



Independent Practitioner's Review Report on the Quarterly Unaudited Financial Results of the Company Pursuant to the guidelines issued by Ministry of Power, Govt. of India.

Review Report to the Board of Directors

Southern Power Distribution Company of Telangana Limited (Formerly known as Central Power Distribution Company of Andhra Pradesh Limited)

Introduction

We have reviewed the accompanying statement of unaudited financial results of M/s. **Southern Power Distribution Company of Telangana Limited** for the quarter ended 31st December, 2023. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on this interim financial information based on our review.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with accounting principles generally accepted in India, including the Accounting Standards specified in Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with Standard on Review Engagements (SRE) 2400 (Revised), Engagements to Review Historical Financial Statements. SRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements. A review of financial statements in accordance with SRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.



Basis for Qualified Conclusion:

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 Policy No.1.5(c), amounting to Rs.28.26 Crores 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 Crores as a reduction in the share capital, recognized Rs.723.01 Crores as "Capital Reserve" resulting in understatement of its negative net-worth by Rs.1,048.29 Crores and consequential overstatement of "Receivables."



3. Amount of Rs.3459.65 Crores towards surcharge on late payment payable to Singareni Thermal Power Plant (STPP) for the financial years 2019-20, 2020-21, 2021-22 & 2022-23 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. Long Term Investments in the Balance Sheet are carried at cost at Rs.426.01 crores. The management has not accounted for the permanent diminution in the value of investments amounting as on 31.03.2023 as per the requirement of Accounting Standard - 13 "Accounting for Investments". Due to non-availability of audited financial statements of APPDCL for FY 2022-2023, we are unable to ascertain its impact on the Financial Statements.
5. Interest on JICA loan applied from 31.03.2016 instead of 20.06.2019, i.e due date for first instalment, resulting overstatement of Loss by Rs.4.52 crores.
6. Overall impact of the above Qualifications which are quantifiable is as follows:
 - a) Understatement of Net loss for the Quarter – Rs. 3,455.13 Crores
 - b) Understatement of Negative Net worth – Rs. 4,503.42 Crores

Qualified Conclusion

Based on our review conducted as above, with the exception of the matters described in the preceding paragraphs, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the state of affairs of the Company as at December 31, 2023 and of its results of operations and its cash flows for the three month period then ended. And nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results are not prepared in accordance with applicable accounting standards and other recognized accounting practices and policies except for the matters described in the preceding paragraphs.

For Ramanatham & Rao.
Chartered Accountants
FRN:002934 S



(L Mahesh Kumar)

Partner

ICAI Membership: No.212851

UDIN: 24212851BKELW112904

Place: Hyderabad

Date :

29 FEB 2024

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SOUTHERNPOWER DISTRIBUTION COMPANY OF TELANGANA LIMITED
CIN U40109TG2000SGC034116
(Formerly Central Power Distribution Company of Andhra Pradesh Limited)

BALANCE SHEET AS AT 31st DEC' 2023 (Rs. in Crore)

	Particulars	Note No.	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
I	EQUITY AND LIABILITIES					
1	Shareholders' Funds					
	(a) Share Capital	2	12,017.93	12,017.93	12,017.93	12,017.93
	(b) Reserves and Surplus	3	(38,830.12)	(36,055.55)	(30,296.45)	(36,255.32)
	(c) Money received against share warrants		-	-	-	-
2	Share application money pending allotment					
	i. Funds by Government of Telangana	3.1				
3	Non-Current Liabilities					
	(a) Long-term Borrowings	4	18,687.53	18,735.92	17,595.06	15,410.12
	(b) Deferred tax liabilities (Net)		-	-	-	-
	(c) Other Long term liabilities	5	318.890	323.57	292.38	323.88
	(d) Long-term Provisions	6	2,248.200	2,260.59	1,798.19	2,288.75
4	Current Liabilities					
	(a) Short-term Borrowings	7	8,409.63	6,263.21	2,709.10	6,706.63
	(b) Trade Payables					
	(i) MSMEs	8	0.51	-	3.96	12.01
	(ii) Other than MSMEs		29,839.09	29,042.82	25,339.35	30,027.55
	(c) Other Current Liabilities	9	7,548.82	7,089.74	6,278.25	6,512.08
	(d) Short-term Provisions	10	1,883.66	985.49	315.67	2,781.53
	TOTAL		42,124.14	40,663.72	36,053.44	39,825.16
II	ASSETS					
1	Non-Current Assets					
	(a) Property, Plant, Equipment and Intangible Assets					
	(i) Plant, Property and Equipment	11	10,676.15	10,526.04	9,862.17	9,987.88
	(ii) Intangible Assets		18.18	19.35	22.84	21.69
	(iii) Capital Work in Progress		1,076.56	1,058.71	1,084.07	1,206.97
	(b) Non-Current Investments	12	495.88	495.53	489.96	487.60
	(c) Deferred Tax Assets (Net)	13	1,646.22	1,646.22	1,803.68	1,646.22
	(d) Long-term loans and advances	14	242.74	242.03	262.25	254.81
	(e) Other Non-current Assets	15	5.72	5.87	5.55	5.10
2	Current Assets					
	(a) Current Investments		-	-	-	-
	(b) Inventories	16	332.32	334.34	239.97	228.04
	(c) Trade Receivables	17	20,012.06	18,166.22	15,326.57	16,044.09
	(d) Cash and cash equivalents	18	810.55	1,275.59	(68.59)	132.21
	(e) Short-term Loans and Advances	19	1,443.93	1,550.98	1,440.98	1,437.59
	(f) Other Current Assets	20	5,363.83	5,342.84	5,583.99	8,372.96
	Total		42,124.14	40,663.72	36,053.44	39,825.16
	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 TS Limited

