TELANGANA
RISING
CURE - PURE - RARE

TGSPDCL
SOUTHERN POWER DISTRIBUTION COMPANY OF TG. LTD.
Lighting up your lives

SOUTHERN POWER

DISTRIBUTION COMPANY OF TELANGANA LIMITED

25th ANNUAL REPORT
2024-25

CONTENT

NOTICES

NOTICE OF THE ANNUAL GENERAL MEETING

To
The Members of the Company
Southern Power Distribution Company of Telangana Limited

NOTICE IS HEREBY GIVEN THAT THE 25th ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD AT ON MONDAY, 29TH DAY OF SEPTEMBER, 2025 STARTS AT 04..00 PM AT THE REGISTERED OFFICE OF THE COMPANY AT 6-1-50, MINT COMPOUND, HYDERABAD TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet, Profit & Loss Account and Cash flow Statement as at 31st March, 2025 along with Statutory Auditors Report, Secretarial Audit Report, Director's Report and along with the comments of the Comptroller and Auditor General of India thereon.
2. To take note on appointment of M/s. V.N.Purohit & Co (CA0159), Chartered Accountants, as Statutory Auditors of the Company appointed by the Comptroller and Auditor General of India for the Financial Year 2025- 26 and authorize the Board of directors to fix the remuneration of Statutory Auditors

The Office of the Comptroller and Auditor General of India vide No. CA.V/COY/TELANGANA, CENPOW(1)/69, DT: 11.09.2025 appointed M/s. V.N.Purohit & Co (CA0159),, Chartered Accountants as Statutory Auditors of the Company for the financial year 2025-26.

Draft resolution

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

"RESOLVED THAT the appointment of M/s. V.N.Purohit & Co (CA0159), Chartered Accountants as Statutory Auditors of the Company for the Financial Year 2024-25 by the Office of the Comptroller and Auditor General of India vide their letter CA.V/COY/TELANGANA, CENPOW(1)/69, DT: 11.09.2025 be noted."

"FURTHER RESOLVED THAT the pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies act, 2013, the Board of Directors of the Company be and are hereby authorized to fix the remuneration payable to Statutory Auditors M/s. V.N.Purohit & Co (CA0159), Chartered Accountants and to provide for reimbursement of their actual out-of-pocket expenses for the Financial Year 2025-26 if any."

SPECIAL BUSINESS:

3. RATIFICATION OF THE REMUNERATION OF THE COST AUDITOR FOR THE FY 2025-26

The Board considered the recommendation of Audit Committee in regard to the appointment of M/s. B.V.S. & Co., Cost Accountants, Hyderabad, as Cost Auditor for the F.Y.2025-26 and it was decided to pay the remuneration of Rs.60, 000 (all inclusive)."

Draft resolution:

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of Rs.60,000/- (all inclusive) payable to M/s. B.V.S. & Co., who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2025-26."

4. ANY OTHER BUSINESS WITH THE PERMISSION OF THE CHAIRMAN

BY THE ORDER OF THE BOARD OF DIRECTORS OF SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

Sd/-
ANIL KUMAR VORUGANTI
COMPANY SECRETARY

Date: 26.09.2025
Place: Hyderabad

NOTE:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company.
2. Proxy form (MGT-11) is enclosed. Instrument appointing proxy shall be deposited at the registered office of the company by not less than 48 hours before the commencement of the meeting.
3. Pursuant to section 139 of the Companies Act, 2013 the Auditors of the Company are appointed by the Comptroller and Auditor General of India (C&AG). In terms of Sub-Section (1) of the Section 142 of the Companies Act, 2013 remuneration of Auditors has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in Annual General Meeting may determine.
4. The Comments of the Comptroller and Auditor General of India (C&AG) on the Annual Accounts for the F.Y 2024-25 will be placed at the Annual General Meeting of the Company.

Statement of material facts of special businesses required under Section 102 of the Companies Act, 2013:

RATIFICATION OF THE REMUNERATION OF THE COST AUDITOR FOR THE FY 2025-26

The Board considered the recommendation of Audit Committee in regard to the appointment of M/s. B.V.S. & Co., Cost Accountants, Hyderabad, as Cost Auditor for the F.Y.2025-26 and it was decided to pay the remuneration of Rs.60,000 (all inclusive).

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 the remuneration of the Cost auditors to be ratified by the shareholders at the annual general meeting of the company.

The Directors recommend for ratification of Item No.3 of the notice.

**BY THE ORDER OF THE BOARD OF DIRECTORS OF
SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED**

Sd/-

Date: 26.09.2025 **ANIL KUMAR VORUGANTI**
Place: Hyderabad **COMPANY SECRETARY**

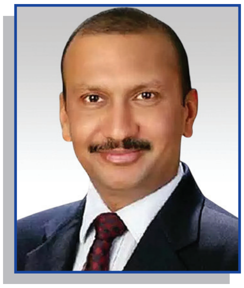
Route Map

BOARD OF DIRECTORS

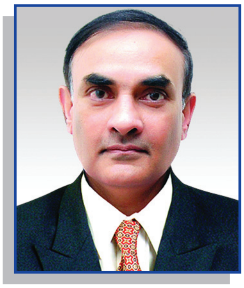
BOARD OF DIRECTORS

SRI MUSHARRAF ALI FARUQUI, IAS
Chairman & Managing Director/TGSPDCL

NON-WHOLE TIME DIRECTORS



SRI NAVIN MITTAL, IAS
Principal Secretary to Government,
Energy Department



SRI C. SRINIVAS RAO
IRAS(Retd)
JMD/TGTRANSCO

SRI P. SHYAM SUNDER
Assistant Secretary to Government,
Finance Department

SRI N.VENKATESAN
ED (REC Ltd.)

WHOLE TIME DIRECTORS

SRI V. SIVAJI
Director/Projects/IT/HRD

SRI N. NARASIMHULU
Operations, P&MM, Masterplan

SRI CH. CHAKRAPANI
Commercial,IPC,RAC, Energy Audit,
DPE, Assessments

SRI P. KRISHNA REDDY
Finance, Revenue,
IR & Legal

COMPANY SECRETARY	SRI. V. ANIL KUMAR
STATUTORY AUDITORS	M/S. V.N. PUROHIT & CO, CHARTERED ACCOUNTANTS
BANKERS	STATE BANK OF INDIA
FINANCIAL INSTITUTIONS	RURAL ELECTRIFICATION CORPORATION LIMITED
	POWER FINANCE CORPORATION LIMITED (PFC)
	PTC INDIA FINANCIAL SERVICES LTD.
	INDIAN RENEWABLE ENERGY DEVELOPEMENT AGENCY LTD.
REGISTERED OFFICE:	6-1-50, MINT COMPOUND, HYDERABAD 500063,
	TELANGANA STATE, INDIA.
	WWW.TGSOUTHERNPOWER.ORG
	CIN - U40109TG2000SGC034116

DELIVERING UNINTERRUPTED QUALITY POWER TO FUEL GROWTH AND PROSPERITY

CMD'S LETTER TO STAKE HOLDERS

CHAIRMAN & MANAGING DIRECTOR

Letter to Stakeholders

Dear Stakeholders,

I am glad to present the 25th (twenty fifth) Annual Report of Southern Power Distribution Company of Telangana Limited, Hyderabad for the Financial Year 2024-25.

About TGSPDCL:

- TGSPDCL is the largest DISCOM in Telangana state serving 117.9 Lakh consumers including 14.9 Lakh agricultural consumers spread across 15 districts with its headquarters at Hyderabad.
- The state has successfully met a Peak Demand of 17,162 MW where as TGSPDCL clocked a maximum demand of 11,017 MW and handled 61,291 MUs of energy purchased in FY 2024-25 to cater to the demand of the consumers.
- The per-capita electricity consumption of state is 2,126 units (in 2021-22) which is 69.40% more than the all India per capita electricity consumption of 1255 units.
- TGSPDCL has pro-actively undertaken network strengthening activities to deliver 24x7 free power to agricultural consumers since 1st January 2018.
- TGSPDCL has spent an amount of Rs.16,261 Crs in the last 11 years to develop the infrastructure and strengthen the power distribution network.
- The Telangana Discoms have been successfully meeting the demand in the state without any load shedding, as we believe that availability of reliable quality, un-interrupted power is a key pre-requisite for ensuring the desired economic growth in the state.

Major infrastructure developments in TGSPDCL till 31st March 2025:

S.No.	Parameter	Unit	As on 31.03.2025
1	33/11KV Sub-stations	No.s	1767
2	33KV line (UG+OH)	Km	16942
3	11KV line (UG+OH)	Km	120757
4	LT Line (OH+UG+AB)	Km	251662
5	Power Transformers	No.s	3412
6	Distribution Transformers	No.s	577555

Flagship Programs Implemented in TGSPDCL:

Gruha Jyothi Scheme:

- Government of Telangana is extending free electricity supply under '*Gruha Jyothi Scheme*' up to **200 units per month** for eligible domestic household's w.e.f 01.03.2024. In TGSPDCL total number of zero bills issued under this scheme as on 31st March 2025 are **2,71,14,406** with a total expenditure incurred of **₹ 933.2 Crores**.

Free Power supply to Govt. Educational Institutions:

- Govt. of Telangana vide **GO. Ms. No. 20, dtd. 05.09.2024** has introduced free power supply to all the Govt. Educational Institutions in Telangana State to impart quality education and the same is being implemented by TGSPDCL from Sep-2024 onwards.
- In TGSPDCL till now **13798** Educational Institutions have been registered in the online portal to avail the free power supply.

SC / ST Sub Plan:

- Under SC sub plan, the Govt. of Telangana is reimbursing against the electricity consumption who are consuming (i.e 78,517 consumers) up-to 50 units per month till August 2018. Later the benefit has been extended to **3,26,064** consumers as on 31st March 2025 who are consuming electricity up to 101 units per month with an amount of **Rs. 304.21** crores.
- Under ST sub plan, the Govt. of Telangana is reimbursing against the electricity consumption who are consuming (i.e 26,769 consumers) up-to 50 units per month till August 2018. Later the benefit has been extended to **1,46,842** consumers as on 31st March 2025 who are consuming electricity up to 101 units per month with an amount of **Rs. 112.87** crores.

Ujwal DISCOM Assurance Yojana (UDAY):

- MOU was entered between Ministry of Power, Central Government, Government of Telangana State and TG DISCOMs on 4th January 2017. According to the MOU the total debts taken over under UDAY Scheme was Rs. 8,923 Crore (being 75% of total outstanding loans as on 30th September 2015 of TGSPDCL (5550 Cr) and TGNPDCL (3373 Cr) put together).
- The Government of Telangana taken over the Loans for an amount of Rs. 5,550 Crore of TGSPDCL under UDAY Scheme.

Operations Improvement:

- TGSPDCL is one of the best performing DISCOM in the country in terms of operational efficiency and has continued to improve its Key Performance Indicator's.

- The Peak (Maximum) Demand met by TGSPDCL in 2024-25 was 11,017 MW as compared to 9,862 MW in the previous year with an increase of 11.71%.
- Revenue Demand has increased from 34,348.6 Crs in FY 2023-24 to 37,540.87 Crs in FY 2024-25.
- Total existing LT consumers were increased from 1,13,57,879 in FY 2023-24 to 1,17,76,686 in FY 2024-25.
- Total existing HT consumers were increased from 12,452 in FY 2023-24 to 13,325 in FY 2024-25.
- 50,638 No's of Agriculture connections were released during FY 24-25.
- Duration of interruptions i.e. SAIDI was reduced from 772.28 minutes in FY 2023-24 to 673.22 minutes in FY 2024-25.
- Average number of interruptions i.e. SAIFI was reduced from 29.05 in FY 2023-24 to 24.01 in FY 2024-25.
- In FY 2024-25, the percentage of complaints resolved and new services released within the SOP stipulated timelines are 83% and 90% respectively.

Promotion of Solar Energy:

- TGSPDCL has taken proactive measures in harnessing the solar potential in the state including the notification of forward looking solar policy in June 2015. This has created a stable and a conductive environment for expedited addition of solar capacities in the state.
- Telangana has a total installed RE Capacity of **7525 MW** by the end of March 2025, spanning across Solar, Wind, Mini - Hydel etc.
- We have been actively encouraging solar rooftop addition through a transparent and user-friendly application process enabled by online tracking and monitoring of applications. This has helped the DISCOM achieve **478.65 MW** of solar rooftop capacity by end of March 2025.
- I am happy to note that in a short span, TGSPDCL has been able to show substantial progress in adding solar capacities. This is one of the highest in the country.

Renewable Purchase Obligation (RPO):

- TGSPDCL has consistently surpassed the RPO targets set by the TGERC, as shown below:

	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
RPO Target (in %)	8.00%	8.50%	9.25%	10.50%
RPO Achieved (in %)	9.63%	14.76%	15.65%	16.92%

Key Initiatives in Operations:

Electricity Command Control Centre (ECCC):

- ECC (Electricity Command Control) Centre is established at TGSPDCL Corporate Office, for round the clock (24x7) monitoring of Consumer Grievances and Customer Service Requests. The main objective of the ECC is to serve the Consumer through Single Window basis by integrating SCADA, DMS, NMC, ECR (1912), LMRC, OMS, Customer Services, and Grievance Redressal Ticketing System.

Emergency Response Team Vehicles:

- 166 No.s Emergency Response Team (ERT) vehicles have been deployed in TGSPDCL with necessary tools and capability to tow mobile transformers for enabling quick restoration of supply during breakdowns.

IRDA port meters:

- The Telangana state DISCOMs have installed IRDA port meters, which has resulted in significant benefits, including improved billing efficiency and a substantial reduction in cases of meter reading suppression.
- TGSPDCL has installed IRDA Meters for **91,29,531** consumers as on 31st March'2025 which is **83.94%** of the total metered consumers.

Prepaid Meters:

- Telangana Discoms has Prepayment mechanism using special type of energy meter which can be installed with a prepayment or pay as you go tariff. As on 31st March'2025, 15,300 No's of Prepaid meters were installed across Government offices in which 8,331 services were declared as Go-live from 01.07.2019 and are running successfully.

SCADA/DMS Project:

- SCADA was implemented in TGSPDCL in Hyderabad city with the aim to monitor and control every network element in the sub transmission network remotely.
- Under SCADA control all **228 Nos.** of 33/11KV Sub-Stations, under DMS (Distribution Management System) operation of all the **156 Nos.** 11KV feeders were commissioned in core city of Hyderabad and Communication System under SCADA DMS project has been successfully completed and declared Go-live.

New Technologies in TGSPDCL:

Telangana GIS, Asset, Inspection & Maintenance System (TGAIMS):

- TGAIMS is an android app based on Google Appsheet and TGAIMS stands for Telangana GIS, Asset, Inspection & Maintenance System.
- The objective of the App is to provide a complete overview of the Network System available in the Discom in Maps and thereby provide efficient Maintenance and uninterrupted reliable power supply to the Consumers.
- Main functionalities of TGAIMS is GIS Mapping of DISCOMs Electrical Network, Asset Mapping and Management, Inspection of Feeders for the defects & surveying and provision for tracking the Maintenance of defects.
- GIS Mapping involves GPS based location mapping of all distribution assets including Sub-Station, Pole, DTR Structure, HT Service Connection, Ring Main Unit (RMU), Auto Recloser, Line AB Switch etc. Pole to Pole Coordinates are captured and the feeder network route Map is imposed to Google Maps. This is a long and life time information maintained in the company.

TGSPDCL Mobile App:

- Consumers can avail several services through this TGSPDCL mobile app such as Outage information, Power supply position, News on maintenance activities affecting the network, lodging of complaint either billing/supply related, Payment of bills, case amounts etc. Further, they can also access the app for receiving status on new service release and complaint resolution.

Digitization of consumer services:

- TGSPDCL adopted digitization of consumer service transactions. New service connection applications, load addition, commercial complaints received in 18 No.s ICSCs/73 No.s CSCs will be verified in the portals like CSC, SAS by the authorities in a paperless mode. Communication with consumers will be done through email/SMS to reduce manual intervention.

SASA mobile app for field work management:

- The mobile App 'SASA' (Section Automation System App) is developed for providing section-wise reports pertaining to various IT Applications such as EBS, CSC, MATS, MMS, Net Metering on Android platforms. This App provides the facility to monitor the section-wise FOC complaints registered, resolved and pending.

E-Payment:

- TGSPDCL has promoted **digital payment** of bills through various payment channels. Online payment can be done by the consumers through web-portal and mobile application.
- At present, about **90.91%** of Revenue collection is obtained through online mode from the consumers in entire jurisdiction of TGSPDCL.

Ease of doing business (TS-iPASS):

- For entrepreneurs setting up new industries, Telangana Discoms have tied up with TS-iPASS, which acts as a single window cell for providing all necessary clearances in a time bound & transparent manner with no hassles. This has ensured that the state becomes a preferred destination for investors and helped in the economic growth of the state.
- As a key intervention in the release of new service connection, the Forms required have been limited to two documents and new connection services are released within 15 days.

Auto Generation of Estimate:

- To provide speedy processing of industrial applications (LT and 11KV) registered in TS-iPASS, Auto creation of estimates and generation of tentative demand notice has been implemented in TGSPDCL. As per the new procedure, after the technical feasibility is issued by the Concerned Circle, a message with web link will be sent to the consumer for filling the length of the line required (in meters from the nearest feeder/substation). As per the information filled by the consumer in web link, an estimate will be created and approved automatically.

Ease in HT Consumer billing:

- HT CC Bills are also being sent to the HT Consumers through e-mails, apart from sending by post. The CC bills are also posted at TGSPDCL website which can be downloaded by the HT Consumers and the bill details are informed through short messages. Virtual bank accounts have been opened in the name each and every HT Consumer and the account number and IFSC code details are displayed on individual HT CC Bill to facilitate the consumer to pay directly in the bank account.

Implementation of ERP S/4 HANA*:*

- For improving operational efficiency of DISCOM, TGSPDCL has successfully upgraded its existing SAP ECC 6.0 ERP system to the latest SAP S/4 HANA system, and the system was Go-Live from 8th March 2021.

CGRF Portal:

- The Online CGRF Portal was developed and made live on 28-03-2022, to facilitate the consumers to lodge grievances to CGRF through online web-portal, without physical approach and thereby providing better services to consumers.

Quality Control Application:

- This application enables complete tracking & monitoring of Inspection of all electrical works, Sub-stations, SPMs, etc, and entry of inspection details of Quality control & Quality Assurance to clear the defects and improve the company performance.

HT CSC Application:

- HT CSC software is developed and made go-live on 06.05.2022. This Application enables tracking the status and release of HT service registrations.

Medical Credit Card Management System:

- The Medical Credit Card Management System is an application designed for online issue of credit card to the employees and their dependants in the Company and also enables the Hospitals to apply the Credit Card directly.
- This system enables online issue of Credit card for medical purposes to the employees of the Discom, thus facilitating them for faster receipt of credit card and helps in avoiding the effort of coming to the department in person.
- Further, the details of the employees and their dependants are available in this application, along with their medical history which enables faster processing of the credit card and avoids repetitive entry of employee details.

Online Legal Case Management System:

- It is an application designed for online tracking of the Legal cases in the department. The entire history of the legal case is recorded in this application, right from the date of filing of case till the final disposal of the case. The status of any legal case can be viewed in this application. Various reports pertaining to all the details of the legal cases are available in this application.

Employee Portal:

- The complete employee information such as pay particulars, pay slips, GPF details, leave account, medical information, eligible medical balance against the respective schemes etc. can be viewed online, by the individual employees in this portal.

Outage Management System (OMS) Portal:

- TGSPDCL has introduced and launched OMS portal where all 11KV & 33KV feeder wise interruption reports can be downloaded including duration of each outage, type of outages, SAIDI, SAIFI, CAIDI, MAIFI, etc. along with the graphs and detailed reports of these parameters. This provision will be helpful for tracking the feeder wise interruption details and for minimizing the interruptions through continuous monitoring by the management on daily basis.
- Feeder outage management system app to relay live status of feeders to the concerned engineers and field staff & alert the concerned in case of outage in any feeder.

TGSPDCL has been adopting technology and has designed the consumer process in a manner which provides the consumer a lot of convenience and highest levels of transparency. Going forward, I would like to assure you that TGSPDCL would be taking all the necessary initiatives to make it one of the most customer centric DISCOM across India.

Awards/Recognition for TGSPDCL Initiatives during FY 2024-25:

The various awards and recognitions received by the TGSPDCL at multiple forums are a testament to the continued excellence and effort that is being shown by each and every employee in the organization.

Rated 'A' Grade by Ministry of Power for FY 2023-24:

The Ministry of Power has given a rating of "**A**" to TGSPDCL on Consumer Service Rating of DISCOMs 2023-24, which make TGSPDCL one of the top DISCOM in the Country, recognizing the consistent & sustainable improvements that the DISCOM has shown in Operational Reliability, Connection & Other services, Metering, Billing & Collections and Fault Rectification & Grievance Redressal parameters during FY 2023-24.

To conclude, I congratulate all the employees for their efforts towards achieving the goals of the company, improved sales performance, in accomplishing the Directives of Regulatory authority, other statutory authorities and initiated steps for institutional strengthening.

Further, I sincerely acknowledge the invaluable support and co-operation of the Spl. Chief Secretary, Energy Department, Government of Telangana, Chairman & Managing Directors of TGTRANSCO, TGGENCO and TGNPDCL, Secretary of TGERC, the other officials of the Govt. of Telangana, the Office of the Comptroller & Auditor General of India, the Bankers and the Financial Institutions and look forward to their continued support in the future.

Thank You,

Sd/-
Musharaff Ali Faruqui, IAS
Chairman and Managing Director/TGSPDCL

DIRECTOR'S REPORT

DIRECTOR'S REPORT

To
The Members
Southern Power Distribution Company of Telangana Limited,

The Directors are pleased to present the Twenty Fifth Annual Report on the business and operations of your company together with the Audited Statements of Accounts for the year ended on 31st March, 2025.

1. Financial Results:

The financial results of the Company for the year ended 31st March 2025 the Company could earn an aggregate income of **Rs. 44,953.46 Crores.** The financial performance of the Company is as follows:

S.No	Particulars	2024-25 (in Crore)	2023-24 (in Crore)
1.	Revenue from Operations	**44,517.88**	40,331.90
2.	Other Income	435.58	367.36
	Total Income	**44,953.46**	**40,699.26**
3.	Power Purchase Cost	36,010.43	37,890.10
4.	Employee Benefit expense	3,495.16	3,166.15
5.	Operation and Other Expenses	393.50	394.01
6.	Interest and Finance Charges	4,174.72	3,308.15
7.	Depreciation	907.84	842.13
	Total Expenses	44,981.65	45,600.54
8.	Exceptional items	1,058.26	137.92
9	Profit/(Loss) Before Tax	(1,086.45)	(5,039.20)
10.	Provision for Income Tax	-	-
11.	Deferred Tax	(16.43)	129.67
	Net Profit/(Loss)	**(1,102.88)**	**(4,909.53)**

2. Uday Scheme

Ujwal Discom Assurance Yojana (UDAY), a Scheme for the Financial Turnaround of the Power Distribution Companies (DISCOMs), was announced / approved vide Ministry of Power, Government of India, Office Memorandum No. 06/02/2015-NEF/FRP, Dated 20th November, 2015, with an objective to improve the operational and financial efficiency of the State DISCOMs.

As per the Scheme the State shall take over 75% of DISCOM debts as on 30th September 2015 including DISCOM bonds which were committed to be taken over by the State as part of Financial Restructuring Plan 2012 (FRP 2012).

MOU was entered between Ministry of Power, Central Government, Government of Telangana State and TS DISCOMs on 4th January 2017. According to the MOU the total debts taken over under UDAY Scheme was Rs. 5550.21Crores (being 75% of total outstanding loans as on 30th September 2015 of TGSPDCL).

The Govt. of Telangana taken over the Loans for an amount of Rs. 5,550.21 Crores of TGSPDCL under UDAY Scheme. out of which an amount of Rs.5,550.21crores were released.

The Government of Telangana has issued the GO No. 15,Dt.18.06.2022. towards the takeover of Losses of 2017-18 to 2020-21 as per the clauses under the UDAY scheme for an amount of Rs.8925.00 Crore for TS Discoms, out of which TSSPDCL share is of Rs.6228.00 Crore (i.e. Rs.392.00 Crore towards 10% loss of 2017-18, Rs.1242.00 Crore towards 25% loss of 2018-19, Rs.2470.00 Crore towards 50% loss of 2019-20 and Rs.2124 Crore towards 50% loss of 2020-21). The same is recognised during FY 2021-22 under Revenue from Operations as the funds received from GoTS in the FY 2022-23 before closure of Financials for 2021-22.

During the FY 2022-23,the Government of Telangana has issued the G.O.No.33, Dt.24.12.2022 towards takeover of loss of 2021-22 as per the clauses under the Uday Scheme for an amount of Rs.415 Crore for TS Discoms, out of which TGSPDCL share is of RS.313 Crore (i.e 50% loss of 2020-21).The same is received and recognised in 2022-23.

During the FY 2023-24,the Government of Telangana has issued the G.O.No.10, Dt.28.07.2023 and G.O.11, Dt.07.08.2023, towards takeover of loss of 2022-23 as per the clauses under the Uday Scheme for an amount of Rs.5571 Crore for TG Discoms, out of which TGSPDCL share is of RS.4073 Crore (i.e 50% loss of 2022-23).The same is received and recognised in 2023-24.

During the FY 2024-25 the Government of Telangana has issued the G.O No.17, Dt.22.08.2024 towards takeover of 50% of loss of 2023-24 as per the clauses under the UDAY scheme for an amount of Rs.3,175.36 Crore for TGDISCOMs out of which TGSPDCL share is of Rs.2,454.77 Crore.The same is received and recognized in 2024-25.

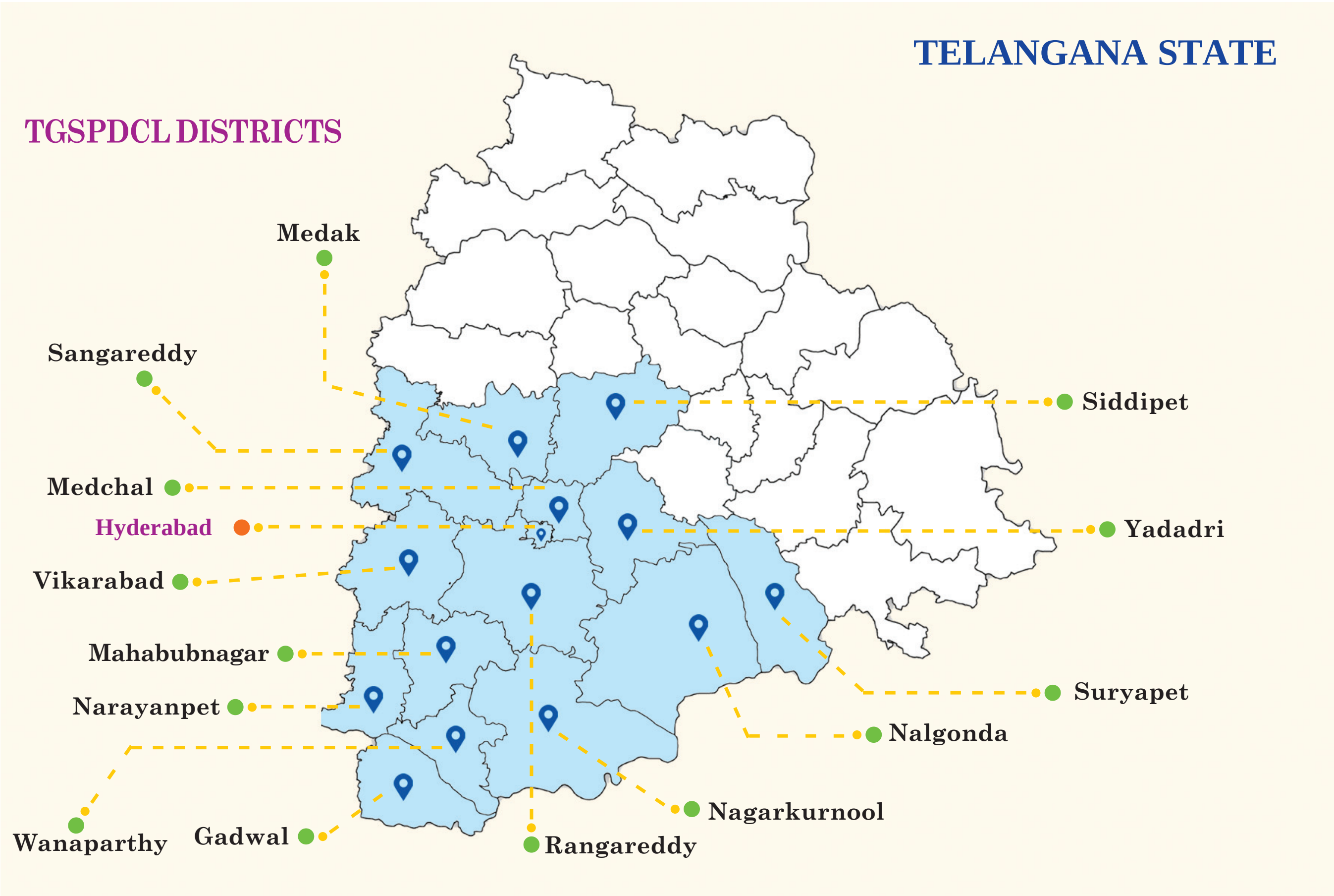
3. State of Company's Affairs – Section 134(3)(i) of Companies Act, 2013

Introduction

In exercise of the powers conferred under section 3 of the Telangana Districts (Formation) Act, 1974, the Governor of Telangana, in the interests of better administration and development of the area concerned, after taking into consideration of the objections and suggestions received from various people and public representatives, formed new Districts by altering the boundaries of existing Districts as specified in Section 3 of the Central Act No. 6 of 2014.

With a vision to fulfill the expectations of the Telangana Government, Southern Power Distribution Company of Telangana Limited which came into being on 2nd June 2014, with an objective of providing Electricity to the people at an affordable prices. TGSPDCL has its headquarters at Hyderabad and encompasses an area of 15 districts viz., Mahabubnagar, Nalgonda, Yadadri Bhuvanagiri, Suryapet, Siddipet, Medchal, Wanaparthy, Nagarkurnool, Jogulamba Gadwal, Narayanpet, Sangareddy, Medak, Hyderabad, Vikarabad and Rangareddy catering to the power requirements of 11.10 million consumers.

The philosophy of TGSPDCL is to enhance its performance and emerge stronger by the day to offer its customers the best and value for money.



Operational Performance

Significant achievements during F.Y. 2024-25are given below

- The Company achieved metered sales of 40994.33MU in FY 2024-25 as against 37709.20 recorded during FY 2023-24. The metered sales percentage to energy input was at 66.88% in FY 2024-25 as compared to 64.67% during 2023-24.
- Energy input was at 61291.45 MU in during 2024-25 as against 58311.64 MU in the Previous Year (2023-24).
- The peak period demand met in F.Y.2024-25 is 11017 MW as against the P.F.Y 9862 MW.
- The Company has supplied 15209.04 MU Energy to the Agriculture Sector as against 15615.51 MU previous year. The energy supplied to agricultural sector constitutes 24.81% of total energy input in FY 2024-25. Assessment of agricultural energy is being done by ISI methodology approved by Electricity Regulatory Commission (ERC) from FY 2013-14.
- The maximum consumption on a day in FY 2024-25 was 222.57 MU as against 202.45 MU in the previous financial year.

Reduction of Energy Losses:

During the FY 2024-25, a number of measures were adopted that contributed to the ongoing efforts to reduce energy losses. The initiatives include:

- Energy Audit of 104 Towns and 162 Mandal Head Quarters. FY 2024-25
- Impact of above measures is apparent. The Energy Losses during the FY 2024-25 is 8.30% as against 8.55% in previous FY 2023-24.
- Arrested theft of power by regular Detection of Pilferage of Energy (DPE) wings by conducting inspections and special intensive inspections with the DPE & Operation Wings of all circles, during the FY 2024-25, in both HT & LT connections Total 88,121 no. of cases were booked for various type of irregularities namely theft, Unauthorized Development Charges and back billing cases.

Projects Data

During FY 2024-25 the following works have been completed to strengthen the distribution system and the infrastructure of the Company is as follows:

S. No.	Particulars	Total as on 31.03.2024	Achievement in F.Y. 2024-25	Total as on 31.03.2025	
1	No. of 33 / 11 KV Substations	1748	19	1767	
2	**Lines (in KM)**				
	33KV	16759.14	191.50	16950.64	
	11KV	117769.19	1966.35	119735.54	
	Low Tension	247795.61	3865.25	251660.86	
3	High Voltage Distribution System (HVDS) for (DTRs)	32669	0	32669	
	High Voltage Distribution System (HVDS) for Agriculture Pump Sets	95219	0	95219	Scheme closed on 30.09.2018, Rs.2.34 Crores to be received from Govt.of Telangana

PM JANMAN (Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyan)

Ministry of pwer, Govt of India has intended to provide electricity to all identified Un-Electrified Particularly Vulnerable Tribal Group Hoseholds (PVTG HHs) Under PM-JANMAN Scheme.

ON-Grid

Electrification of 524 Nos.PVTG un-electrified Households through On-Grid was sanctioned for an amount of Rs.70.21 Lakhs under PM-JANMAN Scheme with 60% GOI grant.

Electrification of 524 Nos PVTG HHs with allied infrastructure is completed on 03.07.2024.

OFF-Grid

The electrification of PVTG households where there is no possibility of extending supply through on-grid, the supply is to be provided through Off-Grid (Solar Home Lighting System) Ministry of New & Renewable Energy (MNRE) will extend 100% grant of the estimated cost limited to Rs.50,000/- Per household.

MNRE sanctioned electrification of 36 Nos Unelectrified PVTG HHs through Solar power and electrification of 36Nos has been completed on 02.05.2024.

4. Telangana Clean And Green Energy Policy 2025

Government of Telangana has announced Telangana Clean and Green Energy Policy 2025 on dated 11.01.2025 and nominated TGGENCO & TGREDCO as Nodal Agency to receive the applications from the developers to establish Renewable Energy Projects in Telangana state.

This policy has been developed to meet the following objectives:

- Ensure energy Security for Telangana.
- Provide reliable and affordable
- Ensure self-Sufficiency and sustainability of Telangana Power Utilities.
- Promote the development of Solar, wind and other RE projects in the State.
- Promote the development of energy storage systems.
- Promote the production of green hydrogen and its derivatives
- Enhance the state manufacturing ecosystem
- Boost investments and increase job potential in the state.

	Current Status	Target Capacity for FY30	Target Capacity for FY35
Solar Energy	7,889 MW	19,874 MW	26,374 MW
Distributed Renewable Energy	771 MW	4,330 MW	8,242 MW
Wind Energy	128 MW	2,528 MW	4,528 MW
Energy Storage Battery Energy Storage & Pumped Storage Projects	1,600 MW	3,805 MW	7,917 MW
Geothermal	20 kW pilot project by SCCL	1,000 MW	3,000 MW
EV Charging Stations	872 Nos.	6,000 Nos.	12,000 Nos.
Green Hydrogen	-	418 KTPA	554 KTPA

This policy shall come into operation with effect from the date of issuance and will remain applicable for a period of ten(10) years from the date of issuance of policy or till such time a new policy is issued.

TGSPDCL Renewable Energy (RE) Power Projects Synchronized to the Grid as on 31.08.2025.

Solar Power Projects (Capacity in MW):

Sale to DISCOM (Solar PPA)	5879.40
Third Party	165.64
Captive	149.08
Solar Net Meter (Roof Top)	552.79
Total	**6746.91**

Wind Power Projects (Capacity in MW): 128.10 MW

Other RE Power Projects (Capacity in MW):

Sale to DISCOM (PPA)	66.85
Third Party	34.405
Captive	6.1
Total	**107.355**

Abstract of Installed Capacities

S.No.	Type of Power/Generating Station		Total Installed Capacity in MW	Telangana Share in MW	TGSPDCL allocation in MW
1	TG GENCO	Thermal	4842.50	4842.50	3416.38
		Hydel	2441.76	2324.76	1640.12
2	Central Sector		19929.00	3766.37	2657.32
3*	Non Conventional (Sale to Discoms)		8065.07	8065.07	5645.36
4	Others		3270.00	2469.45	5645.36
	Total		**38548.33**	**21468.35**	**15101.38**

* Synchronized to grid values.

Solar and Wind Power Projects Synchronized to the grid

Solar Power Projects	Sale to DISCOM in MW		Third Party & Captive in MW	Solar Net Meter (Roof Top) in MW	Total (MW)
	Solar PPA	Wind PPA			
	5879.40	128.10	165.64	522.79	6746.91

Long Term Power Procurement through competitive Bidding

S.No.	Name of the successful Bidder	Quantum in MW	TG Share in MW	TGSPDCL Share in MW	Levelised Tariff Rs./ kwh	Status
1	M/s. Sembcorp Energy India Ltd	500	269.45	190.10	3.675	PPA- 01.04.2014 Supply Commencement 20.04.2015 Term: 25 years
2		570	570	402.14	4.15	PPA – 18.02.2016 Supply Commencement 30.03.2016 Term: 8 Years

Roof Top Solar (RTS)

In order to promote generation of electricity from the Renewable sources of energy in the state of Telangana, Hon'ble TSERC has issued regulation No.06 of 2016 for connectivity with the Grid and sale of electricity from the Roof top Solar photovoltaic systems.

The Roof top solar systems installed capacity up to FY 24-25 is 478.65 MW.

The Ministry of new and Renewable Energy has been implementing the Grid Connected Rooftop Solar Phase II Programme since 2019, which was proposed to be implemented till 2025-26 with a budgetary outlay of Rs.11,814 Crores. The Scheme stands subsumed within the PM Surya Ghar Muft Bijli Yojana from 13.02.2024.

PM Surya Ghar Muft Bijili Yojana (PMSG-MBY):-

- Honorable PM has been launched PM-Surya Ghar: Muft Bijili Yojana scheme on 13.02.2024 for the target of installing Rooftop solar on 1 crore houses in Residential sector throughout India.
- The scheme has an outlay of Rs.75,021 crores and to be implemented till FY 2026-27.The administrative approval was granted to the scheme on 16.03.2024.
- MNRE has appointed REC Ltd as the National Programme Implementation Agency (NPIA).
- Solar modules used in the installation under PMSG: MBY must satisfy the Domestic Content Requirement (DCR) condition i.e., domestically manufactured modules manufactured from domestically manufactured cells.
- The following table depicts the progress made in residential sector under Phase II of GCRT solar programme subsumed with PMSG:MBY:

FY	Allocation in residential sector	Released capacity (in MW) as on 31.08.2021	Validity
2019-20	10.78 MW	9.187 MW	19.08.2021
2020-21	20.00 MW	9.483 MW	25.02.2022
2021-22 2022-23 2023-24	40.00 MW	20.267 MW	18.01.2024
2024-25 2025-26	46.36 MW (as on 18.09.2025)	46.36 MW (as on 18.09.2025)	31.03.2027

5. Share capital

As on March 31, 2025, the authorized share capital of the Company was ₹ 20,000 crore, consisting of 2000 crore equity shares of ₹ 10/- each. the issued and paid-up share capital of the Company.

The Issued, Subscribed And Paid-up capital of the company **is 12,017,930,306 Equity shares at Rs.10/- each amounting to Rs. 120,179,303,060.**

6. Dividend

As there are no profits from operations, the Directors do not recommend any dividend in the FY 2024-25.

7. Details of the Deposits as per the Chapter V Section 73 of the Companies Act, 2013

The Company has not accepted any public deposits within the meaning of Section 73 of the Companies act, 2013 and as such no amount on account of principal or interest on public deposits was outstanding as on 31st March, 2025.

