr	Govt. Funding
08	Bonds after Bifurcation	3,900 Cr	Govt. Funding
	Sub Total	Rs. 5,883 Cr	Rs. 5,883 Cr
	GRAND TOTAL	18,712.21 Cr	Rs. 18,712.21 Cr

Member's Approval Sought For

To enhance the Borrowing Powers of the Board from Rs. 15,000 Crores to Rs. 25,000 Crores.



DIRECTORS' REPORT

Dear Members

The Board of Directors is pleased to present the 21st Annual Report of the business and operations of Andhra Pradesh Power Finance Corporation Limited (APPFCL) together with the Audited Financial statements for the year ended 31st March, 2021.

1. STATE OF COMPANY'S AFFAIRS

Andhra Pradesh Power Finance Corporation Limited (APPFCL) is a Government Company established vide G.O.Ms. No. 54 Energy (Power-III) dated 19-05-2000 under the Companies Act, 1956 (CIN:U40109AP2000SGC107482) and commenced the business on 13.7.2000 with 100% ownership by Government of Andhra Pradesh. APPFCL has registered with Reserve Bank of India (RBI) as Non-Banking Finance Company (NBFC) with effect from 25.8.2000.

APPFCL was demerged forming two demerged entities i.e., the demerged APPFCL and the Telangana state power finance corporation limited (TSPFCL) pursuant to the Andhra Pradesh Reorganization Act, 2014. The main objective of APPFCL is raising funds to meet the financing needs of the Power Sector within the territories of the state of Andhra Pradesh.

2. CHANGE IN THE STATE OF COMPANY'S AFFAIRS

There has been no change in the business of the Company during the financial year ended 31st March 2021. However, the management of APPFCL have decided to accept Inter Corporate Deposits from other Government Companies in addition to the term loans availed from banks and issuance of Non-Convertible Debentures to provide for finance needs of the Companies in the power sector within the state of Andhra Pradesh.

3. FINANCIAL RESULTS FOR THE YEAR 2020 – 21

3.1 Standalone Results:

PARTICULARS	2020-2021 (Rs. in Crores)	2019-2020 (Rs. in Crores)
Revenue and Other Income – Receipts from Govt. of A.P	1278.98	688.25
Total Expenses	1152.02	683.55
Profit Before exceptional items	126.96	4.69
Impairment of Financial Asset	(65.21)	-
Profit before Tax	61.75	4.69
Provision for Taxation	25.56	1.27
Profit after Tax	36.18	3.41

3.2 Asset Under Management:

The Company's Assets Under Management (AUM) represents the loans and advances given to Power Generating Companies and Power Distribution companies owned by Govt. of Andhra Pradesh to finance their infrastructure and working capital needs. The Assets under Management (AUM) of the Company increased by around 1.4 times in the year 2020-21 i.e., the AUM as on March 31, 2020 was Rs. 11,052 Crores and as on March 31, 2021 was Rs. 16,303 Crores thereby recording a growth of Rs. 5,250 Crores in the financial year under review.



3.3 Income:

Your Company has earned twofold income in the financial year 2020-21 as compared with that of the financial year 2019-20. During the year under review, the major income was earned as interests received through the loans advanced to the customers which accounts for 58% of the total income and the residual income was received from the Government of Andhra Pradesh which accounts for 42% of the total income. The income received from the Govt. of AP are for meeting interest and instalment commitments of Debentures pertaining to the United State of Andhra Pradesh.

The total Income of the Company has almost doubled in the year 2020-21 over 2019-20. The major source of income is from the interest collected on loans provided to the Customers, which has grown from Rs. 687.63 Cr in the FY 2019-20 to Rs. 1276.93 Cr in the FY 2020-21. Receipts from Govt. are for meeting the interest and instalment repayments of Debentures/Bonds issued by the company prior to bifurcation of the state. The amount received was utilized accordingly. The Company also earned a small amount of interest on bank deposits where the surplus funds were invested with the banks.

3.4 Provision on Standard Assets:

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

4. RESERVES

An amount Rs. 39,60,65,422.00 proposed by the Board has been transferred to Reserves including the reserve fund transferred pursuant to the RBI guidelines.

Particulars	Amount
Securities Reserve	-
Reserve Fund – As per RBI Guidelines	26,07,61,406.00/-
General Reserve	-
Net Surplus (After Transfer to Reserve Fund)	13,53,04,016.00/-
Total	39,60,65,422.00/-

5. SOURCE OF FUNDS

During FY 2020-21, the Company met its funding requirements through a combination of Short Term debt (comprising Inter-Corporate Deposits (“ICDs”) and Long Term debt (comprising Non-Convertible Debentures (“NCDs”) and Bank Loans).

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

Outstanding Debts	Rs. in Crores
Term Loans from Banks	8736.88
Non-Convertible Debentures	6411.00
Inter-Corporate Deposits	785.00
TOTAL	15,932.88



6. DIVIDEND

In order to conserve the resources for further growth of the Company, the Directors on Board of APPFCL do not recommend payment of any Dividend on the Equity Shares for FY 2020-21.

7. CHANGES IN SHARE CAPITAL

During the Financial Year 2020-21, the paid up equity share capital of the Company has increased from Rs. 305,97,40,100 Cr to Rs. 348,37,40,100 Cr, pursuant to allotment of 42,40,000 equity shares of Rs 100 each under Rights issue of the Company with the prior approval of the members in the Extra Ordinary General Meeting held on 11th November 2020.

The Company filed the return of allotment with the Ministry of Corporate Affairs in Form PAS-3 on 4th January 2021 vide SRN R82366246 and the relevant documents are updated in the statutory records of the Company. The same are available for inspection by the members of the Company.

8. CREDIT RATING

The ratings for the Bonds issued by APPFCL are provided by CRISIL Limited and ICRA Limited. The ratings for the Bank term loans of the Company are provided by Brickwork Ratings India Private Limited.

The Reaffirmed / Issued Rating provided by the Rating Agencies for your Company is given in page 20-22 of this report:

9. EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form MGT-9 is annexed herewith as Annexure No. 1 to this report and is placed on the website of the company i.e., www.appfcl.com

10. DEPOSIT

Andhra Pradesh Power Finance Corporation Limited (APPFCL) is registered with RBI as a Non-Banking Financial Company – Non Deposit Taking – Systematically Important (NBFC-ND-SI). The Company has not accepted any public deposits during the year 2020-21.

11. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

The Company has not entered into any transactions with Related Parties in terms of Section 188 of the Companies Act, 2013. Hence, there were no contracts or arrangements required to be entered into by the Company.

12. DIRECTORS

The following are the Directors on Board as on 31st March 2021

1. Sri S.S. Rawat, IAS – Chairman
2. Dr. K V V Satyanarayana, IRAS – Managing Director
3. Dr. N. Srikant, IAS – Director
4. Sri B. Sreedhar, IAS – Director
5. Smt. S. Nagalakshmi, IAS – Director
6. Sri V.N. Babu, CMA & CS – Director



The Directors on Board of your Company are liable for transfers as per the Government Order released from time to time. During the year under review, Sri V.N. Babu, was appointed as the Director of APPFCL vide G.O.RT No. 95 dated 12/11/2020 in lieu of Sri K.V.N Chakradhar Babu, IAS.

13. KEY MANAGERIAL PERSONNEL

During the Financial year, Smt. V. Abhinaya was appointed as the Company Secretary (CS) of the Company with effect from 22nd July 2020 and Sri M. Ramana Reddy was appointed as the Chief Financial Officer (CFO) of the Company with effect from 07th September, 2020.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the following persons are the Key Managerial Personnel of the Company as at 31st March, 2021:

- Sri Dr. K V V Satyanarayana, IRAS Managing Director,
- Smt. V. Abhinaya, Company Secretary and
- Sri M. Ramana Reddy, Chief Financial Officer

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

As per Article No. 31 of the Articles of Association of the Company, the Government of Andhra Pradesh has the right to nominate and appoint Managing Director & other Directors of the Company. Non-executive Directors are paid Sitting fees for attending the Board and Committee meetings and sitting fees are paid pursuant to the applicable provisions of Section 197 of the Companies Act, 2013.

The roles, responsibilities and remuneration for the directors are determined by the Board in consultation with the Government of Andhra Pradesh.

15. MEETINGS OF THE BOARD

The Board of Directors met SEVEN times during the year.

SI	Name of the director	BM No.164 13.04.20	BM No.165 23.04.20	BM No.166 26.06.20	BM No.167 07.09.20	BM No.168 11.11.20	BM No.169 30.12.20	BM No.170 22.02.21
01	Sri S.S. Rawat, IAS	Present	Present	Present	Present	Present	Present	Present
02	Dr. K.V.V. Satyanarayana, IRAS	Present	Present	Present	Present	Present	Present	Present
03	Dr. N. Srikanth, IAS	Present	Present	Present	Present	Present	Present	Present
04	Sri B. Sreedhar, IAS	Present	LoA	LoA	Present	Present	LoA	Present
05	Sri KVN Chakradhara Babu, IAS	Present	Present	Present	Transferred	-	-	-
06	Ms. S. Nagalakshmi, IAS	Present	LoA	LoA	Present	Present	Present	Present
07	Sri V.N. Babu, CMA & CS	-	-	-	Appointed	LoA	Present	Present

Sri KVN Chakradhara Babu, IAS was transferred vide GO. RT. No. 1149 dated 15th July 2020. A Letter seeking appointment under casual vacancy in the board of APPFCL was written to energy on 20th July 2020. Sri V.N. Babu, was appointed as the Director of APPFCL vide G.O.Rt No. 95 dated 12/11/2020.

Sri V.N. Babu was present from the 169th Meeting of the Board of Directors of the Company and has provided his interest in other entities as per format MBP-1.



16. COMMITTEES OF THE BOARD

Audit Committee

The Members of Audit Committee met FOUR times during the year.

1. Sri S.S. Rawat, IAS
2. Dr. N. Srikanth, IAS
3. Sri KVN Chakradhara Babu, IAS
4. Sri B. Sreedhar, IAS
5. Smt. S. Nagalakshmi, IAS

There was a change in the constitution of Audit Committee pursuant to the transfer of Sri. K.V.N Chakradhara Babu, IAS. Smt. S Nagalakshmi, IAS was included as a member in the meeting held on 11th November, 2020.

The Audit Committee met FOUR times during the financial year.

SI	Name of the Member	ACM 1/2020 26.06.20	ACM 2/2020 11.11.20	ACM 3/2020 30.12.20	ACM 4/2020 22.02.21
01	Sri S.S. Rawat, IAS	Present	Present	Present	Present
02	Dr. N. Srikanth, IAS	Present	Present	Present	Present
03	Sri B. Sreedhar, IAS	LoA	Present	LoA	Present
04	Sri KVN Chakradhara Babu, IAS	Present	Transferred	-	-
05	Ms. S. Nagalakshmi, IAS	-	LoA	Present	Present

Dr. KVV Satyanarayana, IRAS, Managing Director was invited to attend the Audit Committee Meeting during the year 2020-21.

Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013, every Company whose

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

is required to spend 2% of the average net profit of the preceding three financial years towards Corporate Social Responsibility, the activities of which are listed under Schedule VII of the Companies Act, 2013.

Your Company has crossed the threshold limits as prescribed under section 135 of the Companies Act, 2013 in the financial year 2020-21.

As the CSR expenses does not exceed Rs. 50 Lakhs, the Board of the Company shall carry out the responsibility of the CSR Committee which is otherwise to be formed for the purpose of carrying out the obligations pursuant to Section 135 of the Companies Act, 2013.

Risk Management Committee (RMC)

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



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

During the year under review, the Risk Management Committee Meeting was not held.

Asset Liability Management Committee (ALCO)

The RBI introduced the Asset- Liability Management (ALM) System, as a part of the Risk Management and control Systems in banks. ALM Policy is aimed at managing the liquidity and interest rate risks. The company majorly depends on borrowings from banks as well ICDs from AP Govt. owned entities for funding its activities. The funds mobilised through these sources at different times have different costs in accordance with movement of interest rates in the market. In the absence of due analysis and proper monitoring of interest rates on borrowings vis a vis loans, it can have adverse impact on the bottom line of the company. It is necessary to address interest rate risk as well, as a part of the Company's risk management.

Further, as per RBI Master Directions & Circular vide DBOD No. BP. BC. 94/ 21. 04. 098/ 98, the Company drafted Asset Liability Management (ALM) Policy and the same was approved in the 167th Board Meeting held on 07th September, 2020. The policy was revised in the 173rd Board Meeting held on 21st October, 2021.

Pursuant to the Policy the ALM Meeting shall be held on a quarterly basis every financial year. During the year under review, the meeting was held in the third and fourth quarter.

The ALM Committee met TWO times during the financial year.

Sl. No.	Name of the Member	ALM 1/2020 30.12.2021	ALM 2/2020 22.02.2021
01	Dr. KVV Satyanarayana, IRAS	Present	Present
02	Smt. V. Abhinaya, Company Secretary	Present	Present
03	Sri M. Ramana Reddy, Chief Financial officer	Present	Present

Sri VN Babu, CMA & CS was appointed as the Member Secretary with effect from 21st October, 2021 and hence was not present in the meetings conducted in the year 2020-21.