For M/s Ramanatham & Rao
Chartered Accountants
FR No. 002934 S

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

L. Mahesh Kumar
Partner
M. No 212851
Date :
Place: Hyderabad

P. Krishna Reddy
Chief General Manager
(Finance)

Anil Kumar Voruganti
Company Secretary
F.No. 9521

29 FEB 2024

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SOUTHERNPOWER DISTRIBUTION COMPANY OF TELANGANA LIMITED
CIN U40109TG2000SGC034116
(Formerly Central Power Distribution Company of Andhra Pradesh Limited)

STATEMENT OF PROFIT & LOSS FOR THE THIRD QUARTER ENDED 31ST.DEC'2023 (Rs. in Crore)

Particulars		Note No.	Q3 of 2023-24	Q2 of 2023-24	Cumulative for 2023-24	Q3 of 2022-23	2022-23 (Audited)
I	Revenue from Operations	21	9,148.02	9,818.07	28,412.90	8,277.12	33,957.03
II	Other Income	22	77.39	153.07	294.45	141.57	297.67
III	Total Income		9,225.41	9,971.14	28,707.35	8,418.69	34,254.70
IV	Expenses						
	Power Purchase Expense	23	10,593.44	8,350.54	27,193.49	8,329.73	35,510.71
	Employee Benefit expense	24	728.85	698.35	2,041.00	532.93	3,081.10
	Operating and Other Expenses	25	93.12	83.76	229.77	82.00	348.71
	Finanee Costs	26	623.15	744.32	2,039.49	531.97	2,500.58
	Depreciation and amortization expense	11	214.57	209.31	625.61	240.89	801.90
	Total Expenses		12,253.13	10,086.28	32,129.36	9,717.52	42,243.00
V	Profit/(Loss) before exceptional & extraordinary items and tax (III-IV)		(3,027.72)	(115.14)	(3,422.01)	(1,298.83)	(7,988.30)
VI	Exceptional Items	27	4.76	5.27	14.36	(307.10)	1.72
VII	Profit/(Loss) before extraordinary items and tax (V-VI)		(3,032.48)	(120.41)	(3,436.37)	(991.73)	(7,990.02)
VIII	Extraordinary Items		-	-	-	-	-
IX	Profit/(Loss) before tax (VII-VIII)		(3,032.48)	(120.41)	(3,436.37)	(991.73)	(7,990.02)
X	Tax Expense:						
	(1) Current Tax		-	-	-	-	-
	(2) Deferred Tax	13	-	-	-	-	(157.46)
XI	Profit (Loss) for the period from continuing operations (IX-X)		(3,032.48)	(120.41)	(3,436.37)	(991.73)	(8,147.48)
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)		(3,032.48)	(120.41)	(3,436.37)	(991.73)	(8,147.48)
XVI	Earnings per equity share (Amount in Rs.):						
	(1) Basic		(2.52)	(0.10)	(2.86)	(0.83)	(6.78)
	(2) Diluted		(2.52)	(0.10)	(2.86)	(0.83)	(6.78)
	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 M/s Ramanatham & Rao

Chartered Accountants
FR No. 002934 S

L Mahesh Kumar

L. Mahesh Kumar
Partner

M. No 212851

Date: 29 FEB 2024

Place: Hyderabad

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

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

P. Krishna Reddy
P. Krishna Reddy
Chief General Manager
(Finance)

V. Anil Kumar
Anil Kumar Voruganti
Company Secretary
F.No. 9521

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SOUTHERNPOWER DISTRIBUTION COMPANY OF TELANGANA LIMITED
CIN U40109TG2000SGC034116
(Formerly Central Power Distribution Company of Andhra Pradesh Limited)

CASH FLOW STATEMENT FOR THE THIRD QUARTER ENDED 31st DEC'2023 (Rs. in Crore)

Particulars	Quarter Ended 31st Dec. 2023	Quarter Ended 30th Sept. 2023
A. Cash flows from operating activities:		
Net Profit before tax	(3,032.48)	(120.41)
Adjustments :		
Add: Depreciation	214.57	209.31
Add: Interest on Long Term Borrowings	111.59	107.71
Less: Interest on Investments	(3.56)	(3.56)
Add: Loss on Sale of Property Plant and Equipment		
Add: Non Cash Expenditure		
Less: Withdrawal of Depreciation on Consumer Contributed Assets	-	-
Operating profit before working capital changes	(2,709.88)	193.05
Changes in Working Capital		
Increase/(Decrease) in Non-Current Liabilities		
Other Long Term Liabilities	(0.23)	(5.40)
Long Term Provisions	(12.39)	(19.60)
(Increase)/Decrease in Non-Current Assets		
Long-term Loans & Advances	1.97	1.71
Other Non-current Assets	0.15	0.08
Increase/(Decrease) in Current Liabilities		
Short Term Borrowings	2,146.42	2,349.42
Trade Payables	796.78	(965.37)
Other Current Liabilities	459.08	251.71
Short Term Provisions	898.17	(1,124.74)
Increase/(Decrease) in Employee Liability	-	-
(Increase)/Decrease in Current Assets		
Inventories	2.02	(33.65)
Trade Receivables	(1,845.84)	(982.08)
Short-term Loans & Advances	107.05	(110.91)
Other Current Assets	(20.99)	3,041.51
Cash generated from operations	(177.69)	2,595.73
Net Cash flow from Operating Activities	(177.69)	2,595.73
B. Cash flows from investing activities:		
Purchases/Investments of Property Plant and Equipment	(363.51)	(494.54)
Purchases/Investments in Capital Work in Progress	(17.85)	54.27
(Purchase of Investments)/Redemption	(0.35)	(2.15)
Interest on Investments	3.56	3.56
Investment in Capital Advances	(2.68)	16.22
Increase in Other Long Term Liabilities	(8.19)	(0.14)
Net cash flow from investing activities	(389.02)	(422.78)
C. Cash flows from financing activities:		
Consumer Contributions Received	257.53	290.34
Increase (Decrease) in Long Term Borrowings	(48.39)	(1,852.72)
Interest paid on Long Term Borrowings	(111.59)	(107.71)
Increase in Contingency Reserve	0.38	2.09
Increase in GIS Saving Fund	0.12	0.09
Increase in Self Funding Medical Scheme	3.62	0.29
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	101.67	(1,667.62)
Net Increase/ (Decrease) in cash and cash equivalents during the year	(465.04)	505.33
Cash and cash equivalents at the beginning of the year	1,275.59	770.26
Cash and cash equivalents at the end of the year	810.55	1,275.59

