



**TAMIL NADU POWER FINANCE AND
INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED
CHENNAI – 600035**

**34th ANNUAL REPORT
2024-25**

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**TAMIL NADU POWER FINANCE AND INFRASTRUCTURE
DEVELOPMENT CORPORATION LIMITED, CHENNAI - 600 035.**

GENERAL INFORMATION (AS ON 30.12.2025)

Chairman :

Thiru. T. Udhayachandran, IAS.,

Managing Director :

Tmt. Pooja Kulkarni, IAS.,

Directors :

Thiru. Mangat Ram Sharma, IAS.,

Thiru. Shunchonngam Jatak Chiru, IAS.,

Tmt. Pooja Kulkarni, IAS.,

Thiru. Pratik Tayal, IAS.,

Dr. Sadakkadulla

Tmt. N. Chitra.

Chief Financial Officer :

Tmt. CMA. P. Jameela

Company Secretary :

Thiru. FCS. B. Prem Prasad

Bankers :

State Bank of India

Bank of Baroda

Indian Bank

HDFC Bank

Indian Overseas Bank

ICICI Bank

IDFC First Bank

Auditors :

M/s. R V K S And Associates

Chartered Accountants,

Chennai - 600 017.

&

M/s. Anil Nair and Associates,

Chartered Accountants,

Chennai - 600 008.

Registered Office :

"Tufidco-Powerfin Tower"

No.490/3-4, Anna Salai,

Nandanam, Chennai - 600 035.





**TAMIL NADU POWER FINANCE AND INFRASTRUCTURE
DEVELOPMENT CORPORATION LIMITED, CHENNAI - 600 035.**

SHORT TERM NOTICE

The Short-Term Notice is hereby given that the **Thirty Fourth Annual General Meeting** of the Members of TAMIL NADU POWER FINANCE AND INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED will be held as per Section 101 and 96 of the Companies Act, 2013 at the Registered Office **Tufidco-Powerfin Tower, No. 490/3-4, Anna Salai, Nandanam, Chennai- 600 035** and through Video Conferencing on **30th day of December, 2025 on Tuesday at 11.00 A.M** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended on March 31, 2025 consisting of Audited Balance Sheet and the Statement of Profit and Loss Account for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To consider not to declare Final dividend for the financial year 2024-2025.
3. To fix the remuneration to Statutory Auditors for the financial year 2025-2026.

/BY ORDER OF THE BOARD/

-Sd/-

MANAGING DIRECTOR

Place: Chennai - 600 035

Date: 26.12.2025

NOTE:

A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxy in order to be effective must be lodged with the Company not less than 48 hours before the commencement of the meeting.





**TAMIL NADU POWER FINANCE AND INFRASTRUCTURE
DEVELOPMENT CORPORATION LIMITED, CHENNAI - 600 035.**

BOARDS' REPORT

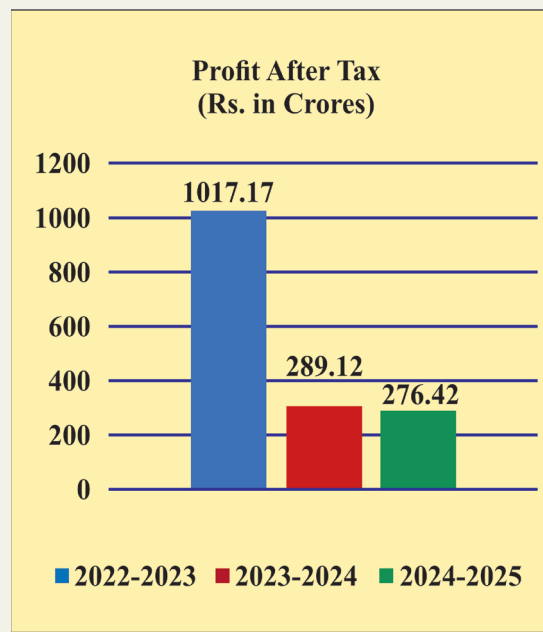
To

The Members,

Your Directors have great pleasure in presenting the Thirty Fourth Annual Report of the Company together with the audited accounts for the year ended March 31, 2025.

1. FINANCIAL RESULTS:

The performance of your Company for the period under review has resulted in Rs. 276.42 crores of profit after tax.



The summarized financial results of the Company are furnished below:

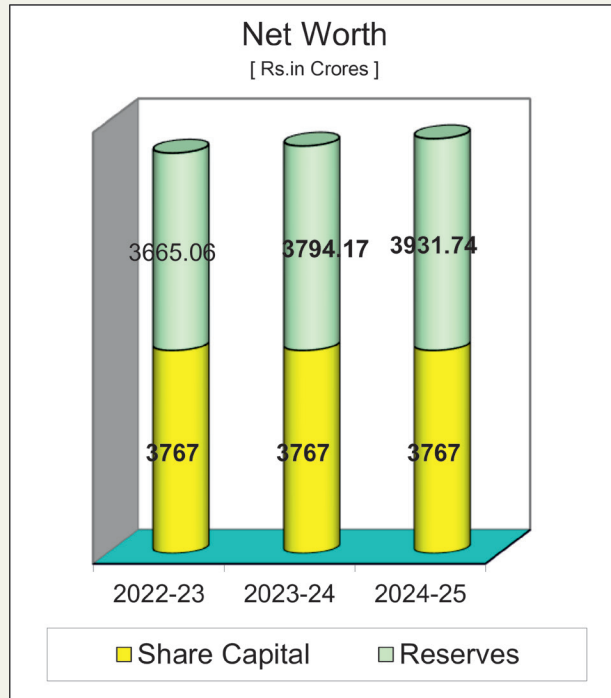
(Rs. in crores)

Particulars	2024-2025	2023-2024
Net profit after tax	276.42	289.12
Add: Surplus brought forward	1694.80	1721.11
Amount available for appropriations	1971.22	2010.23
Appropriations have been made as under:		
General Reserve	27.64	28.91
Special Reserve	64.29	68.69
Reserve Fund	55.28	57.82
Dividend	138.85	160.00
Surplus carried to Balance Sheet	1685.16	1694.80



The total revenue during the year is Rs.4724.28 crores as against Rs. 5037.87 crores in the previous year.

The net worth of the company is 7698.74 Crores at the end of the year as against Rs. 7561.17 Crores at the end of the previous year.



2. DIVIDEND:

TNPFC has declared an interim dividend of Rs.138.85 crores for the Financial Year 2024-25.

3. DEPOSITS:

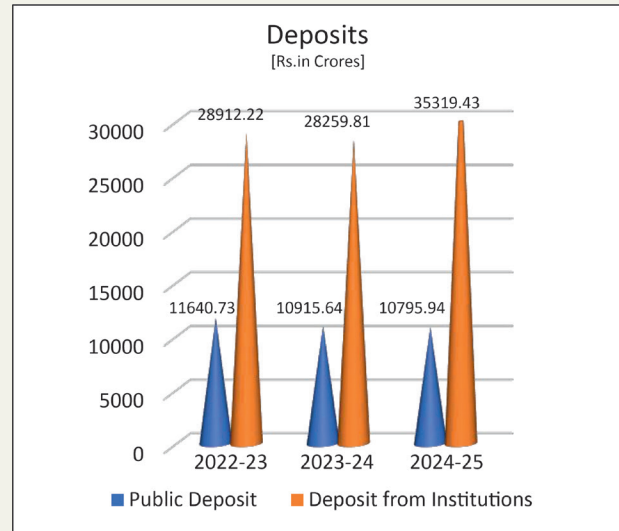
The cumulative deposits of the Company surged to a record high of Rs. 46,542.79 Crores as on 31.03.2025.

During the year, the corporation mobilized a sum of Rs. 7,508.95 crores as net deposits which also includes the Inter Corporate Deposits.

The deposits increased from Rs. 39,033.84 Crores at the beginning of the year to Rs. 46,542.79 Crores at the end of the year registering a positive rate of 19.24 %.

The deposit from institutions, which was Rs.28,259.81 crores at the beginning of the year,

has increased to Rs.35,319.43 crores at the end of the year registering a rate of increase of 24.98%.



The number of depositors as on 31.03.2025 is 2,37,533. The maximum rate of interest offered on deposits was increased from 8.10 % p.a. to 8.50 % p.a. with effect from 1st April 2025.

As on March 31, 2025 there were 3,857 fixed deposits aggregating to Rs. 169.16 Crores that have matured but remained unclaimed. There were no deposits, which were claimed but not paid by the Company. The unclaimed deposits (as on 31st August 2025) have since reduced to 1,907 deposits amounting to Rs. 78.68 crores. Appropriate steps are being taken continuously to obtain the depositors instructions so as to ensure renewal/repayment of the matured deposits in time.

Pursuant to Section 125 of the Companies Act, 2013 (the "Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") as amended from time to time, matured deposits remaining unclaimed for a period of seven years from the date they became due for payment are required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, interest accrued on the deposits which remain unclaimed for a period of seven years from the date of payment are also required to be transferred to the IEPF under Section 125(2)(k) of the Act. The



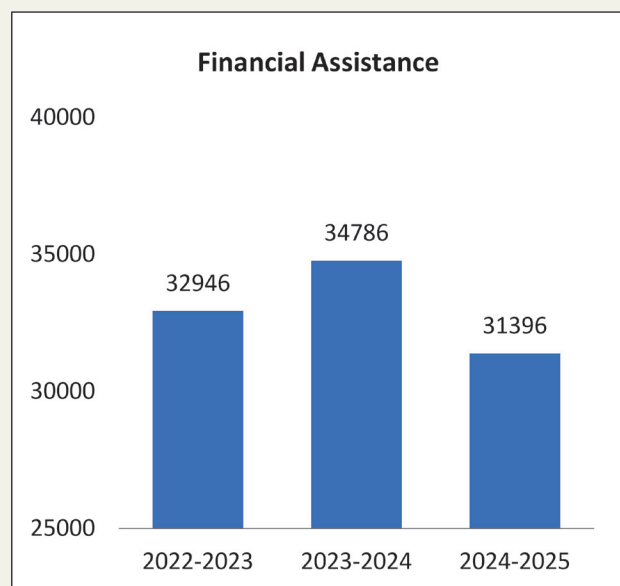
concerned depositor can claim the deposit and/or interest from the IEPF by following the procedure laid down in the IEPF Rules. The Company has also hosted the details of unclaimed deposits and unclaimed interest on deposits on its website at <https://www.tnpowerfinance.com/>

[tnpfc-web/corporate/mandatory-disclosures](https://www.tnpowerfinance.com/tnpfc-web/corporate/mandatory-disclosures).

4. FINANCIAL ASSISTANCE:

During the period under report, the gross financial assistance to TANGEDCO/ TNPGL/TNGECL has also reached a sum of Rs.31,395.89 crores as against Rs. 34,786.00 crores in the previous year.

The recovery by way of repayment is Rs.31,006.28 crores as against Rs.34,342.91 crores in the previous year. The net financial assistance (including rebate) to TANGEDCO is Rs.1290.71 crores.



5. RESERVES:

During the period under report, a sum of Rs.27.64 Crores as General Reserve as per the Companies Act, 2013, Rs.64.29 Crores as Special Reserve as per Income Tax Act, 1961 and Rs.55.28 Crores as Reserve Fund as per Section 45 IC of the provisions of RBI Act, 1934 has been transferred from Profit and Loss Account.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT:

As on March 31st , 2025, there are no outstanding loans or guarantees covered under the provisions of Section 186 of the Act.

The details of the investments made by company are given in the notes to the financial statements.

7. BOARD OF DIRECTORS:

a. Board Composition (as on 22.09.2025)

Chairman	Thiru. T. Udhayachandran, IAS.,
Managing Director	Tmt. Pooja Kulkarni, IAS.,
Non-Executive Directors	1. Thiru.Shunchonngam Jatak Chiru, IAS.,
	2. Dr. Beela Venkatesan, IAS.,
	3. Tmt. Pooja Kulkarni, IAS.,
	4. Thiru Pratik Tayal, IAS.,
Independent Directors	1. Dr. J. Sadakkadulla
	2. Tmt. N. Chitra
Woman Director	Tmt. N. Chitra

b. Number of Board Meetings held:

The details of Board Meetings are given below:

Date	Board Strength	No. of Directors present
08.04.2024	8	7
29.07.2024	8	8
04.09.2024	8	8
26.11.2024	8	7
19.03.2025	8	7

c. Changes in Directors/KMP:

During the period under report, T. Udhayachandran, IAS, has been appointed as the Chairman.

Tmt. Pooja Kulkarni, IAS has been appointed as the Managing Director.



Thiru. Pratik Tayal, IAS., Dr. Beela Venkatesan, IAS., Thiru. K. Phanindra Reddy, IAS; and Thiru. Prashant. M. Wadnere, IAS have been appointed as Non-executive Directors.

During the FY 24-25, the following Directors had relinquished their Directorship as per the orders of the Government of Tamil Nadu. Thiru. Ambalavanan, IA&AS., (cessation on 25.07.2024) and Thiru. Prashanth.M.Wadnere, IAS., (cessation on 21.06.2024).

During the period under report, Thiru.K.Phanindra Reddy, IAS., (cessation on 31.07.2025) had relinquished their Directorship.

During the period under report, Tmt.R.Varshini, Company Secretary (KMP) had been relieved from the Organisation.

The Board of Directors wishes to place on record the valuable services rendered by the outgoing Directors and KMP.

d. Independent Directors:

During the period under report, Dr J. Sadakkadulla and Tmt.N.Chitra are Independent Directors and Tmt.N.Chitra is the Independent as well as Woman Director of the Company.

All Independent Directors have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

8. SHARE CAPITAL:

During the period under report the Authorised Share Capital of the Company is Rs. 7,500.00 Cores and the Paid-up Equity Capital of the Company is Rs. 3,767.00 Crores.

a. Shareholding pattern (As on 22.09.2025)

(Amount in Rupees)

Sl. No.	Name	No. of Shares held	Book value (Rs. 10/- per Share)
1	Hon'ble Governor of Tamil Nadu	376,6999,920	3766,99,99,200
2	Thiru. T. Udhayachandran, IAS., Chairman, TNPFC	10	100
3	Tmt. Pooja Kulkarni, IAS; MD, TNPFC	30	300
4	Thiru.Shunchonngam Jatak Chiru, IAS., Principal Secretary to Government, Transport Department	10	100
5	Dr. Beela Venkatesan, IAS; Principal Secretary to Government, Energy Department	10	100
6	Tmt. Pooja Kulkarni, IAS; CEO, TNIDB	10	100
7	Thiru. Pratik Tayal, IAS; Deputy Secretary to Government (Budget), Finance Department	10	100

b. Subsidiaries, Joint Ventures or Associate Companies:

The Company does not have any Subsidiaries, Joint Ventures or Associate Companies.

c. Buy Back of Securities :

The Company has not bought back any of its securities during the year 2024-25.

d. Sweat Equity :

The Company has not issued any Sweat Equity Shares during the year 2024-25.

e. Employees Stock Option Plan:

The Company has not provided any Stock Option Scheme to the employees for the year 2024-25.

9. DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134(3)(c) of Companies Act, 2013, your Directors state as follows:

- that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;



- ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so the profit or loss of the company for that period;
- iii) that 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; and
- iv) that the Directors had prepared the annual accounts on a going concern basis.
- v) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that systems are adequate and operating effectively.

10. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company is taking adequate steps to ensure that proper internal control system exists and the same are adequate considering the size and operations of the Company.

11. INSOLVENCY AND BANKRUPTCY CODE, 2016

During the Financial Year 2024-25, no application was made or any proceeding were pending under the Insolvency and Bankruptcy Code, 2016.

12. COMMITTEE:

a. Audit Committee:

The Audit Committee consists of Thiru. Pratik Tayal, IAS; Director, Dr J Sadakkadulla, Independent Director and Tmt. N. Chitra, Independent Director.

The Committee reviewed the financial statements, budget estimates and observations of the Internal Auditors.

During the year, the Committee met thrice on 08.04.2024, 04.09.2024 and 04.03.2025.

The Board considered the views of the Audit Committee while approving the accounts for the year ended 31st March 2025.

b. Whistle Blower Mechanism:

The Company promotes ethical behavior in business activities and has put in place a mechanism for illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report the violations and regulations. The mechanism is overseen by the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied to access the Chairman of the Audit Committee.

c. Corporate Social Responsibility (CSR) Committee:

The report of the CSR Committee (Annexure C) is enclosed.

d. Nomination and Remuneration Committee:

During the year under review, Committee has evaluated the performance of Independent Directors, Key Managerial Personnel and Employees of the Company and same were considered by the Board of Directors of the Company.

e. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee oversees the grievances of the Deposit holders and redressed the grievances.

However, during the Year the Committee members have reviewed the complaints received and redressed, also they have taken continuous effort to redress the pending 63 Numbers of Complaints received from various depositors and members and taking further steps to reduce the grievances of the deposit holders.

13. COMPLIANCE OF SECRETARIAL STANDARDS

Your Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

14. RISK MANAGEMENT POLICY:



The Company has internal mechanism for risk management and has developed a Risk Management Policy.

At present the company has not identified any element of risk which may threaten the existence of the company.

15. AUDITORS:

a. Statutory Auditors:

In terms of Section 139(5) of the Companies Act, 2013, the Comptroller and Auditor General of India has appointed Joint Auditors M/s. R V K S and Associates, Chartered Accountants Chennai – 600 017 and M/s. Anil Nair & Associates, Chennai – 600 008 as the Auditors of the Company for the year 2024-2025.

b. Internal Auditors:

In terms of Section 138 of the Companies Act, 2013, the Board has appointed M/s. A . John Moris & Co., Chartered Accountants, Chennai as Internal Auditor of the Company for a period of three years from the financial year 2024-2025.

c. Secretarial Auditors:

In terms of Section 204(1) of the Companies Act, 2013, the Board has appointed M/s. S. Dhanapal & Associates, Chennai as the Secretarial auditor of the company for the financial year 2024-25 and the report of the Secretarial Auditor (Annexure B) is enclosed.

d. Cost Audit:

Your Company is not required to maintain cost accounts and records as prescribed under the provisions of Section 148 of the Companies Act, 2013.

16. AUDIT BY COMPTROLLER AND AUDITOR GENERAL:

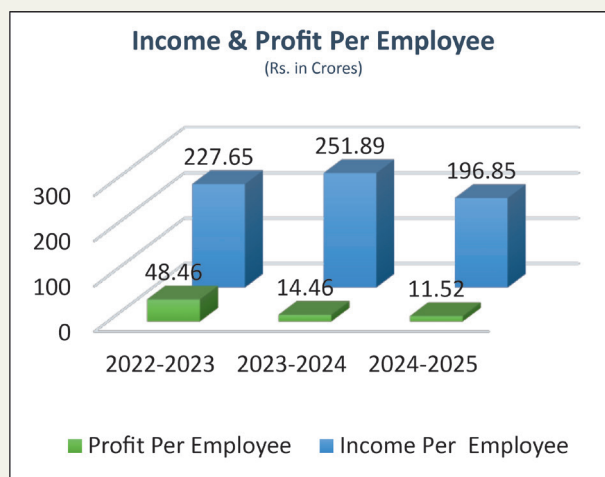
The Comptroller and Auditor General of India will conduct the Audit under Section 143 (6) (b) of the Companies Act, 2013. The report thereon of the Comptroller and Auditor General of India is enclosed as Annexure A.

17. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS –NIL.

Pursuant to the provisions of Section 143(12) of the Companies Act, 2013, the Auditors has not reported any incident of fraud during the year under review.

18. PERSONNEL:

Your directors wish to place on record their appreciation to all employees, who continue to display dedication, outstanding professionalism and commitment to achieve the excellent performance during the year. The total strength of the work force as on March 31, 2025 is 24.



The Income per employee and Profit per employee have shown slight decrease during the year under report and the productivity of the employees of the Corporation matches the best in the Sector.