Grievance Redressal Committee (GRC)

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

During the year under review, the Grievance Redressal Committee Meeting was not held.

Credit Committee (CC)

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

During the year under review, the Credit Committee Meeting was not held.



17. INTERNAL FINANCIAL CONTROLS

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

18. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

19. DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. In the preparation of the Annual Accounts, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2021 and of the profit /loss of the company for that period;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a 'going concern' basis.
- v. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

20. AUDITORS

M/s EC Associates, Chartered Accountants were appointed as the Statutory Auditors for the financial year 2020-21 by the Comptroller and Auditor General of India vide Letter No./CA.V/COY/ANDHRA PRADESH, APPFIN (1)/1936 dated 13/04/2021.

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

In this regard, the Company has received a certificate from the auditors of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules issued there under.



Comments from C&AG for the FY 2020-21

The Comptroller and Auditor General of India has issued its Comments on the financial statements for the Financial Year 2020 – 21 vide No .Lr.No.PAG(Audit)/AP/AMG -II/TSC(PSUs)/APPFCL/2021-22/203 dated 02.03.2022.

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

Internal Auditors

M/s. Siva Chirumamilla & Associates, Chartered Accountants, Vijayawada was appointed as Internal Auditors of the Company for the Financial Year 2020-21.

Secretarial auditor

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

The Company in its 171st Board Meeting held on 17th June 2021 appointed K. Srinivasa Rao & Co, Company Secretaries as Secretarial Auditor for the Financial Year 2020-21 as per the terms and conditions specified in the Companies Act, 2013.

Observation	Management Reply
The Company is yet to comply with the provisions of Section 149(4) of the Companies Act, 2013 relating to appointment of Independent Director on its Board.	The Company shall comply with the provisions in due course.

21. UNCLAIMED AMOUNT

Pursuant to the provisions of Section 124 of the Companies Act, 2013, the unclaimed amount on NCDs needs to be transferred to the Investor Education and Protection Fund (“IEPF”) after completion of seven years from the date it becomes due for payment. Accordingly, during the year under review, the unclaimed principal and interest amount of the matured debentures amounting to Rs. 2,42,004 was transferred to the IEPF on September 23, 2020.

Pursuant to Section 125 of the Act, any person whose unclaimed amount has been transferred to the IEPF, can claim by making an application to the IEPF authority as provided under the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016.

The debenture holders are requested to claim their unclaimed amount on NCDs which has not been transferred to IEPF Account by contacting the Company or the Registrars.

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

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

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

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



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

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

25. DISCLOSURE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE

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

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

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

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

Acknowledgement

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

Place: Vijayawada
Date: 16/03/2022

Sd/-
Sri S.S. Rawat, IAS
Chairman

Sd/-
Dr. K.V.V. Satyanarayana, IRAS
Managing Director



Annexure - 1 FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN	U40109AP2000SGC107482
ii	Registration Date	12.07.2000
iii	Name of the Company	Andhra Pradesh Power Finance Corporation Limited
iv	Category / Sub-Category of the Company	Public Company / Limited by Shares / State Government Company
v	Address of the Registered office and contact details	# 48-12-16, 2nd Floor, East wing, Vidyut Soudha,, Gunadala Vijayawada, Krishna, Andhra Pradesh, India, 520004
vi	Whether listed company Yes / No	Yes (Bonds are Listed)
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500 032

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product / service	% to total turnover of the company
1	Finance activity	6592	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUB-SIDIARY/ASSOCIATE	% of shares held	Applicable Section
No Holding, Subsidiary and Associate Companies					



IV. SHAREHOLDING PATTERN (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	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt. (s)	0	305,97,401	305,97,401	100	0	348,37,401	348,37,401	100	13.85%
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other.	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	0	305,97,401	305,97,401	100	0	348,37,401	348,37,401	100	13.85%
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A) (2)	0	305,97,401	305,97,401	100	0	348,37,401	348,37,401	100	13.85%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0



h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B) (1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B) (2):-									
Total Public Shareholding (B) = (B)(1) + (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	305,97,401	305,97,401	100	0	348,37,401	348,37,401	100	13.85%

(*) – Pursuant to G.O Ms.No.28, Energy Department, Govt. of A.P dated 30.05.2014

ii. Shareholding of Promoters:

Sl.No.	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	Governor of Andhra Pradesh	305,97,394	100.00	0	348,37,394	100.00	0	(*)
2	Nominees of Governor of Andhra Pradesh (9 nos.)	7	negligible	0	7	negligible		
	Total	305,97,401	100.00	0	348,37,401	100.00	0	0

(*) – Pursuant to G.O Ms.No.28, Energy Department, Govt. of A.P dated 30.05.2014



- iii. Change in Promoters' Shareholding (please specify, if there is no change): NIL
The Company is a State Government company and 100% shareholding is held by the Governor of Andhra Pradesh. There are changes in Nominees of Governor of Andhra Pradesh which will not be considered as change in Promoters.
- iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NIL
- v. Shareholding of Directors and Key Managerial Personnel:
The Company is a State Government company and 100% shareholding is held by Governor of Andhra Pradesh. There are changes in Nominees of Governor of Andhra Pradesh which will not be considered as change in Promoters.

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans (APPFC Bonds)	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5,000.00	6,045.10	-	11,045.10
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	95.69	-	-	95.69
Total (i + ii + iii)	5,095.69	6,045.10	-	11,140.79
Change in Indebtedness during the financial year				
• Addition	4,521.88	424.60	-	4,946.48
• Reduction	-	(58.70)	-	(58.70)
Net Change	4,521.88	365.90	-	4,887.78
Indebtedness at the end of the financial year				
i) Principal Amount	9,521.88	6,411.00	-	15,932.88
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	80.23	-	-	80.23
Total (i + ii + iii)	9,602.11	6,411.00	-	16,013.11

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl No.	Name of the MD/WTD and Manager	Remuneration (Amount in Rs.)						Ceiling as per Act
		Gross salary	Stock option	Sweat Equity	Commission	Others	Total	
1	Dr. K.V.V Satyanarayana, IRAS	3,43,216	Nil	Nil	Nil	Nil	3,43,216	Not Applicable
TOTAL							3,43,216	



B. Remuneration to other directors:

Sl No.	Name of the Director	Remuneration (Amount in Rs.)			Total
		Fee for attending board/committee meetings	Commission	Others	
A. NON EXECUTIVE DIRECTORS					
1	Sri S.S Rawat, IAS	4000	Nil	Nil	4000
2	Dr. N. Srikant, IAS	4000	Nil	Nil	4000
3	Sri B. Sreedhar, IAS	2000	Nil	Nil	2000
4	Sri K.V.N. Chakradhara Babu, IAS	1000	Nil	Nil	1000
5	Ms. S. Nagalakshmi, IAS	2000	Nil	Nil	2000
TOTAL					13,000

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

Sl. No.	Name of KMPs	Amount
01	M. Ramana Reddy, CFO	28,36,943
02	Abhinaya, CS	1,78,687
Total		30,15,630

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)
A. COMPANY					
Penalty					NIL
Punishment					
Compounding					
B. DIRECTORS					
Penalty					NIL
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					NIL
Punishment					
Compounding					

Place: Vijayawada
Date: 16/03/2022

For and on behalf of the Board

Sd/-
(S. S. Rawat, IAS)
Chairman





Annexure – 2

FORM No.. AOC.2

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

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

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

Place: Vijayawada
Date: 16/03/2022

For and on behalf of the Board

Sd/-
(S. S. Rawat, IAS)
Chairman



FORM NO. MR.3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2021

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

To
The Members,
ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED
48-12-16, 2nd Floor, East wing,
Vidyut Soudha, Gunadala
Vijayawada Krishna AP 520004 IN

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, 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 31.03.2021, 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 ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED ("the Company") for the financial year ended on 31.03.2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA');
- iii. The Depositories Act, 1996 and regulations and Bye laws framed thereunder;
- iv. Foreign Exchange Management Act 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992(SEBI 1992):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not Applicable
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; Not Applicable
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable



- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not Applicable
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable, and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable.
- i. The Reserve Bank of India Act, 1934 and regulations framed thereunder for Non-Banking Financial Companies.

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:

- The Company is yet to comply with the provisions of Section 149(4) of the Companies Act, 2013 relating to appointment of Independent Directors on its Board.

I further report that:

Subject to above, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent 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 at least seven days 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.

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.

I further report that during the audit period the company is subject to the provisions of the AP Re-organisation Act, 2014 in relation to bifurcation of assets and liabilities of APPFCL.

Place: Vijayawada

Date: **04/03/2022**

Sd/-

Name: G Srinivasa Rao

ACS No. 42720

CP No. 17949

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,
ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED
48-12-16, 2nd Floor, East wing,
Vidyut Soudha, Gunadala
Vijayawada Krishna AP 520004 IN

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.

For Srinivasa Rao & Co.

Place: Vijayawada
Date: 04/03/2022

Sd/-
Name: G Srinivasa Rao
ACS No. 42720
CP No. 17949



Annexure to Board's Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of your Company is pleased to present the Management Discussion and Analysis Report for the financial year 2020-21



A. Industry Structure and Developments

Power sector is a critical infrastructure element required for the smooth functioning of the state economy. An efficient, resilient and financially robust power sector is essential for growth of Power industry. The availability of reliable, quality and affordable power helps in industrial development and the overall economy of the state.

The Government of Andhra Pradesh was one of the pioneer states to initiate the power sector reforms in 1998. The erstwhile Andhra Pradesh State Electricity Board (APSEB) was unbundled into six entities to focus on the core operation of Power Generation (APGENCO), Power Transmission (APTRANSCO) and Distribution (APDISCOMS). Significant amount of investments was made for building up generation capacity, strengthening transmission and distribution network, industrial feeder segregation, loss reduction and improving quality of power supply.

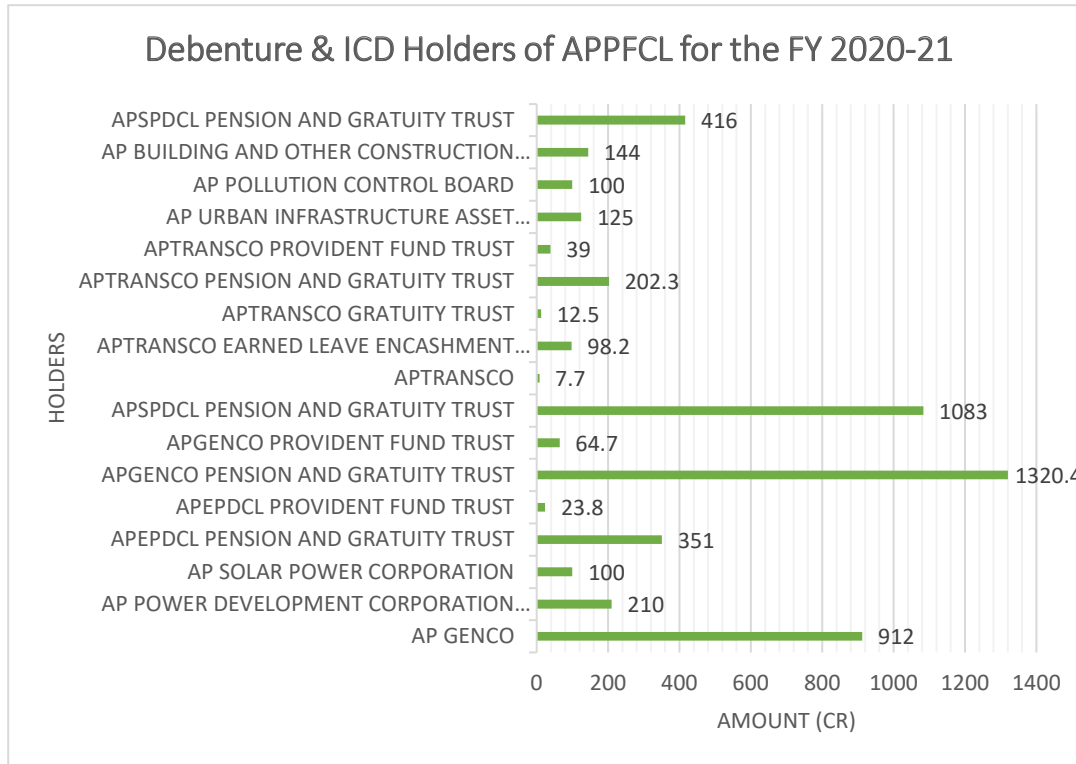
Andhra Pradesh Power Finance Corporation Limited, being a Non-Banking Financial Company registered with the Reserve Bank of India, has succeeded in becoming a valuable partner for financing the organizations engaged in power and allied sectors within the State of Andhra Pradesh.

The Companies under power sector in the state of Andhra Pradesh were borrowing funds at high rates of interest ranging from 10% to 10.5%. At this juncture, APPFCL offered loans to such Companies at a competitive rate of interest i.e., 9%. The differential rate of interest of 1 to 1.5% results in reducing the cost of borrowings of the Companies in power sector thereby increasing the profits of such Companies. This opened up a window of opportunity for passing on the benefit for the welfare of the public.