As per our report of even date

For M/s Ramanatham & Rao
Chartered Accountants
FR No. 002934 S



L. Mahesh Kumar
Partner
M. No 212851
Date :
Place: Hyderabad

29 FEB 2024

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

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

P. Krishna Reddy
Chief General Manager
(Finance)

V. Anil Kumar
Anil Kumar Voruganti
Company Secretary
F.No. 9521

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Notes to Financial Statements for the third quarter ended 31st Dec' 2023	
1	Company Overview
	<p>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.</p>
	<p>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.</p>
	Significant accounting policies
1.1	a. Basis of preparation
	<p>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.</p>
	b. Functional and Presentation of Currency
	<p>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.</p>
1.2	Use of estimates
	<p>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.</p>
	<p>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.</p>
1.3	Cash flow statement
	<p>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.</p>



Notes to Financial Statements for the third quarter ended 31st Dec' 2023	
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 TSPCC 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
	<ul style="list-style-type: none"> • 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.
	<ul style="list-style-type: none"> • 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.



Notes to Financial Statements for the third quarter ended 31st Dec' 2023	
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) . Rate of Depreciation as per the CERC notification were adopted from the financial year of 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%
	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.



Notes to Financial Statements for the third quarter ended 31st Dec' 2023	
1.8	Consumers 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.



Notes to Financial Statements for the third quarter ended 31st Dec' 2023	
	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.



Notes to Financial Statements for the third quarter ended 31st Dec' 2023	
1.14	Accounting for Demerger
	<p>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 Crores, in Note No. 4 Long Term Borrowings for an amount of Rs. 773.85 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. 4230.74 Crores have been shown in Note No. 20 under the head other current assets.</p>
	Accounting for Merger(Re-organisation of districts in Telangana)
	<p>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 TSNPDCL were now re-organised to Siddipet District.</p> <p>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 TSNPDCL.</p> <p>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 .</p>
	<p>iv) The Govt of Telangana vide GO Ms No. 20 Dated: 23.02.2019 has re-transferred the Gundala Mandal from the TSNPDCL Jurisdiction to TSSPDCL and the said Mandal was earlier transferred from the TSSPDCL to TSNPDCL and with regard to the transfer of assets and liabilities, the TSSPDCL 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.</p>



Notes to Financial Statements for the third quarter ended 31st Dec' 2023	
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 TSSPDCL, TSNPDCL, APEPDCL and APSPDCL respective. And considering (38.02 Plus 15.87 %) as equal to 100 % of Both Discoms TSSPDCL and TSNPDCL, the proportionate percentage of TSSPDCL comes to $(38.02/53.89)*100$ is equal to 70.55 % and similarly in respect of TSNPDCL $(15.87/53.89)*100$ is equal to 29.45 %. Accordingly, TSPCC has allocated power purchase cost between the TSSPDCL and TSNPDCL 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 TSPCC and are intimated to the DISCOMs, which are adopted in the Company's books.



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SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LTD.

2- SHARE CAPITAL

A. 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 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. in Crore	Rs. in Crore	Rs. in Crore	Rs. in Crore
Authorised				
2000,00,00,000 Equity shares of ₹ 10 each	20,000.00	20,000.00	20,000.00	20,000.00
Issued, Subscribed And Paid-up				
1,201,79,30,306 Equity shares of ₹ 10 each fully paid up	12,017.93	12,017.93	12,017.93	12,017.93
TOTAL	12,017.93	12,017.93	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 Dec. 2023 (As at 31.03.2023)	
	No. of Shares held	% of Holding
Equity Shares		
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.