19. STATUTORY INFORMATION:

- The information as required to be furnished under Section 134 (3) (m) of the Companies Act, 2013, with regard to the conversion of Energy & Technology Absorption is not applicable to the Company.
- The Company had foreign exchange earnings and outgo during the period under review are in line with the requirements of IND AS 21. The details of foreign earnings and outgo as required under section 134 of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules 2014 are mentioned below:



Particulars	For the Year Ended 2024-2025 (Rs. In Crores)
Foreign Exchange earnings	NIL
Foreign Exchange Outgo	0.08

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

During the year under review there are no significant / material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

21. PREVENTION OF SEXUAL HARASSMENT POLICY:

The Company has a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, regarding sexual harassment.

All employees (permanent, contractual, temporary, trainees) are covered under this policy.

There are no pending cases filed and disposed as required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 as at the end of the Financial Year.

22. MATERIAL CHANGES AFFECTING FINANCIAL POSITION OCCURRING BETWEEN THE END DATE OF FINANCIAL YEAR AND THE DATE OF THE REPORT:

There are no material changes affecting the financial position of the Company between the end of the Financial Year and date of this report.

23. ACKNOWLEDGEMENT:

Your Company is grateful to the Government of Tamil Nadu, Reserve Bank of India, Depositors and Bankers for their valuable support.

Your directors also thank all the depositors for their continued support to your Company.

FOR AND ON BEHALF OF THE BOARD

**Thiru. Pratik Tayal, IAS;
DIRECTOR**

**Tmt. Pooja Kulkarni, IAS;
MANAGING DIRECTOR**



S. NO.	Qualified observation of Statutory Auditors Report	Management Reply
1.	The Company has classified deposits amounting to Rs. 2,79,177.63 Lakhs received from temples as exempt deposits. In our view, these deposits do not fall within the exempted category as defined under the Reserve Bank of India Directions and should have been classified as Public Deposits. Consequently, the Company's reported public deposits as at 31st March 2025 are understated by Rs. 2,79,177.63 lakhs, and should have been Rs. 13,41,856.05 as against the reported figure of ₹10,62,678.42 lakhs. This misclassification has resulted in non-compliance with certain prudential norms of the Reserve Bank of India relating to acceptance of public deposits.	The following points are brought to your kind attention once again: Public temples which were endowed with grants and endowments by the erstwhile rulers have been brought under the supervision and administration of the Hindu Religious Endowments Board created by the Madras Hindu Religious Endowments Act, 1927, which was replaced by the Hindu Religious & Charitable Endowments Department by the HR&CE Act, 1951 (The 1951 Act was replaced later by the Tamil Nadu HR&CE Act, 1959). Each public temple is a separate legal entity and a body corporate on its own. However, as the erstwhile rulers and devotees have endowed properties for the Idols in the public temples, the Idol being a juristic person and also being a minor, it is represented by the Board of Trustees constituted as per the provisions of the Tamil Nadu HR&CE Act, 1959. The Executive Officers are appointed by the Government for assisting the trustees in the administration of the temples including Maths and Endowments. The temples are under the control, administration and supervision of the Board of Trustees who are appointed by the HR&CE Department/ Government. As per Sec 28 of the HR&CE Act, the trustees of the religious institutions are bound to administer its affairs and to apply its funds and properties in accordance with the terms of the trust, the usage of the institution and all lawful directions which a competent authority may issue in respect thereof. From the above facts, it is evident that the HR&CE Department is administering the public religious institutions through the Trustees and Executive Officers appointed as per the provisions of the HR&CE Act. Therefore, in special audit carried out for classification of deposits as per directions of RBI, deposits made by temples under the control of HR&CE alone are classified as exempt deposits, while the deposits made by temples which are not under the control of HR&CE are classified as public deposits. Moreover, Transport Development Finance Corporation Ltd (TDFC), a Tamil Nadu Government owned Deposit taking NBFC with similar business model, follows similar method of classifying the deposits received from temples under the control of HR&CE as Deposit other than public deposit.



2.	As per Note 24.25 to accompanying financial statements, an amount of Rs. 60,695.92 lakhs being excess interest accrued on deposits during the previous years has been included under Other Financial Liabilities in Note 14 to the accompanying financial statements. In the absence of sufficient and appropriate audit evidence, in our opinion, Other Financial Liabilities have been overstated to the extent of Rs. 60,695.92 lakhs and the same should have been written back during the year. Audit opinion on the financial statements for the year ended March 31, 2024 was also qualified in respect of this matter.	The Company had provided accrued interest on various deposits at an average interest basis every year till 31 March 2020. Accordingly, the principal amount of the deposits and the interest accrued were held in two separate accounts. With the introduction of CBMS software from the financial year 2020-21, the Company has transferred the interest accrued to the deposit itself and holds each deposit as one single amount consisting of principal and interest. Upon such change in accounting, it is seen that the interest outstanding in the GL Code No.2004059001 for Rs.540.45 Crs and GL Code No. 2004060001 for Rs.66.53 Crs is held in excess. The Government of Tamil Nadu has vide G.O. (Ms.) No. 336 Finance (BPE) Department, dated 23 November 2023 has approved the merger of TN Power Finance and Infrastructure Development Corporation Limited (TNPFC Transferor) and TN Transport Development Finance Corporation Limited (TDFC -Transferee) in order to reinforce an effective management of funds within state owned entities, mobilize the deposit and strengthen the infrastructure project financing. Therefore, the above stated amount shall be reviewed and reversal shall be carried out in the consolidated books of accounts of TNPFC and TDFC.
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3.	As per Note 2.5(ii) to the accompanying financial statements, the Company has modified the terms of certain Loans (Financial assets) during the year. However, the Company has not accounted for such modification in accordance with the requirements of Ind AS 109 – Financial Instruments, which mandates recalculation of the gross carrying amount using the original effective interest rate and recognition of the resulting modification gain or loss in the Statement of Profit and Loss. Consequently, in the absence of such recognition, the profit for the year and the carrying amount of financial assets are overstated by approximately Rs. 39,112.20 lakhs. In our opinion and according to the information and explanations given to us, the aforesaid matter affects the determination of profits available for declaration of dividend. This results in non-compliance with the applicable RBI guidelines relating to dividend distribution by NBFCs and also impacts compliance with other relevant RBI regulatory requirements.	The company has a board-approved policy for Interest Rate on loans and is subject to periodic review and revision by the Asset Liability Committee (ALCO), with final approval by the Board of Directors. These revisions are undertaken in a structured, non-discretionary manner, based on prevailing market conditions, cost of funds, risk profile of borrower and other relevant financial parameters. This mechanism is consistent with the principles governing floating rate instruments, wherein: • The interest rate is not fixed for the entire tenure of the loan; and • The rate is subject to change based on a defined internal methodology, reviewed and approved at regular intervals. Further, the parties to the contract agree and acknowledge this framework, thereby recognising the loan as a floating rate arrangement with an implied and expected variability in the interest rate. Further, Ind AS 109 does not define the term “modification”. However, para 5.4.3 as cited in the standard refers to renegotiations or modifications of financial assets. The recent interest rate reset was undertaken purely on commercial grounds and does not stem from any financial distress or hardship expressed by the borrower. A mere reset of the interest rate, especially when driven by commercial considerations and not by forbearance, does not constitute a modification of the financial instrument. This position is supported by various authoritative materials, which distinguish between commercial renegotiations and modifications arising from credit deterioration. Further, from a financial reporting perspective, change in the Effective Interest Rate (EIR) is a more appropriate and informative presentation wherein, result in no information loss to users of financial statements. Hence, it is better to reflect the economic substance of the transaction and caters to the information needs of users, rather than prematurely recognising a loss in carrying value. Considering the above, the company is of the opinion that the accounting treatment is in conformity with para B5.4.5 of Ind AS 109 for floating rate instruments and does not require any modification to the financial statements
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4.	The Company has included certain long outstanding, unreconciled balances amounting to Rs. 1,692.34 Lakhs under “Cash and Cash Equivalents” in the Balance Sheet. Management was unable to reconcile these balances. The management has represented that these balances are no longer recoverable and are expected to be written off in the subsequent financial year. In our view, recognition of these amounts as Cash and Cash Equivalents is not in accordance with the applicable accounting framework. Had these balances been written off during the year, Cash and Cash Equivalents would have been lower by Rs. 1,692.34 Lakhs and profit for the year would have been correspondingly overstated by the same amount. In our opinion and according to the information and explanations given to us, the aforesaid matter affects the determination of profits available for declaration of dividend. This results in non-compliance with the applicable RBI guidelines relating to dividend distribution by NBFCs and also impacts compliance with other relevant RBI regulatory requirements	A new software was implemented in the year 2020, without API Integration, due to operational challenges posed by covid-19. Since multiple transactions is reflecting as a single line in the bank statement and also the records are pertaining to the year 2020, the reconciliation procedure has become complex even after continuous effort. Nevertheless, the company has been working since to reconcile the control ledger. The amounts have been transferred from the control ledger to the legacy ledger, to reconcile the balances. The company has sought an opinion from the internal auditor regarding the impact of writing off the legacy ledger. Based on this opinion, the amount of ₹1,691.30 Lakhs, currently recorded under “Cash and Cash Equivalents” in the balance sheet for the FY 2024-25, will be written off in FY 2025-26 after evaluating its effects on financial statements.
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5.	The Company has reported expenditure of Rs. 1,733.60 Lakhs towards Corporate Social Responsibility (CSR) activities during the year ended 31 March 2025. However, the Company has not furnished utilization certificates or other corroborative evidence in support of such expenditure. Accordingly, we were unable to obtain sufficient appropriate audit evidence regarding the extent to which the aforesaid expenditure has been incurred for the purposes specified under Section 135 of the Companies Act, 2013.	The Company has incurred an expenditure of Rs. 1,733.60 Lakhs towards Corporate Social Responsibility (CSR) activities during the year ended 31 March 2025. Out of this, the Company has provided utilization certificates for expenses amounting to Rs. 459 Lakhs. The remaining Rs. 1,274.60 Lakhs was spent on construction activities, which are still work in progress. The amounts spent on these ongoing projects have been duly accounted for, and utilization certificates for the expenditure incurred on construction activities will be provided upon the completion of the respective projects.
6.	As disclosed in Note 2.5(ii) to the financial statements, the Company has classified certain financial assets as measured at fair value through Other Comprehensive Income (FVOCI) in accordance with Ind AS 109 – Financial Instruments. However, the recognition of changes in fair value (gains or losses) in Other Comprehensive Income (OCI) has not been carried out in compliance with the requirements of Ind AS 109. In the absence of adequate information, we are unable to ascertain the extent of understatement or overstatement of OCI, and the resulting impact, if any, on the financial position and results of the Company.	The company has sold securities which were classified as fair value through other comprehensive income (FVOCI) in accordance with IND AS 109 - Financial Instrument. The company is in process of identifying balance of the financial assets (Securities) sold since implementation of IND AS to calculate the fair value changes. On identification of balance, company shall evaluate its impact and will provide its effect in the financial statement in the due course.



TAMIL NADU POWER FINANCE AND INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED
A TEN YEAR PROFILE (Amount Rs. In Lakhs)

	As Per Ind AS									
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022 (Restated)	2022-23	2023-24	2024-25
I. What we owe										
Share Capital	9,000.00	9,000.00	9,000.00	1,29,000.00	2,93,000.00	3,36,700.00	3,76,700.00	3,76,700.00	3,76,700.00	3,76,700.00
Reserves & Surplus	71,785.65	80,052.83	86,224.23	98,570.59	1,50,324.13	1,89,793.31	2,62,817.99	3,57,607.16	3,72,654.88	3,94,699.00
CSR Reserve	206.09	57.35	-	-	-	-	-	-	-	-
Unsecured Loans	17,25,217.59	20,28,631.23	26,98,303.22	31,98,084.36	34,78,308.06	38,00,132.26	41,69,513.36	40,69,628.49	40,06,678.36	46,54,278.92
Current Liabilities	1,91,019.09	2,28,116.63	2,63,099.66	19,730.98	27,202.16	22,462.25	43,417.48	3,12,878.24	4,20,937.71	4,32,059.44
Total	19,97,228.42	23,45,858.04	30,56,627.11	34,45,385.93	39,48,834.35	43,49,087.82	48,52,448.83	51,16,813.89	51,76,970.94	58,57,737.36
II. What we Own										
Net Fixed Assets	397.34	400.44	384.89	390.89	419.01	789.84	675.42	560.08	469.63	409.01
Investments	9,182.08	9,182.08	7,982.08	37,436.69	1,18,759.50	1,88,468.10	4,86,029.26	3,01,856.09	3,58,481.53	5,41,104.79
Deferred Tax Assets	139.66	125.96	151.52	1,594.55	888.00	-	676.72	3,669.80	-319.24	-3,363.42
Current Assets	72,894.04	1,08,097.79	1,40,124.46	77,047.49	53,274.51	1,09,854.96	80,155.50	1,50,418.21	1,08,299.77	5,72,730.92
Loans and Advances	19,14,615.30	22,28,051.77	29,07,984.16	33,28,916.31	37,75,493.33	40,49,974.92	42,84,911.93	46,60,309.70	47,10,039.26	47,46,856.06
Total	19,97,228.42	23,45,858.04	30,56,627.11	34,45,385.93	39,48,834.35	43,49,087.82	48,52,448.83	51,16,813.89	51,76,970.94	58,57,737.36
III. INCOME										
Income from operations	1,84,928.08	2,23,696.31	2,61,706.70	3,01,920.23	3,39,671.63	3,85,180.36	4,30,607.61	4,76,947.74	4,93,085.60	4,66,000.61
Interest earned on investments	477.60	477.60	467.44	366.52	1,145.24	2,388.12	852.73	179.10	208.95	179.10
Miscellaneous Income	1,504.78	2,078.09	1,294.58	1,271.41	1,487.04	773.54	81.24	942.79	10,492.11	6,248.22
Total	1,86,910.46	2,26,252.00	2,63,468.72	3,03,558.16	3,42,303.91	3,88,342.02	4,31,541.58	4,78,069.63	5,03,786.66	4,72,427.93
IV. EXPENDITURE										
Employees Remuneration	178.37	229.54	356.88	299.88	296.20	342.30	371.69	446.97	535.11	557.98
Interest charges	1,56,393.01	1,88,674.42	2,25,952.42	2,62,670.86	2,73,530.77	3,31,012.41	3,11,782.78	3,38,593.32	3,18,407.93	3,43,349.94
Depreciation	219.33	188.20	165.51	144.54	129.64	245.05	245.59	219.71	145.99	63.89
Administration & Other expenses	138.86	131.90	313.17	21,416.86	3,331.04	3,878.30	2,427.36	8,436.07	3,902.99	2,947.62
Contribution to CMPRF	200.00	-	-	-	-	-	-	-	-	-
Rebate for prompt payment	14,608.44	18,862.53	23,054.37	6,575.78	-	-	18,230.00	-	1,43,550.00	90,109.45
Total	1,71,738.01	2,08,086.59	2,49,842.35	2,91,107.92	2,77,287.66	3,35,478.06	3,33,057.42	3,47,696.08	4,66,542.03	4,37,028.88
Profit before tax	15,172.45	18,165.41	13,626.37	12,450.24	65,016.26	52,863.96	98,484.17	1,30,373.56	37,244.64	35,399.05
Profit After Tax	10,841.64	12,973.71	9,667.97	8,320.02	50,503.58	39,638.69	76,169.20	1,01,717.14	28,911.53	27,641.89
Earnings per share (Rs.)	12.05	14.42	10.74	2.86	2.14	1.27	2.26	2.70	0.77	0.73
Book value per share (Rs.)	89.76	98.95	105.80	17.64	15.13	17.43	16.98	19.49	19.89	20.48
NET WORTH	32,191.10	35,611.74	34,107.18	40,127.35	79,014.30	93,703.52	6,41,488.49	7,43,205.62	7,56,117.15	7,56,117.15

Earnings per share = Profit after tax / No. of shares Book value per share = Share capital + Other equity / No. of shares Net Worth = Share capital + other Equity (excl OCI)



कार्यालय प्रधान महालेखाकार (लेखापरीक्षा-II)
तमिलनाडु और पुडुचेरी
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT-II)
TAMILNADU & PUDUCHERRY

No. PAG (Audit 11)/AMG I/Accts/II/2025-26/238

Dated: 29.12.2025

To
The Managing Director,
Tamil Nadu Power Finance and Infrastructure
Development Corporation Limited,
Tufidco-Powerfin Tower,
490/3-4, Anna Salai,
Nandanam, Chennai - 600 035.

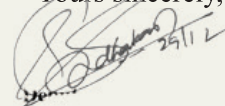
Sir / Madam,

Sub : Comments of the C&AG of India u/s 143(6)(b) of the Companies Act, 2013 on the accounts of Tamil Nadu Power Finance and Infrastructure Development Corporation Limited, Chennai for the year ended 31 March, 2025.

I am to forward herewith the **NIL COMMENTS** certificate of the Comptroller and Auditor General of India under section 143 (6) (b) of the Companies Act, 2013 on the accounts of Tamil Nadu Power Finance and Infrastructure Development Corporation Limited, Chennai for the year ended 31 March, 2025.

A copy of the minutes of Annual General Meeting in which comments of Comptroller & Auditor General of India are placed under section 143 (6) (b) of the Companies Act 2013 may please be sent to this office at the earliest. Six copies of printed Annual Reports as and when they are ready may be forwarded to this office. Action may be taken to place the annual accounts along with comments of C&AG before the legislative assembly as required under Section 19 A (3) of C&AG's DPC Act read with Section 395 of Companies Act, 2013 under intimation to audit.

Yours sincerely,



Deputy Accountant General

Encl: As above

“Lekha Pariksha Bhavan”, 361, Anna Salai, Chennai - 600 018.

“लेखापरीक्षा भवन” 361, अण्णा सालै, चेन्नई-600 018

Phone/ दूभा : 044 - 24316660 to 6666,

E-mail/ ई-मेल : agautamilnadu2@cag.gov.in



प्रधान महालेखाकार (लेखापरीक्षा-II)
तमिलनाडु एवं पुडुचेरी

PRINCIPAL ACCOUNTANT GENERAL (AUDIT-II)
TAMIL NADU & PUDUCHERRY,
361, ANNA SALAI, CHENNAI - 600 018.

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

The preparation of financial statements of Tamilnadu Power Finance and Infrastructure Development Corporation Limited, Chennai for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 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 standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide Audit Report dated 26.09.2025.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit of the financial statements of Tamilnadu Power Finance and Infrastructure Development Corporation Limited, Chennai 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 personnel and a selective examination of some of the accounting records.

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

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



R. THIRUPATHI VENKATASAMY
PRINCIPAL ACCOUNTANT GENERAL

Place : Chennai
Date : 29.12.2025



ANNEXURE - "B"

S DHANAPAL & ASSOCIATES LLP
(Practicing Company Secretaries)



S. DHANAPAL

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2025

[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,
Tamilnadu Power Finance and Infrastructure Development Corporation Limited,
Chennai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. TAMILNADU POWER FINANCE AND INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED**, (hereinafter called the company). Secretarial Audit was conducted based on records made available to us, in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion / understanding thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit and subject to verification of financial statements, we, on strength of those records, and information so provided, and pending verification of the financial statements and the Independent Auditors' Report, hereby report that in our opinion and understandings, the Company, during the audit period covering the financial year ended on **March 31, 2025**, appears to have complied with the statutory provisions listed hereunder and also in our limited review, the Company has proper and required Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the Books, Papers, Minutes' Book, Forms and Returns filed and other records maintained by the Company and made available to us, for the financial year ended on **March 31, 2025** according to the applicable provisions of:

- i) The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to



the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable. (Not applicable during the year under review)

- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI ACT') were not applicable during the year:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) The Securities and Exchange Board of India(Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- vi) The management has identified and confirmed the following laws as being specifically applicable to the Company (Laws applicable to Deposit taking Non-Banking Financial Companies):
 - a) Reserve Bank of India Act, 1934;
 - b) Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016;
 - c) Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023;
 - d) Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015
 - e) Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions - 2024;
 - f) Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016;
 - g) Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices, 2023



- h) Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies), 2024
- i) Master Direction - Know Your Customer (KYC) Direction, 2016 (as updated time to time)
- j) Rules, Regulations, Guidelines, Circulars, Orders, Notification and Directives issued under the above statute to the extent applicable.