8. Annual Return & Extract of The Annual Return as Per 92(3), Rule 12 in form MGT 9-134(3)(A)

Form MGT 9 is enclosed as **Annexure – A. Page no. 37.**

Annual Return Pursuant to the amendments to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return (Form MGT-7) for the financial year ended March 31, 2025, will be made available as and when filed with MCA on the Company's Website and the same can be accessed at www.tgsouthernpower.org

9. Number of Meetings of The Board – 134(3)(B)

The Number of Board Meetings held during the Financial Year ended 31.03.2025 are as mentioned below:

S. No.	Date of meeting	Total No. of Directors on the Date of Meeting	No. of Directors attended	% of Attendance
1.	29.06.2024	5	3	60%
2.	30.07.2024	5	3	60%
3.	27.08.2024	4	4	100%
4.	25.11.2024	4	4	100%
5.	31.12.2024	4	4	100%
6.	21.01.2025	4	4	100%
7.	15.03.2025	4	4	100%

10. Compliance with Secretarial Standards on Board and Annual General Meetings

The Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings respectively.

11. Details of any Proceeding Pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016)

During the year, no corporate insolvency resolution process was initiated under the Insolvency and Bankruptcy Code, 2016, either by or against the Company, before National Company Law Tribunal. The details of TGSPDCL claims in NCLT as on 31.03.2025 are as follows: -

Sl. No	Circle Name	Company Name & CP(IB) No.	Dues/Claim Amt (in Lakhs)	Status
1	Cybercity	M/s. Saptarishi Hotels Pvt Ltd	8.18	Liquidation
2	Cybercity	M/s.IVRCL Limited.	76.52	Liquidation
3	Central Circle	M/s.IVRCL Limited.	21.54	Liquidation
4	Central Circle	M/s.Talwalkars Better value Fitness Pvt.Ltd.	7.63	Liquidation
5	Habsiguda	M/s.Kadevi Engineering Company Pvt. Ltd.	17.79	Liquidation
6	Habsiguda	M/s. Versatile Pharmaceuticals Pvt. Ltd.	7.63	CIRP
7	MahboobNagar	M/s. Btt Industries Ltd.	2387.64	CIRP
10	MahboobNagar	M/s. Vibha Agro Tech Limited	45.79	CIRP
11	Medchal	M/s. Leo Meridian Infrastructure	106.09	CIRP
14	Rajendra Nagar	M/s IL & FS Environmental I&S Ltd.,	38.18	CIRP Completed
15	MBNR	M/s. Suryajyothi Spinning Mills Ltd.	2614.15	Liquidation
16	Rajendra Nagar	M/s. Suryajyothi Spinning Mills Ltd.	2929.63	Liquidation
18	Rajendra Nagar	M/s. Millenium Appliances	29.15	CIRP
25	Corporate Office	M/s. Victory **Transformers** and Swithgears Ltd.	397.00	Liquidation
		TOTAL	**8686.92**	

The details of TGSPDCL appeals in NCLAT, Chennai as on 31.03.2025 are as follows:-

Sl.No	Circle Name	Company Name & Case No.CA. No.	Amt for Appeal Rs. in lakh
1	MahboobNagar	M/s. BTT INDUSTRIES LTD.	24.10
2	Rajendranagar	M/s Vaksh Steel Ltd.,	3127.53
3	Rajendranagar	M/s. Glade Steels Pvt Ltd	1106.00
4	Sangareddy	M/s. Sujana Metals Products Ltd	504.99
5	Sangareddy	M/s.Techtron Polylenses Ltd	96.91
6	Sangareddy	M/s.Priyadarshini Spinning Mills Ltd.	3187.16
7	Suryapet	M/s. Sri MATA Infrastructure Ltd.	151.47
8	Corporate Office	M/s. Victory Electricals Ltd	407.94
9	Sangareddy	M/s. Apex Drugs LtdM/s. Apex Drugs & Intermediates	34.37
		TOTAL	**8640.47**

The details of TGSPDCL appeals in NCLAT, appeals in Supreme Court against NCLAT orders as on 31.03.2025.

Sl.No	Circle Name	Company Name	Dues/Claim Rs. in lakh
1	Sangareddy	Omicron Biogenisis Ltd. (Tradeinox Industries Ltd.)	711.50
		TOTAL	**4331.69**

12. Directors' Responsibility Statement as per 134(5) – 134(3)(C)

Pursuant to section 134(5) of the Companies Act, 2013, your directors confirm and report that:

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) The directors had prepared the annual accounts for the FY 2024-25 on a going concern basis; and

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

13. Explanation / Comments By The Board On Every Qualifications, Reservations, Adverse Remarks or Disclaimers Made By The Statutory Auditors & The Practicing Company Secretary In Their Reports – 134(3)(F)

Statutory Auditor Report along with Management Reply is enclosed at Annexure –**B. Page No. 63.**

Secretarial Auditor Report along with Management Reply is enclosed at Annexure – **C. Page No.72.**

14. Particulars of the Loans, Guarantees, Security or Investments and the Purpose for which the Loan, Guarantee or Security is Proposed to be Utilised by the Recipient as per 186-134(3)(G)

The complete financial details are available in the Balance sheet.

15. Particulars of Contracts or Arrangements with the Related Parties along with the Justification for Entering into Such Transactions as per 188(1)-134(3)(H) & Rule 8(2) - Form AOC 2

The Ministry of Corporate Affairs (MCA) vide Notification dated June 5, 2015, has exempted the government companies from Related Party Transactions under Section 188(1) & 188(2).

16. Amount Proposed to be Carried to Reserves – 134(3)(J)

Rs. (1102.88) Crores has been carried to Reserves for the F.Y.2024-25.

17. Material Changes & Commitments, if any Affecting the Financial Position of the Company, Occurred Between the End of the Financial Year to which This Financial Statements Relate and the Date of the Report – 134(3)(L)

NIL

18. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo – 134(3)(M) & Rule 8(3)

Statement is enclosed at Annexure–**D. Page No.79.**

19. Development and Implementation of A Risk Management Policy, Including the Identification Therein of The Elements of Risk, Which in the Opinion of the Board may Threaten the Existence of The Company-134(3)(N)

The Company is faced with risks of different types, all of which need different approaches for mitigation. Various risks associated with the business of the Company are given below:

Operational risk: To mitigate operational risks associated with distribution network, the company invests significant resources in the maintenance and protection of its critical equipments, details of which were mentioned above.

Regulatory risk: Electricity is a highly regulated sector. This exposes the company to risks with respect to changes in policies and regulations which are similar to all players in the sector.

Financial risk: Company is having a loss of Rs. 1102.88 Crores and Total Indebtedness of the company Rs.38,040 Crore. Ujwal Discom Assurance Yojana (UDAY), a Scheme for the Financial Turnaround of the Power Distribution Companies (DISCOMs) was announced/approved vide Ministry of Power, Government of India; details are mentioned in Item No.2 of the Directors Report.

The Board of Directors of the Company are competent to take decisions on the Risk mitigation and to take appropriate measures for risk management.

20. Details of the Policy Developed and Implemented on The CSR and the Initiatives Taken, Composition of CSR Committee – 134(3)(O), Rule 9 & Annexure to the CSR Rules

The Corporate Social Responsibility (CSR) Committee composition as on 31.03.2024 as follows:

SL. No	Name	Designation
1	Sri Sandeep Kumar Sultania	Principal Secretary to Govt., Energy Dept
2	Sri C. Srinivasa Rao, IRAS(Retd)	JMD/TSTRANSCO
3	Sri P. Shyam Sunder	Assistant Secretary to Govt., Finance Dept

21. Details of the Policy Developed and Implemented on the Borrowing Committee

TheBorrowing Committee composition as on 31.03.2025 is as follows:

SL. No	Name	Designation
1	Sri Musharaff Ali Faruqui, IAS	Chairman and Managing Director/TGSPDCL
2	Sri P. Shyam Sunder	Assistant Secretary to Government., Finance Department
3	Sri V. Anil Kumar	Company Secretary/TGSPDCL - Convener

22. Details of the Policy Developed and Implemented on Nomination and Remuneration Committee

The Present constitution of Nomination and Remuneration Committee composition as on 31.03.2025 is as follows:

Sl. No	Name	Designation
1	Sri Sandeep Kumar Sultania	Principal Secretary to Govternment Energy Department
2	Sri C. Srinivasa Rao, IRAS(Retd)	JMD/TGTRANSCO
3	Sri P. Shyam Sunder	Assistant Secretary to Govternment Finance Department

23. If The Company Fails to Spend the Required Amount on CSR, the Reasons Thereof – 135(5)

Reasons for failure to spend the required amount on CSR

Since the Company is not having any profits and having a loss Rs. 1102.88 Crores, the Company couldn't spend any amount on CSR. Hence this clause is not applicable.

However, the Company shall take the necessary (CSR) activities as and when required according to the Company policy, and CSR Committee shall monitor the same.

24. Details of the Directors/ KMP – Appointed and Resigned – Rule 8(5)(III) for F.Y. 2024-25

Name	Designation	Date of appointment	Date of cessation, if applicable
Sri. Musharaff Ali Faruqui	Chairman and Managing Director	12.12.2023	NA
Sri SAM Rizvi, IAS	Principal Secretary to Government, Energy Department(Nominee Director)	29.12.2023	27.08.2024
Sri Ronald Rose	Principal Secretary to Government, Energy Department(Nominee Director)	27.08.2024	16.11.2024
Sri Sandeep Kumar Sultania	Principal Secretary to Government, Energy Department(Nominee Director)	16.11.2024	19.06.2025
Sri Navin Mittal, IAS	Principal Secretary to Government, Energy Department(Nominee Director)	19.06.2025	NA
Sri P. Shyam Sunder	Assistant Secretary to Government, Finance Department (Nominee Director)	08.09.2021	NA
Sri C. Srinivasa Rao, IRAS(Retd)	JMD/TGTRANSCO (Nominee Director)	04.03.2017	NA
Sri Daljeet Singh Khatri	Nominee Director, ED (REC Ltd)	30.05.2023	11.07.2025
Sri N.Venkatesan	Nominee Director ,ED (REC Ltd)	11.07.2025	NA

SRI V.Sivaji,	Director/Projects/IT/Hrd	24.06.2025	NA
SRI N.Narasimhulu	Operations,P&MM,Masterplan	24.06.2025	NA
SRI CH. Chakrapani	Commercial,IPC,RAC, Energy Audit, DPE, Assessments	24.06.2025	NA
SRI P. Krishna Reddy,	Finance, Revenue, IR & Legal	24.06.2025	NA
Sri V.Anil Kumar	Company Secretary	29.07.2023	NA

25. The Fact of Resignation of any Director-168(1)

a) The Government of Telangana issued orders vide G.O.Rt.No.18, ENERGY(HR-A1) DEPARTMENT,Dt.27.08.2024 for the appointment of Sri Ronald Rose, IAS Principal Secretary to Government, Energy Department as Non-whole time Director and shareholder on Board of TGSPDCL w.e.f .27.08.2024 in place of Sri. S.A.M.Rizvi, IAS.

b) The Government of Telangana issued orders vide G.O.Ms.No.25, ENERGY(HR-A1) DEPARTMENT,Dt.16.11.2024 for the appointment of Sri Sandeep Kumar Sultania, IAS Principal Secretary to Government, Energy Department as Non-whole time Director and shareholder on Board of TGSPDCL w.e.f .16.11.2024 in place of Sri. Ronald Rose, IAS

c) The Government of Telangana issued orders vide G.O.Ms.No.32, ENERGY(HR-A1) Department Dt:- 24.06.2025 for the appointment of 4 Directors in TGSPDCL for a term of two years.

d) The Government of Telangana issued orders vide G.O.Ms.No.16, ENERGY(HR-A1) Department dt.19.06.2025 for the appointment of Sri Navin Mittal, in the place of Sri Sandeep Kumar Sultania.

e) The Government of Telangana issued orders vide G.O.Ms.No.37, ENERGY(HR-A1) Department Dt:- 11.07.2025 for the appointment of Sri N.Venkatesan in the place of Sri Daljeet Singh Khatri.

26. Appointment, Qualifications & Remuneration & Evolution of the Board of Directors Section 134(3)(E) & Section 134(3)(P)

The Ministry of Corporate Affairs (MCA) vide Notiûcation dated June 5, 2015, has exempted the government companies from the Policy on appointment and remuneration including criteria for determining qualifications, positive attributes, independence of directors etc.,

27. Details of The Significant & Material Orders Passed by the Regulators/ Courts/ Tribunals and Litigation Summary

Statement showing the Circle wise details of court cases amount pending as on 31.03.2025.

(Rs in Crore)

S.No.	Circle	LT		HT		TOTAL	
		No. of Services	Amount	No. of Services	Amount	No. of Services	Amount
1	BANJARA HILLS	17	-0.06	77	197.35	94	197.29
2	CYBERCITY	0	0.00	75	51.89	75	51.69
3	GADWAL	0	0.00	3	0.01	3	0.01
4	HABSIGUDA	34	0.38	126	59.44	160	59.82
5	HYDERABAD CENTRAL	29	0.09	65	128.65	94	128.73
6	HYDERABAD SOUTH	51	0.27	26	38.71	77	38.98
7	MAHABOOBNAGAR	0	0.00	58	32.47	58	32.47
8	MEDAK	0	0.00	24	82.17	24	82.17
9	MEDCHAL	22	0.02	184	139.61	206	139.63
10	NAGARKURNOOL	0	0.00	7	15.82	7	15.82
11	NALGONDA	56	0.25	164	297.19	220	297.44
12	NARAYANPET	0	0.00	2	3.00	2	3.00
13	RAJENDRA NAGAR	292	3.37	215	313.47	507	316.84
14	SANGAREDDY	0	0.00	207	392.35	207	392.35
15	SAROORNAGAR	52	0.05	27	73.40	79	73.46
16	SECUNDERABAD	36	0.00	78	42.76	114	42.76
17	SIDDIPET	0	0.00	16	13.94	16	13.94
18	SURYAPET	11	0.03	108	328.35	119	328.37
19	VIKARABAD	0	0.00	10	191.37	10	191.37
20	WANAPARTHY	0	0.00	5	0.02	5	0.02
21	YADADRI	9	0.01	60	34.32	69	34.33
	Total	**609**	**4.40**	**1537**	**2436.30**	**2146**	**2440.70**

28. Disclosure of the Composition of Audit Committee and Where the Board has not Accepted any Recommendation of the Audit Committee, the Reasons for not Accepting such Recommendations – 177(8)

The Audit Committee composition as on 31.03.2025 is as follows:

Sl. No	Name	Designation
1	Sri Sandeep Kumar Sultania, IAS	Principal Secretary to Govternment Energy Dept.,
2	Sri C. Srinivasa Rao, IRAS	JMD/TSTRANSCO
3	Sri P. Shyam Sunder	Assistant Secretary to Govt., Finance Dept

The Board has considered and accepted all the recommendations of the Audit Committee and there are no recommendations which were not accepted during the FY 2024-25.

29. Particulars of the Employees & Employee Welfare

1. **Manpower:** The manpower (officers and staff) stood at 20,857 for the FY 2024-25 when compared to 21,251 for the FY 2023-24.

The category wise employee's filled is indicated below:

Sl. No	Name of the Category	F.Y. 2024-25	F.Y. 2023-24
1	Engineering service	2,623	2,698
2	Accounts and P&G service	2,168	2,210
3	O&M and construction service	7,374	7,607
4	Others (including deputations)	95	88
5	Artisan's	8597	8,648
	Total	**20,857**	**21,251**

2. **Training to Employees:** During FY 2024-25 training has been imparted to 2749 employees on new technologies in Power sector, IT initiative, HR activities.

3. **Employees welfare:** Total 91 (50 are Regular Employees + 41 are Artisans) dependents of deceased employees have been provided employment in the Company under compassionate grounds.

30. Details of Establishment of Vigil Mechanism – 177(9) & (10)

Board approved the Vigil Mechanism Policy -2015 pursuant to Section 177 (9) of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 at its board meeting held on 06th August, 2015 for directors and employees to report to the management instances of irregularity, unethical practices and /or misconduct in line with the above policy. The details of such policy were communicated to all offices apart from disclosing in the Company's website www.tgsouthernpower.org .

The Vigil Mechanism Committee composition as on 31.03.2025 as follows:

Sl. No	Name	Designation
1	Sri Sandeep Kumar Sultania	Principal Secretary to Govternment, Energy Dept.,
2	Sri C. Srinivasa Rao, IRAS	JMD/TSTRANSCO
3	Sri P. Shyam Sunder	Assistant Secretary to Govt., Finance Dept

31. Details of Establishment of Risk Management Policy

Board approved the Risk Management policy 2025 -Section 134(3)(n) of the Companies Act 2013 provides that there shall be attached a statements laid before a company in general meeting, a report by its Board of Directors, which shall include –(n) a statement indicating development and implementation of a risk management policy for the company including identification thereinof element of risk, if any, which in the opinion of the Board may threaten the existence of the company;

Section 177 of the Companies Act 2013 provides that every audit committee shall act in accordance with the terms of reference specified in writing by the Board which shall inter-alia include(vii) evolution of internal financial control and risk management system.

The Risk Management committee composition policy as follows:

Sl. No	Name	Designation
1	Sri Musharraf Ali Faruqui	Chairman and Managing Director
2	Sri V. Sivaji,	Director/Projects/IT/HRD
	Sri Ch. Chakrapani	Director/Commercial,IPC,RAC, Energy Audit, DPE, Assessments
3	Sri P. Krishna Reddy	Director/Finance, Revenue, IR & Legal

32. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

A 'Complaints Committee' has been constituted to prevent or deter the commission of acts of Sexual harassment on women employees in TGSPDCL. The present composition of the Committee is as follows:

SL. No	Name	Designation
1.	Smt.B.Lalitha, Chief General Manager/CGRF	Chairperson
2.	Smt. K.Uma Devi, DE/Enquiries	Member
3.	Sri S.Sunil Kumar, DE/RAC/Corporate Office	Member
4.	Sri M.Ravi Kiran, DE/P&MM-II/Corporate office	Member
5.	Smt. B.Mangamma, DE/T/Medchal Zone	Member
6.	Smt.I.Sheela Rani, DE/O&m/Corporate Office	Member

The Ministry of Corporate Affairs (MCA) has introduced new disclosure requirements for companies effective July 14, 2025. These requirements include:

Sexual Harassment Cases: The number of sexual harassment complaints received, resolved and pending for over 90 days in their Board reports.- NIL

33. Maternity Benefit Compliance

The Ministry of Corporate Affairs (MCA) has introduced new disclosure requirements for companies effective July 14, 2025 pertaining to Maternity Benefit Compliance Companies as per Maternity Benefit Act 1961.

During this Fy 2024-25 **-98 No of Women employees were sanctioned maternity leave in corporate office as per the provisions of Maternity Benefit Act 1961.**

34. Internal Audit

The Board approved the following firms as Internal Auditors for the FY 2024-25.

S.No	Circles/Set of Circles	Chartered Accountant Firm
1	Medak, Sangareddy & Siddipet	M/s. K.Prahlada Rao & Co.Chartered Accountants
2	Nalgonda, Suryapet & Yadadri	M/s. Y. Tirupathaiah & Co.,Chartered Accountants
3	Mahabubnagar, Nagarkurnool, Wanaparthy & Gadwal, Narayanpet	M/s. Nagabhirava & Associates.Chartered Accountants
4	Rangareddy- I (Cybercity, Vikarabad & Rajendranagar)	M/s. Sagar & Associates, Chartered Accountants
5	Rangareddy –II (Habsiguda, Medchal & Saroornagar)	M/s. Y. Tirupathaiah & Co.,Chartered Accountants
6	City I Circle set - Banjarahills, Secunderabad & Hyderabad South	M/s. Komandoor& Co.LLP, Chartered Accountants
7	City II Circle Set- Hyderabad Central, SCADA, Master Plan, Corporate Office, Metro Zone, RR Zone, Rural Zone & Medchal Zone.	M/s. Nagabhirava & Associates. Chartered Accountants

35. Legal Entity Identifier (LEI)

As per the Reserve Bank of India guidelines, TGSPDCL has obtained Legal Entity Identifier (LEI) Number: 335800B6M6WMCGW6UV29.

36. ISO Certification 9001:2015

Southern Power Distribution Company of Telangana Ltd. (TGSPDCL) Receives ISO 9001:2015 Certification in July 2025.

The Southern Power Distribution Company of Telangana Ltd. (TGSPDCL), Hyderabad, has been awarded the prestigious ISO 9001:2015 Certification for its exemplary Quality Management System. The certification was formally presented by Telangana Deputy Chief Minister Sri Bhatti Vikramarka and Principal Secretary Sri Navin Mittal, and received by TGSPDCL Chairman and Managing Director (CMD) Sri Musharraf Faruqui.

This recognition stands as a testament to TGSPDCL's dedication to maintaining high-quality standards across all departments. Every unit within the organization follows well-defined processes with robust documentation practices. The commitment and discipline shown by employees at all levels have played a pivotal role in this achievement.

TGSPDCL has consistently focused on its core objective — ensuring uninterrupted electricity supply to consumers while continuously improving service standards. The organization has also adopted best practices across its operations to drive efficiency, transparency, and customer satisfaction.

This ISO 9001:2015 certification reinforces TSSPDCL's position as one of the best-managed and quality-driven power utilities in the country.

37. Statutory Auditors

Statutory Auditor

M/s. PUROHIT & CO (CA0149), Chartered Accountants, were appointed by the Comptroller and Auditor General of India (CAG) as Statutory Auditors of the Company for the FY 2024 -25.

Secretarial Auditor:

M/s. KCC & Associates, Company Secretaries were appointed as Secretarial Auditors of the Company for the FY 2024-25.

Cost Auditor:

M/s. B.V.S. & Co, Cost Accountants were appointed as Cost Auditors of the Company for the FY 2024-25.

38. Acknowledgements

We thank and acknowledge the invaluable support and co-operation of the Chairman & Managing Director, TG TRANSCO and Chairman & Managing Directors of TGGENCO, TGNPDCL, AP TRANSCO, APGENCO & AP DISCOMS.

We take this opportunity to thank the Prinicpal Secretary, Energy Department, Government of Telangana, The Secretary, TSERC and other officials of the Govt. of Telangana, Auditors of the company & the Office of the Comptroller & Auditor General of India, the Bankers and Financial Institutions & all the Stakeholders and look forward to their continued support in the future.

We also wish to congratulate all the employees and staff of TGSPDCL, for their invaluable services.

For and on behalf of the Board of Directors
Southern Power Distribution Company of Telangana Limited
CIN - U40109TG2000SGC034116

Sd/-
P.Krishna Reddy
Director (Finance,IR&Legal)
DIN- 11194276

Sd/-
Musharraf Ali Faruqui
Chairman and Managing Director
DIN- 10429742

Place : Hyderabad
Date : 29th Sept 2025

ANNEXURE A

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2025

[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:	**U40109TG2000SGC034116**
	Registration Date [DDMMYY]	30.03.2000
ii)	Category of the Company [Pl. tick]	A Government of Telangana Undertaking (State Govt. Company) Unlisted Public Company
	Whether shares listed on recognized Stock Exchange(s)	No
vi)	NAME AND REGISTERED OFFICE ADDRESS OF COMPANY:	
	Company Name	Southern Power Distribution Company of Telangana Limited.
	Address	Corporate office, # 6-1-50, Mint Compound, Lakdikapool
	Town / City	Hyderabad
	State	Telangana State
	Pin Code:	500063
	Country Name :	India
	Country Code	+91
	Telephone (With STD Area Code Number)	040-23431011
	Fax Number :	NA
	Email Address	**cs@tgsouthernpower.org**
	Website	**www.tgsouthernpower.org**
	Name of the Police Station having jurisdiction where the registered office is situated	Saifabad Police Station

I. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.No	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Distribution and Retail supply of Electricity in the licensed area of the company i.e, Mahabubnagar, Nalgonda, Yadadri Bhuvanagiri, Suryapet, Siddipet, Medchal, Wanaparthy, Nagarkurnool, Jogulamba Gadwal, Narayanpet, Sangareddy, Medak, Hyderabad, Vikarabad and Rangareddy	35109 / Collection and distribution of electric energy to households, industrial, commercial and other users n.e.c	100%

II. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No	Name And Address Of The Company	CIN/~~GLN~~	Holding Company/ Subsidiary /Associate
	NIL	-	-

III. SHARE HOLDING 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 [As on 1-April-2024]				No. of Shares held at the end of the year[As on 31-March-2025]				% 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
c) State Govt(s)	0	12,01,79,30,297	1,20,17,93,02,970	99.99%	0	12,01,79,30,297	1,20,17,93,02,970	99.99%	Nil
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	9	90	0.01%	0	9	90	0.01%	0
Total shareholding of Promoter (A)	0	12,01,79,30,306	1,20,17,93,03,060	99.99%	0	12,01,79,30,306	1,20,17,93,03,060	99.99%	Nil
B. Public Shareholding	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	12,01,79,30,306	1,20,17,93,03,060	100%	0	12,01,79,30,306	1,20,17,93,03,060	100%	Nil

B) Shareholding of Promoter -

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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 Telangana	12,01,79,30,297	100 %	0	12,01,79,30,297	100 %	0	100
	Total	**12,01,79,30,297**	**100 %**	**0**	**12,01,79,30,297**	**100 %**	**0**	**100**

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

S.No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2024)			Shareholding at the end of the year (31.03.2025)			% change in share holding 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.	Sri S.A.M.Rizvi, Principal Secretary to Government, Energy Dept., Director/ Non-Whole Time/TGSPDCL	2	0	0	0	0	0	0
2.	Sri D. Prabhakar Rao, Chairman and Managing Director/TGTRANSCO	2	0	0	0	0	0	0
3.	Sri Raghuma Reddy Chairman and Managing Director /TGSPDCL	1	0	0	0	0	0	0
4.	Sri T. Srinivas, Director /Projects & IT	1	0	0	0	0	0	0
5.	Sri G. Parvatham Director/HR&IR/TGSPDCL	1	0	0	0	0	0	0'
6.	Sri J. Srinivasa Reddy, Director /Operations / TGSPDCL	1	0	0	0	0	0	0
7.	Sri Sandeep Kumar Sultania, IAS, Principal Secretary to Government, Energy Dept., Director/(Non-Whole Time)/TGSPDCL	0	0	0	2	0	0	0

8.	Sri D. Krishna Bhaskar, IAS, Chairman and Managing Director/TGSPDCL	0	0	0	1	0	0	0
9.	Sri Musharraf Ali Faruqui, IAS, Chairman and Managing Director/TGSPDCL	0	0	0	2	0	0	0
10.	Sri C. Srinivasa Rao, IRAS JMD/TSTRANSCO	1	0	0	1	0	0	0
11.	Smt. K. Haritha, IAS, Joint Secretary to Government, Finance Department	0	0	0	1	0	0	0
12.	Sri K. Sudha Madhuri/CGM/ TGSPDCL	1	0	0	1	0	0	0
13.	Sri V. Anil Kumar Company Secretary/TGSPDCL	0	0	0	1	0	0	0
14.	Assistant Secretary to Govt., Energy Department, Government of Telangana, Representative on behalf of Governor of Telangana)	12,01,79,30,297	0	0	12,01,79,30,297	0	0	0
	Total	**12,01,79,30,306**	100%	0	**12,01,79,30,306**	100%	0	0

D) Shareholding Pattern of Top Ten Shareholders: 31.03.2025

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

S.No	Share Holders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors				
1.	Assistant Secretary to Govt., Energy Department, Government of Telangana, Representative on behalf of Governor of Telangana)				
A	At the beginning of the year	12,01,79,30,297	99.99%	12,01,79,30,297	99.99%
B	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		0	0	0
C	At the end of the year	12,01,79,30,297	99.99%	12,01,79,30,297	99.99%

E) Shareholding of Directors and Key Managerial Personnel: 31.03.2025

Sl. No.	Share Holders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Sri Musharraf Ali Faruqui Chairman & Managing Director/ TGSPDCL**				
A	At the beginning of the year	2	0	2	0
B	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
C	At the end of the year	2	0	2	0

F) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/ accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	126,309,812,004	161,034,463,889	-	287,344,275,893
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	126,309,812,004	161,034,463,889	-	287,344,275,893
Change in Indebtedness during the financial year				
* Addition	35,690,447,475	555,745,376,180	-	591,435,823,655
* Reduction	19,854,747,132	478,515,910,851	-	498,370,657,983
Net Change	15,835,700,343	77,229,465,329	-	93,065,165,672
Indebtedness at the end of the financial year				
i) Principal Amount	142,145,512,347	238,263,929,218	-	380,409,441,565
ii) Interest due but not paid	-	-	-	-
iii)Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	142,145,512,347	238,263,929,218	-	380,409,441,565

Note: Includes the balances of Anantapur and Kurnool

IV. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.No	Particulars of Remuneration	Musharraf Ali Faruqui (CMD)
1	Gross salary (a) Salary as per provisions contained in section17(1) of the Income - tax Act,1961 (b) Value of perquisites u/s 17(2)Income-tax Act, 1961 (c) Profits in lieu of salary undersection17(3) Income – tax Act, 1961	2554520
2.	Stock Option	NA
3.	Sweat Equity	NA
4.	Commission - as % of profit - others, specify…	NA
5.	Others, please specify (Total deductions Professional Tax & Income Tax)	442314
	Total(A)	2112206
	Ceiling as per the Act	The Ministry of Corporate Affairs (MCA) vide notification dated 5th June, 2015, has exempted the Government Companies from ceiling on remuneration under Section 197 of the Companies Act, 2013

B. Remuneration to other Directors (Non Whole Time Directors)

S. No.	Particulars of Remuneration	Name of the Director	Name of the Director	Name of the Director	Name of the Director	Name of the Director	Name of the Director
		Sri S.A.M Rizvi, IAS, Special Principal Secretary to Govt., Energy Dept., Director (Non Whole Time) / TGSPDCL	Sri P. Shyam Sunder, Assistant Secretary to Govt., Finance Dept., Director (Non Whole Time) / TGSPDCL	Sri C. Srinivasa Rao, IRAS, JMD/ TSTRANSCO/ (Non-whole time) / TGSPDCL	Sri D.Ronald Rose, IAS Principal Secretary to Government Energy Department, Director (Non-Whole Time)/ TGSPDCL	Sri Sandeep Kumar Sultania Principal Secretary to Government Energy Department, Director (Non-Whole Time)/ TGSPDCL	Sri Daljeet Singh Khatri Director (Non Whole Time) / TGSPDCL
	2. Non whole time Directors - Fee for attending board and committee meetings - Commission - Others, please specify	NA	NA	NA	NA	NA	NA
	Total Amount	10,000/-	70,000/-	70,000/-	20,000/-	40,000/-	10,000/-
	Overall Ceiling as per the Act	The Ministry of Corporate Affairs(MCA) vide notification dated 5th June, 2015, has exempted the Government Companies from ceiling on remuneration under Section 197 of the Companies Act, 2013					

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

S.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section17(1)of the Income-tax Act,1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c)Profits in lieu of salary under section 17(3) Income-tax Act,1961	NA	3060542	NA	NA
2.	Stock Option	NA	NA	NA	NA
3.	Sweat Equity	NA	NA	NA	NA
4.	Commission-as % of profit-others, specify	NA	NA	NA	NA
5.	Others, please specify (deductions Provident Fund & Professional tax)	NA	530423	NA	NA
	Total	**NA**	**2530119**	**NA**	**NA**

VI. 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	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. DIRECTORS					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

INDEPENDENT AUDITOR'S REPORT AND COMPANY REPLIES

REPLIES OF INDEPENDENT AUDITOR'S REPORT

To
The Members of
Southern Power Distribution Company of Telangana Limited,
Hyderabad.

Report on the Audit of Financial Statements

Qualified Opinion:

We have audited the accompanying financial statements of **SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2025 and the Statement of Profit and Loss and the Cash Flows Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, subject to the possible effect of the matters described in the Basis for Qualified Opinion, section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounts) Rules, 2014 of the state of affairs of the Company as at 31st March, 2025, its loss and its cash flows for the year ended on that date.

Basis for Qualified Opinion:

STATUTORY AUDITOR'S REPORT	COMPANY'S REPLY
1. We are informed that the Company is governed by the Electricity Act, 2003 and accordingly the provisions of the said Act would prevail, wherever the same are inconsistent with the provisions of the Companies Act, 2013 in terms of section 174 of the Electricity Act. Accordingly, in terms of section 185(2)(d) of the Electricity Act, the annual accounts of the Company have been prepared as per the rules prescribed under "Electricity Supply(Annual Accounts) Rules 1985". Accordingly, the Company has not complied with some of the mandatory Accounting standards, as specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the requirements of Schedule-III to the Companies Act, 2013, details of which are given here under:	
a) Capitalization of administrative overheads (including staff cost) at 10% of the direct cost of the assets capitalized during the year as per the company's Accounting Policies No. 1.5(c), amounting to Rs. 136.77Crore is not in accordance with Accounting Standard-10: "Property Plant and Equipment", as the same is not attributable as expenditure incurred directly to bring the said assets to working condition.	Ten percent of the cost of capital works is capitalized towards Employee cost and Administrative & General Expenses, as the operation circles are executing both capital works and operation & maintenance works, and it is not practicable to maintain records to identify the man hours spent by the staff on capital works.

b) As stated in Accounting Policy No. 1.8, recognition of the contributions received from consumers and specific grants from the State/ Central governments or their agencies for creation of tangible assets as "Reserves" on receipt basis, even before the creation of the said assets and adjustment of the same against depreciation on the proportionate value of the assets built out of the said contributions and grants, instead of the specific assets created with the said contributions/grants, which is contrary to Accounting Standard 12 "Accounting for Government Grants".	The construction of assets takes place on a large scale on a continuation basis with the different sources of finance (i.e.) Borrowings, Government Grants and Internal sources. Hence, creation of tangible assets on receipts basis and providing of deprecation on the proportionate value basis with reference to Consumer contribution, Government grants, Loans and internal sources is not feasible.
c) Non-recognition of the "Parcels of Land" received at free of cost from State Government and its agencies in the books of account, as required by Accounting Standard 12 "Accounting for Government Grants".	The Land and parcels available at various field units have been received; however some of the land and parcels of land are yet to be received. The records pertaining to these are being maintained at respective division office and circle level.
2) Consequent to the creation of the State of Telangana, in accordance with the Andhra Pradesh Reorganization Act, 2014, the Anantapur and Kurnool operating business circles of the company have been reassigned to APSPDCL with effect from 2nd June, 2014 in accordance with G.O.Ms. No.24 dated 29th May, 2014 issued by State of Andhra Pradesh. The Company has recognized the transfer of assets and liabilities in the financial year 2015-16 of these two Circles in its books of account, as per the "Basis of Apportionment" mentioned in the said G.O. which is approved by the Expert Committee constituted by the Government of India, which is computed under the "pooling of interest" method. The company instead of recognizing the share of the said two Circles in the "Share Capital" of Rs. 325.28 Crore as a reduction in the share capital, recognized Rs. 723.01 Crore as "Capital Reserve" resulting in understatement of its negative net-worth by Rs. 1,048.29 Crore and consequential overstatement of "Receivables."	The Expert Committee appointed by the Government of India has finalized the bifurcation of Assets and Liabilities between the APSPDCL and TGSPDCL and approved the same on 15.03.2018 duly signed by the CMDs of both the DISCOMs, the Chairperson and Members of the Expert Committee. The bifurcation of Assets and Liabilities was independently audited and certified by M/s. Sharad & Associates. Post bifurcation issues are still pending between Andhra Pradesh and Telangana.

3) Amount of Rs. 7997.27crore towards surcharge on late payment payable to Singareni Thermal Power Plant (STPP) for the financial years 2019-20, 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25 is neither paid nor provided in the books of account but disclosed under Contingent liabilities, resulting in understatement of Reserves & Surplus / Net Loss and Trade Payables to the same extent.	Singareni Thermal Power Plant (STPP) has raised Late Payment Surcharge (LPS) to the extent of Rs.7997.27 Crore against TGSPDCL to the end of FY 2024-25. The Hon'ble TGERC does not allow the Late Payment Surcharge (LPS) in the Aggregate Revenue Return (ARR) filed by TGSPDCL and there is no matching Cash Inflows to pay the LPS to M/s. Singareni Thermal Power Plant (STPP). Further, any additional expenditure incurred by TGSPDCL over and above the ARR will be an additional cost and financial burden to the consumer of the TGDISOCMs. TGPCC/TGSPDCL and STTP are both the State owned Government Organizations and any additional expenditure in the form of Late payment Surcharge (LPS) will only burden to the consumers of Telangana State. Therefore, a letter was addressed to CMD/STPP to consider the request to TG Discoms for waiver of the LPS claimed in the larger interest of the State.
4) During the Financial Year 2018-19 the company has forfeited Bank Guarantees of Rs. 52.13 Crore and recognized the same as income for that Year. This amount includes Rs. 9.13 Crore pertaining to Kurnool and Anantapur districts under Andhra Pradesh Southern Power Distribution Company Limited (APSPDCL). This has resulted in understatement of provisions and overstatement of reserves & surplus by Rs. 9.13 Crore for the Year ended 31st March, 2025.	Out of forfeited Bank Guarantee of Rs. 52.13 Crore, the share of Ananthapur and Kurnool circles is Rs. 9.13 Crores which is to be payable to APSPDCL as the said two circles are merged with APSPDCL consequent on bifurcation of State from 02.06.2014 and to this effect a letter dated 7th June, 2019 has received from APSPDCL requesting to transfer the said amount. Further, it is to submit that, as the subject matter falls within the bifurcation issue and Apportionment of Assets and Liabilities in respect of Ananthapur and Kurnool circles is not yet finalized, this element will be considered while arriving the net settlement of Assets and Liabilities.
5) We are informed by the Company that no physical verification of Property, Plant and Equipment has been carried out during the year under report. Accordingly, we are unable to comment regarding any material discrepancies between the fixed assets register and the assets physically available.	To the extent possible at least major assets such as PTR/33 KV lines are proposed to be taken up physical verification.

6) The cost of Lands as per Books of accounts as on the 31-03-2025 is amounting to Rs. 8.64 Crore. As per the information provided there are 2117 properties held by the Company. However, title deeds including letters of alienation/allotment/physical handling over of the property are available only for 883 properties and not available for the rest of 1234 land properties. Due to lack of information the impact on the books of accounts could not be ascertained.	The parcels of Land and property held by the company and its title deeds including letters of alienation/allotment /physical which are available were furnished; however some of the land and parcels of land are yet to be received from the field officers. The records pertaining to lands and land rights are being maintained at respective division and circle level.
7) Actuarial valuation carried to arrive at Gratuity liability as on 31-03-2025 and as on 31-03-2023 was made on the assumption that the maximum limit for gratuity payment is Rs. 16,00,000/-. However, limit as per the Payment of Gratuity Act, 1972 is Rs. 20,00,000/-. The impact of variance in the assumption could not be quantified as the same has to be arrived at through actuarial valuation.	As per AS 15 (Revised 2005), to determine the Present Value of Defined Benefit Obligation and the related Service Costs in the Gratuity liability the maximum limit of Rs.16,00,000/- is considered. The Government of Telangana has enhanced the maximum limit of Retirement Gratuity from Rs.12.00 Lakhs to Rs.16.00 lakhs to State Government employees vide G.O. Ms.No.56 dated 11.06.2021 with retrospective effect from 01.04.2020. Since the same was adopted by TGSPDCL, the defined benefit obligation in respect of Gratuity was considered as 16.00 Lakhs while carrying out actuarial valuation as per the prevailing orders issued by the company vide SP.O.O. JS (IR&L) Ms.No.731 dated: 21.04.2023. Accordingly, the Company has provided the provision for defined benefit obligation towards Gratuity for an amount of Rs.72.08 Crores during the Year in respect of employees recruited on or after 01.02.1999. Hence, there is no understatement of employee benefit expenses. The maximum ceiling of Rs. 20.00 Lakhs will be consider while arriving the defined benefit obligations for the next financial year subject to issue of GOs.
8) Long Term Investments in the Balance sheet are carried at cost at Rs.426.01 Crore. The management has not ascertained for the permanent diminution in the value of investments amount as on 31-03-2025 as per the requirement of Accounting Standard – 13	TGSPDCL (Erstwhile APCPDCL) has invested an amount of Rs. 426.01 Crore in the Andhra Pradesh Power Development Company Limited (APPDCL) during the financial years from 2009-10 to 2014-15 for which the APPDCL has issued No. of equity share of 42,60,10,000 of Rs.10 each.