3 - RESERVES & SURPLUS

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. in Crore	Rs. in Crore	Rs. in Crore	Rs. in Crore
a. Consumer Contribution towards capital assets				
Opening Balance	8,163.30	7,872.96	7,063.32	6,562.80
(+) Current year Receipts	257.65	290.34	282.21	999.29
Closing Balance	8,420.95	8,163.30	7,345.53	7,562.09
b. Subsidies towards cost of capital assets				
Opening Balance	73.40	73.40	73.40	73.40
(+) Current year Receipts	-	-	0.00	-
Closing Balance	73.40	73.40	73.40	73.40
c. Grants/Donations towards cost of capital assets				
Opening Balance	1,324.53	1,324.53	1,032.39	1,032.39
(+) Current year Receipts	-	-	291.40	292.14
Closing Balance	1,324.53	1,324.53	1,323.79	1,324.53
Total (Closing balance of a+b+c)	9,818.88	9,561.23	8,742.72	8,960.02
Less: Withdrawal towards cost of Capital Assets				
Opening Balance	(3,673.09)	(3,673.09)	(3,344.93)	(3,344.93)
(+) Current year Amortization to Statement of Profit and Loss	-	-	-	(328.16)
Closing Balance	(3,673.09)	(3,673.09)	(3,344.93)	(3,673.09)
Total	6,145.79	5,888.14	5,397.79	5,286.93
d. Statutory Reserves:				
Contingency Reserve Fund				
Opening Balance	66.52	64.43	62.95	57.76
(+) Current year Receipts	0.38	2.09	0.71	6.48
Closing Balance	66.90	66.52	63.66	64.24
e. Capital Reserve on Demerger				
Opening Balance	723.01	723.01	723.01	723.01
(+) Transfer on Demerger	-	-	-	-
Closing Balance	723.01	723.01	723.01	723.01
f. Surplus				
Opening Balance	(42,733.34)	(42,612.81)	(35,489.18)	(34,182.02)
(+) Net Profit/(Net Loss) For the Current Year	(3,032.48)	(120.41)	(991.73)	(8,147.48)
Closing Balance	(45,765.82)	(42,733.22)	(36,480.91)	(42,329.50)
Grand Total	(38,830.12)	(36,055.55)	(30,296.45)	(36,255.32)



SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LTD.

3.1 SHARE APPLICATION MONEY PENDING FOR ALLOTMENT

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
Investment in Discoms by Govt. of Telangana	-	-	-	-
Funds received under the UDAY Scheme	-	-	-	-
Total	-	-	-	-

4 - LONG TERM BORROWINGS

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Bonds	2,024.65	2,024.65	2,024.65	2,024.65
Term Loans				
i) From Banks	-	-	24.61	-
ii) From Other Parties	16,662.88	16,711.27	15,545.80	13,385.47
Total	18,687.53	18,735.92	17,595.06	15,410.12

5- OTHER LONG TERM LIABILITIES

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Vendor Deposits	149.07	148.55	124.26	148.39
Contribution Works	28.91	29.66	33.09	32.20
Other Liabilities	125.28	133.47	122.11	133.20
GIS - Insurance & Saving Fund	6.41	6.29	5.63	6.06
Self Funding Medical Scheme	8.77	5.29	6.98	3.72
Accidental Risk Self Funding Scheme	0.45	0.31	0.31	0.31
TOTAL	318.89	323.57	292.38	323.88

6 - LONG TERM PROVISIONS

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Provision for employee benefits				
Gratuity (unfunded)	417.16	417.26	262.51	417.68
Leave Encashment (unfunded)	1,291.13	1,295.66	948.99	1,307.37
TSSPDCL Pension and Gratuity Trust (Funded)	292.03	292.03	430.96	292.03
Medical Expenses (PRMS)	247.88	255.64	155.73	271.67
TOTAL	2,248.20	2,260.59	1,798.19	2,288.75

7 - SHORT TERM BORROWINGS

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
1. Loans Repayable on Demand				
i) From Banks	795.53	606.04	1,271.90	1,275.17
ii) From Other Parties	6,980.56	4,997.63	999.88	1,318.82
Total	7,776.09	5,603.67	2,271.78	2,593.99
2. Current maturities of long-term debt *	633.54	659.54	437.32	4,112.64
Total	8,409.63	6,263.21	2,709.10	6,706.63



SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LTD.

8- TRADE PAYABLES

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Unsecured				
(i) Micro, Small and Medium Enterprises (MSMEs)	0.51	-	3.96	12.01
(ii) Other than MSME				
APEPDCL	989.70	989.80	990.18	990.06
APSPDCL	481.11	481.21	(1,549.24)	481.47
APCPDCL (HQ at VJA)	(0.76)	(0.72)	-	-
TSNPDCL	935.44	691.79	(544.47)	210.20
TSGENCO	5,875.87	5,102.81	2,730.91	5,693.13
APGENCO	3,334.73	3,334.73	3,334.73	3,334.73
APTRANSCO	5.77	5.77	5.76	5.76
TGTRANSCO	1,354.42	1,305.91	1,227.15	1,300.36
Other Power Purchase Creditors	16,280.42	16,568.20	18,794.19	17,382.87
Other Payables	582.39	563.32	350.14	628.97
Total	29,839.60	29,042.82	25,343.31	30,039.56

9 - OTHER CURRENT LIABILITIES

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Employee related liabilities	218.84	241.26	160.41	168.20
Statutory Liability	129.27	70.55	(274.16)	61.98
Advance from Customers	133.12	126.62	99.62	149.65
Consumer Deposits	5,188.14	5,120.02	4,527.79	4,580.59
Gov. of AP SC/ST Payable	3.47	3.47	3.47	3.47
Inter Unit Accounts	382.23	31.92	488.86	114.17
Interest Payable on Consumer Deposit	230.41	230.41	147.15	230.41
Interest Accrued and due	718.56	718.56	594.00	656.28
Other Liabilities	502.55	503.54	502.72	511.32
Artisans Salaries Payable	33.29	34.50	25.84	27.60
GST Liabilities	8.11	8.21	7.03	8.41
APCPDCL GPF Tust	0.83	0.68	(4.48)	-
Total	7,548.82	7,089.74	6,278.25	6,512.08