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2), and
- ii) The Listing Agreements entered into by the Company with Stock Exchanges and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **NOT APPLICABLE**

During the period under review, the Company has complied with the requirements to be met in accordance with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the required extent except as mentioned below:

1. Constitution of Nomination & Remuneration Committee was not in compliance with Section 178 since the beginning of the reporting period till 26th November, 2024.
2. IT strategy committee was not duly constituted
3. Non-compliance with minimum number of IT Strategy Committee meetings as prescribed and IT Steering Committee was not constituted
4. Chief Information Security Officer (CISO) not appointed , Data migration policy and Fraud Risk Management policy not formulated and Special Committee of the Board for Monitoring and Follow-up of cases of Frauds' (SCBMF) not formed
5. Annual report under Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 not submitted for the Calendar year 2024.

We further report that, according to the investment policy of the Company any investment above the threshold of Rs.1000 Crores needs to be approved by the Board of Directors in their meeting and during the reporting period the Board of Directors ratified the investment of Rs. 3000 Crores in the interest bearing public deposit account by way of circular resolution and the said investment in public deposit account has been closed before the end of Financial Year.

We further report that, there was delay in reporting declaration of interim dividend to RBI and delay in submitting returns with RBI namely (a) DNBS 09- CRILC Weekly – RDB return was not filed during the reporting period upto 8th February, 2025; (b) DNBS03 for the quarter ended 30th June, 2024 and September, 2024; (c) DNBS01 for the month ended on 31st May, 2024 and (d) FMR - IV for the quarter ended on 30th



September, 2024 for which we were informed that, the delay in filing DNBS03, DNBS01 and FMR – IV was due to technical issues with the Centralised Information Management System (CIMS) Portal of Reserve Bank of India.

It is represented to us that the Company has initiated measures, wherever required, to address issues raised by the Statutory Authorities and Letters/Notices received by the Company, if any, during the financial year under various enactments as applicable to the company.

We further report that, subject to the above, the related documents that we have come across depict that:

The Board of Directors of the Company is constituted as applicable with proper balance of Executive Directors, Non-Executive Directors and 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. However, it is noticed that Mr. Prashant Mukund Wadhare and Mr. Phanindra Reddy were Directors in more than 10 Public Companies during the reporting period. As per the Management, the appointment of Directors is a policy decision of the State Government of Tamil Nadu.

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.

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

We further report that, based on our limited review of the compliance mechanism established by the Company, there appear adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that, during the year, the Company has not sought the approval of its members for any special business in the Annual General Meeting.

We further report that during the year, the Board of Directors approved a scheme of Merger with TN Transport Development Finance Corporation Limited at its meeting held on 8th April, 2024 and at the meeting of the Board held on 26th November, 2024 the Board has deferred the said scheme.

We further report that we have come across documents which disclose that a fraud was reported in the Financial Year 2023-24 by the Auditors which involved misappropriation of death claims of two depositors to the tune of Rs.4.06 Cores by a contract employee and FIR was filed with CB-CID on 28/08/2023. This was also reported to RBI and based on RBI's Direction, the Company appointed C-DAC (Centre for Development of Advanced Computing) to conduct Forensic Audit, Fraud Analysis and Security Audit. During the reporting period Forensic Audit and Security Audit Report were submitted by C-DAC.



We further report that our Audit was subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the Company and we are not responsible for any lapses in those compliances on the part of the Company. The compliance with provisions of applicable laws which have been subject to other audits have not been independently reviewed by us and the reports wherever shown to us have been relied upon in rendering our report.

We further report that we have conducted the secretarial audit whenever required through online verification and examination of records, as requested and facilitated by the company, for the purpose of issuing this Report.

For S DHANAPAL & ASSOCIATES LLP
(Practicing Company Secretaries)
(Firm Regn. No. L2023TN014200)

S. DHANAPAL
(Partner)
FCS. 6881
CP No. 7028

Peer Review Certificate No.1107/2021
UDIN : F006881G001329554

Place: Chennai

Date: 24.09.2025

This Report is to be read with our testimony of even date which is annexed as Annexure and forms an integral part of this report.



ANNEXURE A

TO,
THE MEMBERS,
**M/S. TAMILNADU POWER FINANCE AND INFRASTRUCTURE
DEVELOPMENT CORPORATION LIMITED,**
Chennai.

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company and for which we relied on the report of statutory auditor.
4. Where ever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For S DHANAPAL & ASSOCIATES LLP
(Practicing Company Secretaries)
(Firm Regn. No. L2023TN014200)

S. DHANAPAL
(Partner)
FCS. 6881
CP No. 7028

Place: Chennai.
Date : 24.09.2025

Peer Review Certificate No.1107/2021
UDIN : F006881G001329554



ADDENDUM TO SECRETARIAL AUDIT REPORT FY 2024-2025 IN RESPECT OF THE OBSERVATIONS MADE BY THE SECRETARIAL AUDITOR ON TAMIL NADU POWER FINANCE AND INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED , CHENNAI - 35.

Sl.No.	Observation	Management's Reply
1.	Constitution of Nomination & Remuneration Committee was not in compliance with Section 178 since the beginning of the reporting period till 26th November, 2024.	Factual Statement
2.	IT strategy committee was not duly constituted and Non-compliance with minimum number of IT Strategy Committee meetings as prescribed	The point was noted and the committee was duly reconstituted in the 162nd Board Meeting held on 18.06.2025.
3.	IT Steering Committee was not constituted	The management acknowledges the importance of an IT Steering Committee as per the RBI Master Direction's directive and steps shall be taken to constitute the committee.
4.	Chief Information Security Officer (CISO) not appointed, Data migration policy and Fraud Risk Management policy not formulated and Special Committee of the Board for Monitoring and Follow-up of cases of Frauds' (SCBMF) not formed	The Management is in the process of appointing Chief Information Security Officer (CISO), formulating and adopting Data migration Policy and Fraud Risk Management policy as required under the respective Reserve Bank of India Master Directions.
5.	Annual report under Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 not submitted for the Calendar year 2024.	The committee will be reconstituted and report shall be submitted.



[ANNEXURE-II]

The Annual Report of CSR Activities for the financial year 2024-25

- Brief Outline on CSR Policy of the company.
CSR Policy consists of Activities as specified in schedule VII of Companies Act, 2013.

- Composition of CSR Committee:

From 01.04.2024 to 26.11.2025

Sl. No.	Name of Directors	Designation/Nature of Directorship	Number of meetings held during the year 2024-2025	Chairman / Member of the Committee
1.	Dr. Beela Venkatesan, IAS.,	Director	Nil	Chairman
2.	Thiru. Pratik Tayal, IAS.,	Director	Nil	Member
3.	Dr. J. Sadakkadulla	Independent Director	Nil	Member

From 27.11.2024 to 31.07.2025

Sl. No.	Name of Directors	Designation / Nature of Directorship	Number of meetings held during the year 2024-2025	Chairman / Member of the Committee
1.	Thiru. K. Phanindra Reddy IAS.,	Director	Nil	Chairman
2.	Thiru. Pratik Tayal, IAS.,	Director	Nil	Member
3.	Dr. J. Sadakkadulla	Independent Director	Nil	Member

From 31.07.2025 till Present

Sl. No.	Name of Directors	Designation / Nature of Directorship	Chairman / Member of the Committee
1.	Thiru. Shunchonngam Jatak Chiru , IAS.,	Director	Chairman
2.	Thiru. Pratik Tayal, IAS.,	Director	Member
3.	Dr. J. Sadakkadulla	Independent Director	Member

All CSR proposals have been recommended by the CSR Committee to the Board through Circulation and approved by the Board of Directors.

- The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed in [https:// tnpowerfinance.com/tnpfc-web/corporate/tnpfc-policy](https://tnpowerfinance.com/tnpfc-web/corporate/tnpfc-policy)
- The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014. **Not applicable**
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any. **Not applicable.**



Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
Not Applicable			

6. Average net profit of the company as per section 135(5): **Rs.849.95 Crores**
7. (a) Two percent of average net profit of the company as per section 135(5) – **Rs. 16.99 Crores**
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. **NIL**
(c) Amount required to be set off for the financial year, if any - **NIL**
(d) Total CSR obligation for the financial year (7a+7b-7c). **Rs. 16.99 Crores.**
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
17.34 Crores	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL					

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the Project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation- Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	NIL											
	Total											



(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the Project		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State	District			Name.	CSR registration number.
1	The Institute of Mental Health, Kilpauk- Construction of Areca Nut Palm Leaves Plate Manufacturing Unit.	Rehabilitation activities	Yes	Tamil Nadu, Chennai		Rs.12,00,000	Yes	NA	NA
2	Namma School Foundation- Higher education scholarship for Government School students enrolled in Premier institutions.	Promoting education	Yes	Tamil Nadu, Chennai		Rs.50,00,000	Yes	NA	NA
3	Roja Muthiah Research Library- Construction of Tamil Nadu Knowledge Campus	Promoting education	Yes	Tamil Nadu, Chennai		Rs.2,00,00,000	Yes	NA	NA
4	PWD - Illumination of Heritage Building	Restoration of building and sites of historical importance	Yes	Tamil Nadu, Chennai		Rs.2,60,00,000	Yes	NA	NA
5	Construction of Anganwadi Centre, Thiruchuzhi	Eradicating hunger	Yes	Tamil Nadu, Virudhunagar		Rs.80,00,000	Yes	NA	NA
6	Construction of Anganwadi Centre, Narikudi	Eradicating hunger	Yes	Tamil Nadu, Virudhunagar		Rs.60,00,000	Yes	NA	NA
7	Construction of Anganwadi Centre, Kariyapatty	Eradicating hunger	Yes	Tamil Nadu, Virudhunagar		Rs.20,00,000	Yes	NA	NA
8	Construction of Community halls, Thiruchuzhi	Rural development	Yes	Tamil Nadu, Virudhunagar		Rs.30,00,000	Yes	NA	NA
9	Construction of Community halls, Narikudi	Rural development	Yes	Tamil Nadu, Virudhunagar		Rs.30,00,000	Yes	NA	NA
10	Construction of Classroom, Thiruchuzhi	Rural development	Yes	Tamil Nadu, Virudhunagar		Rs.70,00,000	Yes	NA	NA
11	Construction of Classroom, Narikudi	Rural development	Yes	Tamil Nadu, Virudhunagar		Rs.35,00,000	Yes	NA	NA



12	Construction of Auditorium, Thiruchuzhi	Rural development	Yes	Tamil Nadu, Virudhunagar	Rs.1,00,00,000	Yes	NA	NA
13	Construction of Borewells, Narikudi	Rural development	Yes	Tamil Nadu, Virudhunagar	Rs.26,60,000	Yes	NA	NA
14	New Sponge Park- Greater Chennai Corporation	Ensuring environmental sustainability, ecological balance	Yes	Tamil Nadu, Chennai	Rs.2,00,00,000	Yes	NA	NA
15	Mathur Park - Greater Chennai Corporation	Ensuring environmental sustainability, ecological balance	Yes	Tamil Nadu, Chennai	Rs.2,00,00,000	Yes	NA	NA
16	Commissionerate for the Welfare of Differently Abled	Livelihood enhancement projects	Yes	Tamil Nadu, Chennai	Rs.2,35,00,000	Yes	NA	NA
17	Construction of Community halls, Karur	Rural development	Yes	Tamil Nadu, Karur	Rs.1,25,00,000	Yes	NA	NA
	Total				Rs.17,33,60,000			

(d) Amount spent in Administrative Overheads - NIL

(e) Amount spent on Impact Assessment, if applicable - NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – **Rs.17,33,60,000**

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 16.99 Crores
(ii)	Total amount spent for the Financial Year	Rs. 17.34 Crores
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 33,69,382
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Rs. 94,845
(v)	Amount available for set off in succeeding financial years	Rs. 34,64,232



9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1.	NIL						
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing
1.	NIL							
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details). Not Applicable

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not Applicable

Managing Director	Chairman CSR Committee	[Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable).
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R V K S AND ASSOCIATES

Chartered Accountants

147, First Floor, Raj Paris Trimeni Towers,
Gopathi Narayanaswami Chetty Rd,
T. Nagar, Chennai,
Tamil Nadu - 600017.

Anil Nair & Associates

Chartered Accountants

No. 11, First floor, Casa Blanca,
Casa Major road,
Egmore, Chennai
Tamil Nadu - 600008.

INDEPENDENT AUDITOR'S REPORT
To the Members of M/s. Tamilnadu Power Finance and Infrastructure
Development Corporation Limited

Report on the audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Tamilnadu Power Finance and Infrastructure Development Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'financial statements') for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter 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 Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and Profit including Other Comprehensive Income, its cash flows and Statement of Changes in Equity for the year ended on that date.

Basis for Qualified Opinion

We draw attention to the following

1. The Company has classified deposits amounting to Rs. 2,79,177.63 Lakhs received from temples as exempt deposits. In our view, these deposits do not fall within the exempted category as defined under the guidelines of the Reserve Bank of India and should have been classified as Public Deposits. Consequently, the Company's reported public deposits as at 31st March 2025 are understated by Rs. 2,79,177.63 lakhs, and should have been Rs. 13,41,856.05 as against the reported public deposits of Rs. 10,62,678.42 lakhs. This misclassification has resulted in non-compliance with certain prudential norms of the Reserve Bank of India relating to acceptance of public deposits.
2. As per Note 24.25 to accompanying financial statements, an amount of Rs. 60,695.92 lakhs being excess interest accrued on deposits during the previous years has been included under Other Financial Liabilities in Note 14 to the accompanying financial statements. In the absence of sufficient and appropriate audit evidence, in our opinion, Other Financial Liabilities have been overstated to the extent of Rs. 60,695.92 lakhs and the same should have been written back during the year. Audit opinion on the financial statements for the year ended March 31, 2024 was also qualified in respect of this matter.



3. As per Note 2.5(ii) to the accompanying financial statements, the Company has modified the terms of certain Loans (Financial assets) during the year. However, the Company has not accounted for such modification in accordance with the requirements of Ind AS 109 – Financial Instruments, which mandates recalculation of the gross carrying amount using the original effective interest rate and recognition of the resulting modification gain or loss in the Statement of Profit and Loss. Consequently, in the absence of such recognition, the profit for the year and the carrying amount of financial assets are overstated by approximately Rs.39,112.20 lakhs. In our opinion and according to the information and explanations given to us, the aforesaid matter affects the determination of profits available for declaration of dividend. This results in non-compliance with the applicable RBI guidelines relating to dividend distribution by NBFCs and also impacts compliance with other relevant RBI regulatory requirements.
4. The Company has included certain long outstanding, unreconciled balances amounting to Rs. 1,692.34 Lakhs under “Cash and Cash Equivalents” in the Balance Sheet. Management was unable to reconcile these balances. The management has represented that these balances are no longer recoverable and are expected to be written off in the subsequent financial year. In our view, recognition of these amounts as Cash and Cash Equivalents are not in accordance with the applicable accounting framework. Had these balances been written off during the year, Cash and Cash Equivalents would have been lower by Rs. 1,692.34 Lakhs and profit for the year would have been correspondingly overstated by the same amount. In our opinion and according to the information and explanations given to us, the aforesaid matter affects the determination of profits available for declaration of dividend. This results in non-compliance with the applicable RBI guidelines relating to dividend distribution by NBFCs and also impacts compliance with other relevant RBI regulatory requirements.
5. The Company has reported expenditure of Rs. 1,733.60 Lakhs towards Corporate Social Responsibility (CSR) activities during the year ended 31 March 2025. However, the Company has not furnished utilization certificates or other corroborative evidence in support of such expenditure. Accordingly, we were unable to obtain sufficient appropriate audit evidence regarding the extent to which the aforesaid expenditure has been incurred for the purposes specified under Section 135 of the Companies Act, 2013.
6. As disclosed in Note 2.5(ii) to the financial statements, the Company has classified certain financial assets as measured at fair value through Other Comprehensive Income (FVOCI) in accordance with Ind AS 109 – Financial Instruments. However, the recognition of changes in fair value (gains or losses) in Other Comprehensive Income (OCI) has not been carried out in compliance with the requirements of Ind AS 109. In the absence of adequate information, we are unable to ascertain the extent of understatement or overstatement of OCI, and the resulting impact, if any, on the financial position and results of the Company.

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



Emphasis of Matter

1. We draw attention to Note 2.10 of the financial statements which sets out the Company's policy of not providing interest on deposits classified as matured and RIPS. Interest on such deposits, from the date of maturity till the date of withdrawal or renewal, is contingent upon the depositor's decision. In the event of renewal, interest is payable at a rate lower than the contracted rate, whereas no interest is payable in the case of withdrawal. Accordingly, the eventual liability in respect of such interest, if any, cannot be presently determined.
2. We draw attention to Note 24.14.2 of the Financial Statements, which discloses contingent liabilities of Rs. 85,317.87 lakhs in respect of demands raised under Sections 201 and 201(1A) of the Income-tax Act, for Assessment Year 2017-18 to 2024-25. A portion of these demands pertain to the non deduction of tax at source on interest payments made by the Company to certain institutions including universities, temples, and government companies. The Company has not deducted tax at source on such payments, based on its view that these are covered under the exemption provisions of Section 196 of the Income-tax Act, 1961. The eventual outcome of the matter is presently uncertain.
3. As disclosed in Note 5 to the accompanying financial statements, the Company has outstanding loans (financial assets measured at amortised cost) amounting to Rs. 47,48,796.68 Lakhs. According to the loan agreement, these loans are secured through a negative lien on the unencumbered portion of the borrower's fixed assets. However, as of 31 March 2025, charges have been created only to the extent of Rs. 78,900.00 Lakhs in the name of TANGEDCO (now known as "TNPDC"). Following the demerger of TANGEDCO, these charges have not been re-created in the name of the demerged companies, and no charge has been created for the remaining balance of Rs. 46,69,896.68 Lakhs. Except for the portion of loans backed by a government guarantee, the remaining amount has been classified as unsecured in the financial statements.
4. We draw attention to Note 22 - Other expenses to the accompanying financial statements, which includes rebate for prompt payment amounting to Rs. 90,109.45 lakhs granted to Tamil Nadu Power Generation Corporation Limited (TNPGL) and Tamil Nadu Green Energy Corporation Limited (TNGECL) during the year. The company does not have a defined policy or arm's-length benchmark for such rebates, which has been justified by management on the basis that it does not impact the Company's Net Owned Fund requirements under the applicable RBI regulations.

Our opinion is not modified in respect of these matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures thereto but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or 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 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 a material misstatement of this other information, 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 are 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. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events



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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial 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 evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. The Comptroller and Auditor General of India has issued the directions and sub-directions indicating the areas to be examined in term of Section 143(5) of the Act, the compliance of which is set out in "Annexure B".
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 our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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 except for the matters stated in the paragraph 3(h)(iv)(e) under "Report on Other Legal and Regulatory Requirements" on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) As per Notification No. G.S.R. 463E dated June 5, 2015, issued by the Ministry of Corporate Affairs, exempts government Companies from the applicability of Section 164(2) of the Companies Act, 2013. Accordingly, the provisions relating to the disqualification of directors under the said section are not applicable to the Company.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- g) As per Notification No. G.S.R. 463E dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempt from the applicability of Section 197 of the Companies Act, 2013. Accordingly, the provisions relating to overall maximum managerial remuneration and managerial remuneration in case of absence or inadequacy of profits are not applicable to the Company.
- h) 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 we report the following:
 - i. The Company has disclosed the impact of pending litigations as on 31st March 2025 in its financial position in its financial statements - Refer Note No. 24.21.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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 persons or entities, including foreign entities ("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, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("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; and



- c. Based on such audit procedures that has 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.
- d. The interim dividend declared and paid Rs. 13,885 lakhs by the Company during the year and until the date of this report. However, in view of the qualification discussed in “Basis of Qualified Opinion” regarding overstatement of profits, the profits available for distribution stand reduced. Accordingly, the interim dividend declared and paid is not in compliance with Section 123 of the Companies Act, 2013 and the applicable guidelines of the Reserve Bank of India on dividend distribution by the Company.
- e. In accordance with Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, applicable for financial years commencing on or after 1st April 2023, we report that the Company has maintained its books of account using accounting software which has a feature of recording an audit trail (edit log). Based on our examination, including test checks, we observed that the audit trail feature was not operating effectively for all relevant transactions recorded during the reporting period. Consequently, we were unable to verify the completeness and integrity of the audit trail for the entire year. Further, in view of the aforesaid, we are also unable to comment on whether the audit trail has been preserved by the Company in the manner required under the statutory provisions.