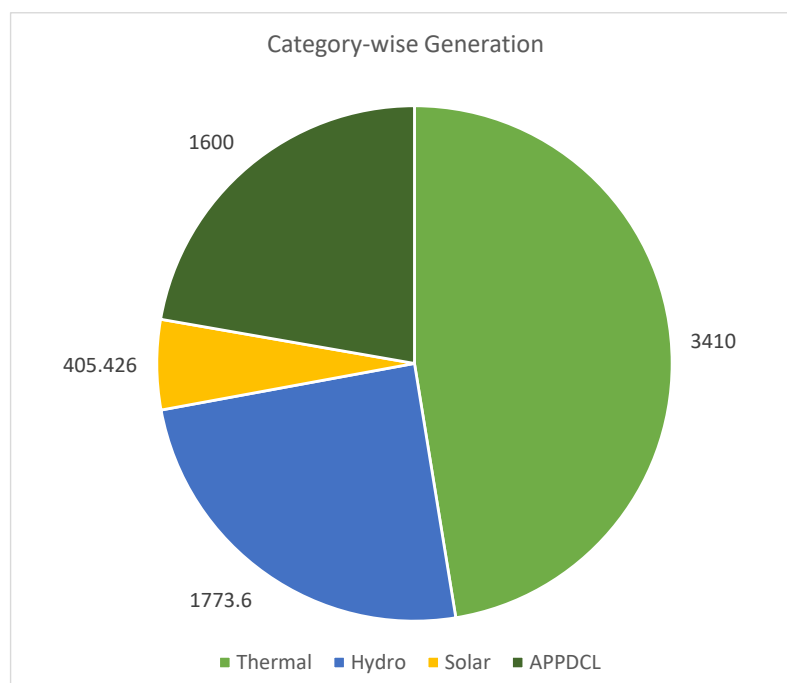


The Debenture holders and the Inter Corporate Deposit holders and their investment with APPFCL is depicted in the graph below.



TRUST OF AP GENCO:

APGENCO is one of the pivotal organizations of Andhra Pradesh, engaged in the business of Power Generation. APGENCO came into existence and commenced operations from 01.02.1999. As on 31.03.2020 the total installed capacity was 7189.026 MW comprising, Thermal – 3410 MW, Hydro – 1773.60 MW and Solar – 405.426 MW, APPDCL – 1600 MW



APGENCO PROVIDENT FUND TRUST and APGENCO PENSION AND GRATUITTY TRUST are Associate Companies of AP GENCO who have invested in APPFCL during the financial year 2020-21

PENSION FUND OF AP TRANSCO:

AP TRANSCO came into existence on 1st February 1999 in the erstwhile state of Andhra Pradesh with Hyderabad as its headquarters. From 1999 to 2005 the company remained as single buyer of power from various power generators and seller to Electricity Distribution companies. Subsequently, the power purchase function was taken over by the Distribution companies.

APTRANSCO PENSION AND GRATUITTY TRUST, APTRANSCO PROVIDENT FUND TRUST, APTRANSCO EARNED LEAVE ENCASHMENT TRUST and APTRANSCO GRATUITTY TRUST are associated companies who have invested in APPFCL during the financial year 2020-21.

PENSION FUND OF DISTRIBUTION COMPANIES:

AP Southern Power Distribution Company Limited was formed in April 1, 2000 to serve Krishna, Guntur, Prakasam, Nellore, Chittoor and Kadapa districts with a vision to become an efficient utility supplying reliable and quality power, promoting economic development and being self-reliant commercially. APSPDCL PENSION AND GRATUITTY TRUST is an Associate Company of AP SPDCL.

The Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL) 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. APEPDCL PENSION AND GRATUITTY TRUST and APEPDCL PROVIDENT FUND TRUST are associate Companies of AP EPDCL.

AP SOLAR POWER CORPORATION LIMITED:

Andhra Pradesh Solar Power Corporation Private Limited is a Private incorporated on 26 November 2014. It is classified as Non-govt company and is registered at Registrar of Companies, Vijayawada. Its authorized share capital is Rs. 10,000,000 and its paid up capital is Rs. 1,000,000. Andhra Pradesh Solar Power Corporation Private Limited is majorly in Electricity, Gas & Water company's business from last 8 years and currently, company operations are active. AP Solar Power Corporation Limited (APSPCL) has approached APPFCL to invest funds in the form of ICDs for the next financial year 2021-22.

AP URBAN INFRASTRUCTURE ASSET MANAGEMENT LIMITED:

Andhra Pradesh Urban Infrastructure Asset Management Limited ("APUIAML") has been established as a Fund Manager for Andhra Pradesh Urban development Fund. APUIAML is a joint venture between Government of Andhra Pradesh and IL&FS Group. GoAP holds 49% stake in the venture and IL&FS Investment Managers Ltd ("IIML"), a 100% subsidiary of IL&FS Group holds 51% stake. APUIAML will perform the roles of project development, fund management and project management as well as capacity building of the project companies, an end-to-end proposition to deliver value for both the State and the Investors. AP Urban Infrastructure Asset Management Limited (APUIAML) is one of the ICD holders in your Company.

AP POLLUTION CONTROL BOARD:

The State Board for Prevention and Control of Water Pollution was constituted on 24-01-1976 under the Water (Prevention and Control of Pollution) Act, 1974. After the Air (Prevention & Control of Pollution) Act 1981 came into force, the Board's name was changed as Andhra Pradesh Pollution Control Board. Initially the Board was set up to implement the provisions of the Water (Prevention and Control of Pollution) Act, 1974. The Board was subsequently given the responsibility of implementing a series of other environmental Acts and Rules.





The Board has been playing a catalytic role in implementing environmental policies, laws regulations and developing frameworks to manage both wastes and natural resources more efficiently. With its Head Office at Vijayawada, the Board covers the entire State through its 3 Zonal Offices at Visakhapatnam, Vijayawada and Kurnool headed by Joint Chief Environmental Engineer (JCEE) and 13 Regional Offices at Tirupathi, Kurnool, Vizianagaram, Visakhapatnam, Kakinada, Eluru, Vijayawada, Guntur, Nellore, Ongole, Srikakulam, Anantapur and Kadapa each headed by Environmental Engineer (EE).

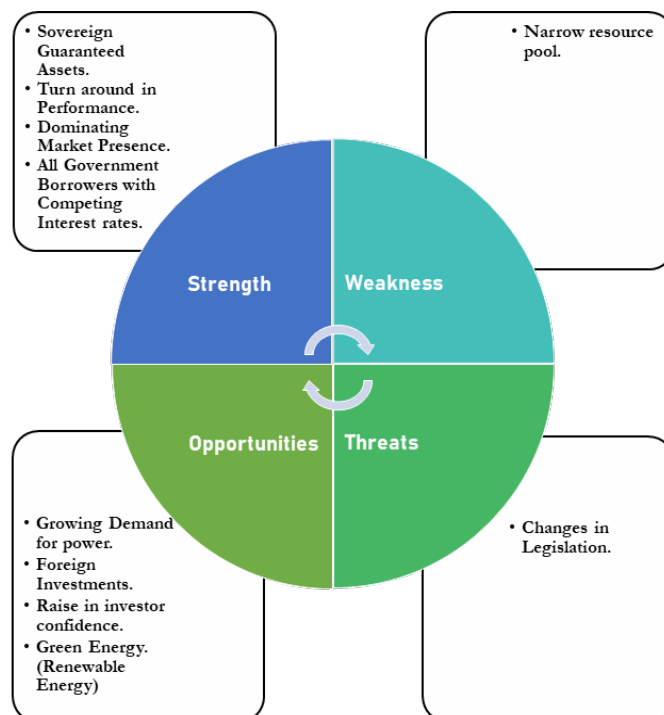
The Board has 3 Zonal Laboratories viz. Vijayawada, Kurnool and Visakhapatnam headed by Senior Environmental Scientist (SES). Each Zonal Laboratory undertakes continuous monitoring of the quality of air and water. The Board has also 5 Laboratories at Regional Office level i.e., Tirupati, Nellore, Eluru, Vizianagaram and Kakinada. AP Pollution Control Board (APPCB) is one of the ICD holders in your Company.

AP BUILDING AND OTHER CONSTRUCTION WORKERS WELFARE BOARD:

The Andhra Pradesh Building & Other Construction Workers Welfare Board was established by the Government of Andhra Pradesh under Section 18 of Building & Other Construction Workers (RE&CS) Act, 1996 primarily for formulating and implementing the various Welfare schemes for the benefit of the Building & Other Construction Workers in the Andhra Pradesh. The Board has come into existence with effect from 30-04-2007.

The Andhra Pradesh Building & Other Construction Workers Welfare Board is a tripartite body consisting of worker representatives, employer representatives and Government officials. The Board has carried on extensive drives and registered more than 20 lakhs construction workers as beneficiaries and also formulated and have been implementing various schemes such as marriage gift, Maternity Benefit, Fatal Accident Relief, Disability Relief, Natural Death Relief, Hospitalisation relief, Funeral Expenses and Pension Scheme (NPS). AP Building and Other Construction Workers Welfare Board (APBOCWFB) is one of the ICD holders in your Company.

B. SWOT Analysis



Strength of the Company:

I. Sovereign Guaranteed Assets

The Sovereign Guarantee provided by the State of Andhra Pradesh acts as a strong support/pillar to the Assets under Management (AUM) of the Company. The Company being a NBFC, the loans advanced to the Discoms, GENCO and PPDCL represents the AUM and are backed by unconditional and irrevocable Government Guarantee.

The Sovereign Guarantee is available for funds raised by the Company in the form of term loans from Banks, Debenture Issue and Issue of Inter Corporate Deposits and also for the funds disbursed by the Company in the nature of loans advanced to the Discoms, APGENCO and APPDCL. Pursuant to the RBI roadmap on Capital Adequacy, risk weights on the AUM have a direct effect/impact on the Capital Adequacy to be maintained by the Company and the Sovereign Guarantee reduces such risk weights on the assets from 100% to 20%.

II. Turnaround in Earnings

The financial presentation reported a turnaround performance during the period under review – swinging from loss to profit – as compared to the previous financial years. Key factors that drove the earnings beat our expectations include 2% margin from the interest recovered versus the interest paid, strong negotiations with the bankers reducing the commitments of the Company, rapid growth of AUM, ability to invest confidence with the borrowers and thereby increasing the loan book of the Company.

III. Dominating Market Presence

APPFCL was set up with a mission to augment the power utility Companies within the State of Andhra Pradesh.

Andhra Pradesh has become the second State to undertake the power sector reforms stipulated by the Department of Expenditure, Ministry of Finance. Power Sector reforms stipulated by the Ministry of Finance aim at creating a transparent and hassle free provision of power subsidy. They also aim at improving the health of power distribution companies by alleviating their liquidity stress in a sustainable manner.

IV. All Government Borrowers with Competing Interest Rates

All the borrowers of the Company are Government utility Companies with adequate revenue inflows. The Company has been able to offer competitive interest rates (9%) to various power utilities than the other borrowing alternatives available like PFC and REC of GOI, which are lending to the power utilities at more than 10%, which increased demand for more borrowings by the Company. This has ultimately resulted in reducing the “cost of borrowings” of the utility Companies within the State of Andhra Pradesh.

Opportunities for the Company:

I. Growing Demand for Power

There is always a growing demand for power across the State thereby directly increasing the financial needs of the power utility Companies. APPFCL has always provided the required support to the power utility Companies to bail out from the financial crisis faced by such companies. The Company is offering funds at competitive interest and thereby saving the operational costs of the utility Companies.



II. Foreign Investments

One of the best funding options for NBFC is foreign investment. Recently, up to 100%, foreign investment is permitted under the automatic route in FDI. Thus, foreign investors don't require approval from the Reserve Bank of India (RBI) or Foreign Investment Promotion Board (FIPB) and invest directly in NBFC's. The Government has introduced new FDI norms for NBFC's to accelerate Non-Banking Financial sector. It has eliminated the minimum capitalization norms, which is yet another boon for NBFC's. A rapid increase of Foreign Director Investments will be highly beneficial for the NBFC Business Model due to easier and faster sanction of funds at reasonable interest rates.

III. Raise in Investor Confidence

Pursuant to the bifurcation of the State of Andhra Pradesh, your Company has made regular payments of interest and principal amounts with regard to the debentures. There has not been an event of default by the Company and thus ensuring strong investor relationship.

IV. Green Energy (Renewable Energy)

Green Energy replaces the negative effects of fossil fuels with more environmentally friendly alternatives. Renewable Energy is the future and the Company foresees huge opportunities under this sector and contribute to clean energy goals.

Weakness of the Company:

I. Narrow Resource Pool

For any NBFC, fund raising is required to accomplish the business objectives. Being a Government Company, there may be certain restrictions for your Company with regard to raising of funds. APPFCL is registered as Non-Deposit taking Company with the Reserve Bank of India and thus cannot accept public deposits. Currently, the Company is raising funds through bank loans, issue of debentures and acceptance of Inter Corporate Deposits. Various opportunities are yet to be exploited.

Threats faced by the Company:

I. Changes in Legislation

APPFCL is a Government company and a public financial institution under the Companies Act. It is registered with the RBI as a non-deposit taking systemically important NBFC in August 2000. As a result, various legislations are applicable to your Company like Companies Act, 2013, Securities and Exchange Board of India Regulations, RBI Master Guidelines and Circulars, Tax regulations etc. Changes in these legislations could affect our Company's results/operations.