"Accounting for Investments". Due to non-availability of audited financial statements of Andhra Pradesh Power Development Company Ltd. for F. Y. 2023-24, we are unable to ascertain its impact on the Financial Statements.	Further it is to submit that, as per A.P. Re-organization Act, 2014, two districts of Ananthapur and Kurnool were demerged from TGSPDCL to APSPDCL. As per G.O.M.s No. 24 dated: 29.05.2014, the share of investment of APPDCL of Rs. 74.34 Crore was transferred to APSPDCL in energy ratio. But the final Apportionment of Assets and Liabilities in respect of Ananthapur and Kurnool is not yet finalized. The revaluation of investment in APPDCL as per the Accounting Standard-13 will be considered duly arriving actual share of TGSPDCL after final settlement.
9) We report that Inter units' accounts with a credit balance of Rs. 63.52 Crore have not been reconciled as at 31st March, 2025 and accordingly we are unable to express an opinion on the effect of said un-reconciled amounts on the financials of the company for the year.	The Company is making all efforts in clearing the balance in this account. During the year the company has reconciled all balances and the balance existing of Rs. 63.52 Crore (Previous year Rs. 84.27 Crore), out of which Rs. 8.58 Crore were reconciled and cleared during the FY 2025-26. However, there are few legacy transactions involved in balance and the Company is doing the reconciliation for clearing all pending items.
10) The Company provides various social schemes viz: GIS Insurance & savings fund, Self Funding Medical Scheme & Accidental Risk Self Funding Scheme where in the Company is collecting sums from employee to provide various accidental covers. The Company's has not recognised any provisions towards future Liability on such schemes. The impact of this on the financial statement cannot be quantified as the same has to be arrived through actuarial valuation.	The Company provides various social schemes viz: General Insurance & Savings (GIS) fund, Self Funding Medical Scheme & Accidental Risk Self Funding Scheme to various Groups of Employees and where in the Company is collecting sums from employee to provide various accidental covers. The expenditure incurred during the year is being met from the fund created for that specific use. However the actuarial valuation to arrive the future liability of the Scheme will be considered in next financial year.
11. The Company has not booked various Bank Charges levied by Bankers amounting to Rs.0.66 crore as at year end to profit & loss account with an apprehension that it will be reversed by Bankers. Due to this non-recognition of bank charges current year losses are under stated by this amount.	In most of the cases the banker will reverse the out of pocket expenditure levied by the bankers. There are few branches are not reversing the bank charges. However we are perusing with the bankers for reversing the bank charges.

12) During the period from financial year 2019-20 to 2024-25, the Hon'ble National Company Law Tribunal (NCLT) has passed orders in 18 number of cases, pursuant to which a total amount of Rs.132.51 crore has been stated to be unrealisable. In our view, this indicates that the recoverability of the said amount is doubtful. However, the Company has not considered the same as bad debts in its financial statements. The loss for the year and accumulated losses are understated by Rs.132.51 crore.	Some orders Hon'ble NCL were challenged by the TGSPDCL in various legal forums such as NCLAT and Supreme Court. Up on the out come of the verdict we will make the necessary entries in the books of accounts.
Emphasis of Matters: 1. Consequent to the amendment brought in vide G.O.Ms. 396 dated 09-06-2005 to the second transfer scheme notified vide G.O.Ms. 142 dated 29-09-2001, the Company has incorporated in its books of account as on 01-04-2010, various assets, including fixed assets and liabilities towards power purchase, supplies & services received and balances outstanding in respect of the loans, representing term loans, cash credits, working capital loans received from various banks and financial institutions, other receivables from the State Government of AP, of the amounts mentioned in the two notifications referred to above. We understand that the above amounts, at which the various assets and liabilities are recognized in the books of account as on that date, are provisional and accordingly are subject to further adjustments as may be determined by the State Government.	Informative only
2) We draw your attention to Note No. 1.16(a)(ii) wherein, the State Government of Andhra Pradesh amended retrospectively with effect from 09-06-2005, the share of each Discom in various bulk supply power purchase agreements vide its notification No. 53 Energy (Power-III) dated28-04-2008. We are informed that the company has made a representation to give effect to the said revised sharing prospectively. Pending disposal of the company's representation, the contingent	Informative only

liability/receivables, if any, due to the said retrospective amendment of the share of the company in various bulk supply of power purchase agreements has not been disclosed in the books of account.	
3) We draw your attention to Note No. 24 where in employee benefit expenses does not include provision for Pension & Gratuity liability of Rs. 10787.47 Crore pertaining to 74% of employees who were on rolls as on 31-01-1999 as the liability of the same is met by TG Genco Master Trust over the years as per the tripartite agreement.	Informative only
4) We draw your attention to Note No. 21(b)(ii) – Revenue from Operations, wherein the electricity duty of Rs. 241.31 Crores is collected from customers and remitted to the government is not reflected under "Revenue from operations".	It is to submit that, sub-section (1) of section 3 of Electricity Duty Act read with Amendment Act no. 1 of 1994, provides for levy of Electricity Duty to the consumers and payable to the State Government every month at the rate of six paise per unit on energy sold to the consumers by the licensee other than Railways and Central Government. Electricity Duty raised and collected from consumer is being paid to the Government. The same is neither revenue nor expenditure to the licensee. Hence, Electricity Duty is excluded completely from the revenue from operation.
5) Current accounts maintained with various banks have Board excess, being cheques/cash deposited in banks and not appearing in banks' statements of account for Rs.7.07 Crores and Bank excess, representing amounts credited by banks but not appearing in the books of account of the company of Rs. 29.33 Crores as at 31st March, 2025. It is observed that these balances are long pending for reconciliation resulting in possible mis-statement of Trade receivables. Year wise particulars are given under:	All efforts are being made continuously for clearing of pending Board and Bank excess. Further it is to stated that, an amount of Rs. 5.63 Crores have been cleared against Rs. 7.07 Crores of Board excess and Bank excess of Rs. 9.14 Crores against the Rs. 29.33 Crores cleared during the financial year 2024-25. For Balance of Board Excess amount of Rs.1.08 Crores and bank excess for an amount of Rs.20.19 Crores will be cleared consequently.

(Rs. in Crore)

Financial year	Baord Excess	Bank Excess
2009-10	0.20	-
2010-11	-	-
2011-12	0.01	-
2012-13	0.01	0.54
2013-14	-	0.82
2014-15	-	0.25
2015-16	-	0.21
2016-17	-	0.77
2017-18	-	1.75
2018-19	0.27	1.19
2019-20	-	0.86
2020-21	-	1.11
2021-22	0.03	1.94
2022-23	0.06	1.63
2023-24	0.10	4.28
2024-25	6.36	13.98
Total	**7.07**	**29.33**

6) Letters of confirmation of balances have not been provided for our verification in respect of the following, the impact that my result on reconciliation and reviews of the same cannot be ascertained

a) Balance due to/from various vendors for supplies and services, EMDs, SDs, other power distribution companies.	Closing balance confirmation from various vendors/ supplies towards EMD, SD and other power distribution companies is practically equivalent to impossible as they are very large in no's and widely scattered, the balance appearing in SAP may be treated as final.
b) Balances due from/to various consumers/ customers.	Necessary steps will be taken for the confirmation from power purchase creditors and consumer/ customers during the next financial year.

Our opinion is not modified in respect of the aforesaid matters.

Material Uncertainty related to Going Concern

We draw attention to Note No.34 in the financial statements, the events or conditions, mentioned in the said notes indicate that matter uncertainties exist that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information other than the Financial and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and analysis, Board of Directors' Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is material misstatement therein; we are required to report that fact, we have nothing to report in this regard.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified in Section 133 of the Act, read with the Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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. The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Responsible assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to(standalone) financial statements 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 financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materially is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to devaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements:

1. As required by 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 on the financial statements of the company are given in the Annexure A.	Informative only

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.	Informative only
3) As required by Section 143 (3) of the Act, we report that:	
a) We have sought and obtained all the information and explanations which to the best of knowledge and belief were necessary for the purpose of our audit	Informative only
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.	Informative only
c) The Balance sheet, the Statement of Profit and Loss and Cash Flow statement dealt with by this Report are in agreement with the books of account.	Informative only
d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except for the matters described in the Basis for Qualified Opinion Paragraphs.	Informative only
e) The matters described in the Basis for Qualified above, in our opinion, may have an adverse effect on the functioning of the Company.	Informative only
f) Being a Government company, the company is exempted from the provisions of section 164 (2) if the Act regarding disqualification of directors vide Notification GSR-463 (E) dated 5th June, 2015 issued by Government of India, Ministry of Corporate Affairs.	Informative only

g) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer tour separate Report in Annexure C.	Informative only
h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: Being a Government company, the company is exempted from the provisions of section 197 (16) of the Act regarding remuneration to Directors vide Notification GSR-463(E) dated 5th June, 2015 issued by Government of India, Ministry of Corporate Affairs.	Informative only

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,in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note No. 30(i) and 30(iii) to the financial statements.	Informative only
ii) The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long term contracts including derivative contracts, except as reported in matters described in the Basis for Qualified Opinion.	Informative only
iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.	Informative only
iv) a) The Management has represented that, to the best of its knowledge and belief, no funds(which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any	

other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries :	Informative only
b) The Management has represented, that, to the best of its knowledge and belief, no funds(which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.	Informative only
c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.	Informative only
v) According to information and explanation given to us:	
a) No final dividend is proposed in the previous year by the Company;	Informative only
b) No interim dividend has been proposed by the Company during the year;	Informative only

c) The Board of Directors of the Company have not proposed any dividend for the financial year under audit.	Informative only
vi) Based on our examination which included test check, the Company has used an accounting software for maintaining its Books of Accounts which has a feature of recording Audit Trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.	Informative only

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED ("The Company") of even date)

We report that:

S.No.	Questions	Replies	Management Reply
1	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	In order to assess the fair valuation of all investments pertaining to post-retirement benefits, the Company has obtained three separate actuarial reports, each corresponding to distinct category of employees. a. Employee prior to 31.01.1999: Refer Note no 24, the Company has recognized 26% of the actuarial liability as at year end as per the Tripartite Agreement. The ascertained employee retirement benefits liability is Rs 3790.19 Crore against which a fund of Rs 2873.23 Crores is available with TGSPDCL P&G Trust balance of Rs. 916.96 Crore remains unfunded. b. Employee after 31.01.1999: The ascertained employee retirement benefits liability is Rs 408.99 crore and is completely non-fund based liability. c. Artisans: The ascertained employee retirement benefits liability is Rs 154.34 crore and is completely non-fund based liability. Further, refer note no. 10 towards short term and note no. 6 towards long-term provisions for retirement benefits as per the actuary report.	Informative only

		We have relied upon the assumptions & valuation approach of Actuary. Refer Note 24 and its annexures for the detailed report of actuary and their assumptions.	
2	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has a system in place to process all the accounting transactions through SAP IT system and revenue related transactions are processed through EBS, which are latter pulled into the SAP IT system. During Financial Year 2024-25, all the accounting transactions have been processed through IT system. However, for preparation of financial statements some manual interventions are carried out. **Major discrepancies in certain areas are given here under:** 1. Payroll system module is integrated with finance system module, however, as explained to us, due to pending reconciliation there is a difference of Rs. 0.73 crore being excess in payroll module, when compared to finance module for employee loans. 2. Inter units' balances were not properly processed through IT system, which has resulted in un-cleared credit balance of Rs.63.52 Crore.	Payroll module has been operational since 2012. The legacy data is yet to be taken into payroll module, steps will be taken to reconcile the same. The company is making all efforts in clearing the balance in this account. During the year the company has reconciled to certain extent of Rs.63.52 Crore (Previous year Rs.84.27 Crore), out of which Rs. 20.75 Crore were reconciled and cleared in currant FY 2025-26. However, there are few legacy amounts involved in the balance, same will be reconciled and cleared on priority basis.

3	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	According to the information and explanation given to us and on the basis of our verification of the records funds received/receivable from Central/State Governments or its agencies under various projects/ schemes have been properly accounted for and released to the beneficiaries/spent/utilized as per guidelines and terms & conditions as mentioned in the relevant sanction letters.	Informative only
4	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	The Company has identified key Risk areas and has formulated and approved a comprehensive Risk Management Policy on 02.06.2025. As explained to us the, the policy has been prepared keeping in mind the available best practices, however, no reliance has been placed on any International Risk Management Guidelines. The Company is in the business of Power distribution; there are no identifiable data assts which are required to be valued.	Informative only
5	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing	The Company is an unlisted Government of Telangana controlled State PSU. As explained to us, the company is generally complying with all the	

	Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	applicable rules and regulations of Ministry of Corporate Affairs, Department of Investment and Public Asset Management and Department of Public Enterprises. Further, as explained to us the rules and regulations of Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India are not applicable on the Company.	Informative only

The Annexure B

The Annexure B referred to in "Report on Other Legal and Regulatory Requirements" paragraph of our Independent Auditor's Report of even date, to the members of **Southern Power Distribution Company of Telangana Limited ("the company"), Hyderabad** for the year ended 31st March, 2025.

We report that:

i) a) In respect of the Company's Property, Plant and Equipment and Intangible Assets: A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.	Informative only
A) The Company is maintaining proper records showing full particulars of intangible assets.	Informative only
b) We are informed by the Company that no physical verification of Property, Plant and Equipment has been carried-out during the year under report. Accordingly, we are unable to comment regarding any material discrepancies between the fixed assets register and the assets physically available.	To the extent possible at least for the major assets such as PTR/33Kv lines are proposed to be taken up for physical verification.
c) As per the information given there are 2117 properties held by the Company. However, title deeds including letters of alienation/ allotment/physical handing over of the property are available only for 883 properties and not available for rest of 1234 land properties. We are also informed by the company that in respect of the "parcels of land" alienated to it by the State Government or its agencies other than the letters of alienation/allotment/physical handing over, no other legal documents are generally executed.	The Land and parcels available at various field units have been received; however some of the records pertaining to lands and parcels of land are yet to be received. The records pertaining to these assets are being maintained at respective division level.
d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.	Informative only

e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (as amended in 2016) and rules made there under.	Informative only
ii) a) Physical verification of inventory has been conducted at reasonable intervals by the Management during the year. According to information and explanation given to us, the discrepancies noticed on such verification between the physical stocks and the book records were not material and necessary provisions have been accounted for, wherever required.	Informative only
b) The Company has been sanctioned working capital limits in excess of Rs. 5.00 Crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements of the current assets are filed by the company with such banks or financial institutions. Following are the details of variances noticed between stock statements/receivables statements and the books of account.	The quarterly information of current assets statement was furnished to banks before the closure of Quarter Financials and Annual accounts as the current assets statement has to submit in timelines.

(Rs. in Crore)

Particulars	As per Current Assets statement	As per the Books of A/c	Variance
As on June 30th			
i) Stocks	305.79	312.88	(7.09)
ii) Receivables	22,577.57	24,868.23	(2290.66)
As on Sep 30th			
i) Stocks	328.78	330.58	(1.80)
ii) Receivables	24,107.04	26,653.52	(2546.48)
As on Dec 31st			
i) Stocks	321.94	326.82	(4.88)
ii) Receivables	25,722.78	28,192.33	(2469.55)
As on March 31st			
i) Stocks	222.51	224.29	(1.78)
ii) Receivables	27,384.34	30,108.22	(2723.88)

i) During the year the Company has made an investments amounting to Rs. 6.95 Crore as part of Contingency Reserve Investments (Refer Note: 12).

a) During the year the company has not provided any guarantee or security or granted any loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or other parties, except loans granted to staff.

   A) The Company has not granted any loans or advances and guarantees or security to subsidiaries, joint ventures and associates.

   B) The Company has granted loans or advances in the nature of loans to employees during the year, and following are the details:

Particulars	Rs. in Crore	
Aggregate amount of loans granted/ provided to the employees during the year	1.17	Informative only
Balance outstanding as at balance sheet date in respect of above cases	24.63	
b) In our opinion, the investments made and the terms and conditions of the grant of loans to the employees, during the year are prima facie, not prejudicial to the Company's interest.	Informative only	
c) In respect of loans granted to the employees by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.	Informative only	
d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.	Informative only	
e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.	Informative only	
f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.	Informative only	
iv) In our opinion and according to the information and explanations given to us the Company has not granted any loans to parties covered under section 185 and 186 of the Companies Act, 2013, hence, clause 3(iv) of the Order is not applicable.	Informative only	

v) The Company has not accepted any deposits or the amounts which are deemed to be deposits from public. Consequently, the clause 3(v) of the order is not applicable to the Company.	Informative only
vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.	Informative only
vii) In respect of statutory dues: a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income-tax, sale-tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Goods & Services Tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, except for Goods & Service Tax and Employee State Insurance (ESI) which are not paid regularly.	Informative only

Accordingly, to the information and explanations given to us, no undisputed amounts are payable in respect of Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added tax or Cess, Goods & Services tax and other statutory dues which were in arrears as at 31st March, 2025 for a period of more than six months from the date they became payable, except the following:

Name of the Statute/Authority	Nature of dues	Period to which the amount relates	Amount (Rs. In Crore)
Employee State Insurance Act, 1948	Employee State Insurance	F.Y. 2018-19 to F.Y. 2023-24	1.97
Employee Provident Fund Act, 1952	Employee Provident Fund	F.Y. 2013-14 to F.Y.2023-24	0.72

b) As on 31st March, 2025, there have been no disputed dues, which have not been deposited with the respective of Income Tax, Service Tax, Duty of Customs, and Duty of Excise, Value Added Tax Goods& Services Tax and Cess except the following:

S.No.	Name of the Statute	Nature of the Dues	Amount (Rs. In Crores)	Period to which the amount relates	Forum where dispute is pending
1.	A.P. Tax on entry of goods in local area Act, 2001	Entry tax on goods purchased from out side	286.68	For the financial year from 2002-03 to 2017-18 (Upto June' 2017)	Hon'ble High Court of Telangana
2.	A.P. General Sales Tax Act, 1956	Sales Tax	1.34	For the financial year from 2001-02 to 2004-05	Hon'ble A.P Sales Tax Appellate Tribunal, Hyderabad
3.	A.P.VAT Act, 2005	VAT (including Penalty)	90.56	For the financial year from 2008-09 to 2012-13	Hon'ble High Court of Telangana
			0.44	Financial Years 2008-09 & 2009-10	Appellate Deputy Commissioner, Commercial Taxes Hyderabad.
4.	Finance Act, 1994	Service Tax (including Penalty)	194.53	From July, 2012 to June, 2017	Hon'ble High Court of Telangana
			18.10	From 2012-13 to 2015-16	Customs, Excise and Service Tax Appellate Tribunal
5.	Income Tax Act, 1961	TDS	14.88	Financial Year 2006-07	Hon'ble High Court of Telangana
			78.37	For the Financial Years 2007-08 & 2008-09	Hon'ble Supreme Court of India
		Income Tax	1.09	For the Assessment 2018-19	Hon'ble Commissioner of Income Tax (Appeals)
6.	EPF Act	EPF	0.23	2017-18	Central Government Industrial Tribunal, Hyderabad
			14.16	From 2014-15 to 2016-17	Hon'ble High Court of Telangana
7.	ESI Act	ESI	0.28	From July 2017 to Sep 2018	Hon'ble Employees Insurance Court

vii) In our opinion and according to the information and explanations given to us, there are no transactions in the books of accounts relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.	Informative only

ix) a) According to the information and explanations given to us, the Company has not defaulted in repayment of any loan installments in respect of term loans from financial institutions and banks.	Informative only
b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.	Informative only
c) In our opinion and according to the information and explanations given to us term loans were applied for the purpose for which the loans were obtained.	Informative only
d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.	Informative only
e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.	Informative only
f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies during the year.	Informative only
x) a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.	Informative only
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully of partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.	Informative only
xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.	Informative only

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.	Informative only
(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.	Informative only
xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.	Informative only
xiii) According to the information and explanations given to us and on overall examination of the records of the Company, we report that all transactions with related parties are in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013 and the related party disclosures, to the extent applicable, as required by relevant Accounting Standards are disclosed in the financial statements.	Informative only
xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.	Informative only
xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.	Informative only
xvi) a) In our opinion, the Company is not required to be registered under section45-IA of the Reserve Bank of India Act, 1934 as defined in the regulations of the Reserve Bank of India.	Informative only

b) The company has not conducted any Non-banking financial or Housing finance activities during the year.	Informative only
xvi) c) In our opinion, the Company is not a Core Investment company, as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 regulations of the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable.	Informative only
xvi) d) In our opinion, the Company is not a Core Investment company and there are no Crore Investment companies in the group. Hence, reporting under clause 3(xvi)(d) of the Order is not applicable.	Informative only
xvii) The Company has incurred cash loss of Rs. 607.14 Crore during the financial year covered by our audit and the Company has incurred cash loss of Rs. 4,575.59 Crore during the immediately preceding financial year	Informative only
xviii) There has been no resignation of the statutory auditors of the Company during the year.	Informative only
xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting	Informative only

is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.	
xx) Provisions of Corporate Social Responsibility (CSR) are not applicable to the company, hence clauses 3(xx)(a) & 3(xx)(b) are not applicable to the Company as the Company has incurred losses during the financial year under audit and also during the preceding two financial years.	Informative only
xxi) The reporting under clause (xxi) of the order is not applicable in respect of the audit of standalone financial statements of the company. Accordingly, no comment has been included in respect of the said clause under this report.	Informative only

ANNEXURE – 'C' TO AUDITORS' REPORT

(Referred to in paragraph 3(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls with reference to Financial Statements of Southern Power Distribution Company of Telangana Limited, as on 31st March, 2025 in conjunction with our audit of the 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." 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 Company's Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's financial control with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards of Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements were established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements 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 controls system with reference to these financial statements.

Meaning of Internal Financial Controls with reference to the Financial Statements

A Company's internal financial control with reference to the financial statements 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 with reference to the financial statements includes those policies and procedures that:

i) Pertain to the maintenance of records that, in reasonable detail, accurately reflect the transactions and dispositions of the assets of the company;

ii) 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

iii) 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 limitation of internal financial controls with reference to the financial statements, 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 control with reference to the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedure may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the company's internal controls with reference to the financial statements as at 31st March, 2025;

Absence of control in respect of:

a) Not carrying out periodic physical verification of Plant, Property and Equipment and also not having any policy with regard.	It is to inform that, physical verification of Property, Plant and Equipment was not carried-out by the field officers. Discoms was providing the electricity to the 15 districts and covering vast area of distribution activity and the assets were commissioned and scattered in remote area. It is assure that, to the extent possible at lease major assets such as PTR/33KV lines proposed to be taken up physical verification.
b) Not in possession of valid title deeds of many of the land properties held by the company.	The Land and parcels available at various field units have been received; however some of the records pertaining to lands and parcels of land are yet to be received. The records pertaining to these assets are being maintained at respective division level.

c)	Capitalization of capital work orders without work order completion certificates and non-closure of work orders.	Works are capitalized only upon submission of work completion certificate exceptionally where substantial (Around 90%) expenditure is incurred and assets put to use, such work orders are closed on partial basis. The same are regularized subsequently.

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

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31st March, 2025, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on audit of Internal financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India" and except for the possible effect of the material weaknesses described above on the achievements of the objectives of the control criteria, the company's internal financial controls with reference to the financial statements were operating effectively as at 31st March, 2025.

For V.N. PUROHIT & CO
Chartered Accountants
Firm's Registration No. 304040E

Sd/-
Kamalesh Kumar Sankla
M.No. 229329
UDIN: 25229329BMJHIF3371
Dt: 29 July 2025

Sd/-
Sri Md. Musharraf Faruqui, IAS
DIN: 10429742

KCC & ASSOCIATES
COMPANY SECRETARIES
Plot No. 27, Flat No. 102, Maple House, Chandrapuri Colony, Road No.5, L.B.Nagar,Hyderabad - 500074.

CH. KALYANA CHAKRAVARTHI
B.COM, LLB, FCS
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Cell: 9848906906

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

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

To,
THE MEMBERS,
SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED,
CIN:U40109TG2000SGC034116
6-1-50, MINT COMPOUND, LAKDIKAPOOL,
HYDERABAD -500063.

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

Based on my verification of the **Southern Power Distribution Company of Telangana Limited** 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 **31st March, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Southern Power Distribution Company of Telangana Limited ("the Company") for the financial year ended on **31st March, 2025** according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA'), Securities and Exchange Board of India Act, 1992 (SEBI) and SEBI Guidelines and Regulations to the extent they are applicable.

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

iv. The Environment (Protection) Act, 1986

KCC & ASSOCIATES
COMPANY SECRETARIES
Plot No. 27, Flat No. 102, Maple House, Chandrapuri Colony, Road No.5, L.B.Nagar,Hyderabad - 500074.

CH. KALYANA CHAKRAVARTHI
B.COM, LLB, FCS
kccassociates8@gmail.com
Cell: 9848906906

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

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

1. The Company is yet to comply with the provisions of Section 149(4) of the Companies Act, 2013 relating to appointment of Independent Directors and women Director on its Board. Consequently, company yet to comply with the constitution of committees with independent director as per the provisions of the Companies Act, 2013.

I further report that

Subiect to the Paragraph No. 1 above of 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.

Sd/-
Name: **KALYANA CHAKRAVARTHI CH.**
FCS No: 10770
CP No. : 15103
Peer Review No.1767/2022
UDIN: F010770G001254421

Place: Hyderabad
Date: 16/09/2025

This report is to be read with my letter of even date which is annexed as' Annexure 1A' and forms an integral part of this report.

KCC & ASSOCIATES
COMPANY SECRETARIES
Plot No. 27, Flat No. 102, Maple House, Chandrapuri
Colony, Road No.5, L.B.Nagar,Hyderabad - 500074.

CH. KALYANA CHAKRAVARTHI
B.COM, LLB, FCS
kccassociates8@gmail.com
Cell: 9848906906

ANNEXURE-1A

To,
THE MEMBERS,
SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED,
CIN:U40109TG2000SGC034116
6-1-50, MINT COMPOUND, LAKDIKAPOOL,
HYDERABAD -500063.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit
2. I have followed the andit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure correct that are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my 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 the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification ot procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-
Name: **KALYANA CHAKRAVARTHI CH.**
FCS No: 10770
CP No. : 15103
Peer Review No.1767/2022
UDIN: F010770G001254421

Place: Hyderabad
Date: 16/09/2025

ANNEXURE 'C' TO DIRECTORS REPORT

Management Reply to the Secretarial Auditor Observations

Observations of the Secretarial Auditor	Management Reply to the Observations of the Secretarial Auditor
1. The Company is yet to comply with the provisions of Section 149(4) of the Companies act, 2013 relating to appointment of Independent Directors and Woman Director on its Board. Consequently, company yet to comply with the constitution of committees with independent directors as per the provisions of the companies act, 2013.	TSSPDCL is a State Government Company within the meaning of section 2(45) of the Companies Act, 2013 and as per Article 30(d) of Articles of Association of the Company, Powers to appoint Directors vests with Government of Telangana (acting through Energy Department). The Company or its Board is not vested with any powers in the said matter and hence the matter is being followed up rigorously with the Energy Department and Several Letters were addressed to Energy Department, Government of Telangana to expedite the process of Appointment of Independent directors & Women Director on the Board to comply with Section 149 of the Companies act, 2013 and awaiting for the orders.

ANNEXURE 'D' TO DIRECTORS' REPORT

Particulars relating to Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as per Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988 & 2014;

A. Conservation of Energy: a) Energy conservation measures:	1. 100KW roof top solar power plant at corporate office, Hyderabad. The plant generating an average 200-230 (KWh) units per day. 2. 95,219 Nos High Voltage Distribution System (HVDS) for Agriculture Pump Sets were set up.
b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy;	-
c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;	The Energy Losses to Energy Input percentage is 8.30% in the FY 2024-25 as against 8.55% in FY 2023-24.
d) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the Schedule thereto.	Not Applicable
B. Technology absorption : a) Efforts made in technology absorption	1. Implementing AMR for HT Services and monitoring 11 KV Feeders. 2. Meter Data Acquisition System (MDAS) is being implemented. 3. SCADA control for 33/ 11KV Sub-Stations, DMS (Distribution Management System) for operation of 11KV feeders in core city of Hyderabad & Communication System.

C. Foreign exchange earnings and outgo:

a) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans;	Not Applicable
b) Total foreign exchange used and earned	Nil

COMMENTS OF THE C&AG

For the Financial Year 2024-25 and Replies

Sl. No	Comment	Reply of the Company	Reply of the Statutory Auditors
1(a)	**A. Comments on Profitability** **Statement of Profit and Loss for the year ended 31 March, 2025** **Revenue from Operations – Rs. 44,517.88 crore (Note 21)** The Revenue from Operations was overstated by Rs.2,701.70 crore due to accountal of: **a.** Financial assistance of Rs.2,454.77 crore received in 2024-25 towards "taking over of 50 percentage losses pertaining to financial year 2023-24 under Ujwal DISCOM Assurance Yojana (UDAY) Scheme." **b.** Financial Assistance Rs.246.93 crore received of to ensure reliable power supply. In accordance with Accounting Standard (AS) 12 -Accounting for Government Grants and AS 5 - Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies, these amounts should have been classified as	It is to submit that, as per the tripartite Memorandum of Understanding concluded by the TGSPDCL under UDAY scheme on 04th January 2017, it is obligatory of the Govt., of Telangana to reimburse 50% of losses suffered by the DISCOM. Accordingly the Govt., of Telangana has provided the UDAY Revenue Grant for Rs.2454.77 Crores i.e. 50% loss suffered by the DISCOM during the Financial Year 2023-24 (on Loss of Rs.4909.53 Crores). As per the previous practice adapted from the 2017, the UDAY Revenue Grants received from the Govt., of TG are being shown under Schedule-21 under the Line item as "Revenue Grant under UDAY Scheme" for the Financial Year 2024-25. Further it is to submit that The UDAY Revenue Grant received from the Govt., of Telangana is in recurring in nature till the DISCOMs are self sustainable. Hence, the amount under UDAY scheme was not shown under Extraordinary items (very rare nature of transactions will be reported under Extraordinary). Further it is to submit that the Financial Assistance provided by the Govt., of Telangana to meet the financial commitments in the ensuing months and endure the reliable power supply for an amount of Rs.246.93 Crores for buying the power from open market even at higher rate to ensure the 24/7 un-interrupted power supplies to all the category of consumers. It is neither a grant nor Govt., Sponsored scheme. It is only Financial Assistance provided by the Govt., of Telangana to the DISCOMs. Hence the same was not	We agree with the view of the Management

Sl. No	Comment	Reply of the Company	Reply of the Statutory Auditors
	separate line item under Extraordinary Items. However, it was reported under Revenue from Operations, resulting in overstatement of Revenue from Operations and a corresponding understatement of Extraordinary Items by Rs.2,701.70 crore.	shown as extraordinary item in the Financial year 2024-25. Further, it is to assure that, a view will be taken for recognizing the Financial Assistance provided by the Govt., in the book of accounts under extraordinary items in the next financial year 2025-26 if any. Submitted for perusal.	
2	**Expenses Finance Cost (Note 26) – Rs.4,174.72 crore** Telangana Distribution Companies have availed the cash credit facilities and working capital loans to meet the power purchase costs. Though the loans are specific to respective distribution companies (TGDISCOMs), the interest cost serviced during the year 2024-25 on cash credit and working capital loans was apportioned in power allocation ratio instead of actual interest incurred by respective DISCOM. This has resulted in higher apportionment of interest to TGSPDCL compared with actual interest costs incurred. This has resulted in Overstatement of Finance Cost and Other Non-Current Assets by Rs.522.98 crore consist of interest of Rs.494.29 crore towards cash credit facilities and Rs.28.69 crore on working capital loans.	As per G.O. Ms.No.20, Energy (Power-III) Department, Dated: 08-05-2014, power procured in the State is to be shared between the DISCOMs in the power sharing ratio i.e., TGSPDCL – 70.55% & TGNPDCL – 29.45%. Working Capital Loans and Cash Credit facilities are availed by TGPCC/TGDISCOMs to meet the power purchase obligations only. Hence, the Interest paid on these Working Capital Loans and Cash Credit facilities are being shared in the power sharing ratio. This procedure is followed as per G.O. Ms.No.20, Energy (Power-III) Department, Dated: 08-05-2014 and consistently applied. As per G.O. Ms.No.20, Energy (Power-III) Department, Dated: 08-05-2014, power procured in the State is to be shared between the DISCOMs in the power sharing ratio i.e., TGSPDCL – 70.55% & TGNPDCL – 29.45%. Working Capital Loans and Cash Credit facilities are availed by TGPCC/TGDISCOMs to meet the power purchase obligations only. Hence, the Interest paid on these Working Capital Loans and Cash Credit facilities are being shared in the power sharing ratio. This procedure is followed as per G.O. Ms.No.20, Energy (Power-III) Department, Dated: 08-05-2014 and consistently applied. Submitted for perusal.	We agree with the view of the Management

Sl. No	Comment	Reply of the Company	Reply of the Statutory Auditors
3	The Board of Directors, in its 190th meeting held on 29.07.2025, approved the proposal to write off the gap of Rs.803.45 crore between the tariff subsidy approved by TGERC and the subsidy actually released by the Government of Telangana during the financial years 2014-15 to 2019-20. Since this amount pertains to tariff subsidy, it continues to be pursued with the Government for realization. Moreover, the fact of non-realisation is required to be placed before the Hon'ble TGERC for an appropriate decision. Where uncertainty exists regarding recoverability, a provision may be considered. However, writing off the receivable from the books while it is still under active pursuit with the Government and pending a decision from TGERC is not appropriate.	It is to submit that the absence of a specific accounting policy for the accounting treatment of receivables from the Government of Telangana towards tariff subsidy, restructuring package, financial assistance, etc., the following is submitted for kind consideration: **1. Regulatory Framework and ARR Mechanism** TGSPDCL is a regulated public utility operating under the provisions of the Electricity Act, 2003. As per regulatory norms, TGSPDCL submits its Annual Revenue Requirement (ARR) proposals to the Telangana State Electricity Regulatory Commission (TSERC). The ARR includes expected revenue from tariffs and other sources necessary to cover the cost of supply. Based on public interest and socio-economic policy objectives, the State Government may choose to bridge the revenue gap between the ARR proposed by TGSPDCL and the tariff approved by TSERC by providing financial support in the form of tariff subsidy or direct assistance. **2. Status of the Government of Telangana** While TGSPDCL is a Public Sector Undertaking (PSU) wholly owned by the Government of Telangana, it is a **separate legal entity** under the Companies Act, 2013. For the purpose of accounting standards and financial reporting, the State Government is considered as an **external stakeholder** and **not as "promoter" in the commercial accounting sense** for the purpose of recognizing financial assistance or subsidies. Receivables from the Government of Telangana are accounted as receivables from a third party, based on sanctioned orders and policy communications.	We agree with the view of the Management

Sl. No	Comment	Reply of the Company	Reply of the Statutory Auditors
		3. Accounting Treatment of Receivables from Government Receivables from the Government towards tariff subsidy and other forms of assistance are recognized based on formal communications/ sanctions and are accounted for in line with applicable accounting standards. However, it is noted that a **formal accounting policy** specifically addressing such receivables has not been articulated separately in the financial statements. We acknowledge the audit observation and agree that the inclusion of a specific accounting policy would enhance the transparency and completeness of the financial statements. Accordingly, TGSPDCL will formulate and disclose a specific accounting policy for the accounting of receivables from the State Government (including tariff subsidy, financial support, and restructuring packages) in the financial statements from the FY 2025 – 26 onwards. Further, the omission of a specific accounting policy was inadvertent and not intended to obscure any material information. The Company has been recognizing government receivables based on approvals and in compliance with accounting standards. Submitted for perusal.	
4	**B.Comments on Financial Position** **Balance Sheet as at 31st March, 2025** **Assets: Current Assets** **Short-term Loans and Advances – 776.72 crore (Note 19)**	It is to submit that, Current Assets Short-term Loans and Advances of Rs.776.72 Crores includes an amount of Rs.4,618.36 Crores receivable from Government towards Additional power purchase cost, Wheeling Charges, Tariff Subsidy and Other receivables out of which an amount of Rs.3,877.87 Crore is provided for provision in respect of receivable	We agree with the view of the Management

Sl. No	Comment	Reply of the Company	Reply of the Statutory Auditors
	The **Short-term Loans and Advances were overstated by Rs.740.49 crore** due to misclassification of receivables such as wheeling charges, tariff subsidy from the Government of Telangana, dues from the Government of Andhra Pradesh, and receivables from Transmission Corporation of Telangana Limited towards LIS funds, etc., under this head. As these amounts represent **recoverable dues** and not **advances extended** by TGSPDCL, their classification under Short-term Loans and Advances is incorrect. This has resulted in an **overstatement of Short-term Loans and Advances (Note 19) and understatement of Other Current Assets (Note 20) by Rs.740.49 crore.**	pertains to Additional Power Purchase Cost under the same head. Further, as noted in the AG Audit, the Government Receivables will be disclosed in Note 20 Other Current Assets in the coming years. Submitted for perusal..	

<table>
<tr><th>Sl. No</th><th>Comment</th><th>Reply of the Company</th><th>Reply of the Statutory Auditors</th></tr>
<tr>
<td>5</td>
<td>

Accounting Policy with regard to Provisioning of trade receivables.

As per Rule 5 of Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024, TGSPDCL is required to maintain minimum provisions for trade receivables from all categories of consumers as per the follwing schedule:

<table>
<tr><th>Sl. No.</th><th>Trade receivables outstanding for following periods as at 31 March, 2025 from due date of payment</th><th>Other than *Govern-ment Consumers</th></tr>
<tr><td>1</td><td>0 and up to 90 days</td><td>-</td></tr>
<tr><td>2</td><td>Exceeding 90 days and up to 180 days</td><td>5%</td></tr>
<tr><td>3</td><td>Exceeding 180 days and up to 1year</td><td>20%</td></tr>
<tr><td>4</td><td>Exceeding 1 year and up to 2 years</td><td>35%</td></tr>
<tr><td>5</td><td>Exceeding 2 year and up to 3 years</td><td>55%</td></tr>
<tr><td>6</td><td>More than 3 years</td><td>75%</td></tr>
<tr><td>7</td><td>Dues from permanently disconnected consumers</td><td>75%</td></tr>
</table>

</td>
<td>

It is to submit that, the trade receivables as per the Rule 5 of Electricity Distribution (Accounts & additional Disclosures) rules, 2024 are here with tabulated.

Statement showing Age-wise Trade receivables as at 31st March 2025 (Reply to AREQ-776393)

(Rs. In Crore)

<table>
<tr><th>Sl. No.</th><th>Trade Receivables outstanding as at 31 March, 2025</th><th>Government</th><th>Private</th><th>Total</th></tr>
<tr><td>1</td><td>0 and up to 90 days</td><td>1601.89</td><td>396.53</td><td>1998.42</td></tr>
<tr><td>2</td><td>Exceeding 90 days and up to 180 days</td><td>1691.45</td><td>122.60</td><td>1814.05</td></tr>
<tr><td>3</td><td>Exceeding 180 days and up to 1 year</td><td>2661.65</td><td>238.31</td><td>2899.96</td></tr>
<tr><td>4</td><td>Exceeding 1 year and up to 2 years</td><td>5444.69</td><td>422.60</td><td>5867.30</td></tr>
<tr><td>5</td><td>Exceeding 2 years and up to 3 years</td><td>4671.89</td><td>241.77</td><td>4913.66</td></tr>
<tr><td>6</td><td>More than 3 years</td><td>7604.12</td><td>2276.45</td><td>9880.57</td></tr>
<tr><td>7</td><td>Unbilled Revenue-considered good</td><td></td><td>3229.94</td><td></td></tr>
<tr><td>8</td><td>Less : Provision for doubtful debts</td><td></td><td>981.41</td><td></td></tr>
<tr><td></td><td>LT + HT Total</td><td>23675.70</td><td>3698.26</td><td>29622.49</td></tr>
</table>

Further with regard to provisioning of Trade Receivables in line with Rule 5 of Electricity Distribution(Accounts & additional Disclosures) rules, 2024 will consider in the next financial year 2025-26.

Submitted for perusal.