For R V K S and Associates

Chartered Accountants

Firm's Registration No. 008572S

For Anil Nair & Associates

Chartered Accountants

Firm Registration No: 000175S

Sd/-

L K Sivaramakrishnan

Partner

Membership No.205025,

UDIN : UDIN: 25205025BMLXFS4427

Place: Chennai

Date: 26.09.2025

G Anil

Partner

Membership Number:022450

UDIN: 25022450BMITOO8493

Place: Chennai

Date: 26.09.2025



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 of even date)

- (i) (a) (A) The Company has maintained records of its Property, Plant and Equipment; however such records are not comprehensive as they do not contain full particulars, including quantitative details and location.
- (B) The Company has maintained records of its Intangible Assets; however, such records are not comprehensive as they do not contain full particulars of the intangible assets.
- (b) The Property, Plant and Equipment, were physically verified during the year by the Management in accordance with a regular programme of verification which in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. However, the process of physical verification is not carried out with reference to the fixed asset register, and therefore, the effectiveness of such verification in identifying material discrepancies is reduced.
- (c) Based on our examination of the documents provided to us, we report that, the title deeds of the immovable properties, disclosed in the financial statements are not held in the name of the Company as at the balance sheet date. The details of such immovable property are as follows:

Description of property	Land and Building
Gross carrying value	Rs. 321.38 Lakhs
Held in name of	Tamil Nadu Slum Clearance Board
Whether promoter, director, relative or employee	No
Period held	2005
Reason for not being held in the name of company	Settlement Issue

- (d) The Company has not revalued any of its Property, Plant and Equipment (Including Right of Use assets) or intangible assets or both during the year. Accordingly, in our opinion, paragraph 3(i)(d), of the Order is not applicable.
- (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) The Company is engaged primarily in accepting deposits and financing power and infrastructure activities and consequently does not hold any physical inventories. Accordingly, In our opinion, paragraph 3(ii)(a) of the Order is not applicable.
- (b) The company has not been sanctioned with any working capital limits exceeding five crores from banks or financial institutions on the basis of security of current assets. Accordingly, in our opinion, paragraph 3(ii)(b) of the Order is not applicable.
- (iii) (a) As explained in note 1 to the financial statements, the Company is a deposit taking non-banking financial company (“NBFC”) registered with the Reserve Bank of India (“RBI”) and as



part of its business activities, is engaged in the business of accepting deposits and financing power and infrastructure projects. Accordingly, in our opinion, paragraph 3(iii)(a) of the Order is not applicable.

- (b) In our opinion, and according to the information and explanations given to us, and having regard to the nature of the Company's business, the investments made, security provided, and the terms and conditions for the grant of all loans and advances in the nature of loans provided during the year are, prima facie, not prejudicial to the interest of the Company, except that the Loans disbursed during the year to TNPGL and TNGEL are not backed by any registered charges in favor of the Company. Although these entities have received loans post-demerger, no modification or creation of charges has been made to secure such loans. In the absence of updated or adequate security, the enforceability of such loans as secured advances remains uncertain.
- (c) In our opinion, according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular as per the schedule stipulated.
- (d) There is no amount due for a period of more than ninety days from the borrowers. Accordingly, in our opinion, paragraph 3(iii)(d) of the Order is not applicable.
- (e) The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is to give loans.
- (f) Based on our audit procedures and the information and explanation made available to us, 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.
- (iv) The company has not entered into any transaction in respect of loans, investments, guarantees and securities, which attracts the provisions of section 185 of the Act. The provisions of section 186 of the Act are not applicable to the company.
- (v) In our opinion and according to the information and explanations given to us, since the Company is registered as Deposit taking Non-Banking Financial Company under the RBI act, the provisions of sections 73 to 76 and other relevant provisions of the Companies Act, 2013 and the related rules are not applicable to it. We have further been informed by the management that no order has been passed against the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013, for business activities carried out by the Company. Hence, in our opinion reporting under paragraph 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited by the Company with the appropriate authorities during the year. However, the following statutory dues were outstanding as at the Balance Sheet date for a period of more than six months from the date they became payable:



S. No.	Name and nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates
1	TDS demand	0.39	AY 2009-10
	Total	0.39	

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the details of statutory dues referred to in sub clause (a) above, which have not been deposited as on March 31, 2025, on account of disputes, are given below :

Sl. No.	Nature of dues	Disputed amount (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
1	Claim of relief u/s 36(i)(viii)	57.68	AY 1998-99	ITAT
2	Claim of relief u/s 36(i)(viii)	34.7	AY 2003-04	ITAT
3	Claim of relief u/s 36(i)(viii)	142.31	AY 2005-06	ITAT
4	Claim of relief u/s 36(i)(viii)	23.00	AY 2006-07	ITAT
5	Claim of relief u/s 36(i)(viii)	29.68	AY 2007-08	ITAT
6	Disallowance u/s 36(i)(va) r.w.s 2(24)(x) and u/s 14A	6.99	AY 2017-18	CITA-III
7	Penalty u/s 270A in relation to disallowance u/s 14A	2.77	AY 2018-19	CITA-III
8	TDS demand u/s 201 and 201(1A)	6,780.80	AY 2017-18	CIT(A)
9	TDS demand u/s 201 and 201(1A)	6,792.84	AY 2018-19	CIT(A)
10	TDS demand u/s 201 and 201(1A)	15,982.60	AY 2019-20	CIT(A)
11	TDS demand u/s 201 and 201(1A)	14,365.44	AY 2020-21	CIT(A)
12	TDS demand u/s 201 and 201(1A)	11,884.76	AY 2021-22	CIT(A)
13	TDS demand u/s 201 and 201(1A)	11,085.78	AY 2022-23	CIT(A)
14	TDS demand u/s 201 and 201(1A)	10,246.72	AY 2023-24	CIT(A)
15	Appeal No.148/08 (MST) dated 27/08/2008	1.35	2005-06 & 2006-07	Commissioner of Central Excise (Appeals)
16	Appeal No.89/2010 (MST) dated 11/03/2010	0.10	Jul'07 to Mar'09	Commissioner of Central Excise (Appeals)



17	Appeal No.ST/42064/2015 dated 07/10/2015	1.35	Apr'08 - 09 to Jan'11	CESTAT
18	Appeal No.ST/40259/2016-SM dated 16/02/2016	0.09	Feb'11 - Mar'11	CESTAT
19	Appeal No.ST/42194/2015-SM dated 29/10/2015	0.29	Apr'10 to Jul'11	CESTAT
20	Appeal No.ST/40211/2022-DB dated 19/05/2022	520.05	Oct'13 - Apr'17	CESTAT
	Total	77,959.30		

(viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

- (ix)
- The company has no borrowing or loans from banks, financial institutions or any lender including debt securities. Hence, in our opinion paragraph 3(ix)(a) of the Order is not applicable.
 - According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority or any other lender.
 - The company has no term loans from banks or financial institutions. Hence, in our opinion paragraph 3(ix)(c) of the Order is not applicable.
 - The company has not raised funds on short term basis. Hence, in our opinion paragraph 3(ix)(d) of the Order is not applicable.
 - Based on the information and explanations provided to us, the Company does not have any subsidiary, associate or joint venture. Hence, in our opinion paragraph 3(ix)(e) of the Order is not applicable.
 - Based on the information and explanations provided to us, the Company does not have any subsidiary, associate or joint venture. Hence, in our opinion paragraph 3(ix)(f) of the Order is not applicable.
- (x)
- The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence in our opinion reporting under paragraph 3(x)(a) of the Order is not applicable.
 - The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally) during the year under review and hence in our opinion reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi)
- During the course of our examination of the books and records of the Company, and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.
 - No report under section 143(12) of the Companies Act, 2013, 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 upto the date of this report.



- (c) As represented to us by the management, there were no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence in our opinion reporting under paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion, and according to the information and explanations given to us, based on our examination of the records of the Company, transactions with related parties are in compliance with the applicable provisions of Sections 177 of the Companies Act, 2013. Further as per Notification No. 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 188 of the Act do not applicable to Government Companies.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 ("RBI Act") and it has obtained the required registration.
- (b) The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration ("CoR") from the RBI as per the RBI Act. The Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.
- (c) The Company is not a Core Investment Company ("CIC") and hence in our opinion reporting under paragraph 3(xvi) (c) of the Order is not applicable to the Company.
- (d) The company is not a part of Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Hence, in our opinion paragraph 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of 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) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act as on 31/03/2025 pursuant to any project other than ongoing projects. However, in view of the limitation described in the "Basis of Qualified Opinion". Our reporting on compliance with the requirements of Section 135 is subject to this qualification. Hence, paragraph 3(xx)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the company does not have any unspent amount pursuant to any ongoing project during the year and hence, not commented upon.
- (xxi) The Company did not have any Subsidiary, Associate or Joint Venture and hence, reporting under clause (xxi) of the Order is not applicable.

For R V K S and Associates

Chartered Accountants

Firm's Registration No. 008572S

Sd/-

L K Sivaramakrishnan

Partner

Membership No.205025,

UDIN : UDIN: 25205025BMLXFS4427

Place: Chennai

Date: 26.09.2025

For Anil Nair & Associates

Chartered Accountants

Firm Registration No: 000175S

G Anil

Partner

Membership Number:022450

UDIN: 25022450BMITOO8493

Place: Chennai

Date: 26.09.2025



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 of even date)

As required under Section 143(5) of the Companies Act, 2013 with respect to the directions issued by The Comptroller & Auditor General of India, based on the verification of records of the Company and based on the information and explanations provided to us, we report that:

S.No.	Directions	Replies
I	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes Loan transactions are processed manually outside the IT system, with only the corresponding entries recorded in the accounting software. Supporting records such as interest calculations are maintained in editable formats, making them susceptible to errors and potential tampering.
II	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company).	No such instance.
III	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	No specific schemes from Central/State Government are being administered by the company.
IV	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.	Based on the explanation and information provided to us by the management, the valuation methodology is consistent with Ind AS requirements and appropriate supporting documents have been reviewed.



V	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? (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?	As per the information and explanations given to us, the Company has identified its key risk. And the Company has also framed a Risk Management Policy to address and mitigate these identified risks. However, in our opinion, the Company has not aligned its risk management approach with global best practices. Additionally, the Company has not identified or valued its data assets, which is essential for assessing data security and cyber-related risks.
VI	Whether the Company is complying with SEBI (LODR), and other applicable regulations of SEBI, DIPAM, MCA, DPE, RBI, TRAI, CERT-IN, MEITY, and NPCI?	The Company is a registered Non-Banking Financial Company (NBFC) and is in compliance with applicable RBI regulations except the matters specified under the “Basis for Qualified Opinion”. The Company is also in compliance with the provisions of the Companies Act, 2013 and the rules made thereunder, as administered by the Ministry of Corporate Affairs except the matters specified under the “Basis for Qualified Opinion”. SEBI (LODR) and other regulatory frameworks referred to in the directions are not applicable to the Company.

For R V K S and Associates

Chartered Accountants

Firm’s Registration No. 008572S

Sd/-

L K Sivaramakrishnan

Partner

Membership No.205025,

UDIN : UDIN: 25205025BMLXFS4427

Place: Chennai

Date: 26.09.2025

For Anil Nair & Associates

Chartered Accountants

Firm Registration No: 000175S

G Anil

Partner

Membership Number:022450

UDIN: 25022450BMITOO8493

Place: Chennai

Date: 26.09.2025



ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT (CONTINUED)

(Referred to in paragraph 2 under Report on ‘Other Legal and Regulatory Requirements’ section of our Report of even date)

As required under Section 143(5) of the Companies Act, 2013 with respect to the additional directions issued by The Comptroller & Auditor General of India, based on the verification of records of the Company and based on the information and explanations provided to us, we report that:

S.No.	Direction	Replies
1.	Whether the Company has complied with the directions issued by RBI for - Non-Banking Finance Companies - Classification of non-performing assets - Capital adequacy norms for NBFCs	Based on the information and explanation provided to us by the management, the company has adhered with the directions issued by the Reserve Bank of India except with the matters specified under the “Basis for Qualified Opinion”.
2.	Whether the Company has a system to ensure that loans were secured by adequate security free from encumbrances and have first charge on the mortgaged assets? Further instances of undue delay in disposal of seized units may be reported.	The Company has a system in place to secure loans advanced against deposits, which are backed by the respective deposits. In addition, charges amounting to Rs.78,900.00 lakhs were originally registered in favour of the Company against loans disbursed to Tamil Nadu Generation and Distribution Corporation Limited. Following the demerger, fresh loans have been extended to Tamil Nadu Power Generation Corporation Limited (TNPGL) and Tamil Nadu Green Energy Corporation Limited (TNGEL); however, no charges have been registered in favour of the Company against these borrowers, and the earlier charges continue to remain in the name of TANGEDCO. Accordingly, the loans are effectively unsecured, as disclosed in the financial statements.
3.	Whether any scheme(s) for settlement of dues and extensions were in force during the year? If so, whether such scheme(s) were in compliance with existing policy/guidelines of the Company/Government?	There is no introduction of any such scheme.



4.	Comment on the confirmation of balances of trade receivables, trade payables, term deposits, bank accounts and cash obtained.	Confirmation of balances of bank accounts, Term deposits, cash balance and loans given to Tamil Nadu Power Generation Corporation Limited (TNPGL) and Tamil Nadu Green Energy Corporation Limited (TNGECL) has been obtained and provided for verification except for the Interest accrued on Personal deposits (for the deposits made with Govt. of Tamil Nadu - Department of Finance - Treasuries and Accounts) amounting to Rs. 10,229.09 Lakhs. The company's trade payables mainly comprise deposits amounting to Rs. 46,54,278.92 lakhs. Hence, confirmations for the same have not been provided. Also, balance confirmations for trade receivables pertaining to loans to depositors amounting to Rs. 6,671.98 lakhs could not be obtained.
5.	Whether the bank guarantees have been revalidated in time?	Based on the information and explanations provided to us, there were no bank guarantees that were due for renewal or revalidation during the year.
6.	Whether the bank reconciliation in respect of the HDFC account has been completed, and whether any action has been taken by the Management to reconcile and adjust the legacy balances in the books of accounts?	Based on the information and explanations provided by the management, no corrective action has been taken in this regard as of 31st March 2025, and the outstanding amount of Rs. 1,691.30 lakhs in the long outstanding, unreconciled balances continue to remain unreconciled in the books of accounts.
7.	Whether TNPFC has framed a policy for provisioning accrued interest on matured deposits, considering that most such deposits are renewed belatedly and interest is payable as per the terms and conditions of renewal; and whether any action has been taken by the management in this regard?	Based on the information and explanation provided to us by the management, the company is providing accrued interest on matured deposits except on deposits classified as matured and RIPS. Interest on such deposits, from the date of maturity till the date of withdrawal or renewal, is contingent upon the depositor's decision. In the event of renewal, interest is payable at a rate lower than the contracted rate, whereas no interest is payable in the case of withdrawal. Accordingly, the eventual liability in respect of such interest, if any, cannot be presently determined.

For R V K S and Associates

Chartered Accountants

Firm's Registration No. 008572S

Sd/-

L K Sivaramakrishnan

Partner

Membership No.205025,

UDIN : UDIN: 25205025BMLXFS4427

Place: Chennai

Date: 26.09.2025

For Anil Nair & Associates

Chartered Accountants

Firm Registration No: 000175S

G Anil

Partner

Membership Number:022450

UDIN: 25022450BMITOO8493

Place: Chennai

Date: 26.09.2025



ANNEXURE “C” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 3(f) 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 over financial reporting of **Tamilnadu Power Finance and Infrastructure Development Corporation** (the “Company”) as of March 31, 2025, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Management of the Company 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 (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company 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”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2025:

1. The Company does not maintain a documented Standard Operating Procedure (SOP) that describes procedures specific to operations and segregation of duties to each person in each department is not documented.
2. The Company does not have a documented manual for accounting policies adopted, practiced and followed to evaluate consistency and compliance with Ind AS.
3. The Company does not have a documented manual to ensure internal financial control and to detect material weakness which may occur due to an ineffective control system.
4. Documentation with regards to Investment, interest on loan and PPE register are maintained in editable formats which are prone to inaccuracy and tampering. Access to such documents are not restricted to authorized personnel.
5. Following are the inconsistencies noticed in the database of the company due to inadequate internal controls:
 - a. Multiple customer IDs created using the same PAN Number.
 - b. Lack of consistency in KYC documentation on deposits.
 - c. Mismatch between the data generated in reports and the actual details available in the software.
6. The company does not prepare a Bank Reconciliation Statement (BRS) monthly. Significant delays noticed in preparation of BRS during the year.
7. The company does not reconcile the total number of deposit requests received and the actual deposits opened during the year. There is no system to verify if deposits are accounted for all the amounts received during the year whether online or offline.



In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R V K S and Associates

Chartered Accountants

Firm's Registration No. 008572S

Sd/-

L K Sivaramakrishnan

Partner

Membership No.205025,

UDIN : UDIN: 25205025BMLXFS4427

Place: Chennai

Date: 26.09.2025

For Anil Nair & Associates

Chartered Accountants

Firm Registration No: 000175S

G Anil

Partner

Membership Number:022450

UDIN: 25022450BMITOO8493

Place: Chennai

Date: 26.09.2025



TAMIL NADU POWER FINANCE AND INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Notes Forming Part of the Financial Statements

Note 1: Company overview :

The Tamil Nadu Power Finance and Infrastructure Development Company Limited (TNPFC) was established in 1991 and is wholly owned by the Government of Tamil Nadu. It is a Non-Banking Finance Company which fulfils the objective of mobilizing funds through normal commercial channels to provide financial assistance for the development of power and infrastructure projects within the state of Tamil Nadu particularly for the schemes relating to generation, transmission, and distribution network of Tamil Nadu Electricity Board (TNEB) and providing financial assistance to Tamil Nadu Power Generation Corporation Limited and Tamil Nadu Green Energy Corporation Limited (erstwhile TANGEDCO). The Company has been notified as Public Financial Institution vide Notification No. S.O. 20(E), dated 9th January 2007 by the Government of India, Ministry of Corporate Affairs.

Government vide G.O.Ms.No.331 Finance (BPE) Department, dated 26.07.2013 accorded sanction for 5 Public Sector Undertakings to purchase 3.56% of NLC equity and the apportionment of proposed allocation to TN Power Finance is 10% of the above. In this regard, the Government have also accorded sanction for financial assistance of Rs.37.50 crores as ways and means advance initially to enable TN Power Finance for the investment of shares in NLC to be adjusted as share capital. NLC has allocated TN Power Finance vide letter dated 05.08.2013, a total number of 5970126 equity shares at the cost of 35,82,07,560.