C. Segment-Wise or Product-Wise Performance

Company's main business is to provide financial assistance to the power sector and Company does not have any separate reportable segments.

D. Internal Control System and its Adequacy

The Company is having an internal control system including suitable monitoring procedures commensurate with its size of operations. Internal Auditor of the Company works on a continuous basis, covering the financial and other matters. In order to ensure that all checks and balances are in place and all internal control systems are in order, regular and exhaustive internal audits are conducted by experienced firms of Chartered Accountants in close co-ordination with the Chief Financial Officer



of the Company. Further, the findings of the different audits are also periodically reviewed by the Audit Committee of the Board.

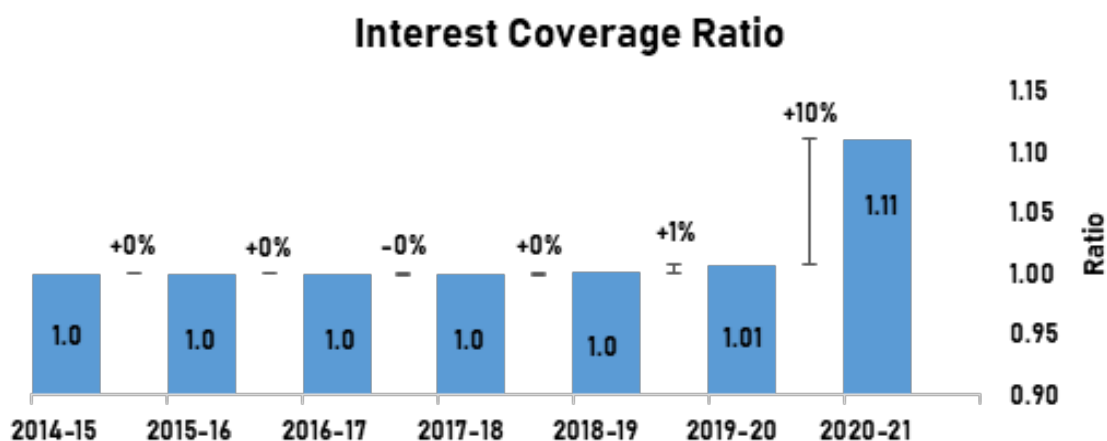
M/s Shiva Chirumamilla & Associates, Chartered Accountants were the Internal Auditors for the financial year 2020-21. M/s. EC & Associates, Chartered Accountants, Vijayawada, Statutory Auditors of the Company have also given report on Internal Financial Controls stating that the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at 31st March 2021, 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

E. Discussion on Financial Performance with respect to Operational Performance

» Interest Coverage Ratio: -

Staying above water with interest payments is a critical and ongoing concern for any company. The interest coverage ratio measures a company's ability to handle its outstanding debt. It evaluates a company's financial condition. Analyzing interest coverage ratios over time will often give a much clearer picture of your company's position and trajectory.

The following graphs represents the Interest Coverage Ratio in comparison from the financial year 2014-15 to 2020-21.



Analysis & Interpretation:

From the financial year 2014-15 to 2016-17 there was no significant change in the interest coverage ratio as there was no loss no profit situation. In the subsequent year 2017-18, your Company incurred a meagre loss which did not have any impact on the interest coverage ratio. It is from the year 2018-19, your Company started earning profits. The amount of profit was insufficient to impact the ratio. During the year 2019-20, your Company earned profits of Rs. 4.68 Crores and thereby there was 1% increase in the ratio.

During the year under review, in financial year 2020-21, the profits increased 10 times and there was significant increase in the interest coverage ratio of 10%.

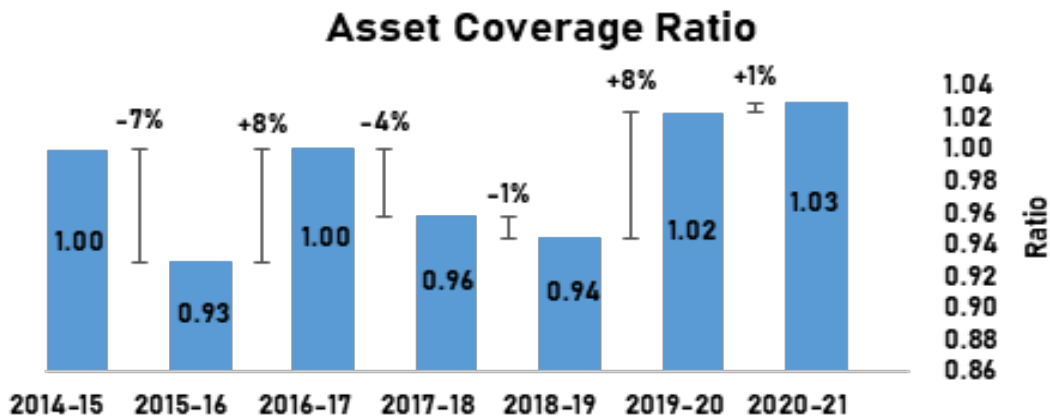




» **Asset Coverage Ratio: -**

The asset coverage ratio is a financial metric that measures how well a company can repay its debts by selling or liquidating its assets. The asset coverage ratio is important because it helps lenders and investors measure the financial solvency of a company.

The following graph depicts the Asset Coverage Ratio as a comparison from the FY 2014-15 to 2020-21



Analysis & Interpretation:

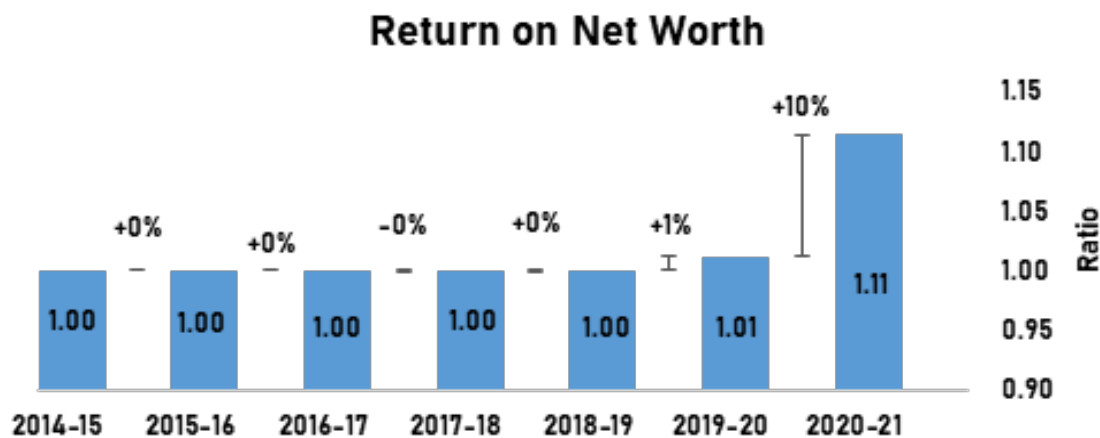
The higher the asset coverage ratio, the more times a company can cover its debt. Therefore, a company with a high asset coverage ratio is considered to be less risky than a company with a low asset coverage ratio.

Generally, the asset coverage ratio provides creditors and investors with the ability to gauge the level of risk associated with investing in a company. There is no significant change in the Asset Coverage Ratio from the year 2014-15 to 2020-21. There is only a minor difference in the ratio hence the Company is considered less risky.

» **Return on Net Worth: -**

ROE is a gauge of a corporation's profitability and how efficiently it generates those profits.

The following graph depicts the Return on Net Worth as a comparison from the FY 2014-15 to 2020-21





Analysis & Interpretation:

From the FY 2014-15 to 2018-19, the ROE/RONW was only 1 as the capital was constant and there was no loss no profit situation. The ROE/RONW increased 10% in the FY 2020-21 as the Company raised its capital and retained earnings.



Annexure to Board's Report

REPORT ON CORPORATE GOVERNANCE

It is evident, the need for good corporate governance has been gaining increased emphasis over the years. Globally, companies are adopting best corporate practices to increase the confidence of investors as also that of other stakeholders. Corporate Governance is the key to protecting the interests of the stake-holders.

1. Our Corporate Governance Philosophy:

Your Company's Corporate Governance philosophy is based on the principles of Accountability, Transparency, Fairness and Responsibility.

A Report in line with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below as a part of the Director's Report along with a Certificate issued by a Practicing Company Secretary regarding compliance with the provisions of Corporate Governance.

2. RBI Guidelines:

RBI vide its circular no. RBI/2014-15/36 DNBS (PD) CC No. 390/03.10.001/2014-15 July 1, 2014 had instructed NBFC-ND-SIs to adopt guidelines on Corporate Governance.

3. Board of Directors:

The members of the Board were senior functionaries from the government of Andhra Pradesh and they satisfy the 'Fit and Proper' criteria as prescribed by the Reserve Bank of India. The members of the Board are subject to transfers pursuant to Government Orders and in such cases the Board shall be re-constituted subject to the Government Order.

Your Board reviews the corporate policies, overall performance, accounting and reporting standards, regulatory compliance with regard to SEBI, RBI and Companies Act, 2013. Your Company's Board consists of eminent individuals with diverse experience and expertise.

Composition of the Board:

During the Financial Year 2020-21, Sri K.V.N Chakradhara Babu, IAS was transferred from office of APPFCL vide G.O.R.T No. 1149 dated 15/07/2020 and Sri V.N. Babu was appointed as Director of APPFCL vide G.O.R.T No. 95 dated 12/11/2020.

The Composition of the Board as on 31st March, 2021 was as follows:

- i. Dr. KVV Satyanarayana, IRAS – Managing Director (DIN: 08076027) - Secretary, Finance Dept. (B&IF)
- ii. Sri Shamsher Singh Rawat, IAS – Chairman and Director (DIN: 06927486) – Principal Finance Secretary
- iii. Dr. N Srikant, IAS – Director/APPFCL (DIN: 02426762), CMD/APTransco
- iv. Sri B Sreedhar, IAS – Director/APPFCL (DIN: 02591298), MD/AP Genco
- v. Smt. S Nagalakshmi, IAS – Director/APPFCL (DIN: 07741194), CMD/APEPDCL
- vi. Sri VN Babu, CMA and CS – Director/APPFCL (DIN: 08772842), Director (Finance)/APSPDCL



During the year, in absence of requisite number of Independent Directors on the Board of the Company, the composition of the Board of Directors was not in conformity with the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adequate actions are being taken to expedite the appointment of Independent Directors.

Board Meeting:

The meetings of the Board are generally held at the registered office of the Company. The Board of PFC meets regularly. The meetings of Board are governed by a structured agenda and any member of the Board is free to recommend inclusion of any subject matter in the agenda for deliberations. Detailed agenda papers are circulated in advance on all major issues to facilitate the Board to take well-informed and independent decisions.

The Board of Directors met SEVEN times during the year.

Sl	Name of the Director	BM No.164 13.04.20	BM No.165 23.04.20	BM No.166 26.06.20	BM No.167 07.09.20	BM No.168 11.11.20	BM No.169 30.12.20	BM No.170 22.02.21
01	Sri S.S. Rawat, IAS	Present	Present	Present	Present	Present	Present	Present
02	Dr. K.V.V. Satyanarayana, IRAS	Present	Present	Present	Present	Present	Present	Present
03	Dr. N. Srikanth, IAS	Present	Present	Present	Present	Present	Present	Present
04	Sri B. Sreedhar, IAS	Present	LoA	LoA	Present	Present	LoA	Present
05	Sri KVN Chakradhara Babu, IAS	Present	Present	Present	Transferred	-	-	-
06	Ms. S. Nagalakshmi, IAS	Present	LoA	LoA	Present	Present	Present	Present
07	Sri V.N. Babu, CMA & CS	-	-	-	Appointed	LoA	Present	Present

Sri KVN Chakradhara Babu, IAS was transferred vide GO. RT. No. 1149 dated 15th July 2020. A Letter seeking appointment under casual vacancy in the board of APPFCL was written to energy on 20th July 2020. Sri V.N. Babu, was appointed as the Director of APPFCL vide GO. Rt. No. 95 dated 12/11/2020.

Sri V.N. Babu was present from the 169th Meeting of the Board of Directors of the Company and has provided his interest in other entities as per format MBP-1.

4. Committees of the Board:

Audit Committee

As per the requirements under the Companies Act, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms, the Board of Directors of the company has constituted an Audit Committee of Directors.

The Audit Committee comprises the following members:

- i. Sri S.S. Rawat, IAS
- ii. Dr. N. Srikanth, IAS
- iii. Sri KVN Chakradhara Babu, IAS
- iv. Sri B. Sreedhar, IAS
- v. Smt. S. Nagalakshmi, IAS

There was a change in the constitution of Audit Committee pursuant to the transfer of Sri. K.V.N Chakradhara Babu, IAS. Smt. S Nagalakshmi, IAS was included as a member in the meeting held on 11th November, 2020.



The Audit Committee met FOUR times during the financial year.