</td>
<td>We agree with the view of the Management</td>
</tr>
</table>

Sl. No	Comment	Reply of the Company	Reply of the Statutory Auditors
	However, in its **Significant Accounting Policy No. 1.13(b)**, TGSPDCL states that provision for bad and doubtful debts is made only for LT private bill stopped services and HT bill stopped (including court cases) outstanding for **more than 24 months.** This treatment **does not align with the minimum provisioning requirements prescribed under Rule 5** of the Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024. Consequently, the Financial Statements of TGSPDCL are **deficient to that extent.**		
6	**Contingent Liabilities (Note 30)** This does not include an amount of ₹ 282.16 crore towards energy charges payable to Singareni Collieries Company Limited (SCCL) for the year 2024-25. SCCL has been raising the energy bills every month as per TGERC MYT tariff order dated 28.06.2024 in OP 4 of 2024, according to which, approved energy charges include additional premium on coal price. The company has been disallowing the additional premium every month and has been paying	It is to submit that, TGDISCOMs filed Petition O.P No. 13 of 2023 before TGERC with a prayer to issue directions to SCCL to charge the Coal at the Notified Basic Price corresponding to the Coal grade, without any additional charge/ premium, for the period from FY 2021-22 to till the date of operationalization of Naini Coal Block and later to adopt the CERC Input Price determination methodology, in the interest of end Consumers. Hon'ble TGERC vide order dated 01.04.2024 in O.P No. 13 of 2023 filed by TGDISCOMs allowed the above prayer of TGDISCOMs and directed SCCL not to levy any premium on basic price of coal for the quantity of coal to be supplied in terms of the PPA until production from the Naini coal block has started ,as it is denuding the TGDISCOMs the benefit of	We agree with the view of the Management

Sl. No	Comment	Reply of the Company	Reply of the Statutory Auditors
	energy charges referring to TGERC orders dated 01.04.2024 in OP No.13 of 2023 wherein levy of additional premium was disallowed. The review petition filed by Telangana Power Coordination Committee (TGPCC) (RP (SR) No.53 of 2024) against the TGERC orders dated 28.06.2024 with TGERC which was rejected. The TGPCC filed an appeal in Appellant Tribunal for Electricity (APTEL). Since TGERC orders on allowing additional coal premium were contradictory and appeal filed by TGPCC was pending with APTEL, the same should be disclosed under contingent liabilities.	cheaper coal availability through the variable cost , which is ultimately beneficial to the end consumers." Aggrieved by this, M/s SCCL filed appeal No. 256 of 2024 before APTEL challenging TGERC order dated. 01.04.2024 in OP No. 13 of 2023 and also continuously claiming the Energy bills with additional premium by referring TGERC MYT Order dated 28.06.2024 in OP No 4 of 2024, which is contrary to the TGERC Order dated 01.04.2024 in OP No.13 of 2023 (wherein categorically disallowed levy of additional premium by SCCL). In view of the above facts and justification, TGDISCOMS following the TGERC Order 01.04.2024 in O.P No 13 of 2023. Submitted for perusal.	
7	Provision 12.5.2 of the Regulations No. 1 of 2023 (applicable for FY 2023-24) and Provision 13.3 of the Regulations No. 2 of 2023 (applicable for FY 2024-25) mandate that TGSPDCL shall levy and collect Fuel Cost Adjustment (FCA) charges as part of the retail supply tariff. However, TGSPDCL neither levied nor recognised FCA charges in its accounts. As a result of non-levy, TGSPDCL could not collect Rs.9,040.15 crore during FYs	It is to submit that, the levy of minimum of FCA Charges of Rs. 0.30 per unit in the bills of consumer will reflect as indirect tariff hike in the consumer bills. Hence, the TGSPDCL sought instructions from the Energy Department, GoTG to publish, to levy and collection of FCA Charges in terms of Regulation No. 1 of 2023 and MYT Regulation No. 2 of 2023. Further, the TGSPDCL has been addressing the letters to Energy Department every month as shown below, intimating the computations of month-wise per unit FCA Charges to be levied and FCA amounts with a request to reimburse the FCA amounts to TGSPDCL as publication was not issued and FCA Charges not collected from the consumers during the respective	We agree with the view of the Management

Sl. No	Comment	Reply of the Company	Reply of the Statutory Auditors
	2023-24 and 2024-25. Further, the non-levy and consequential revenue loss were not disclosed in the financial statements. Accordingly, the financial statements are deficient due to non-disclosure of this material information.	months from FY 2023-24 to FY 2024-25. The abstract of Month wise FCA Charges communicated to the Energy Department, GoTG is tabulated and enclosed as **Annexure-I** to the reply. Further the fact was explicitly disclosed in the Financial statements under "Other notes to F.S.No.36" In view of the above, it is to submit that, the TGSPDCL will definitely recognize the above FCA amounts as revenue soon after either receipt of written acceptance and confirmation for payment of the entire FCA Amounts or receipt of the above amounts from the GoTG. Submitted for perusal.	

Annexure-I

ABSTRACT OF FCA AMOUNTS FROM APRIL' 2023 to MARCH '2025 OF TGSPDCL

(Rs. In Crore)

Month & Year	LT				HT	Total FCA Charges	Total FCA Charges become Due	Total FCA Charges Actually Collected	Balance FCA to be collected	Ref. Lrs. Sent to GoTG
	LT Cat-I (Domestic)	LT Cat-V (Agriculture)	Other Than LT Cat. I & V	Total						
April'2023	95.64	58.03	43.13	196.79	149.16	345.95	345.95		345.95	173/23, Dt: 13.06.2023
										507/23, Dt: 03.11.2023
May'2023	107.10	127.79	54.42	289.32	207.30	496.61	496.61		496.61	508/23, Dt: 03.11.2023
June'2023	108.41	189.02	53.57	350.99	203.37	554.37	554.37		554.37	526/23, Dt: 14.11.2023
July'2023	56.79	80.47	28.16	165.42	111.47	276.90	276.90		276.90	570/23, Dt: 02.12.2023
August'2023	77.79	163.36	39.93	281.08	162.22	443.30	443.30		443.30	784/24, Dt: 06.03.2024
September'2023	105.69	163.40	57.14	326.22	232.44	558.66	558.66		558.66	784/24, Dt: 06.03.2024
October'2023	93.75	239.60	55.36	388.71	217.94	606.65	606.65		606.65	784/24, Dt: 06.03.2024
November'2023	93.78	194.36	51.79	339.93	190.03	529.96	529.96		529.96	832/24, Dt: 26.03.2024
December'2023	88.83	220.06	50.44	359.32	187.01	546.33	546.33		546.33	69/24, Dt: 01.05.2024
January'2024	117.63	225.02	56.14	398.79	198.75	597.54	597.54		597.54	116/24, Dt: 27.05.2024
February'2024	208.18	191.48	88.33	487.99	290.49	778.48	778.48		778.48	211/24, Dt: 04.07.2024
March'2024	209.65	89.38	88.17	387.20	299.00	686.21	686.21		686.21	263/24, Dt: 23.07.2024
Total_FY 2023-24	**1363.25**	**1941.96**	**666.57**	**3971.77**	**2449.19**	**6420.96**	**6420.96**		**6420.96**	
April'2024	167.99	93.83	79.60	341.43	291.71	633.14	633.14	Nil	633.14	300/24, Dt: 16.08.2024
May'2024	153.19	134.76	77.11	365.06	301.30	666.35	666.35		666.35	342/24, Dt: 13.09.2024
June'2024	178.06	248.04	86.52	512.62	375.26	887.88	887.88		887.88	483/24, Dt: 16.10.2024
July'2024	110.89	141.61	54.61	307.11	230.16	537.27	537.27		537.27	591/24, Dt: 14.11.2024
August'2024	7.67	9.23	3.85	20.76	15.51	36.27	36.27		36.27	650/24, Dt: 13.12.2024
September'2024	11.34	12.34	6.23	29.91	24.61	54.52	54.52		54.52	689/24, Dt: 09.01.2025
October'2024	14.59	24.21	8.29	47.09	32.27	79.35	79.35		79.35	756/24, Dt: 14.02.2025
November'2024	10.98	24.04	6.17	41.20	25.61	66.80	66.80		66.80	932/24, Dt: 15.03.2025
December'2024	20.52	45.96	10.99	77.47	42.94	120.41	120.41		120.41	23/25, Dt: 15.04.2025
January'2025	1.09	2.20	0.53	3.82	2.15	5.98	5.98		5.98	79/25, Dt: 12.05.2025
February'2025	-38.70	-66.90	-17.46	-123.06	-60.14	-183.20	-183.20		-183.20	172/25, Dt: 17.06.2025
March'2025	-82.26	-31.88	-37.76	-151.90	-133.70	-285.60	-285.60		-285.60	234/25, Dt: 14.07.2025
Total_FY 2024-25	**555.38**	**637.44**	**278.69**	**1471.51**	**1147.67**	**2619.18**	**2619.18**		**2619.18**	
Grand Total	**1918.63**	**2579.40**	**945.25**	**5443.28**	**3596.87**	**9040.15**	**9040.15**		**9040.15**	

FINANCIAL STATEMENTS

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

CIN U40109TG2000SGC034116

BALANCE SHEET AS AT 31ST MARCH, 2025

(Rs. in Crore)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
I EQUITY AND LIABILITIES ఈక్విటీ మరియు అప్పులు			
1 Shareholders' Funds వాటాదారుల నిధి			
(a) Share Capital వాటా మూలధనము	2	12,017.93	12,017.93
(b) Reserves and Surplus నిధి మరియు మిగులు	3	(40,685.73)	(40,380.55)
(c) Money received against share warrants		-	-
2 Non-Current Liabilities ప్రస్తుతేతర అప్పులు			
(a) Long-term Borrowings దీర్ఘకాలిక అప్పులు	4	20,863.67	17,256.21
(b) Deferred tax liabilties (Net) వాయిదా వేయబడిన పన్ను		-	-
(c) Other Long term liabilities ఇతర దీర్ఘకాలిక అప్పులు	5	283.16	334.30
(d) Long-term Provisions దీర్ఘకాలిక కేటాయింపులు	6	3,089.60	2,790.33
3 Current Liabilities ప్రస్తుత అప్పులు			
(a) Short-term Borrowings స్వల్పకాలిక రుణములు	7	16,481.05	10,761.90
(b) Trade Payables			
i) MSMEs	8	-	0.06
ii) Other than MSMEs వ్యాపార నిమిత్తం చెల్లింపులు		30,260.06	33,918.78
(c) Other Current Liabilites ఇతర ప్రస్తుత అప్పులు	9	8,361.48	7,465.20
(d) Short-term Provisions స్వల్పకాలిక కేటాయింపులు	10	907.99	754.91
TOTAL (మొత్తము)		**51,579.21**	**44,919.07**

II ASSETS (ఆస్తులు)			
1 **Non-Current Assets**			
ప్రస్తుతేతర ఆస్తులు			
(a) Property, Plant And Equipment, Intangible Assets			
స్థిర ఆస్తులు, స్పర్శ చరమైన ఆస్తులు			
i) Plant, Property and Equipment	**11**	11,793.13	10,926.61
ii) Intangible Assets		12.52	17.03
అదృశ్య ఆస్తులు			
iii) Capital Work in Progress		1,283.55	1,128.78
జరుగుచున్న పనులపై పెట్టుబడులు			
(b) Non-Current Investments	**12**	503.20	498.15
ప్రస్తుతేతర పెట్టుబడులు			
(c) Deferred Tax Assets (Net)	**13**	1,759.46	1,775.89
వాయిదా వేయబడిన పన్ను			
(d) Long-term loans and advances	**14**	235.56	315.08
దీర్ఘకాలిక అప్పులు మరియు బయానాలు			
(e) Other Non-current Assets	**15**	5.36	5.61
ఇతర ప్రస్తుతేతర ఆస్తులు			
2 **Current Assets** (ప్రస్తుత ఆస్తులు)			
(a) Current Investments		-	-
ప్రస్తుత పెట్టుబడులు			
(b) Inventories	**16**	223.24	285.69
సరకు నిల్వ			
(c) Trade Receivables	**17**	29,622.49	23,191.30
వ్యాపార నిమిత్తం రాబడులు			
(d) Cash and cash equivalents	**18**	251.93	221.48
నగదు నిల్వ			
(e) Short-term Loans and Advances	**19**	776.72	1,445.16
స్వల్పకాలిక అప్పులు మరియు బయానాలు			
(f) Other Current Assets	**20**	5,112.05	5,108.29
ఇతర ప్రస్తుత ఆస్తులు			
TOTAL (మొత్తము)		**51,579.21**	**44,919.07**
Summary of significant Accounting Policies	1		

The Accompanying notes are the integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of Southern Power Distribution Company of TG Limited

For M/s. V.N. Purohit & Co
Chartered Accountants
FR No. 304040E

Sd/-
Kamalesh Kumar Sankla
Partner
M.No. 229329
UDIN: 25229329BMJHIF3371
Date: 29 July 2025
Place: Hyderabad

Sd/-
Sri P. Krishna Reddy
Director (Finance, IR & Legal)
DIN: 11194276

Sd/-
Sri MD Musharraf Faruqui, IAS
Chairman & Managing Director
DIN : 10429742

Sd/-
Smt. K. Sudha Madhuri
Chief General Manager
(Finance)

Sd/-
Anil Kumar Voruganti
Company Secretary
F.No. 9521

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

CIN U40109TG2000SGC034116

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

(Rs. in Crore)

	Particulars	Note No.	2024-25	2023-24
I	Revenue from Operations నిర్వహణ ద్వారా రెవిన్యూ	21	44,517.88	40,331.90
II	Other Income ఇతర ఆదాయము	22	435.58	367.36
III	**Total Income** మొత్తం ఆదాయము		**44,953.46**	**40,699.26**
IV	**Expenses** (వ్యయము)			
	Power Purchase Expense విద్యుత్తు కొనుగోలు	23	36,010.43	37,890.10
	Employee Benefit expense ఉద్యోగుల జీతభత్యాలు	24	3,495.16	3,166.15
	Operating and Other Expenses నిర్వహణ మరియు ఇతర ఖర్చులు	25	393.50	394.01
	Finance Costs ఆర్థిక వ్యయములు	26	4,174.72	3,308.15
	Depreciation and amortisation expense (తరుగుదల)	11	907.84	842.13
	Total Expenses మొత్తం వ్యయం		**44,981.65**	**45,600.54**
V	**Profit /(Loss) before exceptional & extraordinary items and tax (III-IV)** పన్ను, ఎక్స్‌ప్షనల్ మరియు అతీతములకు ముందు లాభము		(28.19)	(4,901.28)
VI	Exceptional Items ఎక్స్‌ప్షనల్ ఐటమ్స్	27	1,058.26	137.92
VII	**Profit /(Loss) before extraordinary items and tax (V-VI)**		(1,086.45)	(5,039.20)
VIII	**Extraordinary Items** అతీతములు		-	-
IX	**Profit /(Loss) before tax (VII-VIII)** పన్నుకు ముందు లాభము		(1,086.45)	(5,039.20)
X	Tax Expense: పన్ను వ్యయము			
	(1) Current Tax ప్రస్తుత పన్ను		-	-
	(2) Deferred Tax వాయిదా వేయబడినపన్ను	13	(16.43)	129.67

	PARTICULARS	Note No.	2024-25	2023-24
XI	**Profit/(Loss) for the period from continuing operations (IX-X)** నికర లాభము		(1,102.88)	(4,909.53)
XII	**Profit/(Loss) from discontinuing operations**		-	-
XIII	**Tax expense of discontinuing operations**		-	-
XIV	**Profit/(loss) from discontinuing operations (after tax) (XII-XIII)**		-	-
XV	**Profit /(Loss) for the period (XI+XIV)** నికర లాభము		(1,102.88)	(4,909.53)
XVI	**Earnings per equity share (Amount in Rs.)**			
	(1) Basic		(0.92)	(4.09)
	(2) Diluted		(0.92)	(4.09)
	Summary of significant Accounting Policies	1		

The Accompanying notes are the integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of
Southern Power Distribution Company of TG Limited

For M/s. V.N. Purohit & Co
Chartered Accountants
FR No. 304040E

Sd/-
Sri P. Krishna Reddy
Director (Finance, IR & Legal)
DIN: 11194276

Sd/-
Sri MD Musharraf Faruqui, IAS
Chairman & Managing Director
DIN : 10429742

Sd/-
Kamalesh Kumar Sankla
Partner
M.No. 229329
UDIN: 25229329BMJHIF3371
Date: 29 July 2025
Place: Hyderabad

Sd/-
Smt. K. Sudha Madhuri
Chief General Manager
(Finance)

Sd/-
Anil Kumar Voruganti
Company Secretary
F.No. 9521

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

CIN U40109TG2000SGC034116

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

(Rs. in Crore)

PARTICULARS	Year Ended 31st March, 2025		Year Ended 31st March, 2024	
A . Cash flows from operating activities:				
Net Profit before tax	**(1,086.45)**		**(5,039.20)**	
Adjustments :				
Add: Depreciation	907.84		842.13	
Add: Interest on Long Term Borrowings	450.12		432.32	
Less: Interest on Investments	(3.57)		(3.57)	
Add: Loss on Sale of Property Plant and Equipment				
Add: Non Cash Expenditure				
Less: Withdrawal of Depreciation on Consumer Contributed Assets	(428.53)		(378.52)	
Operating profit before working capital changes	**(160.59)**		**(4,146.84)**	
Changes in Working Capital				
Increase/(Decrease) in Non-Current Liabilities				
Other Long Term Liabilities	(24.29)		6.34	
Long Term Provisions	299.27		501.58	
(Increase)/Decrease in Non-Current Assets				
Long-tem Loans & Advances	80.43		(69.10)	
Other Non-current Assets	0.25		(0.51)	
Increase/(Decrease) in Current Liabilities				
Short Term Borrowings	5,719.15		4,017.42	
Trade Payables	(3,658.78)		2,084.96	
Other Current Liabilities	896.28		947.48	
Short Term Provisions	153.08		(232.30)	
Increase/(Decrease) in Employee Liability	-		-	
(Increase)/Decrease in Current Assets				
Inventories	62.45		(57.65)	
Trade Receivables	(6,431.19)		(4,056.72)	
Short-term Loans & Advances	668.44		(7.57)	
Other Current Assets	(3.76)		179.82	
Cash generated from operations	**(2,399.26)**		**(833.09)**	
Net Cash flow from Operating Activities		**(2,399.26)**		**(833.09)**
B. Cash flows from investing activities:				
Purchases/Investments of Property Plant and Equipment	(1,769.85)		(1,776.20)	
Purchases/Investments in Capital Work in Progress	(154.77)		78.19	

PARTICULARS	Year Ended 31st March, 2025		Year Ended 31st March, 2024	
(Purchase of Investments)/Redemption	(5.05)		(10.55)	
Interest on Investments	3.57		3.57	
Investment in Capital Advances	(0.91)		8.83	
Increase in Other Long Term Liabilities	(38.86)		(6.30)	
Net cash flow from investing activities		**(1,965.87)**		**(1,702.46)**
C. Cash flows from financing activities:				
Consumer Contributions Received	1,220.99		1,157.80	
Increase (Decrease) in Long Term Borrowings	3,607.46		1,883.94	
Interest paid on Long Term Borrowings	(450.12)		(432.32)	
Increase in Contingency Reserve	5.24		5.02	
Increase in GIS Saving Fund	0.42		0.90	
Increase in Self Funding Medical Scheme	11.59		9.48	
Funds received in UDAY Scheme	-		-	
Investment by Government of Telangana in DISCOM's	-		-	
Decrease (Increase)in Surplus /retained Earnings	-		-	
Decrease in Surplus /retained Earnings	-		-	
Net cash flow from financing activities		**4,395.58**		**2,624.82**
Net Increase/ (Decrease) in cash and cash equivalents during the year		**30.45**		**89.27**
Cash and cash equivalents at the beginning of the year		**221.48**		**132.21**
Cash and cash equivalents at the end of the year		**251.93**		**221.48**

As per our report of even date

For and on behalf of the Board of Directors of Southern Power Distribution Company of TG Limited

For M/s. V.N. Purohit & Co
Chartered Accountants
FR No. 304040E

Sd/-
Sri P. Krishna Reddy
Director (Finance, IR & Legal)
DIN: 11194276

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Chairman & Managing Director
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Sd/-
Kamalesh Kumar Sankla
Partner
M.No. 229329
UDIN: 25229329BMJHIF3371
Date: 29/July/2025
Place: Hyderabad

Sd/-
Smt. K. Sudha Madhuri
Chief General Manager
(Finance)

Sd/-
Anil Kumar Voruganti
Company Secretary
F.No. 9521

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2025

1 Company Overview

Southern Power Distribution Company of Telangana Limited (Formerly Central Power Distribution Company of Andhra Pradesh Limited)[The Company] was incorporated under the Companies Act ,1956 as a public limited company under the second transfer scheme notified by the Government of Andhra Pradesh (GoAP) (vide G.O.Ms.No.35, Energy (Power-II) dated 31-03-2000), 30-03-2000 to carry on the business of distribution and retail supply of power in the geographical spread of districts in Telangana and commenced commercial operations from 01-04-2000. Company is a government company as defined under section 2(45) of the Companies Act, 2013 and company is not listed under in any stock exchange.

During the Financial year 2014-15, State of Andhra Pradesh was bifurcated as States of Telangana and residual State of Andhra Pradesh. Vide AP Reorganisation Act, 2014 [APR Act] w.e.f. 02.06.2014. In terms of Schedule XII to the APR Act, two operating business circles of the Company, namely, Ananthapur and Kurnool, were de-merged and Assets and Liabilities were transferred in terms of GO Ms. No.24 Dt. 29.05.2014 issued by Government of Andhra Pradesh.

Significant accounting policies

1.1 a. Basis of preparation

The financial statements are prepared under the historical cost convention on accrual basis , in accordance with Indian Generally Accepted Accounting Principles ("GAAP") and mandatory accounting standards specified under Section 133 of the Companies Act,2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto is use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

b. Functional and Presentation of Currency

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

1.2 Use of estimates

In preparation of the financial statements in conformity with GAAP, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgments and estimates about the carrying amount of assets and liabilities include useful lives of tangible and intangible assets, impairment of tangible assets, intangible assets including goodwill, investments, contract costs to be incurred to complete contracts, provision for doubtful debts, employee benefits and other provisions and recoverability of deferred tax assets.

1.3 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals of accruals of past of future cash receipts of payment. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

1.4 Revenue recognition

a) Sale of Power:

i) Revenue from Sale of Power is accounted for based on demand raised on consumers. Tariff rates for sale of power are as per Tariff Order of The Telangana State Electricity Regulatory Commission as approved for the reporting period.

ii) Unbilled Revenue is recognised in the books of accounts on 'accrual basis', considering the events occurring after balance sheet date.

iii) Bills raised for theft of energy, whether on a consumer or an outsider are not recognized in full until the final assessment order is received from the competent authority of the Company. The amount received against initial assessment is treated as "Other Deposits".

iv) Sale of Power under open access mechanism is entered into by TGPCC on behalf of the company in terms of SWAP arrangements with other traders/developers. The terms of SWAP transactions are to get back/return the power @ 105% of the power lent/borrowed.

b) Other Income

i) Miscellaneous receipts are accounted on accrual basis.

ii) Recoveries from employees or outsiders are accounted as and when collected.

iii) Interest accrued on long term investment during the reporting period is credited to 'Contingency Reserve'.

1.5 Property, Plant And Equipment

a) Tangible Assets

Property, Plant And Equipment of the Company are stated in the books of accounts and disclosed in annual accounts at Historical Cost, which includes incidental cost related to acquisition and installation less accumulated depreciation. Borrowing costs during the period of construction/installation is added to the cost of the eligible Qualifying assets. And specific useful lives have been adopted for significant components of fixed assets for computation of depreciation. Lands which are received in the form of gifts were accounted at stamp duty value.

b) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets having finite useful lives are amortised on a straight-line basis over their estimated useful lives.

c) **Capital work in progress**

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

- Ten percent of the Cost of Capital Works capitalized to Capital Works towards Employee Cost and Administration & General Expenses (8.5% on Employees cost and 1.5% on Administration & General Expenses), as the Operation Circles are executing both Capital Works and Operation & Maintenance Works and it is not practicable to maintain records to identify the man hours spent by the staff on Capital Works.
- Interest relating to construction period is calculated based on the average interest rate of loans drawn under a Scheme and capitalized. The interest is calculated from the date of expenditure incurred on respective Work Orders of the Scheme.

1.6 Depreciation

a) Depreciation on Property Plant and Equipment is provided under the 'Straight Line Method' up to 90% of the original cost of assets, at the rates notified by the Hon'ble Central Electricity Regulatory Commission (CERC) and the depriciation on software and IT equipments will be 100% as per CERC regulation. Rate of Depreciation as per the CERC notification were adopted from the financial year.2022-23.In view of this the management opined that Schedule II Part A and Part C to the Companies Act,2013 is not mandatorily applicable to the Company.

b) Depreciation is calculated from the date of capitalization of the asset.

c) With respect to the following Assets the rates have applied as per Hon'ble CERC are different from rates prescribed under Schedule II of Companies Act, 2013.

Description of Asset and Rates of Depreciation as per CERC Notification	
Buildings and Other Civil Works	3.34%
Capacitor Banks	5.28%
Plant & Machinery and Lines, Cables & Network	5.28%
Material Handling Equipments	5.28%
Meters / Meter Equipments	5.28 %
Office Equipments and Air Conditioners	6.33%
Furniture & Fixtures	6.33%
Computers and IT Equipments	15.00%
Vehicle – Car / Jeep / Scooter / Motor Cycle	9.50%
Vehicle – Lorry / Truck	9.50%
Battery Chargers	5.28%
Intangible Assets	15.00%
Low value Assets	100.00%

Management has not carried out an assessment of effective rates as per Schedule-II to the Companies Act, 2013 and thus such information is not furnished for the reporting period.

1.7 Impairment

Property Plant and Equipment are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

An impairment loss is recognised in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of an asset's net selling price or value in use.

An impairment loss recognised on asset will be reversed when the conditions warranting impairment provision no longer exists.

1.8 Consumer contributions, Grants and Subsidies

Consumer contributions are collected as per Tariff Order for the year towards Deposit works .These are recognized in the Statement of Profit or Loss by allocating them over the periods and in proportion in which depreciation on assets concerned is charged.

Grants and subsidies received from State Government towards expensive power purchase and other government sponsored schemes are recognized in the Statement of Profit or Loss on accrual basis.

1.9 Investments

Investments are classified as long term based on intent of the management at the time of acquisition. Long term investments are stated at cost and provision is made to recognize any decline, other than temporary, in the value of the investments.

On the date of Balance Sheet the investments made with the AP Government, AP Transco, AP Genco and APPDCL ,the status of these Investments were yet to be finalized as these entities were undergone demergers on the event of State Bifurcation and settlement between the Telangana Government and Andhra Pradesh Government is yet to settled.

1.10 Inventories

Inventories includes materials and supplies purchased to be consumed in rendering of services and work in progress and also includes machinery spares and stores items which are to be used in connection with Property Plant and Equipment and are valued at cost. Cost is determined on weighted average basis. Cost includes insurance, freight, taxes and all other incidental expenses incurred to bring the inventories up to the Stores.

1.11 Employee benefits

a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc. are recognized in the statement of profit and loss in the period in which the employee renders the related service.

b) Long Term Employee Benefits

Defined Contribution Plans

The company deposits the contributions for provident fund scheme to appropriate authorities and these contributions are recognized in the statement of profit and loss in the financial year to which they relate.

Defined Benefit Plans

The company's gratuity and pension plans are the defined benefit plans. The present value of gratuity and pension obligation under such defined benefit plans are determined based on actuarial valuation carried out by an independent actuary using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present valuation of the obligation under defined benefit plans, is based on the market yield on government securities as at the valuation date having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the statement of Profit and Loss.

Other Employee Benefits

Benefits under the company's leave encashment scheme constitute other employee benefits. The liability in respect of leave encashment is incorporated on the basis of actuarial valuation carried out by an independent actuary at the year end.

1.12 Taxes on Income

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

1.13 Provision and contingencies

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

b) i) The policy for providing provision for bad and doubtful debts up to F.Y 2015-16 was based on non litigated receivables outstanding for more than 60 months and w.e.f F.Y 2016-17 the accounting policy has been changed i.e., based on LT Private bill stopped services arrears and HT Private bill stopped (including court cases) outstanding arrears for more than 24 months.

1.14 Accounting for Demerger

Consequent to bifurcation of the State of Andhra Pradesh, two operating Circles of the Company were demerged effectively on the appointed date, i.e., 02.06.2014 in terms with Schedule XII to the Andhra Pradesh Re-organisation Act 2014. Accordingly, Assets and Liabilities of the Company were bifurcated based on GO Ms. No.24 issued by united State of Andhra Pradesh. Financial Statements relating to this bifurcation were adopted by the Board of the Company and Certified by Independent Chartered Accountants and submitted to Expert Committee constituted under the APR Act. However in the case of Employees related assets and liabilities, certain -Long Term Liabilities, Long Term Loans and Advances, Cash and Cash Equivalents and Long Term Receivables, the basis of bifurcation as specified in the GO mentioned above could not followed and another basis was used for bifurcation of Assets and Liabilities and the bifurcation proposals were approved by the Expert committee vide D.O. Lr No. 5614/Expert committee/2014 dated 15-03-2018. But the net settlement of assets receivable/liabilities payment was not taken place and to that extent balances shared based on the other than geographical basis will be reflected in Financial statements under the various heads namely, in Note No. 3 Capital Reserve for an amount of Rs. 723.01 Crores, in Note No. 4 Long Term Borrowings for an amount of Rs. 696.20 Crores and the net receivable on account of Demerger of assets and liabilities shared(both viz., Geographical basis and other than Geographical basis was resulted into) for an amount of Rs. 4,317.76 Crores have been shown in Note No. 20 under the head other current assets.

Accounting for Merger (Re-organisation of Districts in Telangana)

i) Consequent to Re-organisation of Districts and formation of new districts of Telangana w.e.f 11.10.2016, 7 revenue Mandals from jurisdiction of Karimnagar and Warangal which are under the jurisdiction of TGNPDCL were now re-organised to Siddipet District.

ii) During the financial year 2019-20 all the entries relating to acquisition of Assets and taken over of liabilities in respect of Husnabad are settled through Inter Corporate Dues from the TGNPDCL.

iii) In the notes forming part of the financial statements, wherever there is no feasibility to present the balances acquired in respect of Gundala Mandal as per classification of respective schedules, it is presented as an direct addition to the balances forming part of schedules before bifurcation .

iv) The Govt of Telangana vide GO Ms No. 20 Dated: 23.02.2019 has re-transferred the Gundala Mandal from the TGNPDCL Jurisdiction to TGSPDCL and the said Mandal was earlier transferred from the TGSPDCL to TGNPDCL and with regard to the transfer of assets and liabilities, the TGSPDCL has taken over the Network of Gundala Mandal w.e.f.01.04.2019, accordingly the assets and liabilities of Gundala have been incorporated in the Financial Year 2019-20.

1.15 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.16 Third Transfer Scheme Balances

(a) (i) The then Government of Andhra Pradesh (GoAP) vide G.O.Ms. No.58, Energy (Power-III), dated: 07-06-2005 notified the transfer of Bulk Supply Undertaking and Power Purchase

Agreements from Transmission Corporation of Andhra Pradesh Limited (APTRANSCO) to the four Distribution Companies (DISCOMs), in specified ratios, as on 09-06-2005. The share of the Company in generation capacities of all generating stations allocated to the four DISCOMS is 43.48%.

(ii) The GOAP has, vide G.O. Ms No.53, Energy (Power-III), dated: 28.04.2008, amended the share of four DISCOMs in the Generating Stations as per which the revised share of APCPDL is 46.06%. This G.O. shall be deemed to have come into force with retrospective effect from 09.06.2005. The retrospective implementation of the G.O. involves many calculations, revisions, etc. The Andhra Pradesh Power Co-ordination Committee (APPCC) has requested the GoAP to amend the date of implementation from April, 2008 onwards.

(iii) The Accounting of Purchase of Power as disclosed in the Note No. 23 is based on the revised share of 46.06% and consequent to enactment of AP Reorganisation Bill, 2014 the Power Purchase ratio has been further revised vide G O Ms. No.20 dated 08.05.2014 w.e.f. 02/06/2014 viz., 38.02% ,15.87 %, 15.80 % and 30.31% in respect of TGSPDCL, TGNPDCL, APEPDCL and APSPDCL respective. And considering (38.02 Plus 15.87 %) as equal to 100 % of Both Discoms TGSPDCL and TGNPDCL, the proportionate percentage of TGSPDCL comes to (38.02/53.89)*100 is equal to 70.55 % and similarly in respect of TGNPDCL (15.87/53.89)*100 is equal to 29.45 %. Accordingly, TGPCC has allocated power purchase cost between the TGSPDCL and TGNPDCL in the ratio of 70.55 % and 29.45%.

(b) The cost of Power Purchase, Inter-State Sale of power and its accounting are being carried out by the TGPCC and are intimated to the DISCOMs, which are adopted in the Company's books.

2 Share Capital

The Authorised, issued, subscribed and fully paid up share capital comprises of equity shares having par value of Rs.10 each as follows

Particulars	As at March 31, 2025 (Rs. in Crore)	As at March 31, 2024 (Rs. in Crore)
Authorised		
20,00,00,00,000 Equity shares of ₹ 10 each	20,000.00	20,000.00
Issued, Subscribed And Paid-up		
12,01,79,30,306 Equity shares of ₹ 10 each fully paid up	12,017.93	12,017.93
TOTAL	**12,017.93**	**12,017.93**

A. Reconciliation of Shares Outstanding at the beginning and at the end of the year

Particulars	As at 31st March 2025 (As at 31st March 2024)	
	Number	(Rs. in Crore)
Outstanding at the beginning of the year	12,01,79,30,306 (12,01,79,30,306)	12,017.93 (12,017.93)
Issued during the year	- (-)	- (-)
Bought back during the year	-	-
Outstanding at the end of the year	12,01,79,30,306 (12,01,79,30,306)	12,017.93 (12,017.93)

B. Details of Share Holders holding more than 5% shares in the company

Name of Shareholder	As at 31st March 2025 (As at 31st March 2024)	
Equity Shares	**No.of Shares held**	**% of Holding**
Governor of Telangana*	12,01,79,30,306 (12,01,79,30,306)	100%* (100%)
TOTAL	**12,01,79,30,306**	

* Includes 9 shares held by Nominees of Govt. of Telangana.

C. Details of Share held by the promoters of the company

Name of Shareholder	As at 31st March 2025 (As at 31st March 2024)	
	No.of Shares held	% of Change
Governor of Telangana*	12,01,79,30,306	0%
	(12,01,79,30,306)	(0%)
TOTAL	**12,01,79,30,306**	

* Includes 9 shares held by Nominees of Govt. of Telangana.

D. Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Entire equity shares are held by the Governor of Telangana. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

3 Reserves & Surplus

Particulars	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
a. Consumer Contribution towards capital assets		
Opening Balance	8,719.68	7,562.09
(+) Current year Receipts	1,220.99	1,157.59
Closing Balance	**9,940.67**	**8,719.68**
b. Subsidies towards cost of capital assets		
Opening Balance	73.40	73.40
(+) Current year Receipts	-	-
Closing Balance	**73.40**	**73.40**
c. Grants/Donations towards cost of capital assets		
Opening Balance	1,324.74	1,324.53
(+) Current year Receipts	0.13	0.21
(-) Current Year Utilization	(0.13)	-
Closing Balance	**1,324.74**	**1,324.74**
Total (Closing balance of a+b+c)	**11,338.81**	**10,117.82**
Less: Withdrawal towards cost of Capital Assets		
Opening Balance	(4,051.61)	(3,673.09)
(+) Current year Amortization to Statement of Profit and Loss	(428.53)	(378.52)
Closing Balance	(4,480.14)	(4,051.61)
Total	**6,858.67**	**6,066.21**

d. Statutory Reserves:		
Contingency Reserve Fund		
Opening Balance	69.26	64.24
(+) Current year Receipts	5.24	5.02
Closing Balance	**74.50**	**69.26**
e. Capital Reserve on Demerger		
Opening Balance	723.01	723.01
(+) Transfer on Demerger	-	-
Closing Balance	**723.01**	**723.01**
f. Surplus		
Opening Balance	(47,239.03)	(42,329.50)
(+) Net Profit/(Net Loss) For the Current Year	(1,102.88)	(4,909.53)
Closing Balance	**(48,341.91)**	**(47,239.03)**
Grand Total	**(40,685.73)**	**(40,380.55)**

g) During the year, the company has received consumer contributions, subsidies and Grants/Donations towards cost of capital assets amounting to Rs. 1221.12 crore (Previous year Rs. 1157.80).

h) During the year Company has received Grants under PM JANMAN off Grid scheme for Rs. 0.13 crore and the same was utilised for off-grid electrification. For the fulfilment of the scheme, the Company has also incurred an expenses of Rs. 0.01 Crore which has been recognised as an expenses reported under exceptional item. The grants are accounted for on cash basis.

i) In proportion in which depreciation on the concerned assets have been charged during the year 2024-25, for an amount of Rs.428.53 Crores (Previous year Rs.378.52 Crores) have been treated as withdrawal from consumer contribution and credited to Statement of Profit and Loss. And the Depreciation on the Consumer Contributed assets have been restricted to 90 % of the value.

4. Long Term Borrowings

S.No	Particulars	As at March 31, 2025	As at March 31,2024
		Rs. in Crore	Rs. in Crore
1.	Bonds	2,024.65	2,024.65
2.	Term Loans		
	i) From Banks	-	-
	ii) From Other Parties	18,839.02	15,231.56
	TOTAL	**20,863.67**	**17,256.21**

Further Classification into Party Wise

(Rs. in Crore)

LENDOR No.	LENDOR NAME	As at March 31, 2025	As at March 31, 2024
	BONDS (Under FRP Scheme)		
11224	APCPDCL Provident Fund Trust	57.40	57.40
11225	APGenco	176.60	176.60
11280	APGenco Pension And Gratuity Trust	21.00	21.00
11281	Tgenco Pension And Gratuity Trust	29.00	29.00
11226	APTransco Provident Fund Trust	21.40	21.40
11227	The Singareni Collieries Company Limited	800.00	800.00
11228	APTransco	92.10	92.10
11229	Andhra Bank	262.50	262.50
11231	The Federal Bank Limited	6.50	6.50
11233	State Bank Of India	23.90	23.90
11234	Bank Of Baroda	59.00	59.00
11235	Indian Overseas Bank	21.80	21.80
11236	Central Bank Of India	21.80	21.80
11237	Indian Bank	175.00	175.00
11239	Bank Of India	30.50	30.50
11238	Punjab And Sind Bank	17.40	17.40
11248	APTransco	178.25	178.25
11276	HPGCL Employees Pension Fund Trust	10.00	10.00
11277	HVPNL Employees Pension Fund Trust	12.00	12.00
11278	HVPNL Employees Provident Fund Trust	3.00	3.00
11279	HPSEB Ltd. General Provident Fund	5.50	5.50
	SUB-TOTAL	**2,024.65**	**2,024.65**
LONG TERM LOANS FROM OTHERS			
11003	REC-DDUGJY Scheme	59.35	69.24
11007	Rural Electrification Corporation	275.94	428.45
11008	PFC - RAPDRP	35.23	43.31
11011	Government Loan	20.56	20.56
11128	IE:Distribution & Renovation Works (FY2019-20)	338.56	201.03
11251	Rural Electrification Corporation - MTL	716.67	816.67
11252	Loan from Govt. of Telangana - JICA Funding	321.66	334.27

11253	Rural Electrification Corporation - 9 hrs Power Supply	93.68	127.74
11254	Bulk Scheme (FY2015-16)	155.61	213.63
11255	SPA (FY 2015-16)	65.16	85.32
11257	Term Loans - PFS	199.48	279.98
11258	PFC-IPDS Scheme	88.28	98.59
11259	IE:Distribution (FY 2016-17)	150.53	179.18
11266	IE:Distribution & Bulk (FY 2017-18)	371.95	443.92
11268	PFC - Medium Term Loan	4,000.00	-
11270	IE:Distribution & Bulk (FY 2018-19)	127.68	142.03
11272	IE:Distribution (FY2019-20)	164.72	128.05
11273	Bulk Scheme (FY 2019-20)	290.74	335.91
11274	Bulk Scheme (FY 2019-20)	195.05	220.16
11282	Moratorium Loan - Capitalization - Capex	284.07	290.52
11284	REC - SLTTL - Covid 19	2,195.45	2,702.10
11285	PFC - SLTTL - Covid 19	2,481.90	2,920.64
11286	IE:Distribution (FY2020-21)	146.14	124.07
11287	PFC - RADS (FY 2020-21)	48.48	52.74
11288	PFC - RADS (FY 2021-22)	160.80	171.33
11289	IE:Distribution & Renovation Works (FY2022-23)	176.98	97.19
11290	IE:Distribution (FY2024-25)	194.31	-
11501	REC-LPS 2022	3,088.12	2,710.63
11502	PFC-LPS 2022	3,088.12	2,710.63
	SUB-TOTAL	**19,535.22**	**15,947.89**
LESS	Kurnool and Ananthapur circles	696.20	716.33
Net off Kurnool and Ananthapur		**18,839.02**	**15,231.56**
	Grand Total	**20,863.67**	**17,256.21**

a. An amount of Rs.987.35 Crore were repaid against Loans pertains to Ananthapur and Kurnool by the TGSPDCL from 2014-15 to 2024-25, the same was transferred as receivable from APSPDCL.