Ways and means advance sanctioned by Government for purchase of NLC shares of Rs. 37.50 Crores along with interest accrued thereon up to Rs. 2.50 Crores totaling Rs. 40.00 Crores has been converted into equity shares comprising of 4,00,00,000 equity shares of 10/- each and the balance interest accrued thereon as on 31.03.2015 has been remitted to Government Account on 15.04.2015 as approved by the Government vide Letter No. 1329/E2/2014-3, Energy E2 Department, dated 01.04.2015 and sanction made by the Government vide G.O.(Ms) No.20, Energy E2 Department, dated 24.02.2016.

NOTE 2: Significant Accounting Policies

2.1 Statement of Compliance

The Financial Statements have been prepared as a going concern in accordance with the Indian Accounting Standard ('Ind AS'), notified under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendments Rules, 2016 issued by the Ministry of Corporate Affairs (MCA).

All the amounts included in the Financial Statements are reported in Indian Rupees (₹) and all values are rounded off to the nearest lakhs except where otherwise indicated.

2.2 Basis of Preparation and Presentation of Financial Statement

The Financial Statements have been prepared under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in accounting policies below.

2.3 Use of estimates

The presentation of financial statements requires the management to make estimates and assumption that may affect the balances of assets and liabilities and the reported amounts of income and expenditures during the period under audit. However, the actual results could differ from those estimated which will be recognized prospectively. Significant areas of judgement/estimation are disclosed in the respective notes.



2.4 Revenue Recognition

(i) Interest Income:

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

The EIR in case of a financial asset is computed:

- As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows are recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL.

(ii) Dividend Income:

Dividend income is recognised when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and, the amount of the dividend can be measured reliably.

(iii) Net gain on Fair value changes:

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss. Similarly, any unrealised gain/loss arising out of financial assets classified as fair value through other comprehensive income, is recognised under other comprehensive income in the Statement of Profit and Loss.

Any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

Net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

2.5 Financial Instruments:

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



Financial Assets / Liabilities

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

(i) Classification of financial instruments

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

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

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

(ii) Measurement

Debt Instruments:

a. At amortised cost

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

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

Such Financial assets are subsequently measured at amortised cost using the Effective Interest rate method.

b. At Fair Value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income where they have:

- Are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and;
- Contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss.



Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Company in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments - Presentation. Such classification is determined on an instrument-by-instrument basis. Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. Dividends on such investments are recognised in profit or loss.

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method except for financial liabilities at FVTPL. A financial liability is classified as FVTPL if it is held-for-trading or it is a derivative or it is designated as FVTPL on initial recognition. Interest expense, foreign exchange gains (losses) and any gains and losses on de-recognition are recognised in the profit or loss.

c. Items at fair value through profit or loss

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the Statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the Statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in a qualifying hedge relationship.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies i.e., eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed, and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income.



(iii) Fair Value Measurement

The fair value measurement is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 - This level includes financial assets that are measured by reference to quoted prices in active markets for identical assets or liabilities.

Level 2 - This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. price) or indirectly (i.e. derived from prices).

Level 3 - This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

TNPFC on a recurring basis measure the fair value of the financial assets viz.,

- (a) Government securities
- (b) Shares held in Neyveli Lignite Corporation Limited (NLC)

TNPFC in accordance with INDAS 113 determines the fair value of the above-mentioned financial instruments using market approach as they actively traded in the market. Thus, observable inputs of unadjusted quoted prices (Level 1) are used for determining Fair value.

(iv) De-recognition of financial assets and financial liabilities

Financial asset: A financial asset or a part thereof is primarily de-recognised when:

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

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains all or substantially all the risks and rewards of the transferred assets, the transferred assets are not de-recognised.

On de-recognition of a financial asset, the difference between the carrying amount of the asset and the consideration received is recognised in profit or loss.

Financial liabilities: The Company de-recognises a financial liability when its contractual obligations are discharged, cancelled or expired.

2.6 Property, plant and equipment

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

Cost:

Property, plant and equipment's are stated in the balance sheet at cost (net of duty/ tax credit availed) less accumulated depreciation and accumulated impairment losses.



Cost of acquisition is inclusive of freight, non-refundable duties & taxes and other directly attributable costs of bringing the asset to its working condition for the intended use. Freehold land is not depreciated. An item is recognised as property, plant and equipment if and only if it is probable that future economic benefits associated with the item will flow to the Company and its costs can be measured reliably. Subsequent expenditure is added to the carrying amount or recognized as separate asset, when the Company expects future economic benefits from that item.

Depreciation:

Depreciation is recognised to write off the cost of assets less their residual values over their useful lives, using the written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

De-recognition:

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Impairment

The property plant and equipment with definite life are reviewed for impairment whenever the events or changes indicate that their carrying value may not be recoverable. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life. An item of the property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of the item of property, plant and equipment is determined as the difference between the sale proceeds and carrying amount of the asset and is recognised in profit and loss.

2.7 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses (if any). Software is amortised on a straight-line basis over the license period or three years, whichever is lower. Other intangibles are amortised based on the estimated useful life as determined. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An Intangible asset is derecognised on disposal or when no future economic benefits are expected from use of disposal. Gains or losses arising from derecognition of an intangible asset measured as the difference between the net disposal proceeds and the carrying amount of the asset as recognised in profit or loss when the asset is derecognised.

Amortization

Amortization is recognized in the Statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use.

2.8 Intangible Assets under Development

intangible assets which are not ready for their intended use and other work-in-progress are carried at cost, comprising direct cost and other related incidental expenses.



2.9 Leases

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

2.10 Finance Cost

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

2.11 Employee benefits

Short-term employee benefits:

A liability is recognized for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short-term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Advances to staff:

Advances given to staff at rates below the market rate are accounted for as financial assets. The advances are discounted using the relevant State Bank of India (SBI) Lending rates as at the end of the respective years. The difference between the present value arrived at using SBI Lending Rates and the book value is transferred to Surplus account in the respective years.

Post-employment benefit plans:

Defined Contribution Plan

Payments to defined contribution plans i.e., Company's contribution to provident fund, employee state insurance, employee pension scheme and health insurance are determined under the relevant schemes and/ or statute and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees.

Defined Benefit Plan

For defined benefit plans i.e., Company's liability towards gratuity (funded), other retirement/ terminations benefits and compensated absences, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Defined benefit costs are comprised of:

- i. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- ii. net interest expense or income; and
- iii. Re-measurement.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.



Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses i.e., changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Leave encashment benefits are calculated as per actuarial valuation and provided for though no separate fund is created/administered.

Other long term employee benefits:

The obligation for other long-term employee benefits such as long term compensated absences, liability on account of Retention Pay Scheme is recognised in the same manner as in the case of defined benefit plans as mentioned above.

Termination benefits

Termination benefits such as compensation under Voluntary Retirement cum Pension Scheme are recognised as expense and a liability is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.12 Segment reporting

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue expenses/ assets / liabilities'.

2.13 Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Current tax

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary



difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and Deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.14 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use.

2.15 Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

2.16 Dividends

The final Dividend on shares is recorded as a liability on the date of approval by the Shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

2.17 Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursements will be received, and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Company (or) There is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.18 Earnings per share:

Basic earnings per share is calculated by dividing the net profit/ (loss) after tax for the period attributable to the equity shareholders by the weighted average number of shares outstanding during the year. A separate EPS has to be calculated for continuing and discontinued operations as well as the combined profit.



The diluted earnings per share have been computed using weighted average number of shares adjusted for effects of all potentially dilutive equity shares.

2.19 Foreign Currency Transaction

Transactions in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. The foreign currency being a monetary liability is restated to INR (being presentation currency of the company) at the prevailing rate of exchange at the reporting period with the corresponding exchange gain/loss being recognized in profit or loss.

2.20 Financial Instrument Disclosure

Loan outstanding of Rs.44,654.73 Crores to TNPGL & TNGEL is not covered by Government Guarantee as on 31.03.2025. During the FY 2022-23, the state Government has extended, Rs. 4,982.03 Crores as Guarantee on the total outstanding loan amount to TNPGL & TNGEL (formerly known as TANGEDCO) as per G.O Ms.No.140 on 15.05.2023 of Finance (Loans and Advances Cell). Additionally, as per G.O Ms.No.114 dated 14.05.2025 the State Government has extended Rs.4,000 Crores as guarantee for the outstanding loan amount to TNPGL & TNGEL. The Company is in the process of getting security for the remaining unsecured loan.

2.21 Related Party transactions

According to IND AS 24, A reporting entity is exempt from the disclosure requirements in relation to related party transactions with

- (a) a government that has control, joint control or significant influence over the reporting entity; and
- (b) another entity that is a related party because the same government has control, joint – control or significant influence over both the reporting entity and the other entity.

In line with exemption provided in Ind AS-24, the following are disclosed with regard to related parties: :

- (a) the name of the government – Tamil Nadu Government
- (b) the nature of the government's relationship with the entity (whether the government has control, joint control or significant influence over the entity) – Promoter and Shareholders
- (c) to enable the users of the entity's financial statements to understand the effect of related party transactions on its financial statements, the following information in sufficient details:
 - the nature and amount of each individually significant transaction: Nil
 - for other transactions that are not significant individually but are significant when aggregated, either a qualitative or quantitative indication of their extent: Nil.



Tamil Nadu Power Finance and Infrastructure Development Corporation Limited
CIN: U65191TN1991SGC021030

Balance Sheet as at March 31, 2025

Particulars	Note No.	Amount in Lakhs	
		As at March 31, 2025	As at March 31, 2024
ASSETS			
Financial Assets			
Cash and cash equivalents	3	5,64,665.64	49,204.42
Bank balances other than cash and cash equivalents	4	20.05	41,012.33
Loans	5	47,36,527.33	47,07,248.53
Investments	6	5,41,104.79	3,61,236.66
Other financial assets	7	10,328.73	35.61
Non-financial Assets			
Current tax assets (net)	8	7,663.82	16,961.31
Deferred tax assets (net)			
Property, plant and equipment	10	408.31	449.85
Intangible Assets	11(a)	0.70	19.79
Intangible Assets under Development	11(b)		
Other non-financial assets	12	381.43	1,121.71
TOTAL ASSETS		58,61,100.78	51,77,290.19
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Deposits	13	46,54,278.92	39,03,383.99
Other financial liabilities	14	4,15,689.39	5,09,451.92
Non-financial liabilities			
Current tax liabilities (net)	8	-	-
Deferred tax Liabilities (net)	9	3,363.42	319.24
Provisions	15	241.94	279.51
Other non-financial liabilities	16	16,128.12	14,500.64
EQUITY			
Equity share capital	24.23	3,76,700.00	3,76,700.00
Other equity	24.24	3,94,699.00	3,72,654.88
TOTAL LIABILITIES AND EQUITY		58,61,100.78	51,77,290.19

See accompanying Notes forming part of the Financial Statements

As per our Report attached

For R V K S and Associates
Chartered Accountants
(Firm Regn. No. 008572S)

For Anil Nair and Associates
Chartered Accountants
(Firm Regn. No. 000175S)

For and on behalf of the Board,

L K Sivaramakrishnan
Partner
Membership No. 205025
Place : Chennai
Date : 26-09-2025
UDIN: 25205025BMLXFS4427

G Anil
Partner
Membership No. 022450
Place : Chennai
Date : 26-09-2025
UDIN: 25022450BMITOO8493

Pratik Tayal I.A.S
Director
DIN : 09422959

Pooja Kulkarni I.A.S
Managing Director
DIN : 02783673

P Jameela
Chief Financial Officer
Place : Chennai
Date : 26-09-2025



Tamil Nadu Power Finance and Infrastructure Development Corporation Limited
CIN: U65191TN1991SGC021030
Statement of Profit and loss for the year ended March 31, 2025

Particulars	Note No.	Amount in Lakhs	
		Year Ended March 31, 2025	Year Ended March 31, 2024
Revenue from operations:			
Interest Income	17	4,66,000.61	4,93,085.60
Dividend Income		179.10	208.95
Net gain on fair value changes	18	989.25	9,011.91
Total Revenue from operations (a)		4,67,168.96	5,02,306.46
Other Income (b)	19	5,258.97	1,480.21
Total Income (c) = (a + b)		4,72,427.93	5,03,786.66
Expenses:			
Finance Cost	20	3,43,349.94	3,18,407.93
Employee Benefit Expenses	21	557.98	535.11
Depreciation, Amortization and Impairment	10&11	63.89	145.99
Others expenses	22	93,057.07	1,47,452.99
Total Expenses (d)		4,37,028.88	4,66,542.03
Profit / (loss) before exceptional items and tax		35,399.05	37,244.64
Exceptional items		-	-
Prior Period items		-	-
Profit/(loss) before tax (e) = (c - d)		35,399.05	37,244.64
Tax Expenses:			
(1) Current Tax pertaining to current year		7,472.45	5,849.04
(2) Current Tax pertaining to prior years			
(3) Deferred Tax		285	2,484.08
Total Tax Expenses (f)		7,757.16	8,333.11
Profit / (loss) for the year		27,642	28,911.53
Profit/(loss) for the year (g) = (e - f)		27,641.89	28,911.53
Other Comprehensive Income:	23		
Items that will not be reclassified to profit or loss			
- Gain/(Loss) on changes in fair value of Equity Instruments		-	-
- Gain/(loss) on changes in fair value of Government Securities		11,002.56	3,641.97
- Gain/(loss) on staff advances		5.34	2.45
- Re-measurements of the defined benefit plans		38.80	(3.27)
- Income tax effect on the above		(2,759.46)	(1,504.97)
Other Comprehensive Income (h)		8,287.23	2,136.19
Total Comprehensive Income for the year (g + h)		35,929.13	31,047.71
Earnings per equity share (Rs. 10 each)			
Basic (Rs.) / Diluted (Rs.)		0.73	0.77
Earnings per equity share (for continuing and discontinued operations)			
Basic (Rs.) / Diluted (Rs.)		0.73	0.77

See accompanying Notes forming part of the Financial Statements

As per our Report attached

For R V K S and Associates
Chartered Accountants
(Firm Regn. No. 008572S)

For Anil Nair and Associates
Chartered Accountants
(Firm Regn. No. 000175S)

For and on behalf of the Board,

L K Sivaramakrishnan
Partner
Membership No. 205025
Place : Chennai
Date : 26-09-2025
UDIN: 25205025BMLXFS4427

G Anil
Partner
Membership No. 022450
Place : Chennai
Date : 26-09-2025
UDIN: 25022450BMITOO8493

Pratik Tayal I.A.S
Director
DIN : 09422959

Pooja Kulkarni I.A.S
Managing Director
DIN : 02783673

P Jameela
Chief Financial Officer
Place : Chennai
Date : 26-09-2025



TAMIL NADU POWER FINANCE AND INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED
CIN: U65191TN1991SGC021030

Statement of Cash Flows for the year ended March 31, 2025

Particulars	Amount in Lakhs	
	Year Ended March 31, 2025	Year Ended March 31, 2024
A. Cash Flow from Operating Activities		
Net Profit before Tax	35,399.05	37,244.64
Adjustments for:		
Depreciation and Amortization	63.89	145.99
Finance Cost	3,43,349.94	3,18,407.93
(Gain)/Loss on Fair Value Changes in Equity Investments	(989.25)	(9,011.91)
Provision for standard assets	117.56	208.71
Interest Income	(36,687.17)	(28,673.82)
Re-measurements of the defined benefit plans		-
(Profit)/Loss on sale of Property, Plant and Equipment		-
Operating Profit before Working Capital changes	3,41,254.03	3,18,321.54
Adjustments for:		
(Increase) / Decrease in Loans	(29,278.81)	(51,016.05)
(Increase) / Decrease in other financial and non financial assets	(9,552.83)	1,309.78
Increase / (Decrease) in other financial and non financial liabilities	(92,090.92)	1,08,092.34
Increase / (Decrease) in Deposits	7,50,894.93	(62,950.13)
Increase / (Decrease) in Provisions	(155.14)	(244.86)
Net cash generated from/(used in) operating activities	9,61,071.26	3,13,512.63
Net Income Tax (Paid)/Refunds	1,825.04	(22,358.98)
Net Cash(used in)/generated from Operating activities	9,62,896.30	2,91,153.65
B. Cash Flow from Investing activities		
Purchase of intangible assets	-	-
Interest Income on Investments	36,687.17	28,673.82
Proceeds from Sale of Investments	(1,67,876.32)	(43,971.56)
Sale of Property, Plant & Equipment		-
Purchase of Property, Plant & Equipment	(3.27)	(55.54)
Purchase of Investments		-
Investment in Bank Deposits	40,992.29	72,835.69
Proceeds from Bank Deposits		-
Net Cash(used in)/generated from Investing activities	(90,200.14)	57,482.41
C. Cash flow from Financing Activities		
Proceeds from issue of Share Capital	-	-
Repayment of Debt Securities	-	-
Finance cost	(3,43,349.94)	(3,18,407.93)
Dividend and Dividend tax paid		-
Net Cash(used in)/generated from Financing activities	(3,57,234.94)	(3,34,407.93)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	5,15,461.22	14,228.13
Cash and Cash equivalents as at the beginning of the year	49,204.42	34,976.29
Cash and Cash equivalents as at the end of the year	5,64,665.64	49,204.42
Components of Cash and Cash equivalents at the end of the year are given below:		
- Balances with Banks	5,64,665.61	49,204.11
- Bank deposits with original maturity less than 3 months (of the nature of cash & cash equivalents)	-	-
- Cash on hand	0.03	0.30
	5,64,665.64	49,204.42

Notes: 1. Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Statement of Cash Flows.
2. Cash and cash equivalents represent cash and bank balances.
3. Previous year's figures have been regrouped / reclassified wherever applicable.