SI	Name of the Member	ACM 1/2020 26.06.20	ACM 2/2020 11.11.20	ACM 3/2020 30.12.20	ACM 4/2020 22.02.21
01	Sri S.S. Rawat, IAS	Present	Present	Present	Present
02	Dr. N. Srikanth, IAS	Present	Present	Present	Present
03	Sri B. Sreedhar, IAS	LoA	Present	LoA	Present
04	Sri KVN Chakradhara Babu, IAS	Present	Transferred	-	-
05	Ms. S. Nagalakshmi, IAS	-	LoA	Present	Present

Corporate Social Responsibility Committee:

Pursuant to Section 135 of the Companies Act, 2013, every Company whose

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

is required to spend 2% of the average net profit of the preceding three financial years towards Corporate Social Responsibility, the activities of which are listed under Schedule VII of the Companies Act, 2013.

Your Company has crossed the threshold limits as prescribed under section 135 of the Companies Act, 2013 in the financial year 2020-21.

As the CSR expenses does not exceed Rs. 50 Lakhs, the Board of the Company shall carry out the responsibility of the CSR Committee which is otherwise to be formed for the purpose of carrying out the obligations pursuant to Section 135 of the Companies Act, 2013.

Risk Management Committee (RMC):

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

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

During the year under review, the Risk Management Committee Meeting was not held.

Asset Liability Management Committee (ALCO)

The RBI introduced the Asset- Liability Management (ALM) System, as a part of the Risk Management and control Systems in banks. ALM Policy is aimed at managing the liquidity and interest rate risks. The company majorly depends on borrowings from banks as well ICDs from AP Govt. owned entities for funding its activities. The funds mobilised through these sources at different times have different costs in accordance with movement of interest rates in the market. In the absence of due analysis and proper monitoring of interest rates on borrowings vis a vis loans, it can have adverse impact on the bottom line of the company. It is necessary to address interest rate risk as well, as a part of the Company's risk management.



Further, as per RBI Master Directions & Circular vide DBOD No. BP. BC. 94/ 21. 04. 098/ 98, the Company drafted Asset Liability Management (ALM) Policy and the same was approved in the 167th Board Meeting held on 07th September, 2020. The policy was revised in the 173rd Board Meeting held on 21st October, 2021.

Pursuant to the Policy the ALM Meeting shall be held on a quarterly basis every financial year. During the year under review, the meeting was held in the third and fourth quarter.

The ALM Committee met TWO times during the financial year.

Sl. No.	Name of the Member	ALM 1/2020 30.12.2021	ALM 2/2020 22.02.2021
01	Dr. KVV Satyanarayana, IRAS	Present	Present
02	Smt. V. Abhinaya, Company Secretary	Present	Present
03	Sri M. Ramana Reddy, Chief Financial officer	Present	Present

Sri VN Babu, CMA & CS was appointed as the Member Secretary with effect from 21st October, 2021 and hence was not present in the meetings conducted in the year 2020-21.

Grievance Redressal Committee (GRC)

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

Credit Committee (CC)

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

During the year under review, the Credit Redressal Committee Meeting was not held.

5. Remuneration to Managing Director (Whole-Time Director):

The remuneration to the Whole Time Director of the Company is given in the following table.

Sl No.	Name of the MD/WTD and Manager	Remuneration (Amount in Rs.)						Ceiling as per Act
		Gross salary	Stock option	Sweat Equity	Commission	Others	Total	
1	Dr. K.V.V Satyanarayana, IRAS	3,43,216	Nil	Nil	Nil	Nil	3,43,216	Not Applicable
TOTAL							3,43,216	



6. General Meetings:

AGM	Date & Day	Time	Location	Special & Ordinary Resolution
18th	27th November 2018 - Tuesday	12: 30 PM	A.P Secretariat	Ordinary Resolution: •Adoption of Financial Statements •Appointment of Statutory Auditor Special Resolution: •To enhance the Borrowing powers of the Directors to Rs. 15,000 Crores under section 179. •Issue of NCDs on Private Placement amounting to Rs. 5000 Crores.
19th	12th February 2020 - Wednesday	01: 30 PM	A.P Secretariat	Ordinary Resolution: •Adoption of Financial Statements for the FY 2018-19 •Appointment of Statutory Auditor for the FY 2019-20
20th	22nd February 2021 - Monday	12:30 PM	A.P Secretariat	Ordinary Resolution: •Adoption of Revised Financial Statements for the FY 2019-20 •Appointment of Statutory Auditor for the FY 2020-21

*Special Resolution was not passed through postal ballot

7. CEO/CFO Certification:

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate duly signed by the CFO was placed before the Board of Directors at its meetings held on 16th March, 2022 (Copy enclosed at Annexure I of this Report).

8. Shareholder's Information:

a. Annual General Meeting: -

The 21st Annual General Meeting shall be held on Wednesday, 16th March 2022. Details regarding participation in the said AGM and other relevant information is appearing in the Notice of the 21th AGM of the Company.

b. Financial Calendar for FY 2021-22: -

The Financial Year shall be 1st April, 2021 to 31st March, 2022.



c. Details of Stock Exchange: -

The Non-Convertible Debentures are listed with the National Stock Exchange of India Limited (NSE)

Address: Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051

d. Divided: -

The Company has not declared Dividend for the FY 2020-21.

e. Registrar and Transfer Agent: -

Communication Address

Karvy Selenium Tower B, plot 31-32,
Financial District, Nanakramguda,
Gachibowli, Hyderabad 500032

f. Credit Rating: -

The ratings for the Bonds issued by APPFCL are provided by CRISIL Limited and ICRA Limited. The ratings for the Bank term loans of the Company are provided by Brickwork Ratings India Private Limited.

During the FY 2020-21, the Rating Agencies reaffirmed/issued ratings to the Company as under:

Name of the Credit Rating Agency	Amount (in Crores)	Rating
CRISIL LTD	3,862.9	CRISIL D (REAFFIRMED)
ICRA LIMITED	4,053.3	ICRA D (REAFFIRMED)
BRICKWORK RATINGS INDIA PVT. LTD.	9,741.33	BWR A (CE) STABLE



Annexure I OF THE REPORT ON CORPORATE GOVERNANCE

CERTIFICATE TO THE BOARD OF DIRECTORS UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I hereby certify to the Board of Directors that:

- A. I have reviewed financial statements and the statement of cash flows for the year ended 31.03.2021 and that to the best of my knowledge and belief:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I 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 rectify these deficiencies.
- D. I have indicated to the auditors and the Audit Committee:
- i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Vijayawada
Date: 16/03/2022

Sd/-
M. Ramana Reddy
Chief Financial Officer



CERTIFICATION ON CORPORATE GOVERNANCE

To
The Members of
Andhra Pradesh Power Finance Corporation Limited CIN: U40109AP2000SGC107482
48-12-16, 2nd Floor, East wing, Vidyut Soudha, Gunadala Vijayawada Krishna AP 520004 IN

We have examined the compliance of conditions of Corporate Governance by Andhra Pradesh Power Finance Corporation Limited (‘the Company’), for the year ended March 31, 2021, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’)

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

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

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

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021.

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

For Srinivasa Rao & Co.

Place: Vijayawada
Date: 04/03/2022

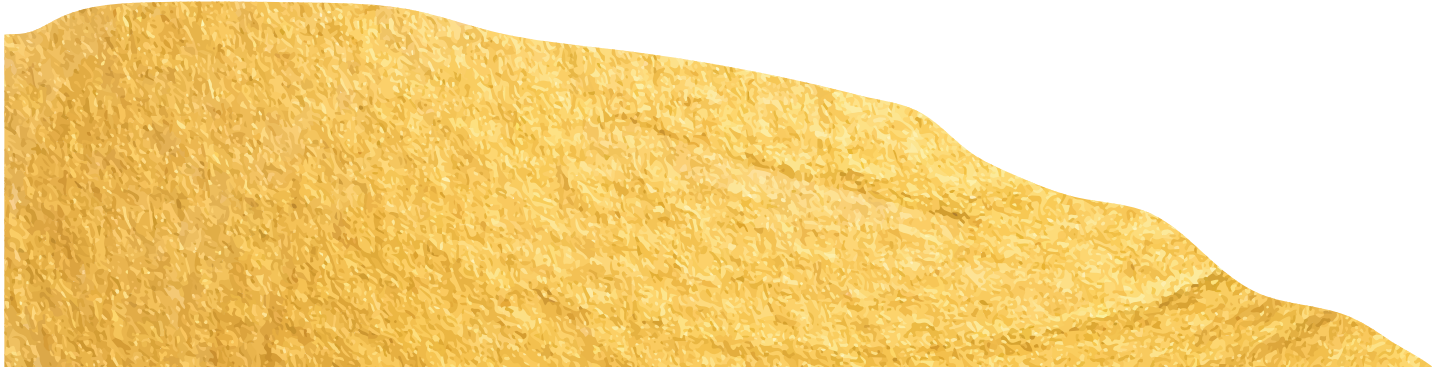
Sd/-
Name: G Srinivasa Rao
ACS No. 42720
CP No. 17949





Financial Statements

Section 3



Independent Auditor's Report

To the Members of

ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

Report on Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of M/s. Andhra Pradesh Power Finance Corporation Limited ("the Company"), which comprises the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, aforesaid standalone Ind AS financial statements give the information required by the companies Act, 2013, as amended ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31 March 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis of opinion

We conducted our audit of the standalone Ind AS Financial statements in accordance with the standards on auditing 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 Standalone Ind AS 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 Standalone financial Statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone Ind AS financial statements on the basis of our opinion.

Key Audit Matters ("KAM") are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Our description of how our audit addresses the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.



Key Audit Matters as follows**Impairment loss / Provisioning on advances**

Key Audit Matter	How our audit addressed the key audit matter
<p>Impairment allowance is measured as product of the Probability of Default, Exposure at Default and Loss Given Default being the key parameters for assessing the impairment allowance. The key indicators underlying for assessment of impairment allowance are appraised on an ongoing basis by the management.</p>	<p>Verification of loan assets with respect to monitoring thereof for recovery/performance aspects and assessment of the loan impairment.</p> <p>Recoveries are verified applying the standard audit procedures. Quality of the borrower is evaluated and tested with key control parameters.</p> <p>Assessment of performance of the loan assets is carried out on the basis of available documents comprising loan papers, financial data, information on public domain, procedure applied by the management e.g. inspection of loans, assessing borrower past records etc.</p> <p>Recoveries in the loan assets are verified to ascertain level of stress thereon and impact as impairment allowance on financial statement.</p> <p>We have discussed with the management regarding the repayment capacity of the borrower and management is confident on the credit worthiness of the borrower as all of them are public sector undertakings.</p>

Other Matter

As per point 'u' in notes to account in Financial statement, the Government of Andhra Pradesh has granted Rs.1,02,63,60,656/- for the purpose of interest payment on Bond series 1/2019. However, after redemption of the said bonds along with interest, an amount of Rs. 2,55,06,754/- was left out with the Company. The said amount is shown as current liability in the Books of accounts.

However, our opinion is not modified in respect of this matter

Responsibilities of management and those charged with governance for the standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes 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; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the standalone financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the audit of the standalone Ind AS 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 standalone Ind AS financial statements.

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

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- However, future events or conditions may cause the Company to cease to continue as a going concern. Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) order, 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act. We give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, We further report that;
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive income, 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 aforesaid standalone Ind AS financial statements comply with the accounting standards referred to in Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. As per notification number G.S.R. 463(E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 164(2) of the Act regarding the disqualifications of Directors is not applicable to the Company, since it is a Government Company;
 - f. 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 B;
 - g. As required by Section 143(5) of the Act, we have considered the directions/ sub directions issued by the Comptroller and Auditor General of India, the action taken thereon and its impact to the financial statements of the Company are given in the Annexure C.
 - h. As per notification number G.S.R. 463 (E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 197 of the Act regarding remuneration to director is not applicable to the Company, since it is being a Government Company; and





- i. 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - b. There has been an occasion during the year in delay of transfer Rs.403620/- to the Investor Education and Protection Fund having bond series of 1/2000-. Amount of Rs.403620/ is still pending as at Audit Report date.

For EC & Associates
Chartered Accountants
Firm Registration. No. 011752S

Sd/-
I Chaitanya Kiran
Partner
Membership No. 231212
UDIN: 21231212AAAAFJ8423

Place: Vijayawada
Date: 08-09-2021



"Annexure A" to the independent Auditors Report

Referred to in paragraph I under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone Ind AS financial statements of the Company for the year ended 31st March 2021

- i. In respect of the fixed assets of the Company:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. These Fixed assets have been physically verified by the management at reasonable intervals, no material discrepancies were noticed on such verification.
 - c. The company does not have any immovable properties.
- ii. The Company is a Non-Banking Finance Company and does not have any inventory. Thus, clause 3(ii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- iii. As explained to us and verified from books and records, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clauses 3(iii) (a), (b) and (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- iv. As per the information and explanations provided to us the Company has not given any loans, investment, guarantees and securities which may be covered under Section 185 and 186 of the Companies Act, 2013.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from public during the year within the meaning of section 73 to 76 or any other relevant provision of the companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section 1 of Section 148 of the Act, for any of the services rendered by the Company. Accordingly, clause 3(vi) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a. According to the information and explanations given to us and on the basis of our examination of the books of account on which we relied upon TDS on interest payment to Andhra Pradesh Building and other welfare works amounting to Rs. 47,69,202/-has been deducted but not deposited which attract interest under section 201A of income tax Act 1961.
 - b. There were no undisputed amounts payable in respect of Income Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.
 - c. Details of dues of Income Tax which have not been deposited as at 31st March 2021 on account of dispute are given below.