10 - SHORT TERM PROVISIONS

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Provision for Employee cost	393.23	398.73	30.28	398.73
RPF Fund	0.01	0.01	0.01	0.01
Provision for Admin Expenses	10.96	10.96	10.12	11.86
Provision for CWIP	1.59	1.59	1.53	1.59
Provision for Interest	369.95	369.95	144.31	370.77
Provision for O&M works	1.24	1.24	1.70	1.24
Provision for R & C Penalties	0.10	0.10	0.10	0.10
Provision for Power Purchase Cost	903.67	-	-	1,794.32
Gratuity (unfunded)	2.21	2.21	1.45	2.21
Leave Encashment (unfunded)	79.69	79.69	54.17	79.69
TSSPDCL Pension & Gratuity Trust	-	-	-	-
Medical Expenses (PRMS)	121.01	121.01	72.00	121.01
Total	1,883.66	985.49	315.67	2,781.53



SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LTD.

Note No.11 - Property Plant, Equipment and Intangibles (Rs. In Crore)

S. No	Particulars	Gross Carrying Values				Depreciation & Amortization					Net Carrying Values				
		As at 1st Oct. 2023	Additions	Deletions/ Adjustments	Deletions Through Business Combinations	As at 31st Dec. 2023	As at 1st Oct. 2023	Depreciation charge for the quarter	Deletions/ Adjustments	Additions through business combinations	As at 31st Dec.2023	As at 31st Dec. 2023	As at 30th Sept. 2023	As at 31st Dec. 2022	As at 31st Mar. 2023
a	Plant, Property and Equipment														
	Land	8.64	-	-	-	8.64	-	-	-	-	-	8.64	8.64	8.64	8.64
	Buildings	375.52	7.20	-	-	382.72	125.15	3.17	-	-	128.32	254.40	250.37	255.97	255.32
	Other Civil Works	226.64	1.10	-	-	227.74	48.17	1.91	-	-	50.08	177.66	178.47	177.42	176.66
	Plant and Machinery	9,370.17	150.62	0.89	-	9,519.90	4,916.20	94.81	0.80	-	5,010.21	4,509.69	4,453.97	4,192.75	4,251.62
	Lines and Cable Network	9,103.48	170.50	-	-	9,273.98	4,308.43	95.34	-	-	4,403.77	4,870.21	4,795.05	4,496.48	4,553.96
	Meters and Metering equipment	1,941.53	30.12	4.02	-	1,967.63	1,175.16	14.30	3.30	-	1,186.16	781.47	766.37	663.78	675.37
	Vehicles	7.36	-	-	-	7.36	6.37	0.01	-	-	6.38	0.98	0.99	0.71	0.71
	Furniture and Fixtures	18.00	0.37	-	-	18.37	11.75	0.15	-	-	11.90	6.47	6.25	5.80	5.78
	Office Equipment	56.12	1.00	-	-	57.12	33.56	0.53	-	-	34.09	23.03	22.56	17.48	18.80
	Air Conditioners	2.72	0.01	-	-	2.73	1.74	0.02	-	-	1.76	0.97	0.98	0.87	0.89
	Computer & IT Equipment	194.17	3.40	-	-	197.57	151.78	3.16	-	-	154.94	42.63	42.39	42.27	40.13
	Sub Total	21,304.35	364.32	4.91	-	21,663.76	10,778.31	213.40	4.10	-	10,987.61	10,676.15	10,526.04	9,862.17	9,987.88
b	Intangible Assets														
	Computer Software	70.80	-	-	-	70.80	51.45	1.17	-	-	52.62	18.18	19.35	22.84	21.69
	Sub Total	70.80	-	-	-	70.80	51.45	1.17	-	-	52.62	18.18	19.35	22.84	21.69
c	Capital Work in Progress														
	Capital Work in Progress	1,058.71	395.27	377.42	-	1,076.56	-	-	-	-	-	1,076.56	1,058.71	1,084.07	1,206.97
	Sub Total	1,058.71	395.27	377.42	-	1,076.56	-	-	-	-	-	1,076.56	1,058.71	1,084.07	1,206.97
d	GRAND TOTAL (a+b+c)	22,433.86	759.59	382.33	-	22,811.12	10,829.76	214.57	4.10	-	11,040.23	11,770.89	11,604.10	10,969.08	11,216.54



SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

12 Note No. 12 NON CURRENT INVESTMENTS (at Cost)								
A. Details of Trade Investments								
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled	No. of Shares / Units		Amount (₹ In Crore)			
			As at 31st Dec. 2023	As at 30th Sept, 2023	As at 31st Dec. 2023	As at 30th Sept. 2023	As at 31st Dec. 2022	As at 31st Mar, 2023
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
a)	ANDHRA PRADESH POWER DEVELOPMENT COMPANY LTD. (APPDCL)	Others	42,60,10,000	42,60,10,000	426.01	426.01	426.01	426.01
Total					426.01	426.01	426.01	426.01
B. Details of Other Investments								
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled	No. of Shares / Units		Amount (₹ In Crore)			
			As at 31st Dec. 2023	As at 30th Sept, 2023	As at 31st Dec. 2023	As at 30th Sept. 2023	As at 31st Dec. 2022	As at 31st Mar, 2023
1	Investments in Government or Trust securities							
200021	AP TRANSCO - VIDYUT BONDS (Face Value Rs.10,00,000/- per Bond)	Others	-	132	-	-	-	-
200013	8.74% APPFC Bonds (Face Value Rs.10,00,000/- per Bond)	Others	-	47	-	-	4.70	-
200013	9.97% APPFC Bonds (Face Value Rs.10,00,000/- per Bond)	Others	24	24	2.40	2.40	2.40	2.40
200013	9.64% APPFC Bonds (Face Value Rs.10,00,000/- per Bond)	Others	22	22	2.20	2.20	2.20	2.20
200014	8.35% Govt of India Securities	Others	-	172000	-	-	-	-
200030	9.15% APSFC - Unsecured, Redeemable, Non Convertible, Non SLR Bonds Series VI-2013 (Face Value Rs.10,00,000/- per Bond)	Others	-	28	-	-	0.28	-
200036	MAH SLD @ 9.25%	Others	180	180	-	1.80	1.80	1.80
200030	APSFC SERIES VII/2014 FRO (Face Value Rs.1,00,000/- per Bond)	Others	180	360	0.18	0.18	0.36	0.18
200038	9.2% GOVERNMENT OF INDIA - 2030 SECURITIES	Others	194	194	1.94	1.94	1.94	1.94
200037	8.4% GOVERNMENT OF INDIA - 2024 SECURITIES	Others	190	190	1.90	1.90	1.90	1.90
200005	7.72% Andhra Pradesh SDL	Others	4710	-	4.71	4.71	4.71	4.71
200006	7.74% Andhra Pradesh SDL	Others	5000	-	5.00	5.00	5.00	5.00
200008	7.60% Tamil Nadu SDL 2032	Others	19660	-	19.66	19.66	19.66	19.66
200009	7.65% Bihar SDL 2032	Others	10000	-	10.00	10.00	10.00	10.00
200016	7.45% Telangana SDL 2030	Others	4500	-	4.50	4.50	4.50	4.50
200017	7.47% Telangana SDL 2031	Others	4500	-	4.50	4.50	4.50	4.50
200022	7.69% Telangana SGS 2032	Others	2800	-	2.80	2.80	-	2.80
200031	7.50% Haryana SGS 2030	Others	5780	0	5.78	5.78	-	-
200034	7.46% TELANGANA SGS 2030	Others	2150	0	2.15	2.15	-	-
200039	7.67% Bihar SGS 2031	Others	2150	0	2.15	-	-	-
Sub Total (B)					69.87	69.52	63.95	61.59
Grand Total (A+B)					495.88	495.53	489.96	487.60



SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LTD.

13. Deferred Tax				
Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
1. Deferred Tax Liability	(885.88)	(885.88)	(779.49)	(885.88)
2. Deferred Tax Asset	2,532.10	2,532.10	2,583.17	2,532.10
Net Deferred Tax Asset/Liability	1,646.22	1,646.22	1,803.68	1,646.22

14 - LONG TERM LOANS & ADVANCES

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
a. Secured, Considered good				
Loans & Advances to employees	26.76	28.51	32.07	31.14
b. Unsecured, Considered good				
Loans & Advances to employees	1.48	1.64	2.25	2.01
Deposits with Courts, Telecom and Local Authorities	101.29	101.35	100.10	99.93
Capital Advances-	113.21	110.53	127.83	121.73
Total	242.74	242.03	262.25	254.81

15 - OTHER NON CURRENT ASSETS

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
(a) Secured, considered good				
Long Term Receivables from Employees	5.23	5.38	5.06	4.61
(b) Unsecured, considered good				
Receivable from ITI, Chennai	0.49	0.49	0.49	0.49
Total	5.72	5.87	5.55	5.10

16 - INVENTORIES

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Stores and Spares	336.96	338.98	243.17	232.68
Less: Provision for Recovery/Write Off of Cost Materials	4.64	4.64	3.20	4.64
Total	332.32	334.34	239.97	228.04

17 - TRADE RECEIVABLES

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
a. Sundry debtors	20,604.31	18,758.47	15,971.74	16,636.34
b. Less: Provision for doubtful debts	(566.23)	(566.23)	(619.15)	(566.23)
c. Less: Provision for doubtful debts FSA	(26.02)	(26.02)	(26.02)	(26.02)
Sub Total (b + c)	(592.25)	(592.25)	(645.17)	(592.25)
Total	20,012.06	18,166.22	15,326.57	16,044.09



SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LTD.

18 - CASH & CASH EQUIVALENTS

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
1. Cash and Cash Equivalents				
a. Balances with banks				
- In Current Accounts	490.25	869.12	(246.24)	12.89
- Remittance in Transit	(2.99)	(3.23)	(3.18)	(3.38)
- In Deposits with Original Maturity less than 3 Months	298.71	370.54	158.61	97.45
b. Cash on hand	24.58	39.16	22.22	25.25
Total	810.55	1,275.59	(68.59)	132.21

19 - SHORT TERM LOANS & ADVANCES

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
a. Secured, considered good				
Recoverable from employees (Cell phone)	0.03	0.03	0.04	0.04
b. Unsecured, considered good				
Loans & Advances to employees	8.03	8.38	4.91	5.70
Income Tax Refunds	25.58	24.07	19.47	20.79
Advance to O&M Suppliers	1.87	2.16	2.39	2.30
Government Receivables	5,286.22	5,394.08	5,292.01	5,286.41
Provision for Government Receivables - Additional Power	(3,877.87)	(3,877.87)	(3,877.87)	(3,877.87)
Other Loans & Advances	0.07	0.13	0.03	0.22
Total	1,443.93	1,550.98	1,440.98	1,437.59

20 - OTHER CURRENT ASSETS

Particulars	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.03.2023
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Fixed asset retired from active use and held for disposal	0.07	0.07	0.07	0.07
Interest Accrued on Fixed Deposits	0	0	-	-
Interest Accrued on Investments	3.56	3.56	5.08	3.86
Unbilled Revenue - Trade Receivables	-	-	2,637.47	3,090.49
FSA Revenue - Receivables	551.36	551.36	551.36	551.36
TSGENCO Master P & G Trust	(397.84)	(243.93)	(237.25)	77.60
Receivable on Demerger of Kurnool and Ananthapur	4,283.93	4,273.74	2,096.57	4,230.74
TSSPDCL GPF Trust	0.63	23.50	(16.03)	(2.56)
Other Receivables	922.12	734.54	544.52	421.40
Total	5,363.83	5,342.84	5,583.99	8,372.96



SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LTD.