See accompanying Notes forming part of the Financial Statements

As per our Report attached

For R V K S and Associates
Chartered Accountants
(Firm Regn. No. 008572S)

For Anil Nair and Associates
Chartered Accountants
(Firm Regn. No. 000175S)

For and on behalf of the Board,

L K Sivaramakrishnan
Partner
Membership No. 205025
Place : Chennai
Date : 26-09-2025
UDIN: 25205025BMLXFS4427

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Partner
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Pratik Tayal I.A.S
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DIN : 09422959

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Managing Director
DIN : 02783673

P Jameela
Chief Financial Officer
Place : Chennai
Date : 26-09-2025



Tamil Nadu Power Finance and Infrastructure Development Corporation Limited
CIN: U65191TN1991SGC021030

Statement of Changes in Equity for the year ended March 31, 2025

A) Equity Share Capital:	Amount in Lakhs	
PARTICULARS	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	3,76,700.00	3,76,700.00
Changes in Equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	3,76,700.00	3,76,700.00
Equity shares issued during the year	-	-
Less: Shares bought back during the year	-	-
Balance at the end of the year	3,76,700.00	3,76,700.00

B) Other Equity:	(Amount in Lakhs)						
Particulars	Securities Premium	Special Reserves	General Reserve	Reserve Fund	Surplus	Other comprehensive income	Total
Reinstated Balance as on March 31,2023	1,800.00	79,543.37	57,400.79	55,650.78	1,72,110.68	(8,898.46)	3,57,607.16
Profit after tax for the year*	-	-	-	-	28,911.53	-	28,911.53
Change in fair value of staff advances	-	-	-	-	-	2.45	2.45
Gain on change in fair value of Equity Instruments	-	-	-	-	-	-	-
Gain on change in fair value of Government Securities	-	-	-	-	-	2,136.18	2,136.18
Re-measurements of the defined benefit plans	-	-	-	-	-	(2.45)	(2.45)
Equity Dividend (including dividend distribution tax)	-	-	-	-	(16,000.00)	-	(16,000.00)
Transfer from surplus account	-	6,868.90	2,891.15	5,782.31	-	-	15,542.36
Transfer to Special reserve	-	-	-	-	(6,868.90)	-	(6,868.90)
Transfer to General reserve	-	-	-	-	(2,891.15)	-	(2,891.15)
Transfer to Reserve fund	-	-	-	-	(5,782.31)	-	(5,782.31)
Balance as on March 31, 2024	1,800.00	86,412.27	60,291.94	61,433.09	1,69,479.85	(6,762.27)	3,72,654.88
Profit after tax for the year	-	-	-	-	27,641.89	-	27,641.89
Change in fair value of staff advances	-	-	-	-	-	10.09	10.09
Gain on change in fair value of Equity Instruments	-	-	-	-	-	-	-
Gain on change in fair value of Government Securities	-	-	-	-	-	8,233.43	8,233.43
Re-measurements of the defined benefit plans	-	-	-	-	-	43.71	43.71
Equity Dividend (including dividend distribution tax)	-	-	-	-	(13,885.00)	-	(13,885.00)
Transfer from surplus account	-	6,428.84	2,764.19	5,528.38	-	-	14,721.41
Transfer to Special reserve	-	-	-	-	(6,428.84)	-	(6,428.84)
Transfer to General reserve	-	-	-	-	(2,764.19)	-	(2,764.19)
Transfer to Reserve fund	-	-	-	-	(5,528.38)	-	(5,528.38)
Balance as on March 31, 2025	1,800.00	92,841.11	63,056.13	66,961.47	1,68,515.34	1,524.96	3,94,699.00

See accompanying Notes forming part of the Financial Statements

As per our Report attached

For R V K S and Associates

Chartered Accountants

(Firm Regn. No. 008572S)

For Anil Nair and Associates

Chartered Accountants

(Firm Regn. No. 000175S)

For and on behalf of the Board,

L K Sivaramakrishnan

Partner

Membership No. 205025

Place : Chennai

Date : 26-09-2025

UDIN: 25205025BMLXFS4427

G Anil

Partner

Membership No. 022450

Place : Chennai

Date : 26-09-2025

UDIN: 25022450BMITOO8493

Pratik Tayal I.A.S

Director

DIN : 09422959

Pooja Kulkarni I.A.S

Managing Director

DIN : 02783673

P Jameela

Chief Financial Officer

Place : Chennai

Date : 26-09-2025



Note 3. Cash & Cash Equivalents		Amount in Lakhs	
PARTICULARS	As at March 31, 2025	As at March 31, 2024	
Cash on hand	0.03	0.30	
Balances with banks (of the nature of cash & cash equivalents)	5,59,285.98	49,204.11	
Bank deposit with original maturity less than 3 months (of the nature of cash & cash equivalents)	5,379.63	-	
Total	5,64,665.64	49,204.42	

Note 4. Bank Balance other than cash and cash equivalents:		Amount in Lakhs	
PARTICULARS	As at March 31, 2025	As at March 31, 2024	
Bank deposits with original maturity for more than 3 months	-	40,975.15	
Earmarked Balances with Banks	20.05	37.19	
TOTAL	20.05	41,012.33	



Note 5. Loans												
Amount in Lakhs												
PARTICULARS	As at March 31, 2025						As at March 31, 2024					
	Amortised Cost (1)	At fair value through OCI (2)	At fair value through Profit or loss (3)	Designated at fair value through profit or loss (4)	Sub total (5 = 2+ 3+4)	Total (6=1+5)	Amortised Cost (1)	At fair value through OCI (2)	At fair value through Profit or loss (3)	Designated at fair value through profit or loss (4)	Sub total (5= 2+3+4)	Total (6=1+5)
(A)					-	-						
i) Term Loans	47,48,796.68	-	-	-	-	47,48,796.68	47,14,684.51	-	-	-	-	47,14,684.51
ii) Loan on Deposits and Other Advances	6,671.98	-	-	-	-	6,671.98	11,394.14	-	-	-	-	11,394.14
iii) Loan to Employees	80.84					80.84	74.49					74.49
Total (A) - Gross	47,55,549.51	-	-	-	-	47,55,549.51	47,26,153.14	-	-	-	-	47,26,153.14
Less : Impairment loss allowance	19,022.17	-	-	-	-	19,022.17	18,904.61	-	-	-	-	18,904.61
Total (A) - Net	47,36,527.33	-	-	-	-	47,36,527.33	47,07,248.53	-	-	-	-	47,07,248.53
(B)												
i) Secured by tangible assets	6,671.98	-	-	-	-	6,671.98	11,394.14	-	-	-	-	11,394.14
ii) Secured by Government Guarantee	2,83,323.33					2,83,323.33	3,90,763.33					3,90,763.33
iii) Unsecured	44,65,554.19	-	-	-	-	44,65,554.19	43,23,995.67	-	-	-	-	43,23,995.67
Total (B) - Gross	47,55,549.51	-	-	-	-	47,55,549.51	47,26,153.14	-	-	-	-	47,26,153.14
Less : Impairment loss allowance	19,022.17	-	-	-	-	19,022.17	18,904.61	-	-	-	-	18,904.61
Total (B) - Net	47,36,527.33	-	-	-	-	47,36,527.33	47,07,248.53	-	-	-	-	47,07,248.53
(C)												
i) Public sector	47,48,796.68	-	-	-	-	47,48,796.68	47,14,684.51	-	-	-	-	47,14,684.51
ii) Others	6,752.83	-	-	-	-	6,752.83	11,468.62	-	-	-	-	11,468.62
Total (C) - Gross	47,55,549.51	-	-	-	-	47,55,549.51	47,26,153.14	-	-	-	-	47,26,153.14
i) In India	47,55,549.51					47,55,549.51	47,26,153.14					47,26,153.14
ii) Outside India	-					-	-					-
ii) Less: Impairment loss allowance	19,022.17	-	-	-	-	19,022.17	18,904.61	-	-	-	-	18,904.61
Total (C) - Net	47,36,527.33	-	-	-	-	47,36,527.33	47,07,248.53	-	-	-	-	47,07,248.53



Note 6. Investments		Amount in Lakhs													
		As at March 31, 2025						As at March 31, 2024							
		Amortised Cost (1)	At fair value through OCI (2)	At fair value through Profit or loss (3)	Designated at fair value through profit or loss (4)	Sub total (5= 2+3+4)	Others (6)	Total (7=1+5+6)	Amortised Cost (1)	At fair value through OCI (2)	At fair value through Profit or loss (3)	Designated at fair value through profit or loss (4)	Sub total (5= 2+3+4)	Others (6)	Total (7=1+5+6)
PARTICULARS	i) Government securities at Amortised Cost	29,727.82	-	-	-	-	-	29,727.82	32,193.54	-	-	-	32,193.54	-	297,250.14
	ii) Government Securities at Fair Value through OCI		4,96,769.86			4,96,769.86	4,96,769.86			3,15,425.26			3,15,425.26	-	-
	ii) Debt securities		-	-	-	-	-	-	-	-	-	-	-	-	4,605.95
	ii) Equity instruments	-	-	14,607.11	-	14,607.11	-	14,607.11	-	13,617.86	-	-	13,617.86	-	-
	iv) Amount receivable from others		-	-	-	-	-	-	-	-	-	-	-	-	301,856.09
	Total Gross (A)	29,727.82	4,96,769.86	14,607.11	-	5,11,376.97	-	5,41,104.79	32,193.54	3,15,425.26	13,617.86	-	3,61,236.66	-	-
i) Investments outside India		-	-	-	-	-	-	-	-	-	-	-	-	-	301,856.09
ii) Investments in India		29,727.82	4,96,769.86	14,607.11	-	5,11,376.97	-	5,41,104.79	32,193.54	3,12,670.13	13,617.86	-	3,61,236.66	-	301,856.09
Total Gross (B)		29,727.82	4,96,769.86	14,607.11	-	5,11,376.97	-	5,41,104.79	32,193.54	3,12,670.13	13,617.86	-	3,61,236.66	-	-
Less: Allowance for impairment loss (C)		-	-	-	-	-	-	-	-	-	-	-	-	-	301,856.09
Total - Net D = (A) - (C)		29,727.82	4,96,769.86	14,607.11	-	5,11,376.97	-	5,41,104.79	32,193.54	3,15,425.26	13,617.86	-	3,61,236.66	-	-

PARTICULARS	Amount in Lakhs	
	As at March 31, 2025	As at March 31, 2024
Security Deposits	2.75	2.63
Leave Salary Contribution Receivable	23.74	20.85
Amount Receivable from Others (Refer Note below)	61.87	2.51
Amount Recoverable from Depositors	9.62	9.62
Interest accrued on PD accounts	10,229.09	-
Advance given to others	1.66	-
Total	10,328.73	35.61
Note: Broken period interest on government securities: Rs.2.30 Lakhs paid for interest accrued on government securities for the period preceding the date of purchase is accounted as amount receivable from others under other financial assets.		



Note 8. Current tax Assets (Net)	Amount in Lakhs	
	As at March 31, 2025	As at March 31, 2024
PARTICULARS		
Advance income tax (net of provision for tax)	7,179.87	16,959.81
Income tax paid towards appeals	483.95	1.50
Total	7,663.82	16,961.31

Note 9. Deferred Tax Assets/(Liabilities) (Net)	Amount in Lakhs	
	As at March 31, 2025	As at March 31, 2024
PARTICULARS		
Opening balance	(319.24)	3,669.80
Deferred tax Assets/(Liabilities) arising out of:		
- Provision for employee benefits	(6.18)	15.25
- Difference in carrying amount of property, plant and equipment	(24.65)	32.52
- Fair valuation of Investment and Advances	(3,013.34)	(4,036.81)
Closing balance	(3,363.42)	(319.24)

Note 10. Property, Plant & Equipment	Amount in Lakhs								
	Land	Building	Electrical Fittings	Furnitures & Fixtures	Office Equipments	Leasehold Improvements	Computers	Vehicles	Total
PARTICULARS									
As at March 31, 2024	243.07	122.75	16.20	102.68	58.94	17,813.40	148.22	51.20	18,556.47
Additions	-	-	-	0.55	0.90	-	9.98	-	11.44
Disposals	-	-	-	-	-	8.16	-	0.01	8.17
Adjustment	-	-	-	-	-	-	-	-	-
As at March 31, 2025	243.07	122.75	16.20	103.23	59.85	17,805.24	158.21	51.19	18,559.74
Accumulated depreciation and impairment									
As at March 31, 2024	-	37.77	10.69	49.99	48.79	17,805.24	120.25	33.88	18,106.62
Charge for the year	-	6.67	1.33	13.22	3.49	-	14.96	5.12	44.80
Disposals	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-
As at March 31, 2025	-	44.45	12.03	63.21	52.28	17,805.24	135.21	39.01	18,151.42
Net carrying amount as at March 31, 2024	243.07	84.98	5.51	52.68	10.16	8.16	27.97	17.31	449.85
Net carrying amount as at March 31, 2025	243.07	78.31	4.17	40.02	7.57	-	22.99	12.18	408.31



Note 11(a) Intangible Assets	Amount in Lakhs
PARTICULARS	Software
As at March 31, 2024	383.21
Additions	-
Disposals	-
As at March 31, 2025	383.21
Accumulated depreciation and impairment	
As at March 31, 2024	363.42
Charge for the year	19.09
Disposals	-
As at March 31, 2025	382.51
Net carrying amount as at March 31, 2024	19.79
Net carrying amount as at March 31, 2025	0.70

Note 12. Other Non-Financial Assets	Amount in Lakhs	
PARTICULARS	As at March 31, 2025	As at March 31, 2024
Goods and services tax credit (input) receivable	116.73	857.21
Prepaid expenses	3.77	3.37
Postage and stamps	0.28	0.28
Other Receivables	260.65	260.84
Total	381.43	1,121.71

Note 13. Deposits	Amount in Lakhs							
PARTICULARS	As at March 31, 2025				As at March 31, 2024			
	At Amortised Cost (1)	At fair value through Profit or loss (2)	Designated at fair value through profit or loss (3)	Total (4=1+2+3)	At Amortised Cost (1)	At fair value through Profit or loss (2)	Designated at fair value through profit or loss (3)	Total (4=1+2+3)
i. Public Deposits	10,62,678.42	-	-	10,62,678.42	10,62,858.56	-	-	10,62,858.56
ii. Deposits received in advance	59,657.05	-	-	59,657.05	14,544.53	-	-	14,544.53
iii. From others	30,75,420.86	-	-	30,75,420.86	28,25,980.90	-	-	28,25,980.90
iv. Inter-Corporate Deposits	4,56,522.60			4,56,522.60	-			
Total	46,54,278.92	-	-	46,54,278.92	39,03,383.99	-	-	39,03,383.99



Note 14. Other Financial Liabilities	Amount in Lakhs	
PARTICULARS	As at March 31, 2025	As at March 31, 2024
Unpaid matured deposits and interest accrued thereon		
-Public	16,915.47	28,705.73
-Others	3,77,530.13	3,84,472.38
Amount payable to employees	58.81	39.80
Outstanding liabilities	106.64	96,234.02
Rebate for Prompt Payment - Payable	21,078.33	-
Total	4,15,689.39	5,09,451.92

Note 15. Provisions	Amount in Lakhs	
PARTICULARS	As at March 31, 2025	As at March 31, 2024
i. Provision for Employee Benefits		
- Gratuity	63.39	76.42
- Leave encashment	178.55	203.09
Total	241.94	279.51

Note 16. Other Non-Financial Liabilities	Amount in Lakhs	
PARTICULARS	As at March 31, 2025	As at March 31, 2024
Statutory Liabilities	8,524.44	9,638.03
Amount payable towards school education schemes	6,031.95	4,039.81
Amount refundable towards govt. schemes	823.42	823.49
Other Liabilities	748.30	(0.69)
Total	16,128.12	14,500.64



Schedules to the Statement of Profit/Loss & Other Comprehensive Income

Note 17. Revenue from Operations - Interest Income		Amount in Lakhs										
PARTICULARS	"Year Ended March 31, 2025 "	"Year Ended March 31, 2025 "	"Year Ended March 31, 2025 "	Interest Income on Financial Assets classified at fair value through profit or loss	"Year Ended March 31, 2025 "	On Financial Assets measured at fair value through OCI	TOTAL	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	"Year Ended March 31, 2024 "	"Year Ended March 31, 2024 "
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Amortised Cost	TOTAL	TOTAL
Interest earned on loans	-	4,29,313.44	-	-	4,29,313.44	-	4,29,313.44	-	4,64,411.77	-	4,64,411.77	4,64,411.77
Financial charges earned on Hire purchase loans	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned on investments												
- 8.50% PFC Bonds	-	418.04	-	-	418.04	-	418.04	-	426.12	-	426.12	426.12
8.40% TNEB Power Bonds	-	-	-	-	-	-	-	-	-	-	-	-
8.32% TNEB Power Bonds	-	-	-	-	-	-	-	-	-	-	-	-
8.64% TNEB Power Bonds	-	-	-	-	-	-	-	-	-	-	-	-
- 8.56% REC Bonds	-	640.24	-	-	640.24	-	640.24	-	643.76	-	643.76	643.76
- 8.37% REC Bonds	-	250.41	-	-	250.41	-	250.41	-	251.79	-	251.79	251.79
- 8.85% REC Bonds	-	44.13	-	-	44.13	-	44.13	-	44.37	-	44.37	44.37
- 8.30% REC Bonds	-	1,034.66	-	-	1,034.66	-	1,034.66	-	1,040.34	-	1,040.34	1,040.34
Interest earned on Government Securities	19,422.03	-	-	-	19,422.03	19,404.53	19,422.03	19,404.53				19,404.53
Interest earned on Deposits with Banks	-	165.32	-	-	165.32	-	165.32	-	4,281.55	-	4,281.55	4,281.55
Interest earned on Loans to Depositors	-	1,888.08	-	-	1,888.08	-	1,888.08	-	1,879.26	-	1,879.26	1,879.26
Interest earned on Loans to Staff	-	13.59	-	-	13.59	-	13.59	-	-2.08	-	-2.08	-2.08
Interest earned on PD		10,229.09			10,229.09		10,229.09					
Interest on Inter-Corporate Deposits		1,292.50			1,292.50		1,292.50					
Interest earned on Savings Bank Accounts		1,289.07	-	-	1,289.07	704.18	1,289.07	704.18	-	-	-	704.18
Total	19,422.03	4,46,578.58	-	-	4,66,000.61	20,108.71	4,66,000.61	20,108.71	4,72,976.89	-	-	4,93,085.60



Note 18. Net Gain/(Loss) on Fair Value Changes		Amount in Lakhs	
PARTICULARS	Year Ended March 31, 2025	Year Ended March 31, 2024	
Net loss on financial instruments at fair value through profit or loss			
(i) On trading portfolio			
- Investments	989.25	9,011.91	
Total Net gain/(loss) on fair value changes	989.25	9,011.91	
Fair Value changes:			
Realised	-	-	
Unrealised	989.25	9,011.91	
Total Net gain/(loss) on fair value changes	989.25	9,011.91	

Note 19. Other Income		Amount in Lakhs	
PARTICULARS	Year Ended March 31, 2025	Year Ended March 31, 2024	
Misc. Income	1.63	(3.08)	
Profit on sale of Property, Plant and Equipment	0.00	1.13	
Interest on Income Tax Refund	513.95	649.69	
Profit from Sale of Investments	4,743.38	832.47	
Total	5,258.97	1,480.21	

Note 20. Finance Cost		Amount in Lakhs				
PARTICULARS	Year Ended March 31, 2025			Year Ended March 31, 2024		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	TOTAL	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	TOTAL
Interest on Deposits	-	3,43,349.94	3,43,349.94	-	3,18,407.93	3,18,407.93
Interest on Bonds	-	-	-	-	-	-
Interest on loan from banks	-	-	-	-	-	-
Guarantee Commission to Govt.	-	-	-	-	-	-
Upfront Fees	-	-	-	-	-	-
Interest on delayed remittance of statutory dues	-	-	-	-	-	-
Total	-	3,43,349.94	3,43,349.94	-	3,18,407.93	3,18,407.93



Note 21. Employee Benefit Expenses	Amount in Lakhs	
PARTICULARS	Year Ended March 31, 2025	Year Ended March 31, 2024
Salaries, Wages & Bonus	517.68	509.18
Contribution to Provident and other funds	28.24	22.39
Staff welfare expenses	12.07	3.55
Total	557.98	535.11

Note 22. Other Expenses	Amount in Lakhs	
PARTICULARS	Year Ended March 31, 2025	Year Ended March 31, 2024
Rates & Taxes	839.13	46.42
Insurance	1.79	1.25
Repairs and Maintenance - Others	28.10	61.09
Advertisement & Pubilicity	37.66	22.32
Business promotion expenses	20.19	18.70
Travelling and Conveyance	-	5.32
Printing & Stationery	-	16.61
Legal and Professional Charges	81.19	21.85
Payments to Auditor:		
- As Auditor	-	5.25
- For Other Services	27.70	10.60
Power	14.26	12.82
Vehicle Maintenance	9.48	12.29
Bank Charges	0.12	0.15
Computer related expenses	4.63	8.01
Books and Periodicals	0.55	0.60
Communication charges	25.49	23.60
Website and Database Maintenance Charges	135.08	173.79
Provision for Standard Assets	117.56	208.71
CSR expenses	1,733.60	1,865.60
Provision for Loss of Deposit	(174.00)	483.00
Rebate for Prompt Payment	90,109.45	1,43,550.00
Miscellaneous Expenses	44.97	904.92
Foreign exchange loss	0.11	0.10
Total	93,057.07	1,47,452.99

Note 23. Other Comprehensive Income	Amount in Lakhs	
PARTICULARS	Year Ended March 31, 2025	Year Ended March 31, 2024
Items that will not be reclassified to profit and loss:		
Gain/(loss) on changes in fair value of Government securities	11,002.56	3,641.97
Gain/(loss) on staff advances	5.34	2.45
Re-measurements of the defined benefit plans	38.80	(3.27)
Income tax effect on the above	(2,759.46)	(1,504.97)
Total	8,287.23	2,136.19



24.1 CAPITAL ADEQUACY:

Particulars		As at March 31, 2025	As at March 31, 2024
i)	CRAR (%)	16.76%	17.36%
ii)	CRAR- Tier I Capital (%)	16.76%	17.36%
iii)	CRAR – Tier II Capital (%)	0.00%	0.00%
iv)	Amount subordinated debt raised as Tier-II capital	Nil	Nil
v)	Amount raised by issue of Perpetual Debt Instruments	Nil	Nil
vi)	LCR	128.32%	124.60%