Nature of statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount
The Income Tax Act, 1961	Income Tax	High Court	A.Y 2012-13	4,93,77,480

- viii. According to information and explanations given to us and on the basis of our examination of the records of the Company the Company has not defaulted in repayment of loans or borrowing to a financial institution bank Government or dues to debenture holders as at the Balance Sheet date.
- ix. The Company did not raise any money by way of initial public offer or further public offer. Money raised by the Company by way of all types of debt instruments and term loans during the year was applied for the purposes for which it was raised.
- x. In our opinion, based upon audit procedures performed and the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- xi. According to information and explanations given to us being a Government Company Section 197 of Companies Act, 2013 does not apply to the Company. Accordingly, clause 3(xi) of the Companies (Auditor's Report) Order 2016 is not applicable.
- xii. According to information and explanations given to us the Company is not a Nidhi Company. Hence the Nidhi Rules 2014 are not applicable to the Company. Accordingly, clause 3(xii) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.
- xiii. According to information and explanations given to us and on the basis of our examination of the records of the Company all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable has been complied.
- xiv. According to the information and explanation given to us and based on our examination of records of the company, the company has not made any private placement during the year and accordingly, clause 3(xiv) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.
- xv. According to information and explanations given to us and on the basis of our examination of the records of the Company the Company has not entered into any non-cash transactions with directors or persons connected with them which are covered under Section 192 of Companies Act, 2013.
- xvi. According to information and explanations given to us and on the basis of our examination, Company is a Non- Banking Finance Company and has obtained registration under Section 45-IA of the Reserve Bank of India Act, 1934.

For EC & Associates
Chartered Accountants
Firm Registration. No. 011752S

Sd/-
I Chaitanya Kiran
Partner
Membership No. 231212
UDIN: 21231212AAAAFJ8423

Place: Vijayawada
Date: 08-09-2021



Annexure - "B" to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s. **Andhra Pradesh Power Finance Corporation Limited** ("the Company"), as of 31st March 2021 in conjunction with our audit of the standalone Ind AS 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 with reference to these standalone Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial ("The Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under sub-section 10 of section 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 with these standalone Ind As financial statements 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 auditor's 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 audit opinion on the Company's internal financial controls system over financial reporting with reference to these standalone Ind AS financial statements.

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 with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For EC & Associates
Chartered Accountants
Firm Registration. No. 011752S

Sd/-
I Chaitanya Kiran
Partner
Membership No. 231212
UDIN: 21231212AAAAFJ8423

Place: Vijayawada
Date: 08-09-2021



Annexure-C to the Auditor's Reports

As referred to in Point no g of paragraph no 2 in report on other legal and regulatory requirements of our report of even date to the members of the Andhra Pradesh Power Finance Corporation Limited on the Financial Statements for the year ended 31st March 2021.

As required by section 143(5) of the companies act 2013, we give in the Annexure C, to this report a statement on the directions and sub directions issued by the Comptroller & Auditor General of India, to the extent applicable to the information and explanations given to us during course of our audit and the audit procedures conducted by us, we report that:

Report on Sub Directions u/s 143 (5) of the Companies Act 2013:

Sl. No.	Description	Observation
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes the implication of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, maybe stated.	The company has processed all the accounting transactions through IT system. As per explanation and information given to us and records verified by us there are no accounting transactions outside IT System.
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 lender company).	As per explanation and information given to us and records verified by us there is no restructuring of a loan or cases of waive off or write off of any debts/loans or interest.
3	Whether funds (grants/subsidy 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.	As per explanation and information given to us and records verified by us the company does not receive any funds under specific schemes from Central/State agencies. However, the company receives reimbursement of interest payable to bondholders from GoAP and as per G.O.Rt.No.09 Dt 07.02.2020 company received Rs. 1,02,63,60,656/- towards payment of "interest on APPFC Vidyut Bonds for the series 1/2019" and utilised Rs.1,00,08,53,902/- for repayment of interest. The unutilised amount of Rs.2,55,06,756/- was shown in other current liabilities.

For EC & Associates
Chartered Accountants
Firm Registration. No. 011752S

Sd/-
I Chaitanya Kiran
Partner
Membership No. 231212
UDIN: 21231212AAAAFJ8423

Place: Vijayawada
Date: 08-09-2021



C & AG AUDIT REPORT



प्रधान महालेखाकार (लेखापरीक्षा) का कार्यालय
आन्ध्र प्रदेश, हैदराबाद - 500 004
OFFICE OF THE PRINCIPAL ACCOUNT GENERAL (AUDIT)
ANDHRA PRADESH, HYDERABAD - 500 004



Lr.No.PAG(Audit)/AP/TSC(PSUs)/AMG-II/AA/APPFCL/2021-22/203, Date:02.03.2022

To Chairman and Managing Director,
Andhra Pradesh Power Finance Corporation Limited,
48-12-16, 2nd Floor, East Wing, Vidyut Soudha,
Eluru Road, Gunadala, Vijayawada
Andhra Pradesh -520004.

Sir,

Sub: Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of Andhra Pradesh Power Finance Corporation Limited for the year ended 31st March 2021.

I am to forward herewith comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements of your Company for the year 2020-21 for necessary action.

1. The date of placing of Comments along with Financial Statements and Auditors' Report before the shareholders of the Company may please be intimated and a copy of the proceedings of the meetings be furnished.
2. The date of forwarding the annual report and financial statements of the Company together with the Auditors' Report and Comments of the Comptroller and Auditor General of India to the State Government of Andhra Pradesh for the year 2020-21 for being placed before the Legislature may also be intimated. The date on which Annual Report is tabled in the Legislature may also be intimated.
3. Five copies of the annual report for the year 2020-21 are to be furnished to this office without fail.

Encl: As above

Yours faithfully

Sr. Deputy Accountant Genral / AMG - II

Address : D.No. 27-37-158,8th Floor, Stalin Central Mall, M.G.Road, Governorpet, Vijayawada - 520 002.
Website : www.cag.gov.in/ag/andhra-pradesh/en e-mail:agauandhrapradesh@cag.gov.in



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED FOR THE YEAR ENDED 31st MARCH 2021

The preparation of financial statements of Andhra Pradesh Power Finance Corporation Limited for the year ended 31st March 2021 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 Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 08.09.2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Andhra Pradesh Power Finance Corporation Limited for the year ended 31st March 2021 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 personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

A. Comments on Profitability

Statement of Profit and Loss

Revenue from Operations

Interest Income (Note-15) ₹ 1278.98 crore

1. The above includes ₹ 2.04 crore towards interest earned on Fixed Deposits of Company's funds. As such, the same should have been accounted under Other income. Failure to do so has resulted in overstatement of interest Income (Note-15) and Understatement of Other income (Note-16) by ₹2.04 crore.





B. Comments on Financial Position

Balance Sheet

Liabilities and Equity

Liabilities

Non-Financial Liabilities

Other Non-Financial Liabilities (Note-12) ₹90.86 crore

2. The above includes liabilities of ₹ 90.76 crore which should have been classified as financial liabilities in terms of Schedule III, Section 129 of Companies Act, 2013. This resulted in overstatement of Non-Financial Liabilities and understatement of Other Financial Liabilities by ₹ 90.76 crore.

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

Hema

(Hema Munivenkatappa)
Principal Accountant General (Audit)

Place: Vijayawada

Date: 02-03-2022





प्रधान महालेखाकार (लेखापरीक्षा) का कार्यालय
आन्ध्र प्रदेश, हैदराबाद - 500 004
OFFICE OF THE PRINCIPAL ACCOUNT GENERAL (AUDIT)
ANDHRA PRADESH, HYDERABAD - 500 004



Lr.No.PAG (Audit)/AP/TSC(PSUs)/AMG-II/AA/APPFCL/2021-22/204, Date:02.03.2022

To Managing Director,
Andhra Pradesh Power Finance Corporation Limited,
48-12-16, 2nd Floor, East Wing, Vidyut Soudha, Eluru Road,
Gunadala, Vijayawada.
Andhra Pradesh-522501

Sir,

Sub: Annual Accounts of Andhra Pradesh Power Finance Corporation Limited for the year ended 31 March 2021- Reg.

Ref: 1. Lr.No.AG (AU)/AP/ TSC (PSUS)/AA/APPFCL/2021-22/168 dated 07.01.2021
2. Your letter No. MD/CFO/APPFCL/AG(E&RSA) D.NO.575/2022 Dt.12.01.2022.

The following Provisional comment issued on the financial statements for the year 2020-21 are not pursued on the assurance given by the Management. This may be kept in view during the preparation of ensuing accounts.

**Comments on Cash Flow
Cash Flow Statement**

- The Cash Flow Statement was prepared, taking into account, the bank accounts other than Cash and Cash equivalents (no-lien accounts) of ₹ 1.15 crore which is incorrect. As the no-lien accounts are not short term, highly liquid investments, they should have been excluded from Cash Flow Statement.

Yours faithfully

Sr. Deputy Accountant Genral / AMG - II

Address : D.No. 27-37-158,8th Floor, Stalin Central Mall, M.G.Road, Governorpet, Vijayawada - 520 002.

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

e-mail:agauandhrapradesh@cag.gov.in



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED
Standalone Balance Sheet as at 31 March 2021

Sl. No	Particulars	"Note No."	"As on 31.03.2021 (As per Ind AS)"	"As on 31.03.2020 (As per Ind AS)"
	ASSETS			
(1)	Financial Assets			
(a)	Cash and cash equivalents	2	30,21,11,148	2,55,99,82,976
(b)	Bank Balance other than Cash and cash equivalents	3	1,14,72,333	4,177
(c)	Loans	4	1,62,38,23,62,000	1,10,52,60,00,000
(d)	Other Financial assets	5	1,49,51,51,775	1,43,11,22,157
	Total Financial Assets (A)		1,64,19,10,97,256	1,14,51,71,09,310
(2)	Non-financial Assets			
(a)	Current tax assets (Net)	6	18,65,57,591	12,64,041
(b)	Property, Plant and Equipment	7	47,574	2
	Total Non Financial Assets (B)		18,66,05,165	12,64,043
	Total Assets (A+B)		1,64,37,77,02,422	1,14,51,83,73,353
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	Financial Liabilities			
(a)	Debt Securities	8	64,11,00,00,000	60,45,10,00,000
(b)	Borrowings (Other than Debt Securities)	9	95,21,88,20,487	50,00,00,00,000
	Total Financial Liabilities (A)		1,59,32,88,20,487	1,10,45,10,00,000
(2)	Non-Financial Liabilities			
(a)	Current tax liabilities (Net)	10	26,04,42,258	1,28,12,392
(b)	Provisions		-	-
(c)	Deferred tax liabilities (Net)	11	3,425	-
(d)	Other non-financial liabilities	12	90,86,30,730	96,05,70,092
	Total Non-Financial Liabilities (B)		1,16,90,76,413	97,33,82,484
(3)	Equity			
(a)	Equity Share capital	13	3,48,37,40,100	3,05,97,40,100
(b)	Other Equity	14	39,60,65,422	3,42,50,770
	Total Equity (C)		3,87,98,05,522	3,09,39,90,870
	Total Liabilities and Equity (A+B+C)		1,64,37,77,02,422	1,14,51,83,73,353

Notes annexed hereto form integral part of Standalone Financial Statements

As Per Our Report Of Even Date

For EC & Associates

Chartered Accountants

FRN 011752S

SD/-

I Chaitanya Kiran

Partner

Membership No. 231212

UDIN: 21231212AAAAFJ8423

Place : Vijayawada

Date : 08-09-2021

For and on behalf of Board of Directors

Sd/-

Dr. K. V. V. Satyanarayana, IRAS

Managing Director

Sd/-

B. Sreedhar, IAS

Director

Sd/-

M Ramana Reddy

Chief Finance Officer

Sd/-

V Abhinaya

Company Secretary



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED
Standalone statement of Profit/Loss as on 31 March 2021