Further Classification into Secured and Unsecured

(Rs. in Crore)

LENDOR No.	LENDOR NAME	As at March 31, 2025	As at March 31, 2024
	Secured - From Others		
11003	REC-DDUGJY Scheme	59.35	69.24
11007	Rural Electrification Corporation	275.94	428.45
11008	PFC - RAPDRP	35.23	43.31
11128	IE:Distribution & Renovation Works (FY2019-20)	338.56	201.03
11253	Rural Electrification Corporation - 9 hrs Power Supply	93.68	127.74
11254	Bulk Scheme (FY2015-16)	155.61	213.63
11255	SPA (FY 2015-16)	65.16	85.32
11257	Term Loans - PFS	199.48	279.98
11258	PFC-IPDS Scheme	88.28	98.59
11259	IE:Distribution (FY 2016-17)	150.53	179.18
11266	IE:Distribution & Bulk (FY 2017-18)	371.95	443.92
11270	IE:Distribution & Bulk (FY 2018-19)	127.68	142.03
11272	IE:Distribution (FY2019-20)	164.72	128.05
11273	Bulk Scheme (FY 2019-20)	290.74	335.91
11274	Bulk Scheme (FY 2019-20)	195.05	220.16
11282	Moratorium Loan - Capitalization - Capex	284.07	290.52
11286	IE:Distribution (FY2020-21)	146.14	124.07
11287	PFC - RADS (FY 2020-21)	48.48	52.74
11288	PFC - RADS (FY 2021-22)	160.80	171.33
11289	IE:Distribution & Renovation Works (FY2022-23)	176.98	97.19
11290	IE:Distribution (FY2024-25)	194.31	
	Total Secured Loans	**3,622.74**	**3,732.39**
LESSKURNOOL AND ANANTAPUR		696.20	716.33
NET OFF KURNOOL AND ANANTAPUR		**2,926.54**	**3,016.06**

Unsecured - Bonds

(Rs. in Crore)

LENDOR No.	LENDOR NAME	As at March 31, 2025	As at March 31, 2024
11224	APCPDCL PROVIDENT FUND TRUST	57.40	57.40
11225	APGENCO	176.60	176.60
11280	APGENCO PENSION AND GRATUITY TRUST	21.00	21.00
11281	TGENCO PENSION AND GRATUITY TRUST	29.00	29.00
11226	APTRANSCO PROVIDENT FUND TRUST	21.40	21.40
11227	THE SINGARENI COLLIERIES COMPANY LIMITED	800.00	800.00
11228	APTRANSCO	92.10	92.10
11229	ANDHRA BANK	262.50	262.50
11231	THE FEDERAL BANK LIMITED	6.50	6.50
11233	STATE BANK OF INDIA	23.90	23.90
11234	BANK OF BARODA	59.00	59.00
11235	INDIAN OVERSEAS BANK	21.80	21.80
11236	CENTRAL BANK OF INDIA	21.80	21.80
11237	INDIAN BANK	175.00	175.00
11239	BANK OF INDIA	30.50	30.50
11238	PUNJAB AND SIND BANK	17.40	17.40
11248	APTRANSCO	178.25	178.25
11276	HPGCL Employees Pension Fund Trust	10.00	10.00
11277	HVPNL Employees Pension Fund Trust	12.00	12.00
11278	HVPNL Employees Provident Fund Trust	3.00	3.00
11279	HPSEB LTD. General Provident Fund	5.50	5.50
	SUB-TOTAL	**2,024.65**	**2,024.65**
UNSECURED - OTHERS			
11011	Government Loan	20.56	20.56
11251	Rural Electrification Corporation - MTL	716.67	816.67
11252	Loan from Govt. of Telangana - JICA Funding	321.66	334.27
11268	PFC - Medium Term Loan	4,000.00	-
11284	REC - SLTTL - Covid 19	2,195.45	2,702.10
11285	PFC - SLTTL - Covid 19	2,481.90	2,920.64
11501	REC-LPS 2022	3,088.12	2,710.63
11502	PFC-LPS 2022	3,088.12	2,710.63
	SUB-TOTAL	**15,912.48**	**12,215.50**
Grand Total Of Secured And Unsecured Loans		**20,863.67**	**17,256.21**

Securities charged for the Loans

a. Term Loans on FRP Scheme are guaranteed by Govt. of Telangana vide GO Ms 11 Dt.18.02.2014.

b. Term Loans from REC and PFC : SLTTL-Covid 19 are guaranteed by Govt. of Telangana vide GO Ms 06 Dt.04.07.2020

c. Term Loans from REC and PFC : LPS 2022 are guaranteed by Govt. of Telangana vide GO Ms 22 Dt.27.08.2022

d. Term Loans from PFC of Rs.1500 Crore are guaranteed by Govt. of Telangana vide GO Ms 13 Dt.03.06.2024.

Total Long Term, Short Term Loans and Current Maturities of Long Term Debts for the year ended

(Rs. in Crore)

LENDOR No.	LENDOR NAME	As at March 31, 2025	As at March 31, 2024
	BONDS		
11224	TSSPDCL PROVIDENT FUND TRUST	57.40	57.40
11225	APGENCO	176.60	176.60
11280	APGENCO PENSION AND GRATUITY TRUST	21.00	21.00
11281	TGENCO PENSION AND GRATUITY TRUST	29.00	29.00
11226	APTRANSCO PROVIDENT FUND TRUST	21.40	21.40
11227	THE SINGARENI COLLIERIES COMPANY LIMITED	800.00	800.00
11228	APTRANSCO	92.10	92.10
11229	ANDHRA BANK	262.50	262.50
11231	THE FEDERAL BANK LIMITED	6.50	6.50
11233	STATE BANK OF INDIA	23.90	23.90
11234	BANK OF BARODA	59.00	59.00
11235	INDIAN OVERSEAS BANK	21.80	21.80
11236	CENTRAL BANK OF INDIA	21.80	21.80
11237	INDIAN BANK	175.00	175.00
11239	BANK OF INDIA	30.50	30.50
11238	PUNJAB AND SIND BANK	17.40	17.40
11248	APTRANSCO	178.25	178.25
11276	HPGCL EMPLOYEES PENSION FUND TRUST	10.00	10.00
11277	HVPNL EMPLOYEES PENSION FUND TRUST	12.00	12.00
11278	HVPNL EMPLOYEES PROVIDENT FUND TRUST	3.00	3.00
11279	HPSEBL GENERAL PROVIDENT FUND	5.50	5.50
	Bonds Sub-Total	**2,024.65**	**2,024.65**
	BANKS		
11013	STATE BANK OF INDIA	1,431.30	1,217.21
	Banks Sub-Total	**1,431.30**	**1,217.21**
	OTHERS		
11003	REC-DDUGJY Scheme	69.24	79.13
11007	Rural Electrification Corporation	429.51	587.54
11008	PFC - RAPDRP	40.31	45.15
11011	Government Loan	20.56	20.56

11014	TSTRANSCO Loan	457.88	872.00
11128	IE:Distribution & Renovation Works (FY2019-20)	379.85	220.14
11251	Rural Electrification Corporation - MTL	816.67	916.67
11252	Loan from Govt. of Telangana - JICA Funding	384.73	384.73
11253	Rural Electrification Corporation - 9 hrs Power Supply	127.73	161.81
11254	Bulk Scheme (FY2015-16)	213.42	271.44
11255	SPA (FY 2015-16)	85.32	105.48
11257	Term Loans - PFS	279.97	360.47
11258	PFC-IPDS Scheme	98.59	108.90
11259	IE:Distribution (FY 2016-17)	181.47	209.65
11266	IE:Distribution & Bulk (FY 2017-18)	446.10	517.73
11267	REC - Special Term Loan	500.26	0.26
11268	PFC - Medium Term Loan	6,000.00	-
11270	IE:Distribution & Bulk (FY 2018-19)	146.03	159.09
11272	IE:Distribution (FY2019-20)	186.54	140.77
11273	Bulk Scheme (FY 2019-20)	335.85	381.01
11274	Bulk Scheme (FY 2019-20)	215.88	233.66
11275	Term Loans -IREDA	1,900.00	264.00
11282	Moratorium Loan - Capitalization - Capex	292.49	299.34
11284	REC - SLTTL - Covid 19	2,702.10	3,208.74
11285	PFC - SLTTL - Covid 19	2,904.87	3,306.89
11286	IE:Distribution (FY2020-21)	152.30	124.07
11287	PFC - RADS (FY 2020-21)	50.97	52.74
11288	PFC - RADS (FY 2021-22)	171.33	170.16
11289	IE:Distribution & Renovation Works (FY2022-23)	176.98	97.19
11290	IE:Distribution (FY2024-25)	194.31	-
11500	REC-RBPF 2022	3,645.51	3,773.00
11501	REC-LPS 2022	3,176.26	2,710.63
11502	PFC-LPS 2022	3,176.26	2,710.63
11503	PFC-RBPF Loan	4,101.18	2,999.00
11900	REC Loan Repayment Due	495.21	-
11904	FRP Bond Repayment Due	29.29	-
Others Sub-Total		**34,584.97**	**25,492.58**
LESS	KURNOOL AND ANANTAPUR	696.20	716.33
NET OFF OTHERS		**33,888.77**	**24,776.25**
NET OFF OF KURNOOL AND ANANTAPUR		**37,344.72**	**28,018.11**

Note: 4.e. LONG TERM BORROWINGS - FRP BONDS

(Rs. In Crore)

Sl.No.	Name of Lender/Type of Loan	No. Of Units	Face Value	Maturity Date	As at 31st March 2025	As at 31st March 2024
1	9.95% - APCPDCL PROVIDENT FUND TRUST	574	1000000	03.02.2029	57.40	57.40
2	9.95% - APGENCO	1766	1000000	03.02.2029	176.60	176.60
3	9.95% - APGENCO PENSION AND GRATUITY TRUST	210	1000000	03.02.2029	21.00	21.00
4	9.95% - TGENCO PENSION AND GRATUITY TRUST	290	1000000	03.02.2029	29.00	29.00
5	9.95% - APTRANSCO PROVIDENT FUND TRUST	214	1000000	03.02.2029	21.40	21.40
6	9.95% - THE SINGARENI COLLIERIES COMPANY LIMITED	8000	1000000	03.02.2029	800.00	800.00
7	9.95% - APTRANSCO	921	1000000	03.02.2029	92.10	92.10
8	9.95% - UNION BANK OF INDIA	2625	1000000	03.02.2029	262.50	262.50
9	10.00% - THE FEDERAL BANK LIMITED	65	1000000	28.03.2029	6.50	6.50
10	10.00% - STATE BANK OF INDIA	239	1000000	28.03.2029	23.90	23.90
11	10.00% - BANK OF BARODA	590	1000000	28.03.2029	59.00	59.00
12	10.00% - INDIAN OVERSEAS BANK	218	1000000	28.03.2029	21.80	21.80
13	10.00% - CENTRAL BANK OF INDIA	218	1000000	28.03.2029	21.80	21.80
14	10.00% - INDIAN BANK	1750	1000000	28.03.2029	175.00	175.00
15	10.00% - BANK OF INDIA	305	1000000	28.03.2029	30.50	30.50
16	10.00% - PUNJAB AND SIND BANK	174	1000000	28.03.2029	17.40	17.40
17	10.00% - APTRANSCO	17825	100000	30.05.2029	178.25	178.25
18	10.00% - HPGCL EMPLOYEES PENSION FUND TRUST	100	1000000	28.03.2029	10.00	10.00
19	10.00% - HVPNL EMPLOYEES PENSION FUND TRUST	120	1000000	28.03.2029	12.00	12.00
20	10.00% - HVPNL EMPLOYEES PROVIDENT FUND TRUST	30	1000000	28.03.2029	3.00	3.00
21	10.00% - HPSEB Ltd. GENERAL PROVIDENT FUND	55	1000000	28.03.2029	5.50	5.50
	TOTAL				**2,024.65**	**2,024.65**

The Company has paid the intrest as and when due, there is no defaults on repayment as at 31st March 2025 except for S.No.01 to S.No.07 above for which interest is accrued and due and is disclosed at Note No.09. other current liabilities - Interest accrued and due.

Note: 4.f. LONG TERM BORROWINGS

(Rs. in Crore)

Sl. No.	Name of Lender/Type of Loan	Nature of Security	Outstanding as on 31.03.2025	Non-Current Portion	Current Portion	Rate of Interest (Prevailing)	Monthly Installments	No of Outstanding Installments
	Rural Electrification corporation Limited							
	REC-DDUGJY Scheme(No. Of Schemes - 4)	Secured by the hypothecation of all the future Movables and Stocks to be created under respective schemes of the project out of the loan amount	69.24	59.35	9.89	11.25%	0.82	84 / 120 - 4 Schemes
	Rural Electrification Corporation (No. Of Schemes - 104)		429.51	275.94	153.57	11.25%	12.82	1 / 101 - 1 Scheme 6 / 105 - 1 Scheme 21 / 105 - 1 Scheme 1 / 106 - 1 Scheme 21 / 106 - 3 Schemes 13 / 107 - 2 Schemes 18 / 111 - 2 Schemes 7 / 112 - 1 Scheme 13 / 112 - 1 Scheme 13 / 113 - 1 Scheme 21 / 113 - 1 Scheme 1 / 120 - 11 Schemes 2 / 120 - 4 Schemes 6 / 120 - 1 Scheme 7 / 120 - 2 Schemes 10 / 120 - 2 Schemes 11 / 120 - 5 Schemes 13 / 120 - 5 Schemes 18 / 120 - 15 Schemes 20 / 120 - 5 Schemes 21 / 120 - 7 Schemes 23 / 120 - 14 Schemes 24 / 120 - 4 Schemes 25 / 120 - 10 Schemes 26 / 120 - 3 Schemes 50 / 120 - 1 Scheme
	REC - 9 hrs Power Supply (No. Of Schemes - 5)	Secured by the hypothecation of all the future Movables and Stocks to be created under respective schemes of the project out of the loan amount	127.74	93.67	34.07	11.25%	2.84	45 / 120 - 5 Schemes
	Bulk Scheme (FY2015-16) (No. Of Schemes - 9)		213.42	155.61	57.81	11.25%	4.82	51 / 120 - 4 Schemes 52 / 120 - 1 Scheme 54 / 120 - 3 Schemes 56 / 120 - 1 Scheme

(Rs. in Crore)

Sl. No.	Name of Lender/Type of Loan	Nature of Security	Outstanding as on 31.03.2025	Non-Current Portion	Current Portion	Rate of Interest (Prevailing)	Monthly Installments	No of Outstanding Installments
1	SPA (FY 2015-16) (No. Of Schemes - 20)	Secured by the hypothecation of all the future Movables and Stocks to be created under respective schemes of the project out of the loan amount	85.32	65.16	20.16	11.25%	1.68	46 / 120 - 3 Schemes 52 / 120 - 1 Scheme 58 / 120 - 3 Schemes 59 / 120 - 1 Scheme 60 / 120 - 2 Schemes 63 / 120 - 2 Schemes 65 / 120 - 3 Schemes 80 / 120 - 3 Schemes 81 / 120 - 2 Schemes
	IE:Distribution (FY 2016-17) (No. Of Schemes - 21)		181.47	150.53	30.94	11.25%	2.58	58 / 120 - 7 Schemes 65 / 120 - 2 Schemes 77 / 120 - 1 Scheme 78 / 120 - 2 Schemes 80 / 120 - 4 Schemes 21 / 120 - 5 Schemes
	IE:Distribution & Bulk (FY 2017-18) (No. Of Schemes - 27)		446.10	371.95	74.15	11.25%	6.18	81 / 120 - 27 Schemes
	IE:Distribution & Bulk (FY 2018-19) (No. Of Schemes - 22)		146.03	127.68	18.35	11.25%	1.53	81 / 120 - 3 Schemes 84 / 120 - 2 Schemes 86 / 120 - 3 Schemes 87 / 120 - 9 Schemes 88 / 120 - 2 Schemes 91 / 120 - 1 Scheme 95 / 120 - 1 Scheme 113 / 120 - 1 Scheme
	IE:Distribution (FY2019-20) (No. Of Schemes - 24)		186.54	164.72	21.82	11.25%	1.82	88 / 120 - 2 Schemes 91 / 120 - 5 Schemes 92 / 120 - 12 Schemes 113 / 120 - 3 Schemes
	Bulk Scheme (FY 2019-20) (No. Of Schemes - 8)		335.85	290.75	45.10	11.25%	3.76	88 / 120 - 2 Schemes 90 / 120 - 5 Schemes 91 / 120 - 1 Scheme
	IE:Distribution & Renovation Works (FY2019-20) (No. Of Schemes - 28)		379.85	338.56	41.29	11.25%	3.44	93 / 120 - 3 Schemes 95 / 120 - 21 Schemes 120 / 120 - 4 Schemes
	Bulk Scheme (FY 2019-20) (No. Of Schemes - 7)		215.88	195.05	20.83	11.25%	1.74	96 / 120 - 2 Schemes 107 / 120 - 2 Schemes 113 / 120 - 2 Schemes 120 / 120 - 1 Scheme

(Rs. in Crore)

Sl. No.	Name of Lender/Type of Loan	Nature of Security	Outstanding as on 31.03.2025	Non-Current Portion	Current Portion	Rate of Interest (Prevailing)	Monthly Installments	No of Outstanding Installments
	Moratorium Loan - Capitalization - Capex	Secured by the hypothecation of all the future Movables and Stocks to be created under respective schemes of the project out of the loan amount	292.49	284.07	8.42	11.25%	0.50	To be repaid in 6 months post original payment terms of various term Loans
	IE:Distribution (FY2020-21) (No. Of Schemes - 10)		152.30	146.14	6.16	11.25%	1.27	120 / 120 - 10 Schemes
	IE:Distribution & Renovation Works (FY2022-23) (No. Of Schemes - 21)		176.98	176.98	-	11.25%	1.47	120 / 120 - 21 Schemes
	IE:Distribution (FY2024-25) (No. Of Schemes - 58)		194.31	194.31	-	11.25%	1.62	120 / 120 - 58 Schemes
	(A) REC - TOTAL:		**3,633.04**	**3,090.47**	**542.56**		**48.89**	
	Power Finance Corporation Limited							
	PFC - RAPDRP (No. Of Schemes - 15)	Secured by the hypothecation of all the future Movables and Stocks to be created under respective schemes of the project out of the loan amount	40.31	35.23	5.08	9.00%	0.51	48 / 80 - 4 Schemes 51 / 80 - 1 Scheme 77 / 109 - 4 Schemes 81 / 113 - 6 Schemes
2	PFC-IPDS Scheme (No. Of Schemes - 9)							
	Monthly Principal Repayment - 3 Schemes		**98.59**	**88.28**	**10.31**	**10.60 to 11.85%**	0.05	133 / 180
	Quarterly Principal Repayment - 6 Schemes						2.47	38 / 60
	PFC - RADS (FY 2020-21) (No. Of Schemes - 1)		50.97	48.48	2.49	10.50 to 12.00%	0.27	114 / 120
	PFC - RADS (FY 2021-22) (No. Of Schemes - 3)		171.33	160.80	10.53	10.50 to 12.00%	1.43	120 / 120
	(B) PFC - TOTAL:		**361.19**	**332.79**	**28.41**		**4.73**	
	PTC Financial Services Limited							
	Term Loan - Rs. 200 Crs.	Secured by Hypothecation of Current Assets (Present and future) with the minimum coverage of 1.25 times of the facility	84.64	64.64	20.00	12.00%	1.67	53 / 120
	Term Loan - Rs. 100 Crs.		43.19	33.19	10.00	12.00%	0.83	55 / 120
	Term Loan - Rs. 130 Crs.		61.52	48.52	13.00	11.65%	1.08	60 / 120
	Term Loan - Rs. 150 Crs.		90.63	53.14	37.49	12.25%	3.12	30 / 48
	(C) PFS - TOTAL:		**279.98**	**199.48**	**80.49**		**6.71**	
	GRAND TOTAL (A + B + C):		**4,274.21**	**3,622.74**	**651.46**		**60.33**	

5 Other Long Term Liabilities

Particulars	As at March 31, 2025 (Rs. in Crore)	As at March 31, 2024 (Rs. in Crore)
Vendor Deposits	136.67	161.28
Contribution Works	25.97	25.65
Other Liabilities	88.04	126.90
GIS - Insurance & Saving Fund	7.38	6.96
Self Funding Medical Scheme	24.80	13.11
Accidental Risk Self Funding Scheme	0.30	0.40
TOTAL	**283.16**	**334.30**

a. GIS Insurance & Savings Fund: With effect from 01.07.1985 Employees Group Insurance Scheme was introduced in the place of erstwhile Family Benefit Fund Scheme. As per the said Scheme the contributions of the Employees consists of two portions, the Insurance portion and the Savings portion. The future liability of the Company as per the said Scheme could not be ascertained. The closing balance of the Savings Fund held as on 31.03.2025 is Rs. 6.63 Crores (Previous Year Rs.6.24 Crores). The Closing balance of GIS Insurance Fund as at 31.03.2025 is Rs. 0.75 Crores (Previous year Rs .0.72 Crores). During the year the Interest on Savings Fund for an amount of Rs. 0.43 Crores (Previous Year Rs. 0.41 Crores) have been debited and is shown under the Head 'Interest and Finance Charges'.

b. TGSPDCL has introduced the Self Funding Scheme towards coverage of accidental risk for a maximum amount of Rs.5.00 lakhs in case of accidents occurred to the employees working in TGSPDCL for a period of one year with contribution of Rs.155/- per employee and the same is discontinued in 2024-25.

6 Long Term Provisions

Particulars	As at March 31, 2025 (Rs. in Crore)	As at March 31, 2024 (Rs. in Crore)
Provision for employee benefits		
Gratuity (unfunded)	553.37	479.65
Leave Encashment (unfunded)	1,366.79	1,315.83
TGSPDCL Pension and Gratuity Trust (Funded)	733.46	572.99
Medical Expenses (PRMS)	435.98	421.86
TOTAL	**3,089.60**	**2,790.33**

a. **Employees who have joined on or after 01.02.1999:** The employees who joined the Company on or after 01.02.1999 are covered under Employees Provident Fund & Miscellaneous Provisions Act 1952, Employees Provident Fund Scheme, 1952 and The Payment of Gratuity Act,1972. The Company has carried out the actuarial valuation as at 31.03.2025 to arrive at the present value of future obligations of the company and provided for current year provision. As per the said valuation reports, the required provision for Gratuity for the year ended 31.03.2025 is Rs. 408.99 Crores (Previous Year Rs. 345.72 Crores). Expenditure recognised under the head "Employee Benefit

Expense " to the extent of Rs. 72.08 Crores after paying benefits during the year to the extent of Rs.8.81 Crores. The funding status of the same is unfunded. As per the actuarial valuation report the current liability portion for an amount of RS.9.31 Crores was shown under the head of Short term Provisions of Note No. 10 and the non current portion of liability for an amount of Rs.399.68 Crores was shown under this head of Long Term provisions.

b. **Artisans who have joined in the Company:** The Artisans who joined the Company are covered under Employees Provident Fund & Miscellaneous Provisions Act 1952,Employees Provident Fund Scheme, 1952 and The Payment of Gratuity Act,1972. The Company has carried out the actuarial valuation as at 31.03.2025 as per Accounting Standard.15 to arrive at the present value of future obligations of the company and provided for current year provision. As per the said valuation reports, the required provision for Gratuity for the year ended 31.03.2025 is Rs. 154.34 Crores (Previous Year Rs.143.34 Crore). Expenditure recognised under the head "Employee Benefit Expense " to the extent of Rs. 12.87 Crores. The funding status of the same is unfunded. As per the actuarial valuation report the current liability portion for an amount of RS.0.65 Crores was shown under the head of Short term Provisions of Note No. 10 and the non current portion of liability for an amount of Rs. 153.69 Crores was shown under this head of Long Term provisions.

c. The Company has carried out actuarial valuation as at 31.03.2025 to arrive at present value of future obligations of the Earned Leaves of the employees . The Balance in the provision for the year ended as required by the actuarial valuation report is Rs. 1446.77 Crores (Previous Year Rs.1456.30 Crores) and During the Year Rs. 83.46 Crores was paid towards the Final Encashment. Therefore as per the said valuation, differential amount arrived after deducting the payments made towards earned leave resulted in to short of by Rs.73.94 Crores which is debited to statement of Profit and Loss under the head of " Employee Benefit Expenses". The funding status of the same is unfunded. As per the Actuarial valuation report the current portion of liability for an amount of Rs. 79.98 Crores was shown under the head of Short term Provisions note no. 10 and non current portion liability for an amount of Rs. 1366.79 Crores was shown under this head of Long term provision.

d. The Company has carried out actuarial valuation as at 31.03.2025 to arrive at present value of future obligations of the Pension and Gratuity in respect of employees recruited prior to 01.02.1999 and on roll as on 31.03.2025. As per the actuarial valuation, the liability for the year ended 31.03.2025 is Rs. 3790.19 Crores and of which, the existing plan assets are of Rs.2873.23 Crores, the differential amount is of Rs.916.96 Crore. The existing liability in the books of account before making new provision is for an amount of Rs. 317.31 Crores and for the short amount of Rs. 599.65 Crores is debited to statement of Profit and Loss under the head of " Employee Benefit Expenses". As per the actuarial valuations, the current liability is Rs.183.50 Crore and Long term provision is Rs.733.46 Crores.

e. The Company has carried out actuarial valuation as at 31.03.2025 to arrive at present value of future obligations of the Medical Benefits extended to Employees who were recruited before Dt. 01.02.1999 and Pensioners. As per the actuarial valuation, the liability for the year ended 31.03.2025 is Rs. 456.66 Crores of which the existing liability in books is of Rs.411.44. The differential amount of Rs.45.22 is debited to statement of Profit and Loss under the head of " Staff Welfare Expenses" and the funding status of the same is unfunded. As per the actuarial valuation report the current liability portion for an amount of Rs. 20.68 Crores was shown under the head of Short term Provisions of Note No. 10 and the non current portion of liability for an amount of Rs. 435.98 Crores was shown under this head of Long Term provisions..

7 Short Term Borrowings

S.No	Particulars	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
1	**Loans Repayable on Demand**		
	i) From Banks	1,431.30	1,217.21
	ii) From Other Parties	13,129.33	7,642.83
	Total	**14,560.63**	**8,860.04**
2	**Current maturities of long-term debt**	1,920.42	1,901.86
	Total	**16,481.05**	**10,761.90**
	Further Classification into Party Wise		
11013	**i) From Banks**	1,431.30	1,217.21
	ii) From Other Parties		
11014	TSTRANSCO Loan	457.88	871.52
11503	PFC-RBPF Loan	4,101.18	2,998.76
11268	PFC - Medium Term Loan	2,000.00	-
11500	REC-RBPF 2022	3,645.51	3,772.55
11267	REC - Special Term Loan	500.26	-
11900	REC Loan Repayment Due	495.21	-
11275	Term Loans -IREDA	1,900.00	-
11904	FRP Bond Repayment Due	29.29	-
	Total	**14,560.63**	**8,860.04**
	Further Classification into Secured and Unsecured		
1	**Secured**		
	(a) Loans repayable on demand		
	i) From Banks	-	-
	ii) From Others	-	-
	Secured Total	**-**	**-**
2	**Unsecured**		
	(a) Loans repayable on demand		
	from banks	1,431.30	1,217.21
	from other parties		
11014	TSTRANSCO Loan	457.88	871.52
11503	PFC-RBPF Loan	4,101.18	2,998.76
11268	PFC - Medium Term Loan	2,000.00	-
11500	REC-RBPF 2022	3,645.51	3,772.55
11267	REC - Special Term Loan	500.26	-
11900	REC Loan Repayment Due	495.21	-
11275	Term Loans -IREDA	1,900.00	-
11904	FRP Bond Repayment Due	29.29	-
	TOTAL	**14,560.63**	**8,860.04**

3. a. SBI Cash Credit facility is guaranteed by Govt. of Telangana vide GO Ms 07 Dt.04.04.2022 & GO.Ms.No.13 Dt:03.06.2024

b. Term Loans from REC and PFC : RBPF are guaranteed by Govt. of Telangana vide GO Ms 05 Dt.13.02.2023

c. Term Loans from REC and PFC : RBPF are guaranteed by Govt. of Telangana vide G O Ms. No.:13, Dt: 06.09.2023

d. Term Loans from REC : RBPF are guaranteed by Govt. of Telangana vide G O Ms. No.:28, Dt: 26.12.2023

e. Term Loans from PFC : RBPF are guaranteed by Govt. of Telangana vide G O Ms. No.:08, Dt: 11.03.2024.

Statement showing the Current Maturities of Long Term Debts

Vendor Code	Name of Vendor	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
11003	REC-DDUGJY Scheme	9.89	9.89
11007	RURAL ELECTRICAL CORPORAT	153.57	159.09
11008	PFC - RAPDRP	5.08	1.84
11128	IE:Distribution & Renovation Works (FY2019-20)	41.29	19.11
11251	REC-MEDIUM TERM LOAN	100.00	100.00
11252	Loan from Govt. of Telangana - JICA Funding	63.07	50.46
11253	REC - 9 HRS POWER SUPPLY	34.07	34.07
11254	REC - BULK 2015-16	57.81	57.81
11255	REC - SPA:PE 2015-16	20.16	20.16
11257	PFS LIMITED	80.49	80.49
11258	PFC-IPDS Scheme	10.31	10.31
11259	REC - IE:DISTRIBUTION 201	30.94	30.47
11266	IE:Distribution & Bulk (FY 2017-18)	74.15	73.81
11267	REC - SPECIAL LOAN	-	0.26
11270	IE:Distribution & Bulk (FY 2018-19)	18.35	17.06
11272	IE:Distribution (FY2019-20)	21.82	12.71
11273	Bulk Scheme (FY 2019-20)	45.10	45.10
11274	Bulk Scheme (FY 2019-20)	20.83	13.50
11275	Term Loans -IREDA	-	264.00
11282	Moratorium Loan - Capitalization - Capex	8.42	8.83

11284	REC - SLTTL - Covid 19	506.64	506.64
11285	PFC - SLTTL - Covid 19	422.97	386.25
11286	IE:Distribution (FY2020-21)	6.16	-
11287	PFC - RADS (FY 2020-21)	2.49	-
11288	PFC - RADS (FY 2021-22)	10.53	-
11501	REC-LPS 2022	88.14	-
11502	PFC-LPS 2022	88.14	-
Grand Total		**1,920.42**	**1,901.86**

7(3)f. Short Term Borrowings

(Rs. in Crore)

Sl. No.	Name of Lender/ Type of Loan	Outstanding Balance as on 31.03.2025	Rate of Interest	Nature of Security
1	TGTRANSCO Loan	**457.88**	**10.50 to 11.00%**	
	(3 Loan Accounts)	100.82	11.00%	
		168.93	11.10%	Un-Secured Loan
		188.13	10.50%	
2	PFC-RBPF Loan	4,101.18	10.00%	Government Guarantee
3	PFC - Medium Term Loan	**2,000.00**	**10.75%**	
	2 Loan Accounts	1,000.00	10.75%	Government Guarantee
		1,000.00	10.75%	
4	REC-RBPF 2022	**3,645.51**	**10.00%**	Government Guarantee
5	REC - Special Term Loan	**500.26**	**10.75%**	
6	Term Loans -IREDA	**1,900.00**	**9.70 to 10.50%**	Escrow Cover upto 1.2 times of instalment of IREDA repayment obligation through Default ESCROW Machanism
	(3 Loan Agreements)	900.00	10.50%	
		500.00	10.00%	
		500.00	9.70%	
7	SBI - CC Limit	**1,431.30**	**10.00 to 11.60%**	Government Guarantee
		1,396.46	10.00%	
		34.84	11.60%	First Charge on Collection Account
8	REC Loan Repayment Due	**495.21**		Un-Secured Loan
9	FRP Bond Repayment Due	**29.29**		Un-Secured Loan
	GRAND TOTAL	**14,560.63**		

8 Trade Payables

Particulars	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
Unsecured		
(i) Micro, Small and Medium Enterprises (MSMEs)	-	0.06
(ii) Other than MSME		
a. Power Purchase Creditors	29,750.52	33,346.00
b. Other Payables	509.54	572.78
Total	**30,260.06**	**33,918.84**

c. Balances from Power Purchase creditors and other payables are subject to confirmations and reconciliations.

d. Trade Payable other than acceptances include certain dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006 that have been determined based on the intimations received from respective Vendors and the required disclosures are given below (under 8.g)

e. Power Purchase Creditors includes unbilled dues towards Power Purchase cost of Rs.1,700.95 Crore (Previous year Rs.1,081.56 Crore) and bill discounted of Rs.1,355.79 Crores (Previous Year Rs.911.58 Crores) which is regrouped from Schedule no.10 “Short Term Provisions” as per the amendment notification to Schedule-III of Companies Act.

f. The age wise analysis of Trade Payables are as follows..

8.f. Ageing of Trade Payables as at 31.03.2025

Particulars	Outstanding for following periods from due date of payment as at 31.03.2025 (As at 31.03.2024)				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSMEs	- (0.06)	-	-	-	- (0.06)
(ii) Other	17,702.45 (17,851.20)	3,749.04 (1,599.99)	2,375.12 (8,546.81)	65.42 (80.70)	23,892.03 (28,078.70)
(iii) Disputed dues – MSME	- -	- -	- -	- -	- -
(iv) Disputed dues - Others-	- -	- -	- -	4,667.08 (4,758.52)	4,667.08 (4,758.52)
Sub Total	**17,702.45** (17,851.26)	**3,749.04** (1,599.99)	**2,375.12** (8,546.81)	**4,732.50** (4,839.22)	**28,559.11** (32,837.28)
v) Others - Unbilled Dues for Power Purchase Cost					1,700.95 (1,081.56)
Grand Total	**17,702.45** **(17,851.26)**	**3,749.04** **(1,599.99)**	**2,375.12** **(8,546.81)**	**4,732.50** **(4,839.22)**	**30,260.06** **(32,918.84)**

8. (g) Micro, Small and Medium Enterprises (MSMEs) :

(Rs. in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Principle and amount remaining unpaid	-	0.06
Interest Due thereon	-	-
Interest paid by the company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Interest accrued and remaining unpaid	-	-
Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

The trade payable balances disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 are subject to confirmation from the above vendors.

9 Other Current Liabilities

Particulars	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
Employee related liabilities	227.20	223.87
Statutory Liability	236.57	89.06
Advance from Customers	232.60	183.59
Consumer Deposits	5,810.56	5,236.31
Gov. of AP SC/ST Payable	3.47	3.47
Inter Unit Accounts	63.52	84.27
Interest Payable on Consumer Deposit	338.50	306.35
Interest Accrued and due	905.40	780.84
Other Liabilities	502.77	509.38
Artisans Salaries Payable	32.65	33.53
GST Liabilities	3.07	8.89
TGSPDCL GPF Trust	5.17	5.64
Total	**8,361.48**	**7,465.20**

a. The interest accrued and due is relating to the interest payable on Bonds issued to the various trusts viz.,APCPDCL PF Trust , AP TRANSCO PF Trust , AP GENCO PF Trust and The Singareni Collieries Company Limited.

b. Inter Unit Accounts shows a credit balance of Rs.63.52 Crores (Previous Year - Rs. 84.27 Crores)

c. Other Liabilities includes an amount of Rs.141.69 Crores (Previous Year 141.74 Crores) to TGTRANSCO which was taken on emergency basis and FSA Payable of Rs.330.71 Crore.The above balance is subject to confirmation and reconciliation.

10 Short Term Provisions

Particulars	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
Provision for Employee cost	40.87	85.96
RPF Fund	0.01	0.01
Provision for Admin Expenses	13.49	15.41
Provision for CWIP	0.67	0.75
Provision for Interest	556.12	466.62
Provision for O&M works	2.61	3.73
Provision for R & C Penalties	0.10	0.10
Gratuity (unfunded)	9.96	9.41
Leave Encashment (unfunded)	79.98	140.47
TGSPDCL Pension & Gratuity Trust	183.50	-
Medical Expenses (PRMS)	20.68	32.45
Total	**907.99**	**754.91**

- Provision for Employee Cost includes an amount of Rs.16.09 Crore (Previous year Rs.61.17 Crore) towards arrear salaries payable to the Regular Employees and Artisans.
- Provision for Interest includes Guarantee Commission payable to GoTS of Rs.492.80 Crore, Interest on Term Loans Rs.3.26 Crores, and Japan International Cooperation Agency (JICA) loan Rs. 13.08 Crore.