24.2 INVESTMENTS

		(Rs. In Lakhs)	
Particulars		As at March 31, 2025	As at March 31, 2024
(1)	Value of Investments	5,41,104.79	3,58,481.53
i)	Gross Value of Investments		
	(a) In India	5,41,104.79	3,58,481.53
	(b) Outside India	-	-
ii)	Provision for Depreciation		
	(a) In India	-	-
	(b) Outside India	-	-
iii)	Net value of Investments		
	(a) In India	5,41,104.79	3,58,481.53
	(b) Outside India	-	-
(2)	Movement of provisions held towards depreciation on investments		
i)	Opening balance	-	-
ii)	Add: Provisions made during the year	-	-
iii)	Less: Write-off / Write-back of excess provisions during the year	-	-
iv)	Closing balance	-	-

A. Details of non-performing assets purchased:

		(Rs. in Lakhs)	
Particulars		As at March 31, 2025	As at March 31, 2024
1.	(a) No. of accounts purchased during the year	NIL	
	(b) Aggregate outstanding		
2.	Provision for Depreciation		
	(a) In India		
	(b) Outside India	NIL	
	(c) Of these, number of accounts restricted during the year		
	(d) Aggregate outstanding		

**B. Details of non-performing assets Sold :**

(Rs. In Lakhs)		
Particulars		As at March 31, 2025
		As at March 31, 2024
1.	No. of accounts sold	--NIL--
2.	Aggregate outstanding	
3.	Aggregate consideration received	

24.3: ASSET LIABILITY MANAGEMENT MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES:

(Amount Rs. in Lakhs)

Particulars	Up to 30/31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	6,78,428.69	1,51,185.89	92,862.66	4,87,259.74	10,10,300.10	18,37,177.30	5,02,940.45	6,103.63	47,66,258.46
Loans and Advances	2,12,336.06	2,21,618.18	2,90,007.58	8,29,331.94	14,29,431.00	13,08,844.18	4,44,916.44	41.92	47,36,527.30
Investments	3,362.76	1,811.36	1,308.31	91,997.27	1,28,775.52	37,109.94	44,350.74	2,32,388.88	5,41,104.79
Borrowings	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

24.4: EXPOSURES:**24.4.1: Exposure to Real Estate Sector: Rs. Nil (previous year Rs. Nil)****24.4.2: Exposure to Capital Market:**

(Rs. In Lakhs)

Particulars		As at March 31, 2024	As at March 31, 2024
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	14,607.11	13,617.86
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	NIL	



(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	NIL
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	NIL
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	NIL
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	NIL
(vii)	bridge loans to companies against expected equity flows / issues;	NIL
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	NIL
Total Exposure to Capital Market		14,607.11 13,617.86

24.5: Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL)

The request of Tamil Nadu Power Finance and Infrastructure Development Company Limited seeking exemption from credit/investment concentration norms has been acceded by the Reserve Bank of India.

24.6: MISCELLANEOUS:

24.6.1: Registration obtained from other financial sector regulators: Rs. Nil (previous year Rs. Nil)



24.6.2: Disclosure of Penalties imposed by RBI and other regulators: Rs. Nil (previous year Rs. Nil)

24.6.3: Ratings assigned by credit rating agencies and migration of ratings during the year:

The rating committee of ICRA has assigned “BBB-” rating to the Fixed Deposit instruments. The outlook on the rating is “stable”.

24.6.4: Related party Transactions:

List of Related Parties

The Company has no other organizations under its control / joint ventures and associates with whom transactions have taken place during the year. The Company being a Government Company, Government of Tamil Nadu appoints the key management personnel.

Key management personnel:

1. Thiru. Udhayachandran, IAS., - Chairman (From 14-03-2024)
2. Thiru. R. Ambalavanan, IA & AS., - Chairman and Managing Director (From 08-12-2022 to 14-03-2024) and Managing Director (From 14-03-2024 to 25-07-2024)
3. Tmt Pooja Kulkarni, IAS., Managing Director (From 25-07-2024)
4. Dr. J. Sadakkadulla - Independent Director
5. Tmt. N. Chitra - Independent Director
6. Tmt. P.Jameela - Chief Financial Officer
7. Tmt. Varshini Rajasekar- Company Secretary

Transactions with the Related Parties:

Particulars	Year ended 31.03.2025 (Rs. In lakhs)	Year ended 31.03.2024 (Rs. In lakhs)
1. Remuneration		
Short Term Employee Benefits-		
Salary & Allowances	52.94	75.87
Travelling expenses	0.32	2.87
Medical expenses	0.27	2.68
2. Sitting Fees (Independent Directors)	2.80	3.30
3. Recoveries of advances from KMPs	5.35	3.00
Total	61.68	84.72

**Outstanding balances with Related Parties:**

Amount recoverable towards loans, advances and others (including interest)

Particulars	Year ended 31.03.2025 (Rs. In lakhs)	Year ended 31.03.2024 (Rs. In lakhs)
Key managerial personnel	20.45	21.06

24.7: ADDITIONAL DISCLOSURES:**24.7.1: Provisions:**

(Rs. in Lakhs)

Nature of Provisions	As at March 31, 2025	As at March 31, 2024
Provision made towards Income tax	6,040.68	5,849.04
Provision for Standard Assets	19,022.17	18,904.61

24.7.2: TERM DEPOSITS:

The Term Deposits accepted from public and others under various schemes are:

(Rs. in Lakhs)

Schemes	As at March 31, 2025			As at March 31, 2024		
	Public	Others	Total	Public	Others	Total
Regular Interest Payment Scheme	6,44,787.05	7,51,729.03	13,96,516.08	6,61,683.79	7,22,212.24	13,83,896.03
Cumulative Int. Payment Scheme	4,17,891.36	24,95,328.42	29,13,219.78	4,01,174.77	22,21,607.57	26,22,782.33
TOTAL	10,62,678.42	32,47,057.44	43,09,735.86	10,62,858.56	29,43,819.80	40,06,678.36

26.7.3: Concentration of Deposits:

Sl. No.	Name of the Depositor	(Rs. In Lakhs)
1	TAMIL NADU URBAN INFRASTRUCTURE DEVELOPMENT AND RENEWAL FUND	2,70,817.94
2	THE MANAGING DIRECTOR TAMILNADU WATER SUPPLY & DRAINAGE BOARD	2,54,720.52
3	CHENNAI METROPOLITAN WATER SUPPLY AND SEWERAGE BOARD	2,25,386.43
4	TAMIL NADU POWER DISTRIBUTION CORPORATION LIMITED	1,65,093.85
5	TAMIL NADU POLLUTION CONTROL BOARD	1,55,004.47
6	THE COMMISSIONER GREATER CHENNAI CORPORATION	1,42,159.24
7	THE CHAIRMAN TAMIL NADU HOUSING BOARD	1,22,474.56
8	TAMIL NADU CONSTRUCTION WORKERS WELFARE BOARD	1,12,800.00
9	THE ADMINISTRATOR TNHB EMPLOYEES PENSION & GRATUITY WELFARE TRUST	1,11,066.47
10	MEMBER SECRETARY CHENNAI METROPOLITAN DEVELOPMENT AUTHORITY	1,09,120.30



11	THE TAMIL NADU DR M G R MEDICAL UNIVERSITY ANNE ISABELLA SUBRAMANIAM SCHOLARSHIP	49,023.58
12	THE SECRETARY TAMIL NADU EX-SERVICE PERSONNEL BENEVOLENT FUND	46,714.99
13	THE REGISTRAR BHARATHIAR UNIVERSITY-CONTRIBUTORY PENSION FUND	43,677.96
14	THE CHAIRMAN TAMIL NADU URBAN HABITAT DEVELOPMENT BOARD	41,552.62
15	REGISTRAR TAMILNADU TEACHERS EDUCATION UNIVERSITY	38,712.56
16	REGISTRAR ALAGAPPA UNIVERSITY	37,060.48
17	ELECTRONICS CORPORATION OF TAMILNADU LTD	36,600.00
18	THE TAMILNADU DR MGR MEDICAL UNIVERSITY	34,149.72
19	MANAGING DIRECTOR TAMILNADU FOREST PLANTATION CORPORATION LIMITED	30,100.00
20.	THE COMPTROLLER TAMIL NADU AGRICULTURAL UNIVERSITY-CPS A/C	28,611.94
Total Deposits of twenty largest depositors		20,54,848
Percentage of Deposits of twenty largest depositors to Total Deposits.		47.68%

All KYC norms as per statutory requirements have been adhered to.

24.7.4: Concentration of Advances:

Total Advances of twenty largest borrowers	Tamil Nadu Power Generation Corporation Limited and Tamil Nadu Green Energy Corporation Limited are the only borrowers of Tamil Nadu Power Finance and Infrastructure Development Company Limited.
Percentage of Advances to twenty largest borrowers to Total Advances.	100%

24.7.5: Concentration of Exposures:

Total Exposure to twenty largest borrowers / customers.	Tamil Nadu Power Generation Corporation Limited and Tamil Nadu Green Energy Corporation Limited are the only borrowers of Tamil Nadu Power Finance and Infrastructure Development Company Limited.
Percentage of Exposures to twenty largest borrowers/Customers to Total Exposure of the borrowers/customers.	100%

24.7.6: Concentration of NPAs: Rs. Nil (previous year Rs. Nil)

24.7.7: DISCLOSURE OF COMPLAINTS:

24.7.8: Customer Complaints:

a.	No. of complaints pending at the beginning of the year	54
b.	No. of complaints received during the year	25,921
c.	No. of complaints redressed during the year	25,912
d.	No. of complaints pending at the end of the year	63



24.8: The number of complaints pending as at 31st March, 2025 is 63

24.9: Disclosure of Asset Classification between IND AS and IRACP:

(Rs. in Lakhs)

Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between IND AS 109 provisions and IRACP
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	-	-	-	-	-
	Stage 2	47,55,549.51	19,022.17	47,36,527.33	19,022.17	-
Subtotal		47,55,549.51	19,022.17	47,36,527.33	19,022.17	-
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful – up to 1 Year	Stage 3	-	-	-	-	-
1 to 3 Years	Stage 3	-	-	-	-	-
More than 3 Years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA						
Other items such as guarantees, loan commitments, etc. which are in the scope of IND AS 109 but not covered under current Income Recognition, Asset classification and Provisioning (IRACP) Norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal						
Total	Stage 1	-	-	-	-	-
	Stage 2	47,55,549.51	19,022.17	47,36,527.33	19,022.17	-
	Stage 3	-	-	-	-	-
	Total	47,55,549.51	19,022.17	47,36,527.33	19,022.17	-

**24.10: Reporting and Monitoring of Frauds:**

As per Master Directions on Monitoring of Frauds in NBFC (Reserve Bank) Directors, 2016, during the Financial Year 2024-2025 there was no instance of fraud to be reported.

24.11 Impairment of Assets:

In the opinion of the management, there is no impairment on the Property, Plant and Equipment of the company in terms of Ind AS 36. Accordingly, no provision for impairment loss as required under Ind AS 36 has been made.

24.12: Dues to Micro, Small and Medium Enterprises (MSME)

- Principal (Net) amount remaining unpaid to any supplier as at the end of the accounting year is Rs. Nil (P.Y. Rs. Nil).
- Interest due thereon remaining unpaid to any supplier as at the end of the accounting year is Rs. Nil (P.Y. Rs. Nil).
- The amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day is Rs. Nil (P.Y. Rs. Nil).
- The amount of interest due and payable for the year is Rs. Nil (P.Y. Rs. Nil).
- The amount of interest accrued and remaining unpaid at the end of the accounting year is Rs. Nil (P.Y. Rs. Nil).
- The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid – Nil (P.Y. Rs. Nil).

Note: The above is determined to the extent such parties have been identified on the basis of information collected by the Management and this has been relied upon by the auditors.

24.13: Employee Benefits:

All employee benefits are payable wholly within twelve months of rendering the service and hence it is classified as short-term employee benefits. The liability for Gratuity to employees as at the Balance Sheet date is determined on the basis of actuarial valuation which involves making various assumptions that may differ from actual developments in the future. The Company makes contributions in a defined contribution plan, administered by Life Insurance Corporation of India, which are charged in the books of accounts. The company feels there is no major risk involved in it. The Company's obligation is determined using the internal risk matrix, with actuarial valuations being carried out at the end of each annual reporting period. The Company has no liability for future benefits other than its annual contribution and recognizes such contributions as an expense in the period in which the employee renders the related service.

LONG TERM COMPENSATED ABSENCE – EARNED LEAVE / SICK LEAVE:

24.13.1 PRINCIPAL ACTUARIAL ASSUMPTIONS [Expressed as weighted averages]	As at March 31, 2025	As at March 31, 2024
Discount Rate	6.61%	6.97%
Salary escalation rate	8.50%	8.50%
Attrition rate	1.00%	1.00%
Expected rate of return on Plan Assets	0.00%	0.00%

**24.13.2: CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO) - RECONCILIATION OF OPENING AND CLOSING BALANCES :**

(Rs. In Lakhs)

	As at March 31, 2025	As at March 31, 2024
PVO as at the beginning of the period	203.09	194.54
Interest Cost	14.16	13.51
Current service cost	8.19	4.79
Past service cost - (non-vested benefits)	-	-
Past service cost - (vested benefits)	-	-
Benefits paid	-	(10.72)
Actuarial loss/(gain) on obligation (balancing figure)	(29.15)	0.98
PVO as at the end of the period	196.29	203.09

24.13.3. CHANGES IN THE FAIR VALUE OF PLAN ASSETS - RECONCILIATION OF OPENING AND CLOSING BALANCES:

(Rs. In Lakhs)

	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets as at the beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	-	(10.72)
Benefits paid	-	(10.72)
Actuarial gain/(loss) on plan assets [balancing figure]	-	-
Fair value of plan assets as at the end of the period	-	-

24.13.4. ACTUAL RETURN ON PLAN ASSETS

(Rs. In Lakhs)

	As at March 31, 2025	As at March 31, 2024
Expected return on plan assets	-	-
Actuarial gain (loss) on plan assets	-	-
Actual return on plan assets	-	-

24.13.5: ACTUARIAL GAIN / LOSS RECOGNIZED

(Rs. In Lakhs)

	As at March 31, 2025	As at March 31, 2024
Actuarial gain / (loss) for the period - Obligation	29.15	(0.98)
Actuarial gain / (loss) for the period- Plan Assets	-	-
Total (gain) / loss for the period	29.15	(0.98)
Actuarial (gain) / loss recognized in the period	(29.15)	0.98
Unrecognized actuarial (gain) / loss at the end of the year	-	-

**24.13.6: AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSES**

(Rs. In Lakhs)

	As at March 31, 2025	As at March 31, 2024
Present value of the obligation	196.29	203.09
Fair value of plan assets	-	-
Difference	196.29	203.09
Liability recognized in the balance sheet	196.29	203.09

24.13.7: EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:

(Rs. In Lakhs)

	As at March 31, 2025	As at March 31, 2024
Current service cost	8.19	4.79
Interest Cost	14.16	13.51
Expected return on plan assets	-	-
Net actuarial (gain)/loss recognized in the year	(29.15)	0.98
Transitional Liability recognized in the year	-	-
Past service cost - non-vested benefits	-	-
Past service cost - vested benefits	-	-
Expenses recognized in the statement of profit and loss	(6.80)	19.27

24.13.8: MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET

(Rs. In Lakhs)

	As at March 31, 2025	As at March 31, 2024
Opening net liability	203.09	194.54
Expense as above	(6.80)	19.27
Contribution paid	-	(10.72)
Closing net liability	196.29	203.09

24.13.9: AMOUNT FOR THE CURRENT PERIOD

(Rs. In Lakhs)

	As at March 31, 2025	As at March 31, 2024
Present Value of obligation	196.29	203.09
Plan Assets	-	-
Surplus (Deficit)	(196.29)	(203.09)
Experience adjustments on plan liabilities -(loss)/gain	33.28	1.15
Impact of change in assumptions on plan liabilities-(loss)/gain	(4.13)	(2.14)
Experience adjustments on plan assets-(loss)/gain	-	-

**24.13.10: MAJOR CATEGORIES OF PLAN ASSETS (AS PERCENTAGE OF TOTAL PLAN ASSETS)**

	As at March 31, 2025	As at March 31, 2024
Government of India Securities	0.00%	0.00%
State Government Securities	0.00%	0.00%
High Quality Corporate Bonds	0.00%	0.00%
Equity shares of listed companies	0.00%	0.00%
Property	0.00%	0.00%
Special Deposit Scheme	0.00%	0.00%
Funds managed by Insurer	0.00%	0.00%
Others (to specify)	0.00%	0.00%
Total	0.00%	0.00%

24.13.11: ENTERPRISE'S BEST ESTIMATE OF CONTRIBUTION DURING NEXT YEAR

-

-

GRATUITY :**Actuarial Report under Indian Accounting Standard (Ind AS)19****24.13.12: PRINCIPAL ACTUARIAL ASSUMPTIONS [Expressed as weighted averages]**

	As at March 31, 2025	As at March 31, 2024
Discount Rate	6.61%	6.97%
Rate of increase in compensation levels	8.50%	8.50%
Attrition rate	1.00%	1.00%
Expected rate of return on Plan Assets	6.61%	6.97%

24.13.13: CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO) - RECONCILIATION OF OPENING AND CLOSING BALANCES:

(Rs. In Lakhs)

	As at March 31, 2025	As at March 31, 2024
PVO as at the beginning of the period	137.79	121.21
Interest Cost	8.58	8.68
Current service cost	5.17	5.31
Past service cost	-	-
Benefits paid and charges deducted	(29.41)	-
Actuarial loss/(gain) on obligation (balancing figure)	(9.65)	2.68
PVO as at the end of the period	112.49	137.79



24.13.14. CHANGES IN THE FAIR VALUE OF PLAN ASSETS - RECONCILIATION OF OPENING AND CLOSING BALANCES:

	(Rs. In Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets as at the beginning of the period	78.51	67.71
Expected return on plan assets	4.45	5.05
Contributions	-	5.36
Benefits paid	(29.41)	-
Actuarial gain/(loss) on plan assets [balancing figure]	(0.02)	0.40
Fair value of plan assets as at the end of the period	53.52	78.51

24.13.15. ACTUAL RETURN ON PLAN ASSETS

	(Rs. In Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Expected return on plan assets	4.45	5.05
Actuarial gain (loss) on plan assets	(0.02)	0.40
Actual return on plan assets	4.42	5.44

24.13.16. ACTUARIAL GAIN / LOSS RECOGNIZED

	(Rs. In Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Actuarial gain / (loss) for year - Obligation	9.65	(2.68)
Actuarial gain / (loss) for year - Plan Assets	(0.02)	0.40
Sub total	9.63	(2.29)
Actuarial (gain) / loss recognized	(9.63)	2.29
Unrecognized actuarial (gain) / loss at the end of the period	-	-

24.13.17. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSES

	(Rs. In Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Present value of the obligation	112.49	137.79
Fair value of plan assets	53.52	78.51
Amount determined under para 63 of Ind As19	58.96	59.29
Net Defined Benefit Liability recognized in the Balance Sheet	58.96	59.29
Present value of future reduction in contribution under para 65 of Ind AS19	-	-
Net Defined Benefit Asset recognized under para 64 of Ind As19	-	-

**24.13.18. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:**

(Rs. In Lakhs)

	As at March 31, 2025	As at March 31, 2024
Current service cost	5.17	5.31
Net interest on Net Defined Benefit Obligations	4.13	3.64
Net actuarial (gain)/loss recognized during the period	-	-
Past service cost	-	-
Expenses recognized in the statement of profit and loss	9.30	8.94

24.13.19. AMOUNT RECOGNISED FOR THE CURRENT PERIOD IN THE STATEMENT OF OTHER COMPREHENSIVE INCOME (OCI)

(Rs. In Lakhs)