Sl.No	Particulars	"Note No."	For the year ended 31.03.2021 (As per Ind AS)	For the year ended 31.03.2020 (As per Ind AS)
	REVENUE FROM OPERATIONS			
(i)	Interest Income	15	12,78,98,14,546	6,87,63,97,384
(I)	Total Revenue from operations		12,78,98,14,546	6,87,63,97,384
(II)	Other Income	16	-	60,88,930
(III)	Total Income (I+II)		12,78,98,14,546	6,88,24,86,314
	EXPENSES			
(i)	Finance Costs	17	11,50,79,15,818	6,80,44,19,091
(ii)	Employee Benefits Expenses	18	31,71,874	6,08,368
(iii)	Depreciation, amortization	7	15,418	11,432
(iv)	Others expenses	19	66,12,59,805	3,05,47,480
(IV)	Total Expenses		12,17,23,62,916	6,83,55,86,371
(V)	Profit / (Loss) before exceptional items and tax (III-IV)		61,74,51,631	4,68,99,943
(VI)	Exceptional items		-	-
(VII)	Profit/(Loss) before tax (V -VI)		61,74,51,631	4,68,99,943
	"Tax Expense: (1) Current Tax"		25,56,33,553	1,27,28,725
	(2) Deferred Tax		3,425	-
(VIII)	Total Tax Expense		25,56,36,978	1,27,28,725
(IX)	Profit / (Loss) for the period from continuing operations(VII-VIII)		36,18,14,653	3,41,71,218
(X)	Profit/(Loss) from discontinued operations		-	-
(XI)	Tax Expense of discontinued operations		-	-
(XII)	"Profit/(Loss) from discontinued operations(After tax) (X-XI)"		-	-
(XIII)	Profit/(Loss) for the period (IX+XII)		36,18,14,653	3,41,71,218
(XIV)	Other Comprehensive Income			
	"(A) (i) Items that will not be reclassified to profit or loss"		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Subtotal (A)		-	-
	"(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)"		-	-
	"(ii) Income tax relating to items that will be reclassified to profit or loss"		-	-
	Subtotal (B)		-	-
	Other Comprehensive Income (A + B)		-	-



(XV)	"Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)"		36,18,14,653	3,41,71,218
(XVI)	Earnings per equity share			
	Basic (Rs.)		10.39	1.12
	Diluted (Rs.)		10.39	1.12

See Accompanying notes to Financial Statements

As Per Our Report Of Even Date

For EC & Associates

Chartered Accountants

FRN 011752S

For and on behalf of Board of Directors

SD/-

I Chaitanya Kiran

Partner

Membership No. 231212

UDIN: 21231212AAAAFJ8423

Sd/-

Dr. K. V. V. Satyanarayana, IRAS

Managing Director

Sd/-

B. Sreedhar, IAS

Director

Place : Vijayawada

Date : 08-09-2021

Sd/-

M Ramana Reddy

Chief Finance Officer

Sd/-

V Abhinaya
Company Secretary



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED
Cash Flow Statement for the year ended 31st March 2021

PARTICULARS	For the year ended	For the year ended
	31-03-2021	31-03-2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(loss) after tax as per Statement of Profit and Loss	36,18,14,653	3,41,71,218
Adjusted For:		
Depreciation & Assets written off	15,418	11,432
Deferred Tax Liability/(Asset)	3,425	-
Interest Earned on Fixed Deposits with Banks and IT Refund	-	-12,44,324
Operating profit before working capital changes	36,18,33,495	3,29,38,326
Adjusted For:		
(Increase)/Decrease in Receivables from AP Govt	14,59,36,723	17,69,99,567
(Increase)/Decrease in Financial Assets	-39,52,59,891	-1,09,31,12,360
Increase/(Decrease) in Bonds outstanding	3,65,90,00,000	37,19,40,00,000
Increase/(Decrease) in Inter Corporate Deposits	7,85,00,00,000	-
Increase/(Decrease) in Bank Loans	37,36,88,20,487	50,00,00,00,000
(Increase)/Decrease in Advances to AP Power Utilities	-51,85,63,62,000	-87,26,90,00,000
Increase/(Decrease) in Trade Payables & Other Financial Liabilities	19,56,90,504	31,87,46,211
(Increase)/Decrease in Net Current Assets	-3,03,21,74,178	-67,23,66,582
Net Cash Flow from Operating Activities (A)	-2,67,03,40,682	-63,94,28,256
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase)/Decrease in Net Investments	-	-
(Purchase)/Sale of Fixed Assets	-62,990	-
Interest Received	-	12,44,324
Net Cash Flow from Investing Activities (B)	-62,990	12,44,324
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Increase/(Decrease) in Equity Share Capital	42,40,00,000	2,89,06,00,000
Net Cash Flow from Investing Activities (C)	42,40,00,000	2,89,06,00,000
Net (Decrease)/ Increase in Cash and Cash equivalents (A+B+C)	-2,24,64,03,672	2,25,24,16,068
Add: Cash and Cash Equivalents at the beginning the year	2,55,99,87,152	30,75,71,084
Cash and Cash Equivalents at the end of the year	31,35,83,480	2,55,99,87,152



Reconciliation of Cash & Cash Equivalents		
Cash in Hand	-	12,104
Cash at Bank		
a) In Current Account	30,18,25,891	2,55,98,19,313
b) In No-Lien Accounts	1,15,08,706	1,55,734
c) Escrow Accounts	2,48,884	-
Total Cash & Cash Equivalents at the end of the year	31,35,83,481	2,55,99,87,152

As Per Our Report Of Even Date

For EC & Associates

Chartered Accountants

FRN 011752S

For and on behalf of Board of Directors

Sd/-

I Chaitanya Kiran

Partner

Membership No. 231212

UDIN: 21231212AAAAFJ8423

Place : Vijayawada

Date : 08-09-2021

Sd/-

Dr. K. V. V. Satyanarayana, IRAS

Managing Director

Sd/-

M Ramana Reddy
Chief Finance Officer

Sd/-

B. Sreedhar, IAS

Director

Sd/-

V Abhinaya
Company Secretary



ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED
#48-12-12,2nd Floor,East Wing,Vidyut Soudha, Gunadala,Vijayawada - 52000

Notes to account for balance sheet

		31-03-2021	31-03-2020
		Rs.	Rs.
Note 2	Cash and Cash Equivalents		
	Balances with Scheduled Bank		
	In Current Account with SBI	30,18,25,891	2,55,98,19,313
	No - Lien Account SBI	36,373	1,51,559
	Bank of India - Escrow A/c.	99,274	-
	Bank of Baroda - Escrow A/c.	1,28,221	-
	State Bank of India - Escrow A/c.	-	-
	Canara Bank - Escrow A/c.	17,684	-
	Union Bank of India - Escrow A/c.	3,705	-
	Cash on Hand	-	12,104
		30,21,11,148	2,55,99,82,976
Note 3	Bank Balance other than Cash and Cash Equivalents		
	No Lien Account - 62265296302	2	-
	No Lien Account - 38356359860	290	940
	No Lien Account - 62247099961	-	-
	No Lien Account - 38356342256	1,887	3,237
	No Lien Account - 62213387439	30,89,015	-
	No Lien Account - 62235605816	12,17,223	-
	No Lien Account - 52117479165	23,22,829	-
	No Lien Account - 62167470827	45,84,272	-
	No Lien Account - 52117479165	1,81,967	-
	No Lien Account - 52117474699	-	-
	No Lien Account - 52117469442	-	-
	No Lien Account -52117479176	74,848	-
	Total	1,14,72,333	4,177
Note 4	Loans		
	a. Loans and Advances to AP Discom's - From Banks & Owner Funds	98,92,45,00,000	50,07,50,00,000
	b. Loans and Advances to AP Discom's - Receivable from Govt. of Andhra Pradesh	59,86,40,00,000	60,45,10,00,000
	c. Loans and Advances to AP Discom's - Through Issue of Bonds	4,24,60,00,000	
	Total (d)=(a+b+c)	1,63,03,45,00,000	1,10,52,60,00,000
	e. Less: Impairment Loss allowance	65,21,38,000	-
	Net total (d-e)	1,62,38,23,62,000	1,10,52,60,00,000
Note 5	Other Financial Assets		
	Receivables from AP Govt	-	14,59,36,723
	Receivable from Andhra pradesh Buildings and Other Construction workers Welfare Board	47,69,202	-
	Interest Receivable on Advances	81,25,78,417	1,28,39,31,046



	Receivable from Telanagana State Government	12,55,278	12,54,388
	Debt Service Reserve Account - Fixed Deposit with Bank of Baroda	4,66,35,727	-
	Debt Service Reserve Account - Fixed Deposit with Bank of India	62,88,91,763	-
	Security Deposit	8,00,000	-
	APCOS PD Account	67,890	-
	Temporary Advance	1,53,498	-
		1,49,51,51,775	1,43,11,22,157
Note 6	Current Tax Assets (NET)		
	TDS Receivable	25,47,591	12,64,041
	Advance Tax	18,40,10,000	-
		18,65,57,591	12,64,041
Note 8	Debt Securities		
	1/2005 Bonds Issue 16th Series	-	-
	1/2010 Bonds Issue 17th Series	3,68,30,00,000	4,27,00,00,000
	1/2011 Bonds Issue 18th Series	62,10,00,000	62,10,00,000
	2/2011 Bonds Issue 19th Series	3,01,00,00,000	3,01,00,00,000
	1/2012 Bonds Issue 20th Series	1,27,10,00,000	1,27,10,00,000
	2/2012 Bonds Issue 21st Series	4,04,60,00,000	4,04,60,00,000
	3/2012 Bonds Issue 22nd Series	7,23,30,00,000	7,23,30,00,000
	1/2019 Bonds Issue	-	40,00,00,00,000
	1/2020 Bonds Issue 23rd Series	17,89,70,00,000	-
	2/2020 Bonds Issue 24th Series	20,00,00,00,000	-
	3/2020 Bonds Issue 25th Series	2,51,90,00,000	-
	4/2020 Bonds Issue 26th Series	3,83,00,00,000	-
		64,11,00,00,000	60,45,10,00,000
Note 9	Borrowings Other than Debt Securities *		
	State Bank of India	14,99,96,03,178	15,00,00,00,000
	Andhra Bank	15,00,72,22,220	15,00,00,00,000
	Canara Bank	19,87,00,29,891	20,00,00,00,000
	Bank of Baroda	7,49,69,65,198	-
	Bank of India	29,99,50,00,000	-
	Total (A)	87,36,88,20,487	50,00,00,00,000
* The Borrowings from the banks are guaranteed by state government of Andhra Pradesh			
	Inter Corporate Deposits		
	AP Buildings and Other Construction workers Welfare Board	1,44,00,00,000	-
	AP Pollution Control Board	1,00,00,00,000	-
	AP Southern Power Distribution Corporation Limited Pension & Gratuity	4,16,00,00,000	-
	AP Urban Development Fund	1,25,00,00,000	-
	Total (B)	7,85,00,00,000	-
	Borrowings Other than Debt Securities (A+B)	95,21,88,20,487	50,00,00,00,000
Note 10	Current Tax Liabilities		
	Provision for Income Tax	25,56,33,552	1,27,28,726
	MAT Credit Reversal	-	-42,345
	GST Payable	-	665
	TDS Payable	48,05,538	1,27,698



	GST TDS	3,168	-
	Deferred Tax Asset Reversal	-	-2,352
		26,04,42,258	1,28,12,392
Note-11	Deferred Tax		
	Tax effect of items constituting deferred tax	3,425	-
	Arising on Account of timing difference in Depreciation	-	-
	Opening Deferred Tax Asset	3,425	-
Note 12	Other Non-Financial Liabilities		
	Payable to APPCCL	52,387	32,45,000
	Karvy Computershare Pvt. Ltd	59,850	59,850
	One Legal Bay LLP	-	15,750
	Unpaid Interest on Bonds	1,14,74,059	-
	Sri Sai Infotech	3,000	-
	GST Consultancy Charges Payable	10,800	9,000
	Internal Audit Fee Payable	48,600	21,600
	Statutory Audit Fee Payable	81,000	67,500
	Outsourcing Staff Salaries Payable	-	18,188
	Managing Director Remuneration Payable	29,214	1,11,224
	Vehicle Hire Charges Payable	95,060	37,000
	Tax Audit Fee Payable	9,900	4,500
	Secretarial Audit Fees Payable	43,200	-
	Company Secretary Charges Payable	12,054	-
	Guest House Rental Payable	4,60,788	-
	Office Rental Charges Payable	89,224	-
	Interest on Canara Bank Term Loan payable	6,83,31,193	
	Interest Accrued but not due on bonds	80,23,23,647	95,69,80,480
	Payable to AP Govt	2,55,06,754	-
		90,86,30,730	96,05,70,092



Note : 7 Property Plant and Equipment (PPE)

Particulars	Property, Plant and Equipment			
	Computers	Office Equipments	Furniture & Fixures	Total
Gross carrying amount				
Opening balance as on 31.03.2019	185240	138449	68837	392526
Additions/Adjustments				
Deductions/Adjustments				
Closing Balance as at 31.03.2020	185240	138449	68837	392526
Additions/Adjustments	59990	3000		
Deductions/Adjustments				
Closing Balance as at 31.03.2021	245230	141449	68837	455516
Accumulated Depreciation				
Opening balance as on 31.03.2019	173833	138449	68810	381092
For the Period	11406		26	11432
On Assets Sold/Written off from books				
Closing Balance as at 31.03.2020	185239	138449	68836	392524
For the Period	15230	187		15417
On Assets Sold/Written off from books				
Closing Balance as at 31.03.2021	200469	138636	68836	407941
Net Carrying Amount				
As at 31.03.2020	1	0	1	2
As at 31.03.2021	44761	2813	1	47574

DEPRECIATION STATEMENT AS PER I.T.Act 1961 FOR THE YEAR ENDED 31-03-2021

Description of Asset	W.D.V. as on 01-04-20	Additions during the Year		Deletion during the year	Total as on 31-03-21	Rate of Dep.	Dep. for the year	W.D.V. as on 31-03-21
		Before	After					
		September	September					
1. Computers	7,799	59,900.00	-	-	67,699	40%	27,080	40,619
2. Furniture and Fixtures	10,616	-	-	-	10,616	10%	1,062	9,554
3. Office Equipments	-	3,000.00	-	-	3,000.00	15%	450	2,550.00
Total	18,415	62,900.00	-	-	81,315		28,591	52,724