Note No.11 - Property Plant, Equipment and Intangibles

(Rs. In Crore)

S.No.	Particulars	Gross Carrying Values					Depreciation & Amortisation					Net Carrying Values	
		As at 1st April, 2023	Additions	Deletions/ Adjustments	Deletions Through Business Combinations	As at 31st March 2025	As at 1st April 2024	Depreciation charge for the year	Deletions/ Adjustments	Additions through business combinations	As at 31st March 2025	As at 31st March 2025	As at 31st March 2024
a	**Plant, Property and Equipment**												
	Land	8.64	-	-		8.64	-	-	-		-	8.64	8.64
	Buildings	383.76	13.02	-		396.78	131.50	12.86	-		144.36	252.42	252.26
	Other Civil Works	229.23	6.95	-		236.18	51.97	7.78	-		59.75	176.43	177.26
	Plant and Machinery	9,719.32	797.77	3.08		10,514.01	5,104.43	399.91	2.51		5,501.83	5,012.18	4,614.89
	Lines and Cable Network	9,503.40	804.96	-		10,308.36	4,500.63	407.68	-		4,908.31	5,400.05	5,002.77
	Meters and Metering equipment	1,994.68	146.87	19.94		2,121.61	1,197.48	60.02	15.21		1,242.29	879.32	797.20
	Vehicles	7.36	-	-		7.36	6.39	0.02	-		6.41	0.95	0.97
	Furniture and Fixtures	18.60	0.64	-		19.24	12.05	0.63	-		12.68	6.56	6.55
	Office Equipment	57.74	2.47	0.03		60.18	34.63	2.16	0.02		36.77	23.41	23.11
	Air Conditioners	2.77	0.07	-		2.84	1.77	0.07	-		1.84	1.00	1.00
	Computer & IT Equipment	200.11	2.41	-		202.52	158.15	12.20	-		170.35	32.17	41.96
	Sub Total	**22,125.61**	**1,775.16**	**23.05**	**-**	**23,877.72**	**11,199.00**	**903.33**	**17.74**	**-**	**12,084.59**	**11,793.13**	**10,926.61**
b	**Intangible Assets**												
	Computer Software	70.80	-	-		70.80	53.77	4.51			58.28	12.52	17.03
	Sub Total	**70.80**	**-**	**-**	**-**	**70.80**	**53.77**	**4.51**	**-**	**-**	**58.28**	**12.52**	**17.03**
c	**Capital Work in Progress**	1,128.78	2,006.54	1,851.77		1,283.55	-	-			-	1,283.55	1,128.78
	Sub Total	**1,128.78**	**2,006.54**	**1,851.77**	**-**	**1,283.55**	**-**	**-**	**-**	**-**	**-**	**1,283.55**	**1,128.78**
d	**GRAND TOTAL (a+b+c)**	**23,325.19**	**3,781.70**	**1,874.82**	**-**	**25,232.07**	**11,252.77**	**907.84**	**17.74**	**-**	**12,142.87**	**13,089.20**	**12,072.42**
	Grand Total of Previous Year	**21,639.86**	**3,526.73**	**1,841.40**	**-**	**23,325.19**	**10,423.32**	**842.13**	**12.68**	**-**	**11,252.77**	**12,072.42**	**11,216.54**

* Depreciation rates as per Hon'ble CERC Notification have been adopted from the financial year 2022-23

11. (a) Ageing of Capital Work-in Progress (CWIP)

Particulars	Amount in CWIP as at 31.03.2025 (As at 31.03.2024)				(Rs. In Crore)
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	808.55 (655.21)	266.10 (246.23)	107.70 (100.01)	101.40 (127.33)	1,283.55 (1,128.78)
Projects temporarily suspended.	-	-	-	-	-
Total	**808.55** **(655.21)**	**266.10** **(246.23)**	**107.70** **(100.01)**	**101.40** **(127.33)**	**1,283.55** **(1,128.78)**

11. (b) The Capital-Work-in Progress whose completion is overdue or has exceeds it's cost compared to original plan

Particulars	To be completed in				(Rs. In Crore)
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	42.00	35.00	24.40	-	101.40
Projects temporarily suspended.	-	-	-	-	-
Total	**42.00**	**35.00**	**24.40**	**-**	**101.40**

Note No. 12 Non Current Investments (At Cost)

(Rs. In Crore)

A. Details of Trade Investments

S. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	Face Valueof each Share/ Unit in Rs.	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	(Rs. in Crore)	
				As at 31st March 2025	As at 31st March 2024			As at 31st March 2025	As at 31st March 2024
1	2	3		4	5	6	7	8	9
a)	Equity Shares of Andhra Pradesh Power Development Company Ltd. (APPDCL)	Others	10	42,60,10,000	42,60,10,000	Unquoted	Fully Paid	426.01	426.01
	Total							**426.01**	**426.01**

B. Details of Other Investments

S. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	Face Valueof each Share/ Unit in Rs.	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	(Rs. in Crore)	
				As at 31st March 2025	As at 31st March 2024			As at 31st March 2025	As at 31st March 2024
1	Investments in Government or Trust securities								
200013	9.64% APPFC Bonds	Others	10,00,000	22	22	UnQuoted	Fully Paid	2.20	2.20
200038	9.2% GOVERNMENT OF INDIA - 2030 SECURITIES	Others	10,000	194	194	Unquoted	Fully Paid	1.94	1.94
200037	8.4% GOVERNMENT OF INDIA - 2024 SECURITIES	Others	10,000	-	190	Unquoted	Fully Paid	-	1.90
200005	7.72% Andhra Pradesh SDL	Others	10,000	4710	4710	Unquoted	Fully Paid	4.71	4.71
200006	7.74% Andhra Pradesh SDL	Others	10,000	5000	5000	Unquoted	Fully Paid	5.00	5.00
200008	7.60% Tamil Nadu SDL 2032	Others	10,000	19660	19660	Unquoted	Fully Paid	19.66	19.66
200009	7.65% Bihar SDL 2032	Others	10,000	10000	10000	Unquoted	Fully Paid	10.00	10.00
200016	7.45% Telangana SDL 2030	Others	10,000	4500	4500	Unquoted	Fully Paid	4.50	4.50
200017	7.47% Telangana SDL 2031	Others	10,000	4500	4500	Unquoted	Fully Paid	4.50	4.50
200022	7.69% Telangana SGS 2032	Others	10,000	2800	2800	Unquoted	Fully Paid	2.80	2.80
200031	7.50% Haryana SGS 2030	Others	10,000	5780	5780	Unquoted	Fully Paid	5.78	5.78
200034	7.46% TELANGANA SGS 2030	Others	10,000	2150	2150	Unquoted	Fully Paid	2.15	2.15
200039	7.67% Bihar SGS 2031	Others	10,000	2150	2150	Unquoted	Fully Paid	2.15	2.15
200041	7.44% Telangana SGS 2030	Others	10,000	2000	2000	Unquoted	Fully Paid	2.00	2.00
200040	7.44% Chhattisgarh SGS 2030	Others	10,000	2850	2850	Unquoted	Fully Paid	2.85	2.85
200060	7.00% Tamilnadu SGS 2029	Others	10,000	5000	-	Unquoted	Fully Paid	5.00	-
200061	7.26% Himachal Pradesh SGS 2035	Others	10,000	1950	-	Unquoted	Fully Paid	1.95	-
	Sub Total (B)							**77.19**	**72.14**
	Grand Total (A+B)							**503.20**	**498.15**

* During the year an amount of Rs.4.38 Crore of Bonds has matured and an amount of Rs.14.93 Crore addl./reinvested in various securities

13 Deferred Tax

Particulars	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
Deferred Tax Liabilities		
A i) Opening Balance	1,009.29	885.88
ii) Fixed Assets : Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	127.31	123.41
iii) Gross deferred tax liability (i+ii)	**1,136.60**	**1,009.29**
Deferred Tax Asset		
B i) Opening Balance	**2,785.18**	**2,532.10**
ii) Deferred tax asset on timing difference	110.88	253.08
iii) Gross deferred tax asset (i+ii)	2,896.06	2,785.18
iv) Net Deferred Tax Asset/ (Liability) (Biii-Aiii)	**1,759.46**	**1,775.89**

13 A - Deferred Tax Calculations

1. Deferred Tax Liability

Particulars	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
i) WDV as per Companies Act 2013	11,784.49	10,917.99
ii) WDV as per Income Tax Act	7,995.83	7,553.68
iii) WDV Timing Differences (i-ii)	3,788.66	3,364.31
iv) Deferred Tax Liability (iii *34.94%)	**1,136.60**	**1,009.29**

2. Deferred Tax Asset

Particulars	As at March 31, 2025 (Rs. in Crore)	As at March 31, 2024 (Rs. in Crore)
Deferred Tax Assets on Timing Differences		
i. Unabsorbed Depreciation	6,443.28	6,443.28
ii.43B Disallowances		
a. Provision for gratuity [Section 43B(b)]	1,424.56	1,008.11
b. Provision for leave encashment [Section 43B(f)]	1,360.91	1,408.17
c. Interest [Section 43B(d) & (e)]	13.80	11.30
d. Provision for PRMS	410.98	413.08
Total Timing Difference	9,653.53	9,283.94
Deferred Tax Assets	**2,896.06**	**2,785.18**

Deferred Tax arising on carry forward of business loss has not been considered as Timing difference, since as per the provisions of Income Tax Act business loss could not be set off after 8 Assessment Years. further, timings difference on unabsorbed depreciation is not considered from previous financial year, as the unabsorbed depreciation is enough to cover all the future profits and the company is not in a position to project the profits beyond the benefits for which deferred Tax asset is already created.

13 B. Deferred Tax Income Calculation

Particulars	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
1. Deferred Tax Liability	1,136.60	1,009.29
2. Deferred tax Asset	2,896.06	2,785.18
3.Net Deferred Tax Asset of Current year (2-1)	1,759.46	1,775.89
4.Net Deferred Tax Asset of Previous year	1,775.89	1,646.22
5.Net Deferred Tax Income credit to P&L A/c (3-(4+5))	**(16.43)**	**129.67**

14 Long Term Loans & Advances

Particulars	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
a. Secured, Considered good		
Loans & Advances to employees	19.31	25.19
b. Unsecured, Considered good		
Loans & Advances to employees	0.84	1.32
Deposits with Courts, Telecom and Local Authorities	101.60	175.67
Capital Advances	113.81	112.90
Total	**235.56**	**315.08**

14. i. Secured Long term Loans & Advances to employees includes

Particulars	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
Housing Loan - Secured against House	9.43	12.03
Four Wheeler Loan - Hypothecation of Four Wheeler	9.88	13.16
Total	**19.31**	**25.19**

14. ii. Unsecured Long term Loans & Advances to employees includes

Particulars	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
Two Wheeler Loan	0.36	0.59
Computer Loans	0.48	0.73
Total	**0.84**	**1.32**

c. Pending reconciliation of HR module with FICO module, current portion of the long term loans & advances to employees (Secured & Unsecured) is not ascertainable.

14. iii. Unsecured Deposits Includes

Particulars	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
Court Authorities	77.15	75.99
Telephone Authorities	0.08	0.07
Deposits with Local Authorities and Resco	24.37	99.61
Total	**101.60**	**175.67**

14. iv. Deposits with Court Authorities includes deposits towards disputed Entry tax and Sales tax deposited by the company with the Commercial Tax Officer as per the orders of APSTAT and Hon'ble High Court.

15 Other Non Current Assets

Particulars	As at March 31, 2025 Rs. in Crore	As at March 31, 2024 Rs. in Crore
(a) Unsecured, considered good		
Long Term Receivables from Employees	4.87	5.12
(b) Unsecured, considered good		
Receivable from ITI, Chennai	0.49	0.49
Total	**5.36**	**5.61**

15. i. Receivable from ITI represents 50% apprentice salaries paid by the company.

15. ii. Long Term Receivables from Employees includes amount recoverable on account of Work Orders and Excess Medical Bills.

16 Inventories

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Stores and Spares	224.29	287.86
Less: Provision for Recovery/Write Off of Cost Materials	1.05	2.17
Total	**223.24**	**285.69**

Provision for Obsolete Items

As per the physical verification report for the year ended 31st March 2025 an amount of Rs.1.05 Crore is noticed as obsolete stock, but the provision for obsolete stock is available in the books is of Rs. 2.17 Crore hence the Provision for Obsolete Stock is restated to Rs.1.05 Crore.

17 Trade Receivables

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Secured, considered good	16,967.96	7,537.19
Unsecured, considered good	12,680.55	15,680.13
Unsecured, considered doubtful	955.39	726.42
Sub Total	**30,603.90**	**23,943.74**
Less: Provision for doubtful debts	(955.39)	(726.42)
Less: Provision for doubtful debts FSA	(26.02)	(26.02)
Total (i + ii)	**29,622.49**	**23,191.30**

a. Trade receivables includes, Court Cases of ₹ 2,440.70 Crores (Previous Year ₹ 2,366.44 Crores) which includes wheeling charges and surcharge there on as per the orders of the Hon’ble High Court of Telangana, initially raised as per the Hon’ble Supreme Court Orders, R R Act Cases ₹ 3.92 Crores (Previous Year ₹ 3.98 Crores), Bill Stopped/Disconnected Services ₹ 974.16 Crores (Previous Year ₹ 898.48 Crores).

b. The Age wise analysis of above Trade Receivables are as follows

17.b. Ageing of Trade Receivables

(Rs. In Crore)

Particulars	Outstanding for following period from due date of receivable at 31.03.2025 (As at 31.03.2024)					
	Less than 6 month	6 months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed trade receivable-considered good	3,722.70 (2,113.80)	2,794.13 (2,169.70)	5,617.90 (1,330.10)	4,654.02 (1,767.01)	179.21 (156.58)	**16,967.96** **(7,537.19)**
(ii) Undisputed Trade Receivable-considered doubtful.	11.57 (9.12)	15.54 (10.17)	27.04 (20.22)	20.95 (10.64)	7,677.51 (10,884.96)	**7,752.61** **(10,935.11)**
(iii) Disputed trade receivables considered good	66.41 (194.18)	90.15 (27.65)	221.73 (48.41)	- -	- -	**378.29** **(270.24)**
(iv) Disputed trade receivables considered doubtful	0.09 (0.26)	0.15 (0.31)	0.62 (0.63)	250.39 (49.17)	2,023.85 (2,251.29)	**2,275.10** **(2,301.66)**
Sub Total	3,800.77 (2,317.36)	2,899.97 (2,207.83)	5,867.29 (1,399.36)	4,925.36 (1,826.82)	9,880.57 (13,292.83)	**27,373.96** **(21,044.20)**
(v) Unbilled Revenue-considered good						**3,229.94** **(2,899.54)**
(vi) Less : Provision for doubtful debts						**981.41** **(752.44)**
Grand Total	**3,800.77** **(2,317.36)**	**2,899.97** **(2,207.83)**	**5,867.29** **(1,399.36)**	**4,925.36** **(1,826.82)**	**9,880.57** **(13,292.83)**	**29,622.49** **(23,191.30)**

18 Cash & Cash Equivalents

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Cash and Cash Equivalents		
a. Balances with banks		
- In Current Accounts	73.90	75.18
- Remittance in Transit	(2.20)	(3.10)
- In Deposits with Original Maturity less than 3 Months	168.18	131.20
b. Cash on hand	12.05	18.20
Total	**251.93**	**221.48**

19 Short Term Loans & Advances

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
a. Unsecured, considered good		
Loans & Advances to employees	4.48	7.43
Refunds available with Revenue Departments	29.10	27.32
Advance to O&M Suppliers	2.09	1.83
Government Receivables	4,618.36	5,286.22
Provision for Government Receivables - Additional Power	(3,877.87)	(3,877.87)
Other Loans & Advances - Receivables from Vendors	0.56	0.23
Total	**776.72**	**1,445.16**

b. Tariff Subsidy amounting to Rs.803.45 Crores being receivable from the Govt since 2014-15 to 2019-20 is now considered un-recoverable and the same has written off in 2024-25

20 Other Current Assets

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Fixed asset retired from active use and held for disposal	0.07	0.07
Interest Accrued on Investments	3.57	3.57
FSA Revenue - Receivables	551.36	551.36
TGGENCO Master P & G Trust	82.65	81.41
Receivable on Demerger of Kurnool and Ananthapur	4,317.76	4,294.47
Other Receivables	156.64	177.41
Total	**5,112.05**	**5,108.29**

a. TGGENCO Master P & G Trust owes to the company to the tune of Rs. 82.65 Crores (Previous year Rs. 81.41 Crores)

b. Other Receivables includes Prepaid Charges of Rs. 90.42 Crore (Previous Year Rs.64.14 Crores) and Renewable Energy Certificates of Rs.2.79 Crores (Previous Year Rs.1.53 Crores)

21 Revenue From Operations

(Rs. in Crore)

Particulars	2024-25	2023-24
(a) Sale of energy		
LT Supply	12,030.19	11,204.40
HT Supply	21,370.91	19,608.47
Interstate Sales	309.07	518.72
Fuel Surcharge Adjustment	1.75	1.84
Tariff Subsidy	4,015.21	1,349.52
Additional Power Subsidy	246.93	-
Revenue grant under UDAY Scheme	2,454.77	4,073.00
Customer Charges	958.13	912.41
Theft of Power	39.45	45.96
Delayed Payment Surcharge - Income	2,875.66	2,428.95
R & C Penalties	0.06	0.03
(b) Other Operating Revenues		
Amortization of Consumer Contribution, Subsidies & Grants towards Property Plant and Equipment	428.53	378.52
Others - Wheeling, Unscheduled Interchange, Capacitor Surcharge etc..	28.53	35.75
Less: Electricity Duty	(241.31)	(225.67)
Total	**44,517.88**	**40,331.90**

21 (c) The Tariff Subsidy is determined as the difference between the full cost recovery approved by the Hon'ble Electricity Regulatory Commission (ERC) and the Retail Supply rates approved by the Hon'ble ERC is treated as Subsidy to the consumers. So for the current financial year 2024-25 the Tariff Subsidy is accounted for Rs.4015.21 Crores and the same has been received from Govt. of Telangana.

21 (d) During the FY 2024-25, the Government of Telangana has issued the GO No. 17 ,Dt.22.08.2024 towards take over of 50% of Loss of 2023-24 as per the clauses under the UDAY scheme for an amount of Rs.3,175.36 Crore for TG Discoms, out of which TGSPDCL share is of Rs.2,454.77 Crore . The same is received and recognised in 2024-25.

21 (e) (i) Depreciation on Property Plant and Equipment is provided under the 'Straight Line Method' up to 90% of the original cost of assets, at the rates notified by the Hon'ble CERC. In view of this, Management is opined that Schedule II Part A and Part C to the Companies Act,2013 is not mandatorily applicable to the Company.

(ii) The Depreciation on Consumer Contributions have been withdrawn on 90 % of the values.

21 (f) The Electricity Duty (ED) raised and collected from consumer at six paise per unit is being paid to the Government. The same is neither revenue nor expenditure to the licensee, Hence the ED is excluded completely from the Revenue from operation.

21 (g) During the FY 2024-25, the Government of Telangana has issued the GO RT No. 02, Dt.21.01.2025 towards financial assistance to meet the Reliable Power Supply for an amount of Rs.2,000 Crore for TG Transco/Discoms, out of which TGSPDCL share is of Rs.1411 Crore and for which Rs.246.93 Crore was received and the same is recognised in FY 2024-25.

22 Other Income

Particulars	2024-25 Rs. in Crore	2023-24 Rs. in Crore
Interest Income		
Bank	8.77	15.08
Staff	1.38	1.10
Others : Interest on ED	4.98	9.91
Rent from Company's Property Plant and Equipment	0.68	0.70
Sale of Scrap	11.76	1.09
Penalties from Suppliers	10.61	8.30
Other Income	397.40	331.18
Total	**435.58**	**367.36**

a. As per the Company's Policy, interest on loans given to employees is recovered after repayment of the principal loan amount.

b. Interest on ED : Electricity Duty is being raised on sale of electricity to consumer at six paise per unit and paid to the State Government as and when the liability is arising, irrespective of receipt from consumer. Further, Interest on Electricity Duty is levied on the consumers when they fail to pay the bills within due date as per the Clause 4.4 of the APERC Electricity Supply Code Regulation No. 5 of 2004 adopted by TGERC vide Regulation No. 1 of 2014. Hence the Interest on Electricity Duty collected from the consumers due to late payment of bills is being treated as Other Income to the DISCOM.

c. Other Income includes prior period CC Charges of Rs.251.86 Crore, Incidental charges of Rs. 98.96 Crore, Storage and Handling Charges of Rs.8.40 Crores, Contingencies of Rs.8.31 Crore and Income from Short term Investment is Rs.19.46 Crores.

23 Power Purchase Cost

Particulars	2024-25 Rs. in Crore	2023-24 Rs. in Crore
Purchase of Power - Fixed Cost	7,931.25	8,996.33
Purchase of Power - Variable Cost	24,157.36	24,553.52
Transmission Charges	3,905.28	4,244.26
Other Power Purchase Costs	16.54	95.99
Total	**36,010.43**	**37,890.10**

a. Power Purchase cost consists of prior period expenses viz; Transmission charges, incentive & Disincentive, Rebate, Other expenses etc. if any as per Hon'ble CERC/SERC orders.

24 Employee Benefit Expense

Particulars	2024-25 Rs. in Crore	2023-24 Rs. in Crore
Salaries and incentives	2,238.39	2,005.30
Artisans Remuneration	401.77	377.56
Contributions to Employees Provident Fund 1952	132.18	124.25
Artisans EPF and ESI Contributions	20.10	20.90
Retirement Benefits	770.95	640.94
Director's Remuneration & Allowances	0.29	2.99
Staff welfare expenses	47.75	96.66
Less: Employee Cost Capitalized	(116.27)	(102.45)
Total	**3,495.16**	**3,166.15**

a) As per Actuarial Valuation Report, the Company has provided for Pension & Gratuity in respect of employees who were on rolls as on 31.01.1999 and retired thereafter in the ratio of 26 % i.e. Rs. 3,790.19 Crores as per Tripartite Agreement. Balance 74 % of Provision for Pension & Gratuity of Rs.10,787.47 Crore as per Actuarial Valuation Report, is the responsibility of the TG Genco Master Trust as per Tripartite Agreement. Further, the TGSPDCL is making the payment of 74 % of Pension & Gratuity on behalf of TG Genco Master Trust and claiming the reimbursement of same on monthly basis from the TG Genco Master Trust and the TG Genco Master Trust is reimbursing the same. As such the Provision of maintaining 74 % of Pension & Liability is not required to provide in the books of TGSPDCL.

b) Staff Welfare Expenses includes provision for Medical Expenses (reimbursement) of Rs.45.67 Crore (Previous year 93.59 Crore) on the basis of Actuarial Valuation Report.

Disclosures for the DISCOM P & G Trust

(Employees recruited prior to 01.02.1999 and on roll as on 31.03.2025)

Annexure 1: Funded status of the plan

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Present value of unfunded obligations	-	-
Present value of funded obligations	3,790.19	3,219.06
Fair value of plan assets	2,873.23	2,646.07
Net Liability (Asset)	**916.96**	**572.99**

Annexure 2: Profit and loss account for current period

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Current service cost	35.31	75.50
Interest on obligation	232.72	195.15
Expected return on plan assets	191.31	180.45
Net actuarial loss/(gain)	522.93	377.55
Contributions to the Fund	-	-
Past service cost	-	-
Adjustment to the Opening Fund	-	-
Loss/(gain) on curtailments and settlement	-	-
Total included in 'Employee Benefit Expense'	599.65	465.30
Expenses deducted from the fund		
Total Charge to P&L	599.65	465.30
Loss/(Gain) on obligation as per Annexure 3	518.78	385.51
Loss/(Gain) on assets as per Annexure 4	4.15	7.96
Net actuarial Loss/(Gain)	522.93	377.55

Annexure 3: Reconciliation of defined benefit obligation

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Opening Defined Benefit Obligation	3,219.06	2,747.24
Current service cost	35.31	75.50
Interest cost	232.72	195.15
Actuarial loss (gain)	518.78	385.51
Past service cost	-	-
Loss (gain) on curtailments		
Liabilities extinguished on settlements		
Liabilities assumed in an amalgamation in the nature of purchase		
Exchange differences on foreign plans		
Benefits paid	(215.68)	(184.33)
Benefits payable	-	-
Closing Defined Benefit Obligation	**3,786.23**	**3,219.07**

Annexure 4: Reconciliation of plan assets

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Opening value of plan assets	2,646.07	2,455.21
Transfer in/(out) plan assets	-	2.44
Expenses deducted from the fund	-	
Expected return	191.31	180.46
Actuarial gain and (loss)	(4.15)	7.95
Assets distributed on settlements		
Contributions by employer	40.00	184.33
Assets acquired in an amalgamation in the nature of purchase		
Exchange differences on foreign plans		
Benefits paid	-	(184.33)
Adjustment to the Opening Fund		
Closing value of plan assets	**2,873.23**	**2,646.06**

The closing balance of Planned Assets of Rs.2873.23 Crore as at 31.03.2025 are from un-audited financials of TGSPDCL P&G Trust for carry out of Actuarial Valuation for 2024-25

Annexure 5: Reconciliation of net defined benefit liability

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Net opening provision in books of accounts	572.99	565.75
To be Transferred in/(out) obligation in respect of pensioners & Family pensioners of Unit code: 9100		
Transfer in/(out) plan assets		
Employee benefit expense as per Annexure 2	599.65	465.30
Sub- Total	**1,630.70**	**1,031.50**
Benefits paid by the Company	215.68	184.33
Amounts transferred to 'payable account'		
Contributions to plan assets	40.00	-
Closing provision in books of accounts	**1,590.70**	**1,031.05**

Annexure 6: Composition of the plan assets

Particulars	As at March 31,2025 %	As at March 31,2024 %
Government of India Securities	-	-
State Government Securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Policy of insurance	100%	100%
Bank Balance	-	-
Other Investments	-	-
Total	**100%**	**100%**

Annexure 7: Bifurcation of liability as per schedule III

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Current Liability*	183.50	-
Non-Current Liability	733.46	572.99
Net Liability	**916.96**	**572.99**

* The current liability is calculated as expected contributions for the next 12 months.

Annexure 8: Table of experience adjustments

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Defined Benefit Obligation	3,790.19	3,219.06
Plan Assets	2,873.23	2,646.07
Surplus/(Deficit)	(916.96)	(572.99)
Experience adjustments on plan liabilities	837.21	385.51
Actuarial loss/ (gain) due to change in demographic assumption	(202.57)	-
Actuarial loss/(gain) due to change in financial assumptions	(115.86)	132.32
Experience adjustments on plan assets	4.15	7.96
Net actuarial loss/ (gain) for the year	**522.93**	**377.55**

Annexure 9: Principle Actuarial Assumptions

Particulars	As at March 31,2025	As at March 31,2024
Discount Rate for Gratuity and Pension	6.90%	7.23%
Expected Return on Plan Assets	6.60%	7.23%
Salary Growth Rate	9.00%	9.00%
Pension Growth Rate	4.00%	5.00%

Earned Leave Encashment for all Employees on roll as on 31.03.2025

Annexure 1: Funded status of the plan

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Present value of unfunded obligations	1,446.77	1,456.30
Present value of funded obligations		
Fair value of plan assets		
Net Liability (Asset)	**1,446.77**	**1,456.30**

Annexure 2: Profit and loss account for current period

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Current service cost	40.71	37.97
Interest on obligation	105.29	103.32
Expected return on plan assets	-	-
Net actuarial loss/(gain)	(72.06)	(49.48)
Past service cost	-	-
Losses/(gains) on curtailments and settlement	-	-
Total included in 'Employee Benefit Expense'	73.94	91.80
Expenses deducted from the fund		
Total Charge to P&L	73.94	91.80
Loss/(Gain) on obligation as per annexure 3		
Loss/(Gain) on assets as per annexure 4		
Net actuarial Loss/(Gain)	**(72.06)**	**(49.48)**

Annexure 3: Reconciliation of defined benefit obligation

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Opening Defined Benefit Obligation	1,456.30	1,387.06
Transfer in/(out) obligation	-	-
Current service cost	40.71	37.97
Interest cost	105.29	103.32
Actuarial losses/ (gains)	(72.06)	(49.48)
Past service cost	-	-
Losses (gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefits Paid	(83.46)	(22.57)
Closing Defined Benefit Obligation	**1,446.77**	**1,456.30**

* Actuarial loss/ (gain) has been adjusted to the extent of leave availed during the year.

Annexure 4: Reconciliation of plan assets

Particulars	As at March 31,2025	As at March 31,2024
Opening value of plan assets	-	-
Transfer in/(out) plan assets	-	-
Expenses incurred in the fund	-	-
Expected return	-	-
Actuarial gains and (losses)	-	-
Assets distributed on settlements	-	-
Contributions by employer	-	-
Assets acquired in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefits paid	-	-
Closing Value of Plan Assets	**-**	**-**

Annexure 5: Reconciliation of net defined benefit liability

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Net opening provision in books of accounts	1,456.30	1,387.06
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee benefit expense as per annexure 2	73.93	91.80
	1,530.23	1,478.86
Benefits paid by the company	(83.46)	(22.56)
Contributions to plan assets	-	-
Closing provision in books of accounts	**1,446.77**	**1,456.30**

Annexure 6: Composition of the plan assets

Particulars	As at March 31,2025	As at March 31,2024
Government of India Securities	-	-
State Government Securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Policy of insurance	-	-
Bank Balance	-	-
Other Investments	-	-
Total	**-**	**-**

Annexure 7: Bifurcation of liability as per schedule III

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Current Liability*	79.98	140.47
Non-Current Liability	1,366.79	1,315.83
Net Liability	**1,446.77**	**1,456.30**

* The current liability is calculated as expected benefits for the next 12 months.

Annexure 8: Table of experience adjustments

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Defined Benefit Obligation	1,446.77	1,456.30
Plan Assets	-	-
Surplus/(Deficit)	(1,446.77)	(1,456.30)
Experience adjustments on plan liabilities	(119.53)	(78.32)
Actuarial loss/(gain) due to change in financial assumptions	47.47	28.84
Actuarial loss/ (gain) due to change in demographic assumption	-	-
Experience adjustments on plan assets	-	-
Net actuarial loss/ (gain) for the year	**(72.06)**	**(49.48)**

Annexure 9: Principle Actuarial Assumptions

Particulars	As at March 31,2025	As at March 31,2024
Discount Rate	6.80%	7.23%
Expected Return on Plan Assets	Not Applicable	Not Applicable
Salary Growth Rate	9.00%	9.00%
Withdrawal Rates	0%	0%
Leave Availment Rate	5% p.a.	5% p.a.
Leave Encashment Rate	0% p.a.	0% p.a.

Gratuity for Employees Recruited after 01.02.1999

Annexure 1: Funded status of the plan

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Present value of unfunded obligations	408.99	345.72
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Net Liability (Asset)	**408.99**	**345.72**

Annexure 2: Profit and loss account for current period

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Current service cost	29.71	13.53
Interest on obligation	24.99	22.55
Expected return on plan assets	-	-
Net actuarial loss/(gain)	17.37	10.50
Recognised Past Service Cost	-	-
Recognised Past Service Cost-Unvested	-	-
Loss/(gain) on curtailments and settlement	-	-
Total included in 'Employee Benefit Expense'	72.08	46.58
Expenses deducted from the fund	-	-
Total Charge to P&L	-	-
Loss/(gain) on obligation as per Annexure 3	17.37	10.50
Loss/(gain) on assets as per Annexure 4	-	-
Net actuarial loss/(gain)	17.37	10.50

Annexure 3: Reconciliation of defined benefit obligation

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Opening Defined Benefit Obligation	345.72	301.39
Transfer in/(out) obligation	-	-
Current service cost	29.71	13.53
Interest cost	24.99	22.55
Actuarial loss (gain)	17.37	10.50
Past service cost	-	-
Loss (gain) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefits paid	(8.81)	(2.35)
Closing Defined Benefit Obligation	**408.99**	**345.72**

Annexure 4: Reconciliation of plan assets

Particulars	As at March 31,2025	As at March 31,2024
Opening value of plan assets	-	-
Transfer in/(out) plan assets	-	-
Expenses deducted from the fund	-	-
Expected return	-	-
Actuarial gain/(loss)	-	-
Assets distributed on settlements	-	-
Contributions by employer	-	-
Assets acquired in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefits paid	-	-
Closing value of plan assets	**-**	**-**

Annexure 5: Reconciliation of net defined benefit liability

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Net opening provision in books of accounts	345.72	301.39
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee Benefit Expense as per Annexure 2	72.08	46.58
	417.80	347.97
Benefits paid by the Company	(8.81)	(2.35)
Contributions to plan assets	-	-
Closing provision in books of accounts	**408.99**	**345.72**

Annexure 6: Composition of the plan assets

Particulars	As at March 31,2025 %	As at March 31,2024 %
Government of India Securities	-	-
State Government Securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Policy of insurance	-	-
Bank Balance	-	-
Other Investments	-	-
Total	-	-

Annexure 7: Bifurcation of liability as per schedule III

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Current Liability*	9.31	8.90
Non-Current Liability	399.68	336.82
Net Liability	**408.99**	**345.72**

* The current liability is calculated as expected benefits for the next 12 months.

Annexure 8: Table of experience adjustments

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Defined Benefit Obligation	408.99	345.72
Plan Assets	-	-
Surplus/(Deficit)	(408.99)	(345.72)
Experience adjustments on plan liabilities	(6.43)	(2.17)
Actuarial loss/(gain) due to change in financial assumptions	23.80	12.67
Actuarial loss/ (gain) due to change in demographic assumption	-	-
Experience adjustments on plan assets	-	-
Net actuarial loss/ (gain) for the year	**17.37**	**10.50**

Annexure 9: Principle actuarial assumptions

Particulars	As at March 31,2025	As at March 31,2024
Discount Rate	6.80%	7.23%
Expected Return on Plan Assets	Not Applicable	Not Applicable
Salary Growth Rate	9.00%	9.00%
Withdrawal Rates	0%	0%

Gratuity for Artisans Recruited after 01.02.1999

Annexure 1: Funded status of the plan

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Present value of unfunded obligations	154.34	143.34
Present value of funded obligations		
Fair value of plan assets		
Net Liability (Asset)	**154.34**	**143.34**

Annexure 2: Profit and loss account for current period

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Current service cost	19.06	19.64
Interest on obligation	10.36	8.90
Expected return on plan assets	-	-
Net actuarial loss/(gain)	(16.55)	(3.63)
Recognised Past Service Cost	-	-
Recognised Past Service Cost-Unvested	-	-
Loss/(gain) on curtailments and settlement	-	-
Total included in 'Employee Benefit Expense'	-	-
Expenses deducted from the fund		
Total Charge to P&L	12.87	24.90
Loss/(gain) on obligation as per Annexure 3	-	-
Loss/(gain) on assets as per Annexure 4	-	-
Net actuarial loss/(gain)	(16.55)	(3.63)

Annexure 3: Reconciliation of defined benefit obligation

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Opening Defined Benefit Obligation	143.34	118.50
Transfer in/(out) obligation	-	-
Current service cost	19.06	19.64
Interest cost	10.36	8.90
Actuarial loss (gain)	(16.55)	(3.63)
Past service cost	-	-
Loss (gain) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefits paid	(1.87)	(0.06)
Closing Defined Benefit Obligation	**154.34**	**143.34**

Annexure 4: Reconciliation of plan assets

Particulars	As at March 31,2025	As at March 31,2024
Opening value of plan assets	-	-
Transfer in/(out) plan assets	-	-
Expenses deducted from the fund	-	-
Expected return	-	-
Actuarial gain/(loss)	-	-
Assets distributed on settlements	-	-
Contributions by employer	-	-
Assets acquired in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefits paid	-	-
Closing value of plan assets	-	-

Annexure 5: Reconciliation of net defined benefit liability

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Net opening provision in books of accounts	143.34	118.50
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee Benefit Expense as per Annexure 2	12.87	24.90
	-	-
Benefits paid by the Company	(1.87)	(0.06)
Contributions to plan assets	-	-
Closing provision in books of accounts	**154.34**	**143.34**

Annexure 6: Composition of the plan assets

Particulars	As at March 31,2025 %	As at March 31,2024 %
Government of India Securities	-	-
State Government Securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Policy of insurance	-	-
Bank Balance	-	-
Other Investments	-	-
Total	-	-

Annexure 7: Bifurcation of liability as per schedule III

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Current Liability*	0.65	0.51
Non-Current Liability	153.69	142.83
Net Liability	**154.34**	**143.34**

* The current liability is calculated as expected benefits for the next 12 months.

Annexure 8: Table of experience adjustments

(Rs. in Crore)

Particulars	As at March 31,2025	As at March 31,2024
Defined Benefit Obligation	154.34	143.34
Plan Assets	-	-
Surplus/(Deficit)	**(154.34)**	**(143.34)**
Experience adjustments on plan liabilities	(31.24)	(11.05)
Actuarial loss/(gain) due to change in financial assumptions	14.69	7.41
Actuarial loss/ (gain) due to change in demographic assumption	-	-
Experience adjustments on plan assets	-	-
Net actuarial loss/ (gain) for the year	**(16.55)**	**(3.63)**

Annexure 9: Principle actuarial assumptions

Particulars	As at March 31,2025	As at March 31,2024
Discount Rate	6.70%	7.23%
Expected Return on Plan Assets	Not Applicable	Not Applicable
Salary Growth Rate	9.00%	9.00%
Withdrawal Rates	0%	0%

25 Operating & Other Expenses

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Advertisement	3.45	1.43
Consultancy Charges	2.55	6.07
Contract Labour Charges	11.10	10.87
Electricity Charges	9.33	8.82
Insurance	0.48	0.39
Inventories Handling Charges	1.06	0.97
Legal Charges	2.71	3.04
License fees - TSERC	9.01	9.01
Office Maintenance	4.33	0.70
Other Expenses	18.21	24.35
Postage & Telegrams	0.13	0.16
Printing & Stationery	9.85	9.98
Professional Charges	40.32	43.18
R&M - Others	11.78	8.55
Rates & taxes	4.82	4.29
Rent	0.81	0.87
Repairs to Buildings & Civil works	7.12	4.38
Repairs to Plant and Machinery	190.68	184.66
Repairs to Vehicles	3.38	2.72
Telephone & Communication	2.92	4.65
Training Exp	0.10	0.21
Travelling Expense	23.72	25.68
Vehicle Hire charges	49.94	49.37
Vidyut Ombudsman Exp	0.82	0.95
Payments to the auditor	0.20	0.18
Office Maintenance Tea Snacks	1.32	1.99
Office Maintenance other expenses	3.19	3.75
Office Maintenance Cleaning expenses	0.67	0.86
Less: Administration & General Exp Capitalized	(20.50)	(18.07)
Total	**393.50**	**394.01**

Payments to the Auditor includes an amount of Rs.1.26 Lakhs towards out of pocket expenses and GST there on and payment towards limted review fee of quarterly financials of Rs.0.04 Crore.

26 Finance Costs

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Interest expense		
-Long Term Loans	462.36	447.65
-Short Term Loans	3,127.16	2,189.94
-Consumption Deposits	335.23	312.15
-Others		
On FRP Bonds	152.83	152.83
On Other Liabilities	51.61	100.41
Bank Charges	57.77	120.50
Less: Interest Capitalized	(12.24)	(15.33)
Total	**4,174.72**	**3,308.15**

27 Exceptional Items

Particulars	As at March 31,2025 Rs. in Crore	As at March 31,2024 Rs. in Crore
Assets Scrapped	5.32	2.85
Provision for Bad Debts	228.97	160.19
Compensation Paid to Electrical Accidents	20.18	20.20
Others	800.91	(45.15)
Price Variation	2.88	(0.17)
Total	**1,058.26**	**137.92**

Exceptional Items: Others include tariffs subsidy receivable of Rs. 803.45 Crores which were included in Govt. receivables are written off during current financial year.

28 Earning Per Share (EPS)

Particulars	As at March 31,2025	As at March 31,2024
Profit attributable to equity shareholders (In Crore)	(1,102.88)	(4,909.53)
Weighted average number of Equity Shares	12,01,79,30,306	12,01,79,30,306
Earnings per share basic (Rs)	(0.92)	(4.09)
Earnings per share diluted (Rs)	(0.92)	(4.09)
Face value per equity share (Rs)	10.00	10.00

29. Related Party Disclosure :

I. List of Related Parties:

(a) Key Managerial Personnel (Whole time) and their relationship with TGSPDCL

Sl. No	Particulors	Designation	Date of appointment	Date of cessation, (if applicable)
1	Sri MD Musharraf Faruqui, IAS	Chairman and Managing Director	15-12-2023	NA
2	Sri V. Anil Kumar	Company Secretary	21-07-2015	NA

(b) Key Managerial Personnel (Non whole time) and their relationship with TGSPDCL

1	Sri Sandeep Kumar Sultania, IAS	Principal Secretary to Government, Energy Dept., Director/(Non/Whole Time)/ TGSPDCL	16-11-2024	NA
2	Sri S.A.M.Rizvi, IAS	Principal Secretary to Government, Energy Department, Director	29-12-2023	27-08-2024
3	Sri C. Srinivas Rao, Retd.IRAS	JMD, TG Transco	04-03-2017	NA
4	Sri P. Shyam Sunder	Assistant Secretary to Government Finance Department	08-09-2021	NA
5.	Sri D Ronald Rose, IAS	Secretary to Government Energy Dept., Director/ (Non-Whole Time) TGSPDCL	27-08-2024	16-11-2024
6	Sri Daljeet Singh Khatri	ED / REC / Nominee Director	30-09-2023	NA

II. Transactions with Related Parties:

(a). Key Managerial Personnel (Whole Time) Remuneration in Lakhs.

Sl.	Nature of Transaction	Key Managerial Personnel	2024-25	2023-24
1	Remunerations	Sri MD Musharraf Faruqui, IAS	25.55	10.55
		Sri V. Anil Kumar	30.61	31.90

(b). Key Managerial Personnel (Non Whole Time) Remuneration in Lakhs.

Sl.No	Nature of Transaction	Key Managerial Personnel	2024-25	2023-24
1	Remuneration	Sri Sandeep Kumar Sultania	0.40	0.00
		Sri S.A.M.Rizvi, IAS	0.10	0.02
		Sri D Ronald Rose	0.20	0.00
		Sri C. Srinivas Rao, Retd.IRAS	0.70	0.10
		Sri P. Shyam Sunder	0.70	0.12
		Sri Daljeet Singh Khatri	0.10	0.02

III. Balance with Related Parties:

(a). Key Managerial Personnel (Whole Time) Remuneration payable in Lakhs.

Sl.	Nature of Transaction	Key Managerial Personnel	2024-25	2023-24
1	Remunerations	Sri MD Musharraf Faruqui, IAS	2.13	2.29
		Sri V. Anil Kumar	2.53	2.64

IV. Notes to Related Parties

AS 18 Related Party Disclosures since the Company is a State Government Company and falls within the designation of 'State Controlled Enterprise' transactions with Other Government Companies to the extent not disclosed.