21 - REVENUE FROM OPERATIONS

Particulars	Q3 of 2023-24	Q2 of 2023-24	Q3 of 2022-23	2022-23
(a) Sale of energy				
LT Supply	2,596.90	2,135.98	2,264.37	10,061.88
HT Supply	5,137.07	2,704.45	4,547.21	18,143.86
Interstate Sales	35.51	243.06	366.08	1,195.17
Fuel Surcharge Adjustment	0.18	0.62	0.39	1.89
Tariff Subsidy	392.89	337.39	506.98	1,610.89
Revenue grant under UDAY Scheme	221.00	3,852.00	-	313.00
Customer Charges	225.12	165.31	208.91	850.36
Theft of Power	10.61	11.02	8.38	38.41
Delayed Payment Surcharge - Income	575.88	415.45	411.12	1,577.41
R & C Penalties	0.02	-	0.01	0.03
(b) Other Operating Revenues				
Amortization of Consumer Contribution, Subsidies & Grants towards Property Plant and Equipment	-	-	-	328.16
Others - Wheeling, Unscheduled Interchange, Capacitor Surcharge etc..	9.31	9.03	13.37	41.92
Less: Electricity Duty	(56.47)	(56.24)	(49.70)	(205.95)
Total	9,148.02	9,818.07	8,277.12	33,957.03

22 - OTHER INCOME

Particulars	Q3 of 2023-24	Q2 of 2023-24	Q3 of 2022-23	2022-23
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Interest Income				
Bank	4.64	3.61	2.45	7.88
Staff	0.31	0.27	0.24	0.89
Others : Interest on ED	1.93	1.56	2.34	8.27
Rent from Company's Property Plant and Equipment	0.25	0.16	0.20	0.70
Sale of Scrap	0.04	0.12	0.63	4.00
Penalties from Suppliers	1.79	2.61	2.31	7.58
Other Income	68.43	144.74	133.40	268.35
Total	77.39	153.07	141.57	297.67

23 - POWER PURCHASE COST

Particulars	Q3 of 2023-24	Q2 of 2023-24	Q3 of 2022-23	2022-23
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Purchase of Power - Fixed Cost	2,206.67	2,049.96	2,333.59	8,682.63
Purchase of Power - Variable Cost	7,326.66	5,265.08	4,365.18	22,599.88
Transmission Charges	1,063.80	973.97	1,189.44	4,091.61
Other Power Purchase Costs	(3.69)	61.53	441.52	136.59
Total	10,593.44	8,350.54	8,329.73	35,510.71

24 - EMPLOYEE BENEFIT EXPENSE

Particulars	Q3 of 2023-24	Q2 of 2023-24	Q3 of 2022-23	2022-23
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Salaries and incentives	604.17	575.20	438.62	1,944.65
Artisans Remuneration	106.66	108.85	82.28	379.29
Contributions to Employees Provident Fund 1952	32.06	31.36	22.82	90.24
Artisans EPF and ESI Contributions	5.17	5.35	5.11	20.57
Pension Benefits	3.10	3.08	3.14	556.81
Director's Remuneration & Allowances	0.89	0.87	0.84	3.31
Director's Sitting Fees	-	-	-	-
Staff welfare expenses	0.82	0.71	1.35	184.01
Less: Employee Cost Capitalized	(24.02)	(27.07)	(21.23)	(97.78)
Total	728.85	698.35	532.93	3,081.10



SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LTD.

25 - OPERATION & OTHER EXPENSES

Particulars	Q3 of 2023-24	Q2 of 2023-24	Q3 of 2022-23	2022-23
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Advertisement	0.31	0.58	0.51	2.03
Consultancy Charges	1.51	0.71	1.21	4.46
Contract Labour Charges	2.12	3.52	3.74	17.14
Electricity Charges	2.22	2.23	2.16	12.97
Insurance	0.01	-	(0.02)	0.30
Inventories Handling Charges	0.27	0.22	0.01	0.03
Legal Charges	0.84	0.85	0.42	1.95
License fees - TSERC	-	-	-	8.20
Office Maintenance	1.67	0.14	0.51	1.77
Other Expenses	5.86	5.40	4.80	17.35
Postage & Telegrams	0.04	0.05	0.04	0.13
Printing & Stationery	2.43	2.33	1.45	6.85
Professional Charges	10.21	11.62	12.61	42.45
R&M - Others	1.80	1.44	1.17	6.42
Rates & taxes	1.27	0.16	1.27	4.71
Rent	0.19	0.29	0.11	0.84
Repairs to Buildings & Civil works	0.65	0.41	0.86	5.81
Repairs to Plant and Machinery	41.60	37.50	31.04	141.77
Repairs to Vehicles	1.57	0.51	2.18	1.90
Telephone & Communication	1.15	0.75	3.05	6.55
Training Exp	0.06	0.04	0.10	0.16
Travelling Expense	7.69	5.50	7.28	28.30
Vehicle Hire charges	11.78	11.93	9.59	48.10
Vidyut Ombudsman Exp	0.36	0.39	0.12	0.50
Payments to the auditor	0.17	0	0.25	0.16
Office Maintenance Tea Snacks	0.54	0.70	0.40	1.65
Office Maintenance other expenses	0.90	1.04	0.85	2.73
Office Maintenance Cleaning expenses	0.14	0.22	0.03	0.71
Less: Administration & General Exp Capitalized	(4.24)	(4.77)	(3.74)	(17.23)
Total	93.12	83.76	82.00	348.71



SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LTD.