Note 13 Changes in Equity

Particulars	Opening Baance 01.04.2020	Issued during the Year	Closing Balance 31.03.2021
Authorised Capital:			
30,00,00,000 Equity shares of Rs.100/- each	30,00,00,00,000	-	30,00,00,00,000
Issued, Subscribed & Paid up Capital:			
348,37,401 Equity Shares of Rs. 100/- each fully paid as on 31.03.2021	3,05,97,40,100	42,40,00,000.00	3,48,37,40,100
305,97,401 Equity Shares of Rs. 100/- each fully paid as on 31.03.2020			

Shares in the Company held by each shareholder holding more than 5% of the shares



Particulars	As at 31.03.2021		As at 31.03.2020	
	No of Shares	% of Equity Share Capital	No of Shares	% of Equity Share Capital
GOVERNOR OF ANDHRA PRADESH	348,37,394	99.99%	3,05,97,394	99.99%

Particulars	Securities Premium	Special Reserves	General Reserve	Surplus/(Deficit)	Comprehensive Income	Total
Balance as on 01.04.2020	-	-	-	79,552	-	79,552
Profit After tax during the period to 31.03.2020	-	68,34,244	-	2,73,36,974	-	3,41,71,218
Changes in Fair value of Loans and Advances	-	-	-	-	-	-
Actuarial Gain/loss on Gratuity	-	-	-	-	-	-
Amount Spent for CSR	-	-	-	-	-	-
Equity Dividend (Including Dividend Distribution Tax)	-	-	-	-	-	-
Transfer from Surplus Account	-	-	-	-	-	-
Transfer to Special Reserve	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
Transfer to Reserve Fund	-	-	-	-	-	-
Balance as on 31.03.2020	-	68,34,244	-	2,74,16,526	-	3,42,50,770
Profit After tax during the period to 31.03.2021	-	25,39,27,162	-	10,78,87,490	-	36,18,14,653
Changes in Fair value of Loans and Advances	-	-	-	-	-	-
Actuarial Gain/loss on Gratuity	-	-	-	-	-	-
Amount Spent for CSR	-	-	-	-	-	-
Equity Dividend (Including Dividend Distribution Tax)	-	-	-	-	-	-
Transfer from Surplus Account	-	-	-	-	-	-
Transfer to Special Reserve	-	-	-	-	-	-
Transfer to Special Reserve	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
Transfer to Reserve Fund	-	-	-	-	-	-
Balance as on 31.03.2021	-	6,07,61,406	-	13,53,04,017	-	9,60,65,422

As Per Our Report Of Even Date
For EC & Associates
Chartered Accountants
FRN 011752S

For and on behalf of Board of Directors

Sd/-
I Chaitanya Kiran
Partner
Membership No. 231212
UDIN: 21231212AAAAFJ8423

Sd/-
Dr. K. V. V. Satyanarayana, IRAS
Managing Director

Sd/-
B. Sreedhar, IAS
Director

Place : Vijayawada
Date : 08-09-2021

Sd/-
M Ramana Reddy
Chief Finance Officer

Sd/-
V Abhinaya
Company Secretary



Notes to Profit and Loss Account

		As on 31-03-2021 Rs.	As on 31-03-2020 Rs.
Note 15	Interest Income		
	a) Interest on Loans	12,76,93,71,964	6,87,63,97,384
	b) Other Interest		
	Auto Sweep - FD Interest	33,28,591	-
	FD Interest - Bank of India (DSRA)	1,64,26,718	-
	FD Interest - Bank of Baroda (DSRA)	6,87,273	-
		12,78,98,14,546	6,87,63,97,384
Note 16	Other Income		
	Grant in Aid	-	60,65,360
	Interest on IT refund	-	23,570
		-	60,88,930
Note 17	Finance Costs		
	Interest on Bonds	5,21,75,79,090	6,02,27,04,205
	Interest on Inter Corporate Deposits	20,23,54,812	
	Interest on Loans from Banks	6,08,79,81,916	78,17,14,886
		11,50,79,15,818	6,80,44,19,091
Note 18	Employee Benefit Expenses		
	Salaries	26,15,586	-
	MD Remuneration	3,43,216	3,89,437
	Outsourcing Staff Salaries	2,13,072	2,18,931
		31,71,874	6,08,368
Note 19	Other Expenses		
	Trustee Fees	13,07,534	17,14,452
	NSE Listing Fee	1,80,000	2,47,800
	ROC Filing Fee	16,200	35,800
	Custodial Service Fee paid to CDSL & NSDL	1,55,900	1,54,425
	Consultant & Professional Charges	4,65,137	4,76,000
	Stamp Duty Charges	19,68,750	31,00,900
	NSDL Charges	16,225	-
	Directors Sitting Fee	-	3,833
	Upfront Fees on Bank Loan	-	1,77,00,000
	Rating charges	-	42,78,000
	Transaction Advisor Fees	-	4,80,000
	Vehicle Hire Charges	8,54,662	5,39,922
	Folio Maintenance Charges	-	66,500
	Office Maintenance	24,833	1,65,763
	Bank Charges	11,661	22,760
	Administrative Expenses	2,20,627	33,931
	Provision on Standard Assets	65,21,38,000	-



Guest House Rent	34,72,074	-
Office Rent	1,05,284	-
GST input reversal	1,62,918	14,03,394
Credit Information Expenses	15,000	20,000
Auditors Remuneration		
For Statutory Auditors	75,000	75,000
For Internal Auditors	25,000	24,000
For Secretarial Auditors	40,000	-
For Tax Auditors	5,000	5,000
	66,12,59,805	3,05,47,480

As Per Our Report Of Even Date

For EC & Associates

Chartered Accountants

FRN 011752S

For and on behalf of Board of Directors

Sd/-

I Chaitanya Kiran
Partner

Membership No. 231212

UDIN: 21231212AAAAFJ8423

Place : Vijayawada

Date : 08-09-2021

Sd/-

Dr. K. V. V. Satyanarayana, IRAS
Managing Director

Sd/-

M Ramana Reddy
Chief Finance Officer

Sd/-

B. Sreedhar, IAS
Director

Sd/-

V Abhinaya
Company Secretary



(A) Securities

	2020-21				2019-20		
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4)=(1)+(2)+(3)	(1)	(3)	(4)=(1)+(2)+(3)
"Liability component of compound financial Instruments"	-	-	-	-	-	-	-
"Others (Bonds/ Debenture etc.)"	64,11,00,00,000.00	-	-	64,11,00,00,000.00	60,45,10,00,000.00	-	60,45,10,00,000.00
Total (A)	64,11,00,00,000.00	-	-	64,11,00,00,000.00	60,45,10,00,000.00	-	60,45,10,00,000.00
"Debt securities in India"	64,11,00,00,000.00	-	-	64,11,00,00,000.00	60,45,10,00,000.00	-	60,45,10,00,000.00
"Debt securities outside India"	-	-	-	-	-	-	-
"Total (B) to tally with (A)"	64,11,00,00,000.00	-	-	64,11,00,00,000.00	60,45,10,00,000.00	-	60,45,10,00,000.00



Borrowings (Other than Debt Securities)

	(Current Year)				(Previous Year)		
	"At Amortised Cost"	"At fair value Through profit or loss"	"Designated at fair value through profit or loss"	Total	"At Amortised Cost"	"Designated at fair value through profit or loss"	Total
	(2)	(3)	(4)=(1)+(2)+(3)	(1)	(2)	(3)	(4)=(1)+(2)+(3)
(a) Term loans							
(i) from banks	-	-	-	50,00,00,00,000	-	-	50,00,00,00,000.00
"(ii) from other parties"	-	-	-	-	-	-	-
"(b) Deferred payment liabilities"	-	-	-	-	-	-	-
"(c) Loans from related parties"	-	-	-	-	-	-	-
"(d) Finance lease obligations"	-	-	-	-	-	-	-
"(e) Liability component of compound financial instruments"	-	-	-	-	-	-	-
(f) Loans repayable on demand	-	-	-	-	-	-	-
(i) from banks	-	-	-	-	-	-	-
(ii) from other parties	-	-	-	-	-	-	-
(g) Other loans - Inter Corporate Deposits	-	-	-	-	-	-	-
Total (A)	-	-	-	50,00,00,00,000	-	-	50,00,00,00,000.00
"Borrowings in India"	-	-	-	50,00,00,00,000	-	-	50,00,00,00,000.00
"Borrowings outside India"	-	-	-	-	-	-	-
"Total (B) to tally with (A)"	-	-	-	50,00,00,00,000	-	-	50,00,00,00,000.00

Sd/-

For EC & Associates Chartered Accountants FRN 011752S

Sd/-

I Chaitanya Kiran Partner Membership No. 231212





Shareholder's Corner

Section 4 —————





Notice for 21st Annual General Meeting

CIN: U40109AP2000SGC107482

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

21st Annual General Meeting 16th day of March, 2022
MGT – II PROXY FORM

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

Name of the Member(s) : _____

Registered address: _____

E-Mail Id: _____

Folio No/Client Id: _____

DP Id: _____

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company to be held on Wednesday, 16th, March 2022 at 12:00 pm at Chambers of Special Chief Secretary to Government, Finance Department, 2nd Building, A.P. Secretariat, Velagapudi, Guntur District and at any adjournment thereof in respect of such resolutions indicated below

1. Adoption of Financial Statements and Report of Board of Directors and Auditors thereon, for financial year ended March 31, 2021 - Ordinary Resolution.
2. To take note of appointment M/s Seshachalam & Co., Chartered Accountants as Statutory Auditors of the Company by C & AG for the FY 2021-22 and fix remuneration thereon- Ordinary Resolution
3. Enhancement of Borrowing Powers of the Board from Rs. 15,000 Cr to Rs. 25,000 Cr:

Signed _____ this _____ day of _____ 2022

Signature of the Shareholder: _____

Signature of Proxyholder(s) : _____

Affix
Revenue
Stamp

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





ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

CIN: U40109AP2000SGC107482

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

Vijayawada – 520004, Andhra Pradesh

appfcl@gmail.com | www.appfcl.com

**21st Annual General Meeting 16th day of March, 2022
MGT – 12**

POLLING PAPER

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

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

Resolution No	Matter of resolution	No of Shares	I assent to the resolution	I dissent to the resolution
1	Adoption of Financial Statements and Report of Board of Directors and Auditors thereon, for financial year ended March 31, 2021 – Ordinary Resolution			
2	To take note of appointment M/s Seshachalam & Co., Chartered Accountants as Statutory Auditors of the Company by C & AG for the FY 2021-22 and fix remuneration thereon- Ordinary Resolution			
3	Enhancement of Borrowing Powers of the Board from Rs. 15,000 Cr to Rs. 25,000 Cr:			

Place : VIJAYAWADA
Date : 16/03/2022

Signature of the Shareholder / Proxy





ANDHRA PRADESH POWER FINANCE CORPORATION LIMITED

CIN: U40109AP2000SGC107482

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

**21st Annual General Meeting 16th day of March, 2022
Attendance Slip**

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

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

Number of shares held

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

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

I hereby record my presence at the 21st Annual General Meeting of the Company at Chambers of Special Chief Secretary to Government, Finance Department, 2nd Building, A.P. Secretariat, Velagapudi, Guntur District, on Wednesday, 16th March, 2022 at 12:00 PM.

Name of the member / proxy
(in BLOCK letters)

Signature of the member / proxy

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





Board of the Company

Sri. Shamsheer Singh Rawat, IAS

Dr. K V V Satyanarayana, IRAS

Dr. N Srikant, IAS

Sri. B Sreedhar, IAS

Smt. S. Nagalakshmi, IAS

Sri. V N Babu, CMA and CS

Chairman

Managing Director

Director

Director

Director

Director

**Company Secretary &
Compliance Officer**

Smt. V. Abhinaya, ACS, CMA,
48-12-16, 2nd Floor,
East Wing, Vidyut Soudha,
Gunadala, Vijayawada,
Andhra Pradesh-520004.

Chief Financial Officer

Sri. M. Ramana Reddy, CFO,
48-12-16, 2nd Floor, East Wing,
Vidyut Soudha, Gunadala, Vijayawada,
Andhra Pradesh-520004.

Statutory Auditor

Seshachalam & Co.
Chartered Accountants
1-11-256, Street No. 1, Wall Street Plaza,
6th Floor Begumpet, Hyderabad - 500016.

Secretarial Auditor

K. Srinivasa Rao & Co.
D. No. 6-13-14A, 13/3
Arundelpet, Guntur – 522002

Internal Auditor

Siva Chirumamilla & Associates
Chartered Accountants
401, Yaganti Style, Navabharat Nagar,
Guntur – 522007

Debenture Trustee

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

**Registrar and Transfer
Agents**

Karvy Fintech Private Limited,
Karvy Selenium Tower B, plot 31-32,
Financial District, Nanakramguda,
Gachibowli, Hyderabad 500032.



Route Map for Venue - 21st AGM