30 Contingent Liabilities (to the extent not provided in the books)

Particulars	As at March 31,2025 (Rs. in crore)	As at March 31,2024 (Rs. in crore)
(i) Contingent Liabilities		
(a) Entry Tax	286.68	286.68
(b) Sales tax Penalty against G Form (Cement purchases)	1.34	1.34
(c) Liability under AP VAT Act 2005 (April 2005 to 2009-10)	91.00	91.00
(d) Income Tax (TDS)	95.71	93.25
(e) Income Tax	1.09	-
(f) Service Tax	212.63	212.63
(g) Employee Provident Fund	14.39	14.30
(h) ESIC	0.28	-
(i) Late Payment Surcharge raised by STPP	7,997.27	6,471.01
(j) M/s CTUIL	184.35	184.35
(k) M/s SRLDC claim-Regulation 9(7) of CERC DSM reg 2024	126.37	-
Sub Total (i)	**9,011.11**	**7,354.56**
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	222.51	302.28
Sub Total (ii)	**222.51**	**302.28**
Grand Total (i+ii)	**9,233.62**	**7,656.84**

(iii) Note on Contingent Liabilities

(a) The Entry Tax demand is amounting to 286.68 Crores was raised by the Commercial Tax Department for the period from 2002-03 to 2017-18 and the same was challenged before the Hon'ble High Court of Telangana. As per the directions of the Court, an amount of Rs. 79.97 Crore deposited under protest with the tax Authorities and the same was not charged to the Profit and Loss account.

(b) Sales Tax Penalty against G Form - Penalty of Rs.1.34 Crore for the years 2001-02 to 2004-05 under APGST Act 1957 for using of "G" Form towards the purchase of Cement from M/s. CCIL, Tandur.

(c) Liability under AP VAT Act 2005 for the period from April 2005 to 2009-10 of Rs.91.00 Crore out of which an amount of Rs.4.08 Crore paid under protest.

(d) Income Tax Dept. has issued final Assessment Orders in respect of Assessment Year 2018-19 where in an amount of Rs.1.09 Crore has been levied u/s 148 of Income Tax Act . Aggrieved by the Orders, the same has been appealed before Hon'ble Commissioner of Income Tax (Appeals).

(e) There is a dispute on TDS deduction under section 194C vs 194J for the assessment year 2007-08, in the Hon'ble High Court of Telangana and for the A.Y 2008-09 and 2009-10 at the Hon'ble Supreme Court of India and all the disputed amount put together is for Rs. 93.25 Crores and the Company is of the opinion that no provision is necessary in respect of disputed amounts and the case status as on date is pending in the respective Courts. Any further provision required in respect of disputed addition will be considered on completion of Appellate Proceedings. Further there is a demand of Rs. 2.46 Crore raised by TDS, CPC. The company has not recognised the demand as the necessary corrections of TDS returns are under process to vacate the same.

(f) (i) The Director General of GST Intelligence, Hyderabad zonal unit has raised the service Tax demand for Rs. 97.27 Crores and the penalty for an amount of Rs. 97.27 Crores and aggrieved by the order, the TGSPDCL has preferred appeal before the Hon'ble High Court of Telangana and the case is still pending in the Court.

(ii) Further an amount of Rs.12.68 Crore raised against 2012-13 to 2015-16 out of which Rs.0.95 Crore deposited and petition filed in Customs Excise and Service Tax Tribunal (CESTAT).

(iii) The Service Tax Dept has issued the notice for an amount of Rs.0.17 Crores of duty demand from the period 2014-2017 - Agreeved by the order the TGSPDCL has deposited Rs.0.02 Crores and prefered the appeal before the CESTAT.

(iv) The Service Tax Dept has issued the notice for an amount of Rs.5.24 Crores covering the period from 2014-2018 - Agreeved by the the said order the TGSPDCL has deposited Rs.0.39 Crores and prefered the appeal before the Hon'ble CESTAT.

(g) An amount of Rs.14.66 Crores was raised by the EPFO towards Employee Provident Fund for the periods from Apr'2014 to Aug'2018 and the same was challenged before The Employees' Provident Funds Appellate Tribunal (EPFAT) duly depositing Rs.2.85 Crore.

(h) An amount of Rs.0.28 Crores was raised by the ESIC towards Employee Insurance for the periods from July-2017 to Sept-2018 and the same was challenged before Employees Insurence Court,Hyd duly depositing Rs.0.03 Crore.

(i) In respect of provision for surcharge of M/s. Singareni Thermal Power Plant (STPP), as the DISCOM and STPP are Government companies, the DISCOM is taking up the issue with STPP to waive late payment surcharge. To avoid the burdening the consumers, TS DISCOMS have requested to waive the late payment surcharge as it is not covered in Aggregated Revenue Requirement (ARR) order. The late payment surcharge levied to the end of 2024-25 is Rs.7997.27 Crores.

(j) M/s Neyveli Lignite Corporation India Ltd.(NLCIL) has claimed the Additional Taxes paid under the Direct Taxes Vivad Se Viswas Act, 2020 for the control periods of 2001-04, 2004-09 and 2009-14 to tune of Rs.16.12 Crore. The subject matter was not in the knowledge of TGSPDCL as M/s NLCIL has not disclosed the pending liability of income tax or the details such as the grounds on which the tax liability has arisen. Further, there was no reference to CERC Orders or legal back ground of the cases. As NLC India Ltd has paid these amounts without intimating the TGSPDCL the claim is not accepted and not provided in the books of Accounts.

(k) M/s SRLDC has raised the claim as per the Regulation 9(7) of CERC DSM regulation 2024 for Rs.126.37 Crores - As the regulation is against the Principles of Natural Justice TGSPDCL has challanged the regulation before the Hon'ble High Court of TG

(l) M/s CTUIL has raised the claim towards relinqueshment charges of Rs.184.35 Crores, the same is challenged before CERC and the present statues is pending.

(m) As against sanctioned limit of Rs.300 Crore, TGSPDCL has issued Letter of Credit (LCs) to various generators as per payment security mechanism to the extent of Rs.169.27 Crore as on 31.03.2025.

31 The following are the analytical Financial Ratios for the year ended 31.03.2025.

Particulars	Numerator	Denominator	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	Variance in %
1. Current Ratio (In Times)	Current assets	Current liabilities	0.64	0.57	(12.36)
2. Debt-Equity Ratio (In Times)	Total Debt	Shareholder's Equity	(1.30)	(0.99)	(31.58)*
3. Debt Service Coverage Ratio, (In Times)	EBITDA	Total Debt Service	0.66	(0.17)	484.26*
4. Return on Equity Ratio (In %)	Net Profits after taxes	Avg. Shareholder's Equity	(3.85)	(17.31)	77.78*
5. Inventory turnover ratio (In Times)	As the Licensee / Discom is not a manufacturing company, this ratio is not applicable				
6. Trade Receivables turnover ratio (In Times)	Total Sales	Trade Receivables	1.26	1.48	14.70
7. Trade payables turnover ratio (In Times)	Total Purchases	Trade Payables	1.21	1.14	(6.53)
8. Net capital turnover ratio (In Times)	Total Sales	Working Capital	(1.86)	(1.51)	(23.24)
9. Net profit ratio (In %)	Net Profit	Total Sales	(2.45)	(12.06)	79.66*
10. Return on Capital employed (In Times)	EBIT	Capital Employed	0.36	5.02	92.91*
11. Return on Investment (In %)	Net Income on Investments	Cost of Investments	6.72	6.99	3.76

(*) Reason for variance : i. **Debt-Equity Ratio**: The Long and Short Term Loans are incread by Rs.9,326.61 Crores ii. the Government of Telangana has issued the GO No. 17 , Dt.22.08.2024 towards take over of 50% of Loss of 2023-24 as per the clauses under the UDAY scheme for an amount of Rs.3,175.36 Crore for TG Discoms, out of which TGSPDCL share is of Rs.2,454.77 Crore . The same is received and recognised in 2024-25. and the GO RT No. 02 ,Dt.21.01.2025 has issued towards financial assistance to meet the Reliable Power Supply for an amount of Rs.2,000 Crore for TG Transco/ Discoms, out of which TGSPDCL share is of Rs.1411 Crore and for which Rs.246.93 Crore was received and the same is recognised in FY 2024-25, hence the Earnings before Interest, Tax and Depreciation have improved in 2024-25 compared to 2023-24. Accordingly Debt Service Coverage Ratio, Return on Equity Ratio, Net Profit Ration and Return on Capital employed has undersized.

OTHER NOTES TO FINANCIAL STATEMENTS:

32. With regard to the Fuel Cost Adjustment (FCA) claimed by the Chhattisgarh State Power Distribution Company Limited, TGDISCOMS filed a petition before the Hon'ble Appellate Tribunal for Electricity (APTEL) contending that the completed Capital cost approved by CSERC is on high side and pleaded before the APTEL to consider the reasonable cost. the provision and expenditure accounted by TGDISCOMS is well within the limits proposed in CSERC orders. Therefore, there is no understatement of the Power Purchase cost.

33. The company has appointed Cost auditor and the cost audit is completed up to the financial year 2023-24

34. Though the Company has negative net worth as at 31.03.2025, the Government of Telangana is implementing UDAY scheme which consists of infusion of equity capital and taking over a part of losses and infusion of additional investments in the form of equity, the company expects that in future years the negative net worth will become positive net worth. Accordingly the books of accounts are being maintained on going concern basis.

35. Government of India (GoI), Ministry of Power (MoP) has issued (29.08.2022) orders directing the Government of Telangana to pay Rs.6,756.92 Crore to Government of Andhra Pradesh towards the power supplies made between 2nd June 2014 and 10th June 2017 including the surcharge for the delayed payment. Aggrieved by the impugned orders passed by the GoI, MoP, the TG Discoms and TGPCC have filed a Writ Petition in September 2022 in the Hon'ble High Court of Telangana vide WP No 37555 of 2022. The Hon'ble High Court of Telangana in its order dated 19.10.2023 has quashed the impugned orders issued by GoI.

36. The Hon'ble Telangana Electricity Regulatory Commission (TGERC) has notified the Regulation No. 1 of 2023, for levy and collection of Fuel Cost Adjustment (FCA) Charges on all categories of Consumers from 01.04.2023 onwards. In compliance, TGSPDCL has computed the voltage wise FCA Charges w.r.t methodology specified in the regulation and made a series of correspondence with the GoTS for publication and levy of FCA Charges and the response from the GoTS is still awaited. The TGSPDCL has filed the quarterly petitions for FY 2024-25 before the Hon'ble TGERC on 30.05.2025 along with Condonation of Delay petition for the first three quarters. The orders of the Hon'ble TGERC are awaited.

37. As per the erstwhile APERC Regulation No. 1 of 2014, the TGSPDCL has filed the Power Purchase True-ups from the FY 2016-17 to 2021-22(Final) and 2022-23 (Provisional) and Distribution Business True-up for 1st, 2nd and 3rd Control Periods and Annual Performance Review on Distribution Business for FY from 2019-20 to 2022-23.The Hon'ble Commission has finalized the Power Purchase and Distribution Business True-up and allowed an amount of Rs.9,673 Crore for the filing periods and based on the letter communication received from GoTS vide Lr. No.172/ Budget.A2/2023-1Dt:16.03.2023, that, "*The Government of Telangana is committed to support the Discoms without burdening the consumers over a period of 5 years.*" The Hon'ble Commission passed orders on True-ups vide LrNo.TSERC/Secy/F.No.ARR-2023-24/D.No.62/23,Dt:21.03.2023.

38. The additional amount spent on Power Purchase for extending 24 hours power supply to Agriculture Consumers and uninterrupted power supply to other consumers by procuring expensive power in Short Term and other modes of Rs. 7,275 Crores, a letter was already addressed to the Government of Telangana for reimbursement vide Lr.No.CMD/TSSPDCL/CGM(RAC)/F.No. 412201/D.No. 500/ 23, Dt: 01.11.2023. The response from the Govt. Telangana is awaited.

39. In the opinion of the Board and to the best of their knowledge, the value of assets other than Property, plant and equipment, intangible assets and non-current investments on realization in the ordinary course of business should not be less than the amount at which they are stated in the Balance sheet.

40. Additional information pursuant to the provision of clause 5(viii) of part-II of schedule III of the Companies Act,2013 so far as the same are applicable to the Company: - (a) Value of Imports (C.I.F) of goods/ machineries/ services Rs.NIL(NIL) (b) Earnings in foreign currency Rs. NIL (NIL)(c) Other Expenditure in foreign currency Rs. NIL (NIL)

41. Quantitative Information

Particulars	2024-25	2023-24
Energy Input (Discom) (Kwh in MU)	61,291.45	58,311.64
Sale of Energy (Kwh in MUs)	56,203.36	53,324.70

42. Registration/Satisfaction of Charge

The Registration of Charge is not pending. However, Satisfaction of Charges is pending for following loans:

(Rs. In Crore)

Sl. No.	Name of the Bank	Registrar Office	Date of Registration of Charge	Amount Involved	Reason for Delay
1	POWER FINANCE CORPORATION LIMITED	ROC, Telangana	27/07/2018	1,000.00	Loan Closed - NOC awaited from Lender
2	RURAL ELECTRIFICATION CORPORATION LIMITED		28/12/2016	150.00	Loan Closed - NOC awaited from Lender
3	Central Bank of India		14/03/2013	250.00	Under FRP-2013, The borrowing from Bank was restructured to 50% FRP Bond and balance 50% was continued as borrowing. The loan have been paid off long back, however, no loan closure letter issued by Banker as Bond yet to mature. (FRP Bond will mature in F.Y 2028-29)
4	RURAL ELECTRIFICATION CORPORATION LIMITED		24/06/2011	49.35	Loan Closed - NOC awaited from Lender
5	RURAL ELECTRIFICATION CORPORATION LIMITED		20/08/2010	101.48	Loan Closed - NOC awaited from Lender
6	RURAL ELECTRIFICATION CORPORATION LIMITED		30/09/2009	478.07	Loan Closed - NOC awaited from Lender
7	Rural Electrification Corporation Limited		20/12/2005	412.90	Loan Closed - NOC awaited from Lender
	Total			**2,441.80**	

43. Additional Regulatory Information

i. No proceeds have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made there under.

ii. The company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

iii. The Company has not been declared as a Willful defaulter by any bank, financial institution or lender.

iv. The Company has utilized the funds borrowed from the banks and financial institutions for the purposes for they are borrowed.

v. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961

vi. The provisions of CSR are applicable on the company as per Section 135(1) of the companies Act, 2023. However, it is not requeired to incur the expenditure under CSR because of losses in all the past three yeards

vii. There is no non-compliance with regard to the number of layers of companies prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

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

ix. The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly wih any other person.

x. The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entity (Intermediary) with the understanding that the Intermediary shall :

a) directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

xi. The Company has not received any fund from any person(s) or entity(s), including foreign entities (Funding Party with the understanding (whether recorded in writing or otherwise) that the company shall :

a) directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

xii Reconciliation between Current Assets as per Quarterly statement filed with Bank and Current Asset as per Books of Account

Particulars	As per Current Assets statement	As per the Books of A/c	Variance
As on June 30th			
i) Stocks	305.79	312.88	7.09
ii) Receivables	22,577.57	24,868.23	2,290.66
As on Sep 30th			
i) Stocks	328.78	330.58	1.80
ii) Receivables	24,107.04	26,653.52	2,546.48
As on Dec 31st			
i) Stocks	321.94	326.82	4.88
ii) Receivables	25,722.78	28,192.33	2,469.55
As on March 31st			
i) Stocks	222.51	224.29	1.78
ii) Receivables	27,384.34	30,108.22	2,723.88

Reason for variance : The quarterly information of Current Assets Statement was furnished to banks before the closure of Quarter Financials and Annual Accounts as the Current Assets Statement has to submit in timelines.

44. The requirements of the following Accounting Standards issued by the ICAI are not applicable to the Company-

    AS 7 Construction Contracts

    AS 17 Segment Reporting since Distribution and Retail Supply of Power comprises the only primary & reportable segment.

    AS 18 Related Party Disclosures since the Company is a State Government Company and falls within the designation of 'State Controlled Enterprise' to the extent not disclosed.

    AS 21 Consolidated Financial Statements, since the Company does not have any Subsidiary Company.

    AS 23 Accounting for Investments in Associates in Consolidated Financial Statements

    AS 25 Interim Financial Reporting

    AS 27 Financial Reporting of Interest in Joint Ventures

45. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary as per the Schedule III to the Companies Act, 2013.

Schedule: Additional Disclosure Statements (ADS)

Additional Disclosure Statement 1:

Supplementary disclosures to Financial Statements

1. Revenue from operations:

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(1)	(2)	(3)
(a) Revenue from sale of energy		
Sale of power to own consumers (Low Tension (LT), High Tension (HT) and Extra High Tension (EHT))	33,401.10	30812.87
Fuel Adjustment Charge (FAC)/ Fuel Cost Adjustment (FCA)/ Fuel and Power Purchase Cost Adjustment (FPPCA)/ Power Purchase Adjustment Charge (PPAC)	1.75	1.84
Sale to Distribution Franchise	0	0
Sale of power to others (such as inter-State sale/ energy traded/Unscheduled Inter-change (UI)/Deviation Settlement Mechanism (DSM)/inter DISCOM sale, etc.)	309.07	518.72
Other receipts from consumers (such as meter rents, service rentals, recoveries for theft of power and malpractices, etc.)	997.64	958.4
(i) Total	**34,709.56**	**32,291.83**
Less: rebate to consumers (if any, other than cash discount) **(ii)**	0	0
Revenue from sale of energy without tariff subsidy (i-ii)	**34,709.56**	**32,291.83**
Add: electricity duty/ other taxes billed to consumers	-241.31	-225.67
Less: electricity duty/ other taxes payable to Government		
Sub-total of revenue from sale of energy	**34,468.25**	**32,066.16**
(b) Other operating income		
Wheeling charges	28.53	35.75
Open access charges	0	0
Others	6,005.89	6,880.47
(c) Subsidy		
Subsidy payable by State Government in accordance with the Electricity (Second Amendment) Rules, 2023 as per the number of units supplied to subsidized categories according to energy accounts multiplied by the per unit subsidy	4,015.21	1,349.52
Subsidy received	4,015.21	1,349.52
Total revenue from operations (a + b + c)	**44,517.88**	**40,331.90**

2. Details of revenue from sale of energy:

Particulars	For· the year·ended 31st March, 2025					
	Energy sold - metered (MU)	Energy sold-un-metered (MU)	Gross energy sold (MU)	Revenue from sale of energy without tariff subsidy Rs. in Cr	Tariff subsidy billed Rs. in Cr	Tariff subsidy received Rs. in Cr
(1)	(2)	(3)	(4)=(2)+(3)	(5)	(6)	(7)
Domestic	11,660.20	0	11,660.20	6,689.91	849.30	849.30
Commercial	7,787.35	0	7,787.35	9,296.88	0	0
Agricultural	0	15,209.04	5,209.04	54.01	3,165.91	3,165.91
Industrial	16,368.72	0	16,368.72	15,366.75	0	0
Others:						-
Public street lighting	250.37	0	250.37	360.32	0	0
Public water works	922.54	0	922.54	1,187.02	0	0
Railways	665.66	0	665.66	481.50	0	0
Bulk supply	0	0	-	0	0	0
Distribution franchise	0	0	-	0	0	0
Inter-State sale/ energy traded/VJ/DSM	0	0	-	0	0	0
Others (may specify nature)	3,339.49	0	3,339.49	4,055.41	0	0
(i) Total	**40,994.32**	**15,209.04**	**56,203.36**	**37,491.80**	**4,015.21**	**4,015.21**
Out of (i) above, related to Governmentconsumers	**6,424.84**	**6,424.84**	**7,798.80**	0	0	0
State Government consumers	5,069.11	0	5,069.11	6,540.01	0	0
Central Government consumers	1,355.73	0	1,355.73	1,258.79	0	0

3. Details of number of consumers:

Particulars	For the year ended 31st March, 2025											
	As on 1st April 2024				During the year - 2024-25				As on 31st March 2025			
	Number of consumers - pre-paid meters	Number of consumers - other meters	Number of consumers - un-metered	Total no. of consumers	Number of consumers added - pre-paid meters	Number of consumers added- other meters	Number of consumers - un-metered	Number of consumers permanently disconnected	Number of consumers - pre-paid meters	Number of consumers - other meters	Number of consumers -un-metered	Total no. of consumers
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Domestic	1,338	80,55,765	0	80,57,103	0	3,03,635	0	17,731	1,338	77,69,861	0	77,71,199
Commercial	4,352	11,96,756	0	12,01,108	0	64,000	0	16,490	4,352	11,49,246	0	11,53,598
Agricultural	5	2,447	14,08,431	14,10,883	0	83	50,682	1,793	5	2,364	13,59,542	13,61,911
Industrial	14	52,878	0	52,892	0	1,918	0	1,277	14	52,237	0	52,251
Others:	0	0	0	0	0	0	0	0	0	0	0	0
Public Street Lighting	652	73,856	0	74,508	0	285	0	118	652	73,689	0	74,341
Public water works	308	34,335	0	34,643	0	202	0	380	308	34,513	0	34,821
Railways	0	19	0	19	0	2	0	0	0	17	0	17
Bulk supply	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	4,607	50,533	0	55,140	0	8,879	0	150	4,607	41,804	0	46,411
Total	**11,276**	**94,66,589**	**14,08,431**	**1,08,86,296**	0	**3,79,004**	**50,682**	**37,939**	**11,276**	**91,23,731**	**13,59,542**	**1,04,94,549**

4. Details of cross subsidy:

Particulars	For the year ended 31st March, 2025										
	Average Cost of Supply (ACoS) (Rs./kWh)	Notified tariff	Notified subsidy	Gross energy sold (MU)	Revenue from sale of energy without tariff subsidy (Rs. Crore)	Average Billing Rate (ABR) (Rs./kWh)	Cross subsidy (Rs./kWh) (ACoS-ABR)	Tariff subsidy booked (Rs. Crore)	Tariff subsidy per Unit (Rs/Kwh)	Consumer category wise loss per unit (Rs./kWh) (ABR-ACoS)	% Tariff subsidy received through Direct Benefit Transfer
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(5)	(8)=(2)-(7)	(9)	(10)=(9)/(5)	(11)=(8)-(10)	(12)
Domestic	7.92	0-50- Rs.1.95 51-100 - Rs.3.10 100-200 - Rs.4.8 201-300 Rs.7.70 301-400 - Rs.9.00 401-800 - Rs.9.50 >800 - Rs.10	849.30	11,660.20	6,532.04	5.60	2.32	849.30	0.73	1.59	0.00
Commercial		0-100-Rs.8.50 101-300-Rs.9.90 301-500-Rs.10.40 >500 - Rs.11.00	0.00	7,787.35	8,944.99	11.49	-3.57	0.00		-3.57	0.00
Agricultural		0.00	3,165.91	15,209.04	53.30	0.04	7.88	3,165.91	2.08	5.80	0.00
Industrial		7.13	0.00	16,368.72	14,215.34	8.68	-0.76	0.00	0.00	-0.76	0.00
Others:							0.00			0.00	0.00
Public streetlighting		7.6	0.00	250.37	211.52	8.45	-0.53	0.00	0.00	-0.53	0.00
Public water works		6.9	0.00	922.54	629.90	6.83	1.09	0.00	0.00	1.09	0.00
Railways		0.00	0.00	665.66	479.92	7.21	0.71	0.00	0.00	0.71	0.00
Bulk supply		6.59	0.00	0.00	0.00	0.00	7.92	0.00	0.00	7.92	0.00
Miscellaneous		0.00	0.00	3,339.49	3,050.90	9.14	-1.22	0.00	0.00	-1.22	0.00
Total			**4,015.21**	**56,203.37**	**34,117.91**	6.07	1.85	**4,015.21**		1.85	0.00

Note: (i) In column (2) Average Cost of Supply (ACoS) means total expenses as per statement of profit and loss divided by gross energy sold;
(ii) In column (3) Notified tariff means the tariff applicable to the consumer category as per the relevant tarif order;
(iii) In column (5) Gross energy sold (MU)means aggregate of metered and unmetered energy sale to all category of consumers. Energy traded or unscheduled interchange or inter-State sale of power to be included. Open access or wheeling units shall not be included.

5. Other income:

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(1)	(2)	(3)
Interest Income		
(i) Bank deposits	8.77	15.08
(ii) Others	1.38	1.1
Dividend income	0	0
Rental income	0.68	0.70
Late payment surcharge	4.98	9.91
Other non-operating income (may specify nature)	419.77	340.57
Total	**435.58**	**367.36**

Note: In column (1) late payment surcharge cess or delayed payment charges means the amounts levied by TGSPDCL, if the electricity duty raised in the bill is not being paid within the due date specified on the bill.

6. Consumer category wise tariff subsidy receivables:

Particulars	As on 31st, March 2025				
Consumer Category	Opening balance	Tariff subsidy billed during the year	Tariff subsidy received during the year		Closing balance
			2024-25	2023-24	
(1)	(2)	(3)	(4)	(5)	(6)
Domestic	0	849.3	849.3	0	0
Commercial	0	0	0	0	0
Agricultural	0	3,165.91	3,165.91	0	0
Industrial	0	0	0	0	0
Others (may specify category)	0	0	0	0	0
Total	**0**	**4,015.21**	**4,015.21**	**0**	**0**

Note: In column (3) accounting for subsidy billed is as per standard operating procedure or guidelines issued by Ministry of Power in this regard from time to time.

7. Net trade receivables:

Particulars	As at 31st March, 2025			As at 31st March, 2024		
	Current	Non-current	Total	Current	Non-current	Total
For sale of power to own consumers (LT, HT and EHT) inclusive of ED & DPS	4,828.59	14,871.28	19,699.87			
For sale to distribution franchisee	0	0	-			
For sale of power to others (such as inter-State sale/energy traded/UI/DSM/inter DISCOM sale, etc.)	0	0	-			
Electricity duty/ other taxes	51.07	157.29	208.36			
Late payment surcharge	1,832.78	5,644.68	7,477.46			
Others	-	2,236.8	2,236.80			
Total	**6,712.44**	**22,910.05**	**29,622.49**	-	-	-

Note: Trade Receivables incl. RESCO Rs.51.91 Crores, other receivables Rs.32.77 Crores & Court case amounts etc., and less provision for doubtful debts of Rs. 981.41 Crores.

8. Gross trade receivables– consumer category wise for sale of energy:

Particulars	As on 31st, March 2025				As on 31st, March 2024			
	Opening balance	Revenue billed	Revenue received	Closing Balance	Opening balance	Revenue billed	Revenue received	Closing Balance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Domestic	307.06	6,689.91	6,681.27	315.70				
Commercial	871.60	9,296.88	8,975.06	1,193.42				
Agricultural	156.69	54.01	45.71	165.00				
Industrial	6,695.76	15,366.75	13,609.87	8,452.65				
Others:	2,236.80	-		2,236.80				
Public street lighting	1,576.91	360.32	143.89	1,793.34				
Public water works	4,456.14	1,187.02	41.82	5,601.34				
Railways	15.19	481.50	482.34	14.35				
Bulk supply	-	-	-	-				
Distribution franchisee	-	-	-	-				
Inter-State/ trading/ UI/DSM	-	-	-	-				
Miscellaneous	7,041.90	4,055.41	1,247.41	9,849.90				
(i) Total	**23,358.05**	**37,491.82**	**31,227.38**	**29,622.49**				
Out of (i) above, related to Government consumers								
State Government departments	16,980.35	6,540.01	683.31	22,837.06				
Central Government departments	734.55	1,258.79	1,154.70	838.65				
Total trade receivables related Government consumers	**17,714.90**	**7,798.80**	**1,838.01**	**23,675.70**				

9. Details of borrowings:

Particulars	Bifurcation between Secured and Un-Secured	As at 31st March 2025					As at 31st March 2024				
		Opening Balance	Additions	Due for payment	Repayments	Closing Balance	Opening Balance	Additions	Due for payment	Repayments	Closing Balance
(1)	(2)	(3)	(4)	(5)	(6)	(7 = 3+4-6)	(8)	(9)	(10)	(11)	(12 = 8+9-11)
Borrowings(bifurcate between secured and un-secured)											
(a) Long Term Loans - banks / NEFC / Others - Specify name along with purpose of loan											
(i) Rural Electrification Corporation	Secured	2,891.86	569.04	-	524.06	2,936.84	3,777.78	2,009.06	-	2,198.79	3,588.05
Limited - CAPEX	Un-Secured	-	-	-	-	-	-	-	-	-	-
(ii) Rural Electrification Corporation	Secured	-	-	-	-	-	-	-	-	-	-
Limited - Working Capital	Un-Secured	6,805.25	465.63	-	606.64	6,664.24	5,094.34	5,660.63	-	3,949.72	6,805.25
(iii) Power Finance Corporation	Secured	378.12	-	-	16.92	361.20	392.85	709.06	-	723.79	378.12
Limited - CAPEX	Un-Secured	-	-	-	-	-	-	-	-	-	-
(iv) Power Finance Corporation	Secured	-	-	-	-	-	-	-	-	-	-
Limited - Working Capital	Un-Secured	6,017.52	4,465.62	-	402.02	10,081.12	5,361.26	1,445.96	-	789.70	6,017.52
(v) PTC Financial Services Limited -	Secured	360.47	-	-	80.49	279.98	425.34	-	-	64.87	360.47
Working Capital	Un-Secured	-	-	-	-	-					
(b) Long Term Loans - Government - Specify name along with purpose of loan											
(i) Government Loan - Electrification of Dalit Habitats	-	20.55	-	-	-	20.55	20.55	-	-	-	20.55
(ii) JICA Loan - HVDS Project	-	384.73	-	-	-	384.73	384.73	-	-	-	384.73
(c) Short Term Loans - banks / NEFC / Others - Specify name along with purpose of loan											
(i) Rural Electrification Corporation	Secured						-	-	-	-	-
Limited - Working Capital	Un-Secured	3,803.59	12,872.70	-	12,004.53	4,671.76	1,093.33	5,271.91	-	2,561.65	3,803.59
(ii) Power Finance Corporation Limited -	Secured	-	-	-	-	-	-	-	-	-	-
Working Capital	Un-Secured	2,998.76	6,908.26	-	3,805.84	6,101.18	999.97	3,447.52	-	1,448.73	2,998.76
(iii) IREDA - Working Capital	Secured	264.00	3,000.00	-	1,364.00	1,900.00	698.66	-	-	434.66	264.00
	Un-Secured	-	-	-	-	-	-	-	-	-	-
(iv) SBI - CC Limit	Secured	1,217.21	30,833.02	-	30,618.94	1,431.29	1,275.16	-	-	57.95	1,217.21
	Un-Secured	-	-	-	-	-	-	-	-	-	-
(v) TGTRANSCO - Loan	Un-Secured	871.52	-	-	413.63	457.89	1,318.82	2.21	-	449.51	871.52
FRP - Loan	Un-Secured	-	-	-	-	-	23.11	-	-	23.11	-
(d) Bonds - Specify name of Bonds along with purpose of loan											
(i) APCPDCL Bonds - issued under FRP Scheme	Un-Secured	2,024.65	29.29	-	-	2,053.94	2,024.65	-	-	-	2,024.65
TOTAL BORROWINGS - SECURED		**5,516.94**	**34,402.06**	**-**	**32,604.41**	**7,314.59**	**6,975.07**	**2,718.12**	**-**	**3,480.06**	**6,213.13**
TOTAL BORROWINGS - UN-SECURED		**22,521.29**	**24,741.50**	**-**	**17,232.66**	**30,030.13**	**15,915.48**	**15,828.23**	**-**	**9,199.31**	**22,521.29**
TOTAL BORROWINGS - (SECURED + UN-SECURED)		**28,038.23**	**59,143.56**	**-**	**49,837.07**	**37,344.72**	**22,890.55**	**18,546.35**	**-**	**12,679.37**	**28,734.42**

Note: State Bifurcation receivables from Kurnool ATP Circles Rs.696.19 is deducted from the long term loans

10. Trade payables age-wise:

Particulars	Less than 1Year 1 - 2 Years 2 - 3 Years	More than 3 Years	Total
(1)	(2)	(3)	(4)
Power purchase			
State's own generation			
Independent Power Producers (IPP)- within the State	10,297.02 3,099.50 1,940.96	2,428.33	17,765.81
Independent Power Producers (IPP) inter-State generating station	402.63 0.00 0.00	0.00	402.63
Central Public Sector Enterprises (CPSE)- within the State	0.00	0.00	0.00
CPSE inter-State generating station	2,550.04 0.00 0.00	0.00	2,550.04
Bilateral	0.00	0.00	0.00
Exchange	0.00	0.00	0.00
Transmission charges	0.00	0.00	0.00
State's own transmission company	789.54 0.00 0.00	0.00	789.54
State independent transmission projects	0.00	0.00	0.00
Inter-State independent transmission projects	0.00	0.00	0.00
CPSE transmission company	402.81 0.00 0.00	0.00	402.81
Others	6,138.76 2,210.47 0.00	0.00	8,349.23
Total	25,621.26	2,428.33	30,260.06

11. Details of trade payables:

Particulars	As at 31st March, 2025				As at 31st March, 2024			
	Opening balance	Addition during the year	Paid during the year	Closing Balance	Opening balance	Addition during the year	Paid during the year	Closing Balance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Power purchase								
State's own generation	0							
State IPP	19,526.81	13,216.81	14,977.82	17,765.81				
IPP ISGS	1,449.86	627.45	1,674.68	402.63				
CPSE State	-			-				
CPSE ISGS	2,806.21	9,083.68	9,339.85	2,550.04				
Bilateral	-			-				
Others	7,258.56	9,177.32	10,297.12	6,138.76				
Transmission charges								
State's own transmission company	770.49	2,509.82	2,490.76	789.54				
State independent transmission projects	-			-				
Inter-State independent transmission projects	-			-				
CPSE transmission company	452.53	1,395.35	1,445.07	402.81				
Others	2210.48	0	0	2,210.48				
Total	34,474.93	36,010.43	40,225.30	30,260.06				

Additional Disclosure Statement 2: Power purchase details:

Long term power purchase:

		Thermal	Hydro	Renewal Energy	Nuclear	Others	Total
e) Quantum	MU	34,514.70	3,560.58	7,990.08	777.58	1,763.00	**48,605.94**
f1) Fixed charges	Rs. Cr	7,175.18	726.21	5.86	-	22.00	**7,929.26**
f2) Energy charges	Rs. Cr	13,016.02	-	3,659.52	280.89	1,235.00	**18,191.43**
f) Total power purchase cost (f1+f2)	**Rs. Cr**	**20,191.20**	**726.21**	**3,665.39**	**280.89**	**1,257.00**	**26,120.69**
g) Late Payment Surcharge (LPS)	Rs. Cr	-	-	-	-	-	-
h=f+g) Long term power purchase cost including LPS	**Rs. Cr**	**20,191.20**	**726.21**	**3,665.39**	**280.89**	**1,257.00**	**26,120.69**

Medium term power purchase:

		Thermal	Hydro	Renewal Energy	Nuclear	Others	Total
i) Quantum	MU	0	0	0	0	0	**0**
j1) Fixed Charges	Rs. Cr	0	0	0	0	0	**0**
j2) Energy Charges	Rs. Cr	0	0	0	0	0	**0**
j=j1+2) Total power purchase cost	**Rs. Cr**	**0**	**0**	**0**	**0**	**0**	**0**
k) Late Payment Surcharge (LPS)	Rs. Cr	0	0	0	0	0	**0**
(l=j+k) Medium term power purchase cost including LPS	Rs. Cr	0	0	0	0	0	**0**

Short term power purchase:

		Thermal	Hydro	Renewal Energy	Nuclear	Others	Total
m) Quantum - bilateral	MU	0	0	0	0	79.55	79.55
n) Power purchase cost – bilateral	Rs. Cr	0	0	0	0	0.00	0.00
o) Quantum - exchange	MU	0	0	0	0	14,644.08	14,644.08
p) Power purchase cost – exchange	Rs. Cr	0	0	0	0	5,985.05	5,985.05
q=n+p) Total power purchase cost	**Rs. Cr**	**0**	**0**	**0**	**0**	**5,985.05**	**5,985.05**

r=c+e+i+m+o) Gross input energy	MU	63,329.57
s) Energy sold outside SE's periphery	MU	-17.22
t) Inter-State transmission losses	MU	1,267.57
u) Intra State transmission losses	MU	707.84
v=r-s-t-u) Energy available at SE's periphery	MU	61,371.38
w) Energy sold within SE's periphery	MU	56,203.37
x=v-w) Distribution loss	MU	5,168.01
i=w/v*100) Billing efficiency	%	91.58
y=d+h+l+q) Total power purchase cost	Rs. Cr	32,105.74
z) Central Transmission Utility (CTU)&Regional Load Despatch Centre (RLDC) charges	Rs. Cr	1,395.35
za) State Transmission Utility(STU)&State Load Despatch Centre (SLDC) charges	Rs. Cr	2,509.82
zb=y+z+za) Total cost of power purchase &transmission	Rs. Cr	36,010.43
zc=zb*10/r) Average power purchase cost for SE	Rs./kWh	5.69
zd=zb*10/v) Average power purchase cost for SE (after transmission loss)	Rs./kWh	0.41

Additional Disclosure Statement 3: Statement of Average Cost of Supply (ACS) –Average Revenue Realised (ARR)gap:

S.No.	Parameter	Units	Description	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(1)	(2)	(3)	(4)	(5)	(6)
(i)	Gross input energy	MU	SE's own generation - auxiliary consumption + energy purchased (Gross)	63,249.65	61,254.81
(ii)	Total expenses	Rs. crore	Total expenses as per statement of profit and loss(including extraordinary expenses & provisions)	46,023.48	45,868.13
(iii)	Total revenue	Rs. crore	Total revenue as per statement of profit and loss	44,953.46	40,699.26
(iv)	Average Cost of Supply (ACS)	Rs/kwh	(ii)*10/A	7.28	7.49
(v)	Average Realizable Revenue (ARR)	Rs/kwh	(iii)*10/A	7.11	6.64
(vi)	**ACS - ARR gap**	**Rs/kwh**	**(iv)-(v)**	**0.17**	**0.84**
(vii)	Adjusted total revenue	Rs. crore	As per note below	31,805.36	31,220.02
(viii)	Adjusted Average Realizable Revenue (ARR)	Rs/kwh	(vii)*10/A	5.03	5.10
(ix)	**Adjusted ACS - ARR Gap**	**Rs/kwh**	**(iv)-(viii)**	**2.25**	**2.39**

Note:(i) In column (2) gross input energy means sum of energy purchased and special entity's own generation, if any (net of auxiliary consumption);
(ii) In column (2) adjusted total revenue to be calculated as below:

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(1)	(2)	(3)
Total revenue as per statement of profit and loss	44,953.46	40,699.26
Adjustments of items included in total revenue above		
Less: tariff subsidy billed and not received	015.21	1,349.52
Less: increase in gross trade receivables		
Add: decrease in gross trade receivables	6,431.19	4,056.72
Less: other Government subsidy/ grant of revenue nature (if included in total revenue but not received)	246.93	0.00
Less: Government grants of capital nature (if included in total revenue)	2,454.77	4,073.00
Adjusted total revenue	31,805.36	31,220.02

Additional Disclosure Statement 4: Statement of (Aggregate Technical & Commercial (AT and C) loss:

S.No.	Parameter	Unit	Description	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(1)	(2)	(3)	(4)	(5)	(6)
A	Gross input energy	MU	SE's own generation - auxiliary consumption + energy purchased (gross)	63,249.65	61,254.81
B1	Inter-State sale/ energy traded/UI	MU		-17.22	338.85
B2	Transmission losses	MU		1,975.41	2,604.31
C	**Net input energy**	**MU**	**C= A-B1-B2**	**61,291.46**	**58,311.65**
D	Energy sold	MU	Energy sold to all categories of consumers excluding units of energy traded/ inter-State sales/UI	56,203.37	53,324.7
E	Revenue from sale of energy on tariff subsidy received basis	Rs. crore	Revenue from sale of energy to all categories of consumers (including tariff subsidy received) but excluding revenue from energy traded/ inter-State sales/UI	44,208.81	39,813.18
F	Opening trade receivable	Rs. crore	Gross opening trade receivable as per trade receivable schedule.	23,191.3	19,134.58
G	Closing trade receivables	Rs. crore	(i) Gross closing trade receivables as per trade receivable note	30,603.9	23,943.74
			(ii) Any amount written off during the year directly from (i)	-981.41	-752.44
H	Adjusted closing trade receivable for sale of energy	Rs. crore	G(i)+G(ii)	29,622.49	23,191.3
I	Collection efficiency	%	(E+F-H)*100/E	0.85	0.89
(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**
J	Billing efficiency	%	Value to be taken from Additional Disclosure Statement 2	0.92	0.91
K	Units realized	MU	D*I	51,707.10	48,525.48
L	Units un-realized	MU	C-K	9,584.36	9,786.17
M	**AT&C losses**	%	**L*100/C**	21.73	18.63

Note: (i) In column (2) collection efficiency is capped at 100%.