26 - FINANCE COSTS

Particulars	Q3 of 2023-24	Q2 of 2023-24	Q3 of 2022-23	2022-23
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Interest expense				
-Long Term Loans	115.52	111.55	80.03	377.23
-Short Term Loans	499.79	471.73	354.80	1,483.34
-Consumption Deposits	-	0.02	-	226.76
-Others				
On FRP Bonds	-	100.87	100.87	152.83
On Other Liabilities	0	0	-	200.52
Bank Charges	11.77	63.99	0.10	76.42
Less: interest Capitalized	(3.93)	(3.84)	(3.83)	(16.52)
Total	623.15	744.32	531.97	2,500.58

27 - EXCEPTIONAL ITEMS

Particulars	Q3 of 2023-24	Q2 of 2023-24	Q3 of 2022-23	2022-23
	Rs. In Crore	Rs. In Crore	Rs. In Crore	Rs. In Crore
Assets Scrapped	0.96	1.00	0.02	2.58
Provision for Bad Debts	0	0	0	(52.86)
Compensation Paid to Electrical Accidents	4.31	5.04	4.47	19.76
Others	(0.60)	(0.68)	(0.42)	(2.45)
Price Variation	0.09	(0.09)	1.83	34.69
Revenue grant under UDAY Scheme	0	0	(313.00)	-
Total	4.76	5.27	(307.10)	1.72

28 - CONTINGENT LIABILITIES (to the extent not provided in the books)

Particulars	Q3 of 2023-24	Q2 of 2023-24	Q3 of 2022-23	2022-23
	Rs. in Crore	Rs. in Crore	Rs. in Crore	Rs. in Crore
(i) Contingent Liabilities				
(a) Entry Tax	206.71	206.71	206.71	206.71
(b) Sales tax Penalty against G Form (Cement purchases)	1.34	1.34	1.34	1.34
(c) Liability under AP VAT Act 2005 (April 2005 to 2009-10)	86.92	86.92	86.92	86.92
(d) Income Tax (TDS)	93.25	93.25	338.29	338.29
(e) Service Tax	206.26	206.26	206.26	206.26
(f) Employee Provident Fund	11.47	11.47	11.47	11.47
(g) Late Payment Surcharge raised by Singareni Thermal Power Plant	3,459.65	3,459.65	3,182.55	3,459.65
Sub Total (i)	4,065.60	4,065.60	4,033.54	4,310.64
(ii) Commitments				
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	504.85	504.85	379.78	504.85
Sub Total (ii)	504.85	504.85	379.78	504.85
Grand Total (i+ii)	4,570.45	4,570.45	4,413.32	4,815.49



29. The following are the analytical Financial Ratios for the third quarter ended 31.12.2023

Particulars	Numerator	Denominator	For the Qtr Ended 31st Dec, 2023	For the Qtr Ended 31st Dec, 2022	Variance in %
1. Current Ratio (In Times)	Current assets	Current liabilities	0.59	0.65	9.78
2. Debt-Equity Ratio (In Times)	Total Debt	Shareholder's Equity	(1.01)	(1.11)	8.95
3. Debt Service Coverage Ratio, (In Times)	EBITDA	Total Debt Service	(1.75)	(0.23)	(659.33)
4. Return on Equity Ratio (In %)	Net Profits after taxes	Avg. Shareholder's Equity	(11.31)	(5.43)	(108.29)
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	0.43	0.48	10.94
7. Trade payables turnover ratio (In Times)	Total Purchases	Trade Payables	0.36	0.33	(9.72)
8. Net capital turnover ratio (In Times)	Total Sales	Working Capital	(0.43)	(0.61)	28.88
9. Net profit ratio (In %)	Net Profit	Total Sales	(32.87)	(11.78)	(179.04)
10. Return on Capital employed (In Times)	EBIT	Capital Employed	(8.45)	(0.23)	(3,575.95)
11. Return on Investment (In %)	Net Income on Investments	Cost of Investments	0.74	0.80	6.97



SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LTD.

30. Quantitative Information

Particulars	Q3 of 2023-24	Q2 of 2023-24	Q3 of 2022-23	2022-23
Energy Input (Discom) (KWH in MU)	14,460.90	14,615.90	11,614.26	51,242.69
Sale of Energy (KWH in MUs)	13,058.39	13,271.01	10,631.85	46,887.54

As per our report of even date

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

For M/s Ramanatham & Rao
Chartered Accountants
FR No. 002934 S



L Mahesh Kumar

L. Mahesh Kumar
Partner
M. No 212851
Date :
Place: Hyderabad

29 FEB 2024

[Signature]
Sri M D Musharraf Faruqui, IAS
Chairman & Managing Director
DIN : 10429742

[Signature]
Sri. P. Krishna Reddy
Chief General Manager
(Finance)

V. Anil Kumar.
Sri Anil Kumar Voruganti
Company Secretary
F.No. 9521