(ii) For calculation of AT&C loss, revenue and trade receivables is include only:

(a) Sale of power to LT, HT and EHT consumers net of rebate to consumers;

(b) Other receipts from consumers (such as meter rents, service rentals, recoveries for theft of power and malpractices, etc.);

(c) FAC/FCA/ FPPCA/PPAC.

(iii) For calculation of AT&C loss, revenue and trade receivables are excluded:

(a) Electricity duty/other taxes;

(b) Wheeling of energy;

(c) Open access sale;

(d) Sale of power through inter-State sale/ energy traded/UI/DSM/ inter DISCOM sale;

(e) Delayed payment surcharge/ late payment surcharge.

Additional Disclosure Statement 5: Performance summary of Specified Entity:

Item	Unit	Particulars	2024-25	2023-24
(1)	(2)	(3)	(4)	0
Payables	No. of Days	To generating companies	309.67	
		To transmission companies	234.82	
		To others	0	
Loss taken over by State Government	Rs. Crore	Operational gap funding during the year	0	0
		Loss taken over for previous year	454.77	4073
Contingent liabilities - guarantees	Rs. Crore	Outstanding total amount against which guarantees have been issued	0	0
State Govt./ State PSUs guarantees on behalf of specified entity	Rs. Crore	Outstanding total amount against which guarantees have been taken	23,512.20	30,882.23
Prepaid metering of Government offices	Nos.	-	10,641	10,621
Total Govt. offices	Nos.	-	1,67,002	1,57,480
% of Govt. offices on prepaid	%	-	0.06	0.07
Communicable feeder metering	%	% of feeders with communicable meters to total feeders	100%	100%
Communicable Distribution Transformer (DT) Metering	%	% of DTs with communicable meters to total DTs	19%	20%
Accounts	Date of signing	Preparation of quarterly audited accounts for Q1	27.08.2024	11.08.2023
		Preparation of quarterly audited accounts for Q2	29.11.2024	21.11.2023
		Preparation of quarterly audited accounts for Q3	28.02.2025	29.02.2024
		Preparation of quarterly audited accounts for Q4	29.05.2025	29.05.2024
		Preparation of audited annual accounts for last financial year	29.07.2025	30.07.2024

Energy accounts	Date of signing	Preparation of quarterly energy accounts for Q1	07.08.2024	14.08.2023
		Preparation of quarterly energy accounts for Q2	10.12.2024	15.11.2023
		Preparation of quarterly energy accounts for Q3	08.02.2025	10.02.2024
		Preparation of quarterly energy accounts for Q4	27.05.2025	17.05.2024
		Preparation of annual energy accounts for last financial year	27.05.2025	28.05.2024
Details of tariff orders				
Date of filing of tariff petition	Date		18.09.2024	30.11.2022
Date of issuance of tariff order	Date		28.10.2024	24.03.2023
Date of filing of true-up Petition	Date	True-up for FY 2022-23 has to be filed by 30.11.2024 & True-up for FY 2021-22 has to be filed by 30.11.2023.	Provisional True-up for FY 2022-23 filed on Dt. 14.12.2022. Final True-up for FY2022-23 filed on 17.07.2025	Final True-up for FY2021-22 filed on Dt. 14.12.2022
Date of issuance of true-up order	Date		To be issued by the Commission	Order passed by Commission on Dt.24.03.2023.
Employees	No.	**Opening**	21,212	
	No.	a. Permanent	21,212	
	No.	b. Contractual/ casual	-	
	No.	**Recruitment during the year**	17	
	No.	a. Permanent	117	
	No.	b. Contractual/ casual	-	
	No.	**Retirement/ separation during the year**	529	
	No.	a. Permanent	529	
	No.	b. Contractual/ casual	-	
	No.	**Closing**		
	No.	a. Permanent	20,800	
	No.	b. Contractual/ casual	-	
RPO	MU	Target	-	
	MU	Achievement	-	

Tariff order analysis

FY	Annual Revenue Requirement (ARR)	Petition	Approved	Reason for disallowance
2024-25	40714.41	40714.41	37947.03	The Commission has disallowed the ARR as the commission reduced the estimated Power Purchase cost and Transmission cost submitted by the DISCOM
2023-24	36963.21	36963.21	35473.67	

True-up order analysis

FY	Annual Revenue Requirement (ARR)	Petition	Approved	Reason for disallowance
Provisional True-up for FY 2022-23	1270.39	1270.39	811.38	As the provisional true-up includes projections for half of the FY, the Commission reduced estimated Power Purchase cost and Transmission cost submitted by the DISCOM
Final True-up for FY 2022-23	4561.94	4561.94	Under Process	
Final True-up for FY 2021-22	6372	6372	3486.68	Commission approved the net True-up amount after adjusting the loss funding amount of Rs.2124.00 Cr. Provided by GoTS

As per our report of even date

For and on behalf of the Board of Directors of Southern Power Distribution Company of TG Limited

For M/s. V.N. Purohit & Co
Chartered Accountants
FR No. 304040E

Sd/-
Kamalesh Kumar Sankla
Partner
M.No. 229329
UDIN: 25229329BMJHIF3371
Date: 29 July 2025
Place: Hyderabad

Sd/-
Sri Krishna Reddy
Director (Finance, IR&Legal)
DIN: 11194276

Sd/-
Sri MD Musharraf Faruqui, IAS
Chairman & Managing Director
DIN : 10429742

Sd/-
Smt. K Sudha Madhuri
Chief General Manager
(Finance)

Sd/-
Anil Kumar Voruganti
Company Secretary
F.No. 9521

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Southern Power Distribution Company of Telangana Limited,
Hyderabad

Report on the Audit of Financial Statements

Qualified Opinion:

We have audited the accompanying financial statements of **SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2025 and the Statement of Profit and Loss and the Cash Flows Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, subject to the possible effect of the matters described in the Basis for Qualified Opinion, section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounts) Rules, 2014 of the state of affairs of the Company as at 31st March, 2025, its ***loss*** and its cash flows for the year ended on that date.

Basis for Qualified Opinion:

1. We are informed that the Company is governed by the Electricity Act, 2003 and accordingly the provisions of the said Act would prevail, wherever the same are inconsistent with the provisions of the Companies Act, 2013 in terms of section 174 of the Electricity Act. Accordingly, in terms of section 185(2)(d) of the Electricity Act, the annual accounts of the Company have been prepared as per the rules prescribed under "Electricity Supply (Annual Accounts) Rules 1985". Accordingly, the Company has not complied with some of the mandatory Accounting standards, as specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the requirements of Schedule-III to the Companies Act, 2013, details of which are given here under:
   (a) Capitalization of administrative overheads (including staff cost) at 10% of the direct cost of the assets capitalized during the year as per the company's Accounting Policies No. 1.5(c), amounting to Rs. 136.77 Crore is not in accordance with Accounting Standard-10: "Property Plant and Equipment", as the same is not attributable as expenditure incurred directly to bring the said assets to working condition.
   (b) As stated in Accounting Policy No. 1.8, recognition of the contributions received from consumers and specific grants from the State/Central governments or their agencies for creation of tangible assets as "Reserves" on receipt basis, even before the creation of the said assets and adjustment of the same against depreciation on the proportionate value of the assets built out of the said contributions and grants, instead of the specific assets created with the said contributions/grants, which is contrary to Accounting Standard 12 "Accounting for Government Grants".

(c) Non-recognition of the "Parcels of Land" received at free of cost from State Government and its agencies in the books of account, as required by Accounting Standard 12 "Accounting for Government Grants".

2. Consequent to the creation of the State of Telangana, in accordance with the Andhra Pradesh Reorganization Act, 2014, the Anantapur and Kurnool operating business circles of the company have been reassigned to APSPDCL with effect from 2nd June, 2014 in accordance with G.O.Ms. No.24 dated 29th May, 2014 issued by State of Andhra Pradesh. The Company has recognized the transfer of assets and liabilities in the financial year 2015-16 of these two Circles in its books of account, as per the "Basis of Apportionment" mentioned in the said G.O. which is approved by the Expert Committee constituted by the Government of India, which is computed under the "pooling of interest" method. The company instead of recognizing the share of the said two Circles in the "Share Capital" of Rs. 325.28 Crore as a reduction in the share capital, recognized Rs. 723.01 Crore as "Capital Reserve" resulting in understatement of its negative net-worth by Rs. 1,048.29 Crore and consequential overstatement of "Receivables."

3. Amount of Rs. 7997.27 crore towards surcharge on late payment payable to Singareni Thermal Power Plant (STPP) for the financial years 2019-20, 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25 is neither paid nor provided in the books of account but disclosed under Contingent liabilities, resulting in understatement of Reserves & Surplus / Net Loss and Trade Payables to the same extent.

4. During the Financial Year 2018-19 the company has forfeited Bank Guarantees of Rs. 52.13 Crore and recognized the same as income for that Year. This amount includes Rs. 9.13 Crore pertaining to Kurnool and Anantapur districts under Andhra Pradesh Southern Power Distribution Company Limited (APSPDCL). This has resulted in understatement of provisions and overstatement of reserves & surplus by Rs. 9.13 Crore for the Year ended 31st March, 2025.

5. We are informed by the Company that no physical verification of Property, Plant and Equipment has been carried out during the year under report. Accordingly, we are unable to comment regarding any material discrepancies between the fixed assets register and the assets physically available.

6. The cost of Lands as per Books of accounts as on the 31-03-2025 is amounting to Rs. 8.64 Crore. As per the information provided there are 2117 properties held by the Company. However, title deeds including letters of alienation/allotment/physical handling over of the property are available only for 883 properties and not available for the rest of 1234 land properties. Due to lack of information the impact on the books of accounts could not be ascertained.

7. Actuarial valuation carried to arrive at Gratuity liability as on 31-03-2025 and as on 31-03-2023 was made on the assumption that the maximum limit for gratuity payment is Rs. 16,00,000/-. However, limit as per the Payment of Gratuity Act, 1972 is Rs. 20,00,000/-. The impact of variance in the assumption could not be quantified as the same has to be arrived at through actuarial valuation.

8. Long Term Investments in the Balance sheet are carried at cost at Rs. 426.01 Crore. The management has not ascertained for the permanent diminution in the value of investments amount as on 31-03-2025 as per the requirement of Accounting Standard – 13 "Accounting for Investments". Due to non-availability of audited financial statements of Andhra Pradesh Power Development Company Ltd. for F. Y. 2023-24, we are unable to ascertain its impact on the Financial Statements.

9. We report that Inter units' accounts with a credit balance of Rs. 63.52 Crore have not been reconciled as at 31st March, 2025 and accordingly we are unable to express an opinion on the effect of said un-reconciled amounts on the financials of the company for the year.
10. The Company provides various social schemes viz: GIS Insurance & savings fund, Self Funding Medical Scheme & Accidental Risk Self Funding Scheme where in the Company is collecting sums from employee to provide various accidental covers. The Company's has not recognised any provisions towards future Liability on such schemes. The impact of this on the financial statement cannot be quantified as the same has to be arrived through actuarial valuation.
11. The Company has not booked various Bank Charges levied by Bankers amounting to Rs.0.66 crore as at year end to profit & loss account with an apprehension that it will be reversed by Bankers. Due to this non-recognition of bank charges current year losses are under stated by this amount.
12. During the period from financial year 2019-20 to 2024-25, the Hon'ble National Company Law Tribunal (NCLT) has passed orders in 18 number of cases, pursuant to which a total amount of ₹ 132.51 crore has been stated to be unrealisable. In our view, this indicates that the recoverability of the said amount is doubtful. However, the Company has not considered the same as bad debts in its financial statements. The loss for the year and accumulated losses are understated by ₹ 132.51 crore.

Emphasis of Matters:

1. Consequent to the amendment brought in vide G.O.Ms. 396 dated 09-06-2005 to the second transfer scheme notified vide G.O.Ms. 142 dated 29-09-2001, the Company has incorporated in its books of account as on 01-04-2010, various assets, including fixed assets and liabilities towards power purchase, supplies & services received and balances outstanding in respect of the loans, representing term loans, cash credits, working capital loans received from various banks and financial institutions, other receivables from the State Government of AP, of the amounts mentioned in the two notifications referred to above. We understand that the above amounts, at which the various assets and liabilities are recognized in the books of account as on that date, are provisional and accordingly are subject to further adjustments as may be determined by the State Government.
2. We draw your attention to Note No. 1.16(a)(ii) wherein, the State Government of Andhra Pradesh amended retrospectively with effect from 09-06-2005, the share of each Discom in various bulk supply power purchase agreements vide its notification No. 53 Energy (Power-III) dated 28-04-2008. We are informed that the company has made a representation to give effect to the said revised sharing prospectively. Pending disposal of the company's representation, the contingent liability/receivables, if any, due to the said retrospective amendment of the share of the company in various bulk supply of power purchase agreements has not been disclosed in the books of account.
3. We draw your attention to Note No. 24 where in employee benefit expenses does not include provision for Pension & Gratuity liability of Rs. 10787.47 Crore pertaining to 74% of employees who were on rolls as on 31-01-1999 as the liability of the same is met by TG Genco Master Trust over the years as per the tripartite agreement.
4. We draw your attention to Note No. 21(b)(ii) – Revenue from Operations, wherein the electricity duty of Rs. 241.31 Crores is collected from customers and remitted to the government is not reflected under "Revenue from operations".

5. Current accounts maintained with various banks have Board excess, being cheques/cash deposited in banks and not appearing in banks' statements of account for Rs.7.07 Crores and Bank excess, representing amounts credited by banks but not appearing in the books of account of the company of Rs. 29.33 Crores as at 31st March, 2025. It is observed that these balances are long pending for reconciliation resulting in possible mis-statement of Trade receivables. Year wise particulars are given under:

(Rs. in Crores)

Financial Year	Board Excess	Bank Excess
2009-10	0.20	-
2011-12	0.01	-
2012-13	0.01	0.54
2013-14	-	0.82
2014-15	-	0.25
2015-16	-	0.21
2016-17	-	0.77
2017-18	-	1.75
2018-19	0.27	1.19
2019-20	-	0.86
2020-21	-	1.11
2021-22	0.03	1.94
2022-23	0.06	1.63
2023-24	0.10	4.28
2024-25	6.36	13.98
Total	**7.07**	**29.33**

6. Lettes of confirmation of balances have not been provided for our verification in respect of the following, the impact that my result on reconciliation and reviews of the same cannot be ascertained
   a. Balance due to/from various vendors for supplies and services, EMDs, SDs, other power distribution companies.
   b. Balances due from/to various consumers/customers.

Our opinion is not modified of the aforesaid matters.

Material Uncertainty related to Going Concern

We draw attention to Note No.34 in the financial statements, the events or conditions, mentioned in the said notes indicate that matter uncertainties exist that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information other than the Financial and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and analysis, Board of Directors' Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is material misstatement therein; we are required to report that fact, we have nothing to report in this regard.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified in Section 133 of the Act, read with the Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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. The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Responsible assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to(standalone) financial statements 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 financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materially is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to devaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements:

1. As required by 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 on the financial statements of the company are given in the **Annexure A.**
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure B**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

3. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of 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 and Cash Flow statement dealt with by this Report are in agreement with the books of account.

   d) in our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except for the matters described in the Basis for Qualified Opinion Paragraphs.

   e) The matters described in the Basis for Qualified above, in our opinion, may have an adverse effect on the functioning of the Company.

   f) Being a Government company, the company is exempted from the provisions of section 164 (2) if the Act regarding disqualification of directors vide Notification GSR-463 (E) dated 5th June, 2015 issued by Government of India, Ministry of Corporate Affairs.

   g) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer tour separate Report in **Annexure C.**

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

Being a Government company, the company is exempted from the provisions of section 197 (16) of the Act regarding remuneration to Directors vide Notification GSR-463(E) dated 5th June, 2015 issued by Government of India, Ministry of Corporate Affairs.

   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,in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note No. 30(i) and 30(iii) to the financial statements.

   ii. The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long term contracts including derivative contracts, except as reported in matters described in the Basis for Qualified Opinion.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds(which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries :

b) The Management has represented, that, to the best of its knowledge and belief, no funds(which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.

v. According to information and explanation given to us:

a) no final dividend is proposed in the previous year by the Company;

b) no interim dividend has been proposed by the Company during the year;

c) the Board of Directors of the Company have not proposed any dividend for the financial year under audit.

vi. Based on our examination which included test check, the Company has used an accounting software for maintaining its Books of Accounts which has a feature of recording Audit Trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For V.N. PUROHIT & CO
Chartered Accountants
Firm's Registration No. 304040E

Sd/-
Kamalesh Kumar Sankla
Partner
Membership No.: 229329
UDIN: 25229329BMJHIF3371
Place: Hyderabad
Dated: 29th July 2025

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED ("The Company") of even date)

We report that:

Sl.No.	Questions	Replies
1	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	In order to assess the fair valuation of all investments pertaining to post-retirement benefits, the Company has obtained three separate actuarial reports, each corresponding to distinct category of employees. a. Employee prior to 31.01.1999: Refer Note no 24, the Company has recognized 26% of the actuarial liability as at year end as per the Tripartite Agreement. The ascertained employee retirement benefits liability is Rs 3790.19 crore against which a fund of Rs 10878.47 core is available with TGGENCO Master Trust balance of Rs. 3790.19 crore remains unfunded. b. Employee after 31.01.1999: The ascertained employee retirement benefits liability is Rs 408.99 crore and is completely non-fund based liability. c. Artisans: The ascertained employee retirement benefits liability is Rs 154.34 crore and is completely non-fund based liability. Further, refer note no. 10 towards short term and note no. 6 towards long-term provisions for retirement benefits as per the actuary report. We have relied upon the assumptions & valuation approach of Actuary. Refer Note 24 and its annexures for the detailed report of actuary and their assumptions.
2	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside	Yes, the Company has a system in place to process all the accounting transactions through SAP IT system and revenue related transactions are processed through EBS, which are latter pulled into the SAP IT system. During Financial Year 2024-25, all the accounting transactions have been processed through IT system.

	IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	However, for preparation of financial statements some manual interventions are carried out. **Major discrepancies in certain areas are given here under:** 1. Payroll system module is integrated with finance system module, however, as explained to us, due to pending reconciliation there is a difference of Rs. 0.73 crore being excess in payroll module, when compared to finance module for employee loans. 2. Inter units' balances were not properly processed through IT system, which has resulted in un-cleared credit balance of Rs.62.52 Crore.
3	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	According to the information and explanation given to us and on the basis of our verification of the records funds received/receivable from Central/State Governments or its agencies under various projects/ schemes have been properly accounted for and released to the beneficiaries/spent/utilized as per guidelines and terms & conditions as mentioned in the relevant sanction letters.
4	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the	The Company has identified key Risk areas and has formulated and approved a comprehensive Risk Management Policy on 02.06.2025. As explained to us the, the policy has been prepared keeping in mind the available best practices, however, no reliance has been placed on any International Risk Management Guidelines. The Company is in the business of Power distribution; there are no identifiable data assts which are required to be valued.

	Company has identified its data assets and whether it has been valued appropriately?	
5	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	The Company is an unlisted Government of Telangana controlled State PSU. As explained to us, the company is generally complying with all the applicable rules and regulations of Ministry of Corporate Affairs, Department of Investment and Public Asset Management and Department of Public Enterprises. Further, as explained to us the rules and regulations of Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India are not applicable on the Company.

For V.N. PUROHIT & CO
Chartered Accountants
Firm's Registration No. 304040E

Sd/-
Kamalesh Kumar Sankla
Partner
Membership No.: 229329

Place: Hyderabad
Dated: 29th July 2025

ANNEXURE 'B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED ("The Company") of even date)

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

i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

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

b) We are informed by the Company that no physical verification of Property, Plant and Equipment has been carried-out during the year under report. Accordingly, we are unable to comment regarding any material discrepancies between the fixed assets register and the assets physically available.

c) As per the information given there are 2117 properties held by the Company. However, title deeds including letters of alienation/allotment/physical handing over of the property are available only for 883 properties and not available for rest of 1234 land properties. We are also informed by the company that in respect of the "parcels of land" alienated to it by the State Government or its agencies other than the letters of alienation/allotment/physical handing over, no other legal documents are generally executed.

d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii) a) Physical verification of inventory has been conducted at reasonable intervals by the Management during the year. According to information and explanation given to us, the discrepancies noticed on such verification between the physical stocks and the book records were not material and necessary provisions have been accounted for, wherever required.

b) The Company has been sanctioned working capital limits in excess of Rs. 5.00 Crores, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements of the current assets are filed by the company with such banks or financial institutions. Following are the details of variances noticed between stock statements/receivables statements and the books of account.

(Rs. in Crore)

Particulars	As per Current Assets statement	As per the Books of A/c	Variance
As on June 30th			
i) Stocks	305.79	312.88	(7.09)
ii) Receivables	22,577.57	24,868.23	(2290.66)
As on Sep 30th			
i) Stocks	328.78	330.58	(1.80)
ii) Receivables	24,107.04	26,653.52	(2546.48)
As on Dec 31st			
i) Stocks	321.94	326.82	(4.88)
ii) Receivables	25,722.78	28,192.33	(2469.55)
As on March 31st			
i) Stocks	222.51	224.29	(1.78)
ii) Receivables	27,384.34	30,108.22	(2723.88)

iii) During the year the Company has made an investments amounting to Rs. 6.95 Crore as part of Contingency Reserve Investments (Refer Note:12).

a) During the year the company has not provided any guarantee or security or granted any loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or other parties, except loans granted to staff.

A) The Company has not granted any loans or advances and guarantees or security to subsidiaries, joint ventures and associates.

B) The Company has granted loans or advances in the nature of loans to employees during the year, and following are the details:

Particulars	Rs. in Crores
Aggregate amount of loans granted/ provided to the employees during the year	1.17
Balance outstanding as at balance sheet date in respect of above cases	24.63

b) In our opinion, the investments made and the terms and conditions of the grant of loans to the employees, during the year are prima facie, not prejudicial to the Company's interest.

c) In respect of loans granted to the employees by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv) In our opinion and according to the information and explanations given to us the Company has not granted any loans to parties covered under section 185 and 186 of the Companies Act, 2013, hence, clause 3(iv) of the Order is not applicable

v) The Company has not accepted any deposits or the amounts which are deemed to be deposits from public. Consequently, the clause 3(v) of the order is not applicable to the Company.

vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

vii) In respect of statutory dues:

a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income-tax, sale-tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Goods & Services Tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, except for Goods & Service Tax and Employee State Insurance (ESI) which are not paid regularly.

Accordingly, to the information and explanations given to us, no undisputed amounts are payable in respect of Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added tax or Cess, Goods & Services tax and other statutory dues which were in arrears as at 31st March, 2025 for a period of more than six months from the date they became payable, except the following:

Name of the Statute/Authority	Nature of Dues	Period to which the amount relates	Amount (Rs. In Crore)
Employee State Insurance Act, 1948	Employee State Insurance	F.Y. 2017-18 to F.Y. 2024-25	1.97
Employee Provident Fund Act, 1952	Employee Provident Fund	F.Y. 2014-15 to F.Y. 2024-25	0.72

b) As on 31st March, 2025, there have been no disputed dues, which have not been deposited with the respective of Income Tax, Service Tax, Duty of Customs, and Duty of Excise, Value Added Tax Goods& Services Tax and Cess except the following:

S.No.	Name of the Statute	Nature of the Dues	Amount (Rs. In Crores)	Period to which the amount relates	Forum where dispute is pending
1.	A.P. Tax on entry of goods in local area Act, 2001	Entry tax on goods purchased from out side	286.68	For the financial year from 2002-03 to 2017-18 (Upto June' 2017)	Hon'ble High Court of Telangana
2.	A.P. General Sales Tax Act, 1956	Sales Tax	1.34	For the financial year from 2001-02 to 2004-05	Hon'ble A.P Sales Tax Appellate Tribunal, Hyderabad
3.	A.P.VAT Act, 2005	VAT (including Penalty)	90.56	For the financial year from 2008-09 to 2012-13	Hon'ble High Court of Telangana
			0.44	Financial Years 2008-09 & 2009-10	Appellate Deputy Commissioner, Commercial Taxes Hyderabad.
4.	Finance Act, 1994	Service Tax (including Penalty)	194.53	From July, 2012 to June, 2017	Hon'ble High Court of Telangana
			18.10	From 2012-13 to 2015-16	Customs, Excise and Service Tax Appellate Tribunal
5.	Income Tax Act, 1961	TDS	14.88	Financial Year 2006-07	Hon'ble High Court of Telangana
			78.37	For the Financial Years 2007-08 & 2008-09	Hon'ble Supreme Court of India
		Income Tax	1.09	For the Assessment 2018-19	Hon'ble Commissioner of Income Tax (Appeals)
6.	EPF Act	EPF	0.23	2017-18	Central Government Industrial Tribunal, Hyderabad
			14.16	From 2014-15 to 2016-17	Hon'ble High Court of Telangana
7.	ESI Act	ESI	0.28	From July 2017 to Sep 2018	Hon'ble Employees Insurance Court

viii) In our opinion and according to the information and explanations given to us, there are no transactions in the books of accounts relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix) a) According to the information and explanations given to us, the Company has not defaulted in repayment of any loan installments in respect of term loans from financial institutions and banks.

b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given to us term loans were applied for the purpose for which the loans were obtained.

d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies during the year.

x) a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully of partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi) a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

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

c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii) According to the information and explanations given to us and on overall examination of the records of the Company, we report that all transactions with related parties are in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013 and the related party disclosures, to the extent applicable, as required by relevant Accounting Standards are disclosed in the financial statements.

xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi) a) In our opinion, the Company is not required to be registered under section45-IA of the Reserve Bank of India Act, 1934 as defined in the regulations of the Reserve Bank of India.

b) The company has not conducted any Non-banking financial or Housing finance Activities during the year.

c) In our opinion, the Company is not a Core Investment company, as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 regulations of the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable.

d) In our opinion, the Company is not a Core Investment company and there are no Core Investment companies in the group. Hence, reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii) The Company has incurred cash loss of Rs. 607.14 Crore during the financial year covered by our audit and the Company has incurred cash loss of Rs. 4,575.59 Crore during the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors of the Company during the year.

xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) Provisions of Corporate Social Responsibility (CSR) are not applicable to the company, hence clauses 3(xx)(a) & 3(xx)(b) are not applicable to the Company as the Company has incurred losses during the financial year under audit and also during the preceding two financial years.

xxi) The reporting under clause (xxi) of the order is not applicable in respect of the audit of standalone financial statements of the company. Accordingly, no comment has been included in respect of the said clause under this report.

For **V. N. PUROHIT & CO.**
Chartered Accountants
Firm's Registration No. 304040E

Sd/-
Kamalesh Kumar Sankla
Partner
Membership No.: 229329

Place: Hyderabad

Dated: 29th July 2025

ANNEXURE – 'C' TO AUDITOR'S REPORT

(Referred to in paragraph 3(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls with reference to Financial Statements of Southern Power Distribution Company of Telangana Limited, as on 31st March, 2025 in conjunction with our audit of the 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." 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 Company's Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's financial control with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards of Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements were established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 controls system with reference to these financial statements.

Meaning of Internal Financial Controls with reference to the Financial Statements

A Company's internal financial control with reference to the financial statements 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 with reference to the financial statements includes those policies and procedures that:

i) Pertain to the maintenance of records that, in reasonable detail, accurately reflect the transactions and dispositions of the assets of the company;

ii) 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

iii) 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 limitation of internal financial controls with reference to the financial statements, 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 control with reference to the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedure may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the company's internal controls with reference to the financial statements as at 31st March, 2025;

Absence of control in respect of:

a. Not carrying out periodic physical verification of Plant, Property and Equipment and also not having any policy with regard.

b. Not in possession of valid title deeds of many of the land properties held by the company.

c. Capitalisation of capital work orders without work order completion certificates and non-closure of work orders.

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

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31st March, 2025, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on audit of Internal financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India" and except for the possible effect of the material weaknesses described above on the achievements of the objectives of the control criteria, the company's internal financial controls with reference to the financial statements were operating effectively as at 31st March, 2025.

For **V. N. PUROHIT & CO.**
Chartered Accountants
Firm's Registration No. 304040E

Sd/-
Kamalesh Kumar Sankla
Partner
Membership No. 229329

Place: Hyderabad

Dated: 29th July 2025

C&AG REPORT

भारत सरकार

OFFICE OF THE ACCOUNTANT GENERAL (Audit)
Telangana, Hyderabad

Lr.No.PAG(Audit)/TG/AMG-II(Power)/AA/TGSPDCL/2025-26/29A Dated: 29.09.2025

To
The Chairman and Managing Director,
Southern Power Distribution Company of Telangana Limited,
Mint Compound, Hyderabad-500 063.

Sub:- Comments under section 143 (6) (b) of the Companies Act, 2013 on the accounts of Southern Power Distribution Company of Telangana Limited for the year ended 31 March 2025.

Sir,

I am to forwarding herewith comments of the Comptroller and Auditor General of India under Section 143 (6) (b) of the Companies Act, 2013 on the accounts of your Company for the year ended 31st March 2025 for necessary action.

1. The date of placing of Comments along with Annual Accounts and Auditors' Report before the Shareholders of the Company may be intimated and a copy of the proceedings of the meeting may be furnished.
2. The date of forwarding the Annual Report and Annual Accounts of the Company together with the Auditors' Report and Comments of the Comptroller and Auditor General of India to the State Government for being placed before the Legislature may also be communicated.
3. Five copies of the Annual Report for the year 2024-25 may be furnished in due course. The receipt of this letter along with enclosures may please be acknowledged.

Yours faithfully,

Sd/-
(Dr. Sanjay Rao Kamineni)
Senior Deputy Accountant General / AMG-II

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT) TELANGANA, HYDERABAD

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THE SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED (TGSPDCL) FOR THE YEAR ENDED 31 MARCH 2025.

The preparation of the Financial Statements ot **Southern Power Distribution Company of Telangana Limited** (Company) for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the Financial Statements under Section 143 of the Act based on independent audit in accordance with the Standards on Auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated **29 July 2025.**

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of the Southern Power Distribution Company of Telangana Limited for the year ended 31 March 2025 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and Company's 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 I43(6)(b) ot 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

Income

Revenue from Operations (Note 21) - ₹ 44,517.88 crore

1. The Revenue from Operations was overstated by ₹ 2,701.70 crore due to accounting of financial assistance of a) ₹ 2,454.77 crore received in 2024-25 towards "taking over of 50 *percentage* losses pertaining to financial year 2023-24 under Ujwal DISCOM Assurance Yojana (UDAY) Scheme" and b) ₹ 246.93 crore grant received to ensure reliable power supply.

   In accordance with Accounting Standard (AS) 12 -Accounting for Government Grants and AS 5 - Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies, these amounts should have been classified as a separate line item under Extraordinary Items. However, it was reported under Revenue from Operations, resulting in overstatement of Revenue from Operations and a corresponding understatement of Extraordinary Items by ₹ 2,701.70 crore.

Expenses

Finance Cost (Note 26) - ₹ 4,174.72 crore

2. Telangana Distribution Companies (TGDISCOMs, i.e. TGSPDCL & TGNPDCL) have availed cash credit facilities and working capital loans to meet the power purchase costs. Though the loans are specific to respective distribution companies, the interest cost serviced during the year 2024-25

on cash credit and working capital loans was apportioned in power allocation ratio instead of actual interest incurred by respective DISCOM. This has resulted in excess apportionment of interest to TGSPDCL compared with actual interest costs incurred. This has resulted in Overstatement of Finance Cost and Understatement of Other Current Assets by ₹ 522.98 crore consisting of interest of ₹ 494.29 crore towards cash credit facilities and ₹ 28.69 crore on working capital loans.

B. Comments on Financial Position

Balance Sheet

Current Liabilities

Short Term Provisions - Note (10) - ₹ 907.99 crore

3. The Board of Directors, in its 190th meeting held on 29.07.2025. approved the proposal to write off the gap of ₹ 803.45 crore between the tariff subsidy approved by TGERC and the subsidy actually released by the Government of Telangana during the financial years 2014-15 to 2019-20.

   Since this amount pertains to tariff subsidy, it continues to be pursued with the Government for realization. Moreover, the fact of non-realisation is reauired to be placed before the Hon'ble Telangana Electricity Regulatory Commission (TGERC) for an appropriate decision. Where uncertainty exists regarding recoverability, a provision may be considered. However, writing off the receivable from the books while it is still under active pursuit with the Government and pending a decision from TGERC is not appropriate. This has resulted in understatement of short-term provisions and Other Current Assets by ₹ 803.45 crore.

Assets

Current Assets

Short-term Loans and Advances - ₹ 776.72 crore (Note 19)

4. The Short-term Loans and Advances were overstated by ₹ 740.49 crore due to misclassification of receivables from Government of Telangana towards Additional power purchase cost, Wheeling Charges, Tariff Subsidy and Other receivables.

   As these amounts represent recoverable dues and not advances extended by TGSPDCL, their classification under Short-term Loans and Advances is incorrect. This has resulted in an overstatement of Short-term Loans and Advances (Note 19) and understatement of Other Current Assets (Note 20) by ₹ 740.49 crore.

C. Comments of Disclosure

5. In accordance with Rule 5 of the Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024, TGSPDCL is required to maintain minimum provisions for trade receivables ranging from 5% to 75%, depending on the period of pendency. However, in its Significant Accounting Policy No. 1.13(b), TGSPDCL states that provision for bad and doubtful debts is made for LT private bill stopped services and HT bill stopped outstanding for more than 24 months. This treatment does not align with the minimum provisioning requirements prescribed under Rule 5 of the Electricity Distribution (Accounts and Additional Disclosure) Rules. 2024. Consequently, the Financial Statements of TGSPDCL are deficient to that extent. The financial impact is not quantifiable.

Contingent Liabilities (Note 30)

6. The Contingent liabilities do not include ₹ 282.16 crore towards energy charges payable to Singareni Collieries Company Limited (SCCL) for the year 2024-25. SCCL has been raising the energy bills every month as per TGERC MYT tariff order dated 28.06.2024 in OP 4 of 2024, according to which, approved energy charges include an additional piemium on coal price. TGSPDCL has been disallowing the additional premium every month and has been paying energy charges, referring to TGERC orders dated 01.04.2024 in OP No. 13 of 2023 wherein the levy of additional premium was disallowed. The review petition filed by Telangana Power Coordination Committee against the TGERC orders dated 28.06.2024 with TGERC was rejected. The TGPCC filed an appeal in Appellant Tribunal for Electricity (APTEL). Since TGERC orders on allowing additional coal premium were contradictory and the appeal filed by TGPCC was pending with APTEL, the same should be disclosed under contingent liabilities.

Other Notes to Financial Statements (No.36)

7. Provision 12.5.2 of the Regulations No. 1 of 2023 (applicable for FY 2023-24) and Provision 13.3 of the Regulations No. 2 of 2023 (applicable for FY 2024-25) notified by TGERC, mandate that TGSPDCL shall levy and collect Fuel Cost Adjustment (FCA) charges as part of the retail supply tariff. However, TGSPDCL neither levied nor recognised FCA charges in its accounts.

   As a result of non-levy, TGSPDCL could not collect ₹ 9,040.15 crore during FYs 2023-24 and 2024-25. The non-levy and consequential quantum of revenue loss was not disclosed under Note No.36 of the financial statements. Accordingly, the disclosure was incomplete and deficient.

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

Place: Hyderabad
Date: 29.09.2025

Sd/-
(P. Madhavi)
PRINCIPAL ACCOUNTANT GENERAL (AUDIT), TELANGANA

PROXY FORM

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

Form No. MGT -11

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

CIN :	:	U40109TG2000SGC034116
Name of the Company	:	SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED
Registered Office	:	6-1-50, Mint Compound, Hyderabad – 63
Name of the Member(s)	:	
Registered Address	:	
E-Mail Id	:	
Folio. No/Client Id	:	
DP ID	:	

I/We, being the member(s) of …………. Shares of the above named Company, hereby appoint

1. Name : ………………..
   Address :
   E-Mail Id :
   Signature : …………., or failing him
2. Name :
   Address :
   E-Mail Id :
   Signature : …………., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on the Tuesday, the 29th day of September, 2025 at 4.00 P.M at the Registered office of the company at 6-1-50, Mint Compound, Hyderabad -63 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. ……………………..
2. ……………………..
3. ……………………..

Signed this …………… day of 29.09.2025

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

AVERAGE REALISATION FROM SALE OF POWER

Average Realisation from sale of Power Schedule - 3 for F.Y. 2024-25

Consumer Category	No. of Consumers (Excluding Bill Stopped)	KWH Sales (MU)	KVAH Sales (MU)	Revenue (Rs.Crs)	% of Units Sold on kvah	Average Realisation (Rs/Unit) kvah	2023-24 Average Realisation (Rs/Unit) (kvah)
L.T. Cat.-I Domestic	8057103	11660.20	11660.27	6,532.04	20.52	5.60	5.61
L.T. Cat.-II Non-Domestic	1195827	3787.53	3885.45	4,551.98	6.84	11.72	11.71
L..T.Cat-III Industrial	46140	986.71	1082.71	1,021.43	1.91	9.43	9.31
L.T. Cat-IV Cottage Industries	5470	9.00	9.00	4.42	0.02	4.91	4.82
L.T. Cat-V Agriculture	1410883	15209.04	15209.04	53.30	26.77	0.04	0.03
L.T. Cat-VI Street Lights & Waterworks	109018	496.33	516.63	397.88	0.91	7.70	7.70
L.T. Cat-VII General Purpose	26711	102.11	102.26	89.39	0.18	8.74	8.82
L.T. Cat-VIII Temporary Supply	21417	139.98	148.31	196.94	0.26	13.28	13.19
L.T. Cat-IX EVCS	402	5.88	5.95	3.95	0.01	6.64	7.34
L.T. Total	**10872971**	**32396.78**	**32619.62**	**12851.32**	**57.41**	**3.94**	**3.76**
H.T. Cat.I Industrial	6752	15382.01	15614.59	13,193.91	27.48	8.45	8.47
H.T. Cat.II Others	5281	3999.82	4077.45	4,393.01	7.18	10.77	10.73
H.T. Cat.III Aviation	14	115.00	115.28	104.45	0.20	9.06	9.19
H.T. Cat.IV Lift Irrigation & CPWS	304	2880.26	3001.27	2,288.14	5.28	7.62	7.89
H.T. Cat.V Railway Traction & HMR	19	665.66	641.16	479.92	1.13	7.49	7.65
H.T. Cat.VI Residential Colonies	257	432.80	431.87	347.19	0.76	8.04	7.98
H.T. Cat-VII Temporary Supply	664	262.39	285.51	441.04	0.50	15.45	16.90
H.T. Cat-IX EVCS	34	29.29	29.50	18.93	0.05	6.42	6.66
H.T. Total	**13325**	**23767.23**	**24196.63**	**21266.59**	**42.59**	**8.79**	**8.86**
L.T. + H.T. Total	**10886296**	**56164.01**	**56816.26**	**34,117.91**	**100.00**	**6.00**	**5.85**
Add: Electricity Duty				241.31			
Gross Revenue				**34,359.22**			

ENERGY SAVED IS
ENERGY PRODUCED

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

(A Govt. of Telangana Undertaking)
CIN No. U40109TG2000SGC034116
6-1-50, Mint Compound, Hyderabad 500063.
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