	As at March 31, 2025	As at March 31, 2024
Actuarial (gain)/loss on plan Obligations	(9.65)	2.68
Difference between Actual Return and Interest Income on Plan Assets-(gain)/loss	0.02	(0.40)
Effect of Balance Asset limit	-	-
Amount recognized in OCI for the current period	9.63	2.29

24.13.20 MOVEMENTS IN THE LIABILITY RECOGNISED IN THE BALANCE SHEET

(Rs. In Lakhs)

	As at March 31, 2025	As at March 31, 2024
Opening net liability adjusted for effect of balance sheet limit	59.29	53.42
Amount recognized in Profit and Loss	9.30	8.94
Amount recognized in OCI	(9.63)	2.29
Contribution paid	-	(5.37)
Closing liability	58.96	59.29

AMOUNT FOR THE CURRENT PERIOD

(Rs. In Lakhs)

	As at March 31, 2025	As at March 31, 2024
Present value obligation	112.49	137.79
Plan Assets	53.52	78.51
Surplus(Deficit)	(58.96)	(59.29)
Experience adjustments on plan liabilities – (loss)/gain	12.32	(1.23)
Impact of Change in Assumptions on Plan Liabilities-(loss)/gain	(2.67)	(1.46)
Experience adjustments on plan assets-(loss)/gain	(0.02)	0.40



MAJOR CATEGORIES OF PLAN ASSETS (AS PERCENTAGE OF TOTAL PLAN ASSETS)

	As at March 31, 2025	As at March 31, 2024
Government of India Securities	0.00%	0.00%
State Government Securities	0.00%	0.00%
High Quality Corporate Bonds	0.00%	0.00%
Equity Shares of listed companies	0.00%	0.00%
Property	0.00%	0.00%
Special Deposit Scheme	0.00%	0.00%
Funds managed by Insurer	100.00%	78.17%
Others (to specify)	0.00%	21.83%
Total	100.00%	100.00%

24.13.21: ENTERPRISE'S BEST ESTIMATE OF CONTRIBUTION
DURING NEXT YEAR

NA

NA

"NA Denotes "Not Available"

24.13.22: Sensitivity Analysis :

24.13.22.1 EARNED LEAVE / SICK LEAVE:

(Rs. In Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
A. Discount Rate + 50 BP	7.11%	7.47%
Defined benefit Obligation (PVO)	190.62	197.60
Current Service Cost	5.61	4.71
B. Discount Rate - 50 BP	6.11%	6.47%
Defined benefit Obligation (PVO)	202.42	208.99
Current Service Cost	6.09	5.08
C. Salary Escalation rate +50 Bp	9.00%	9.00%
Defined benefit Obligation (PVO)	202.28	208.88
Current Service Cost	6.08	5.08
D. Salary Escalation rate -50 Bp	8.00%	8.00%
Defined benefit Obligation (PVO)	190.69	189.18
Current Service Cost	5.61	4.61



24.13.22.2 GRATUITY

(Rs. In Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
A. Discount Rate + 50 BP	7.11%	7.67%
Defined Benefit Obligation [PVO]	108.82	117.57
Current Service Cost	4.12	5.10
B. Discount Rate - 50 BP	6.11%	6.67%
Defined Benefit Obligation [PVO]	116.42	124.91
Current Service Cost	4.58	5.52
C. Salary Escalation Rate + 50 BP	9.00%	9.00%
Defined Benefit Obligation [PVO]	114.85	123.58
Current Service Cost	4.39	5.44
D. Salary Escalation Rate - 50 BP	8.00%	8.00%
Defined Benefit Obligation [PVO]	110.03	118.59
Current Service Cost	4.32	5.38
E. Attrition Rate + 50 BP	1.50%	1.50%
Defined Benefit Obligation [PVO]	112.75	121.42
Current Service Cost	4.37	5.35
F. Attrition Rate - 50 BP	0.50%	0.50%
Defined Benefit Obligation [PVO]	112.20	120.79
Current Service Cost	4.31	5.25

24.13.23: Future Funding Arrangements:

As and when required, The Company will arrange future funding contribution along with the Actuarial Valuation, and contribute the same.

24.13.24: Risk Associates with plan benefits:

TNPFC feels there is no risk on investing into LIC plan benefits.

24.14: CONTINGENT LIABILITIES:

Contingent liabilities not provided for:

(Rs. In Lakhs)

PARTICULARS	As at March 31, 2025	As at March 31, 2024
Towards stamp duty and registration charges	111.00	111.00
Disputed income tax liability contested on appeals	85,317.87	77,436.07
Disputed service tax liability	522.94	523.22

**24.14.1: Disputed liability in respect of stamp duty and registration charges**

The Company acquired their office premises comprising land and building along with another wholly owned Government company from Tamil Nadu Urban Habitat Development Board. The legal title for the land and building has not yet been conveyed to the company. The liability towards stamp duty and registration charges for the same has been provided in the accounts to the extent of Rs.20 Lakhs (previous year Rs. 0.20 Lakhs) on estimated basis at the guideline values prevailing at that point of time. However, now a liability on this account has been estimated at Rs.111 Lakhs based on revised guideline value for land. But the same has been considered as contingent liability since the Company is entitled to claim the same from Tamil Nadu Urban Habitat Development Board.

24.14.2: Disputed income tax liability contested in appeal:

S. No.	Nature of dues	Disputed amount (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
1.	Claim of relief u/s 36(i)(viii)	57.68	Asst. Year 1998-99	ITAT
2.	Claim of relief u/s 36(i)(viii)	34.70	Asst. Year 2003-04	ITAT
3.	Claim of relief u/s 36(i)(viii)	142.31	Asst. Year 2005-06	ITAT
4.	Claim of relief u/s 36(i)(viii)	23.00	Asst. Year 2006-07	ITAT
5.	Claim of relief u/s 36(i)(viii)	29.68	Asst. Year 2007-08	ITAT
6.	Disallowance u/s 36(i)(va) r.w.s 2(24)(x) and u/s 14A	6.99	Asst. Year 2017-18	CITA-III
7.	Penalty u/s 270A in relation to disallowance u/s 14A	2.77	Asst. Year 2018-19	CITA-III
8.	TDS demand u/s 201 and 201(1A)	6,780.80	Asst. Year 2017-18	CIT(A)
9.	TDS demand u/s 201 and 201(1A)	6,792.84	Asst. Year 2018-19	CIT(A)
10.	TDS demand u/s 201 and 201(1A)	15,982.60	Asst. Year 2019-20	CIT(A)
11.	TDS demand u/s 201 and 201(1A)	14,365.44	Asst. Year 2020-21	CIT(A)
12.	TDS demand u/s 201 and 201(1A)	11,884.76	Asst. Year 2021-22	CIT(A)
13.	TDS demand u/s 201 and 201(1A)	11,085.78	Asst. Year 2022-23	CIT(A)
14.	TDS demand u/s 201 and 201(1A)	10,246.72	Asst. Year 2023-24	CIT(A)
15.	Disallowance u/s 40(a)(ia)	7,881.80	Asst. Year 2023-24	CIT(A)*
	Total	85,317.87		

Income tax assessments for the Assessment years 1998-99 to 2023-24 are in appeal at various stages. The disputed demand including interest raised by the Income Tax department amounting to Rs. 85,317.87 Lakhs for these Assessment years (previous year Rs. 77,436.07 Lakhs) have not been recognized in the Accounts, since the Company is hopeful of getting favorable orders, in due course.

In respect of Assessment Years 1998-99, 2003-04, 2005-06 to 2007-08, the order giving effect is yet to be received from the Income Tax Department for the ITAT(Income Tax Appellate Tribunal) Order in No.ITA No. 101 to 109/Mds/2011, dated 21.03.2013. In respect of Assessment Year 2017-18, the appeal is pending with the Commissioner of Income Tax (Appeals) CIT(A) to decide the disallowance u/s 14A and u/s 36(1)(va) of the Income Tax Act, 1961.

In respect of Assessment years 2018-19, the penalty appeal is pending before CIT(A) in respect of disallowance under Section 14A as determined in the assessment order u/s 143(3) and waiting for orders. In respect of TDS demand raised u/s 201 and 201(1A) from Assessment Year 2017-18 to 2023-24, a Survey action u/s



133(2A) was conducted and the DCIT of TDS Circle 3(1) issued an order u/s 201/201(1A) on 28.02.2024. An appeal has been filed with the CIT(A) against the said order.

In view of the above, a Writ Petitions (WP) (vide WP.No.7171/2025, WP.No.7218/2025, WP.No.7219/2025, WP.No.7257/2025, WP.No.7897/2025, WP.No.7894/2025, WP.No.7892/2025) were filed before the Hon'ble Madras High Court seeking a stay on the demand raised vide Order u/s.201/201(1A) and the said WP vide Order No.7892 dated 21.03.2025, has been disposed off with a direction that the assessment order passed shall remain stayed until the disposal of the Appeals filed by the assessee and deposit a sum of Rs.30 crores of the disputed tax for all the years under consideration within a period of 3 weeks from the date of receipt of a copy of the WRIT order. In compliance of the above, the Company has remitted Rs. 30 crores on 09.04.2025 for the relevant assessment years (Rs. 4,28,57,143/- for each assessment year).

*A Writ petition (WP 15131/2025) has been filed with the Hon'ble Madras High Court against the demand u/s 143(3) and requested the AO (Assessing Officer) to stay the demand until the disposal of the writ petition. The WP was heard on 18.06.2025 and the Hon'ble Madras High Court had passed an order directing the disposal of the appeal filed before the CIT(A) against the order u/s 201(1)/201(1A) within 12 weeks and the assessment order of AY 2023-24 u/s 143(3) r.w.s 144B shall be stayed until such disposal (refer serial no. 8 to 14 of above table).

24.14.3: Disputed Service Tax liability

S.No.	Particulars	Amount (Rs. in Lakhs)	Period	Forum where dispute is pending
1	Appeal No.148/08 (MST) dated 27/08/2008	1.35	2005-06 & 2006-07	Commissioner of Central Excise (Appeals)
2	Appeal No.89/2010 (MST) dated 11/03/2010	0.10	Jul'07 to Mar'09	Commissioner of Central Excise (Appeals)
3	Appeal No.ST/42064/2015 dated 07/10/2015	1.35	Apr'08 - 09 to Jan'11	CESTAT
4	Appeal No.ST/40259/2016-SM dated 16/02/2016	0.09	Feb'11 - Mar'11	CESTAT
5	Appeal No.ST/40211/2022-DB dated 19/05/2022	520.05	Oct'13 - Apr'17	CESTAT
	Total	522.94		

The disputed service tax liabilities have not been recognized in the accounts, since the Company is hopeful of getting favorable orders, in due course.

24.15: Segment Reporting:

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Indian Accounting Standard 108.

**24.16: Earnings Per Share:**

As per Ind AS 33 "Earnings Per Share" has been calculated as follows:

(Rs. In Lakhs)

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Profit / (Loss) available to Equity Shareholders	27,641.89	28,911.53
Weighted Average No of shares outstanding	37,670.00	37,670.00
Basic/Diluted Earnings Per Share	0.73	0.77

24.17: Reorganization Of Tamil Nadu Electricity Board:

The Government of Tamil Nadu has issued Notification vide G.O. (Ms.) No. 100 Energy (B2) Department, dated 19.10.2010 detailing the segregation of assets and liabilities into the three entities viz. Tamil Nadu Generation and Distribution Company Limited (TANGEDCO), Tamil Nadu Transmission Company Limited (TANTRANSCO) and TNEB Ltd.

Further, during the financial year 2023-24, the Government of Tamil Nadu has issued a notification (Transfer Scheme) vide G.O. (MS) No.32 Energy (B2) Department dated 06th March, 2024, whereby Government of Tamil Nadu defined the property, interest in property, rights and liabilities of TANGEDCO to be allocated to Tamil Nadu Power Generation Corporation Limited (TNPGL) and Tamil Nadu Green Energy Corporation Limited (TNGECL) with effect from 6th March 2024. The term Loan availed from TN Power Finance in the name of TANGEDCO will be hereafter be transferred to TNPGL and TNGECL, respectively. As such all contractual obligations in respect of Term Loans shall be discharged in the name of TNPGL and TNGECL, respectively.

During the financial year 2024-25, all the loans outstanding as on 30th June, 2024 with TANGEDCO has been transferred to TNPGL and TNGECL. And subsequent to the transfer i.e. from 01st July, 2024 all loans were issued to TNPGL and TNGECL vide separate loan agreements.

24.18: Expenditure in Foreign Currency: Rs.7.75 Lakhs towards customer support services (Previous year: Rs. 7.65 Lakhs).**24.19: Capital Management Strategy**

The Company's capital management strategy is to ensure that it has sufficient capital for business operations, strategic investment, regulatory requirements and to provide reasonable return to the shareholders. Equity share capital and other equity are considered for Capital management.

24.20: Financial Risk Management Framework

Risk is an inherent and integral part of the financial services business and the company has been judiciously managing this through an efficient risk mitigation system, with a view to achieve the Company's stated objectives of Growth with Quality and Profitability. The risks primarily include credit risk, liquidity risk and market risk.



a. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet his contractual obligations and arises principally from the company's loan receivables.

The company's current exposure is to State energy utilities (TNPGL & TNGECL) (and retail loans against deposits. Loans against deposits are disbursed after retaining adequate margin and risk of default by the state energy utilities is also minimal. Hence, the company is subject to limited risk despite concentration of exposure. The Company applies the existing prudential norms set out by RBI for NBFCs.

The Company applies the Expected Credit Model (ECL) for recognizing impairment of financial assets. 12 months ECL represents the expected default from all possible defaults over the next 12 months of reporting period. When the credit risk on financial assets has not significantly increased since the initial recognition, the loss is measured to an amount equal to 12 months. When the credit risk on financial assets has significantly increased since the initial recognition, the loss is measured at an amount equal to life time expected credit loss.

Impairment loss allowance / ECL on loans:

INDAS 109 Financial instruments states that loss allowances must be recognized for financial assets that are debt instruments and measured at amortised cost method or fair value through Other Comprehensive Income.

- If the credit risk on the financial asset has not increased significantly since initial recognition, the loss allowance should be equal to 12 month expected credit losses.
- If the credit risk on financial asset has increased significantly since initial recognition, then the loss allowance should be equal to lifetime expected credit losses.

Adjustments to the loss allowance are charged to the Statement of Profit or Loss. Unless credit impaired, interest income is recognized on the asset's gross carrying amount.

Initial recognition:

At initial recognition of a financial asset, a loss allowance equal to 12- month credit losses must be recognized.

They are calculated by multiplying the probability of default in the next 12 months by present value of the lifetime expected credit losses that would result from default.

Subsequent Measurement:

At each subsequent reporting date, the loss allowance required depends on whether there has been a significant increase in credit risk of that financial instrument since initial recognition.

Stage 1 No increase in credit risk since initial recognition, where instalments are Current and 1-30 days overdue.

Recognition: 12- month expected credit losses.

Stage 2 Significant increase in credit risk since initial recognition where instalments are 31 days – 90 days overdue.

Recognition: Lifetime expected credit losses

Stage 3 Objective evidence of impairment at the reporting date where instalments are overdue beyond 90 days.

Recognition: Lifetime expected credit losses



Assessing credit risk:

To assess whether there has been a significant increase in credit risk, as per IND AS 109 the company compares the asset's risk of default at the reporting date with its risk of default at the date of initial recognition.

The company not only relies solely on past information when determining if credit risk has increased significantly. The company assumes that credit risk has not increased significantly if the instrument has low credit at the reporting date. The Credit risk can be assumed to have increased if the contractual payments are more than 30 days overdue at the reporting date.

Measuring expected losses

The accounting standard, Ind AS 109 does not specifically prescribe any methodology for computing ECL. However, entities are required to adopt sound and market acceptable methodologies which are in line with the size, complexity and risk-profile of the financial entity for computing the ECL. The Company uses three main components to measure ECL. These are, Exposure at Risk (EAR), Probability of Default (PD) and Loss given Default (LGD).

- (i) Exposure at Risk (EAR) is defined as the sum of Principal outstanding and interest accrued at the reporting date.
- (ii) Probability of Default (PD) is defined as the probability of borrowers defaulting on their obligations.
- (iii) Loss Given Default (LGD) represents the economic loss, adjusted for cure rate, as a percentage of exposure at the time of default.

The company is required to provide 12-month expected credit loss (12-month ECL) for stage 1 assets and the lifetime expected credit loss (LECL) for stage 2 & stage 3 assets. 12-month ECL is the expected credit loss that results from default events that are possible within 12 months after the reporting date. LECL represents the expected credit loss from default events over the expected life of a financial asset.

As prescribed under para 5.5 in Ind AS 109, 12-months PD is required to be computed for financial instruments which are in stage 1, and lifetime PD for those in stage 2 & 3. 12 months PD is the likelihood of the borrower defaulting in the 12 months following the reporting date while lifetime PD is the likelihood of the borrower defaulting during the residual tenor.

The PD model has been developed for all the major asset classes using a statistical and iterative approach. The design and construction of the model involves identification of various credit parameters and variables that have a strong and direct correlation to propensity of default.

The PD model reflects the probability of default, taking into consideration the inherent credit quality of the borrower and the residual tenor of each contract. It relies not only on historical information and the current economic environment, but also considers forward-looking information such as the forecasts on the macroeconomic outlook, including emerging risks. The PD for stage 3 contracts is considered at 100%.

Where a customer has one contract in stage 3 and one or more contracts in stage 1 / stage 2, the PD for all the contracts is considered at 100%.

LGD represents the economic loss, adjusted for cure rate, as a percentage of exposure at the time of default. Economic loss is the estimated shortfall in realization of dues, in the event of default. Contracts that have turned delinquent do not necessarily involve ultimate losses, since many of them are resolved through corrective actions. The cure rate is the probability of a 'non-performing' (i.e., defaulted) contract reverting to a 'performing' (i.e., non-default) status in a year.

**Guidelines by Reserve Bank of India:**

The Prudential Norms for Classification of Financial Asset and Recognition of provision follows classification of assets as follows:

S. No.	Classification	Basis of classification
1.	Standard Assets	Asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business
2.	Sub-standard assets	Asset which has been classified as non-performing asset for a period not exceeding 12 months
3.	Doubtful assets	Asset which remains a sub-standard asset for a period exceeding 12 months
4.	Loss asset	Asset which has been identified as loss asset by the company or its internal or external auditor or by the Reserve Bank of India, to the extent it is not written off by the company

Credit risk presentation practice:

The Company is required to make provision of impairment loss as per Ind AS 109 and also to maintain the asset classification and compute provisions as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) issued by RBI.

Therefore, the Company after the analysis of provisioning requirement under both regulatory requirements concludes that the provision computed as per the IRACP norms issued by RBI to be sufficient provisioning for impairment loss under Ind AS 109 as well. The company has also taken the Regulatory Guidance issued by RBI on Implementation of Indian Accounting Standards by NBFCs into account for arriving at the ECL and reporting of the same in the financial statement.

The Company recognises expected credit loss (ECL) on financial assets measured at amortised cost as required under Ind AS 109 'Financial Instruments'. The Company presents the ECL charge or reversal (where the net amount is a negative balance for a particular period) in the Statement of Profit and Loss as "Impairment on financial instruments" and as a cumulative deduction from gross carrying amount in the Balance Sheet, wherever applicable.

Thus, impairment of INR 19,022.17 lakhs has been recognized for the financial assets in the Statement of Financial Position by charging INR 117.56 lakhs to the Statement of Profit and Loss for the year ended 31st March 2025.

Impairment loss reversal:

At each reporting date, the loss allowance is recalculated.. Gains or losses on remeasurement of loss allowance are recorded in the Statement on Profit and Loss.

b. Liquidity Risk

Liquidity risk relates to our potential inability to meet all payment obligations when they fall due or only being able to meet them at excessive costs. The objective of the liquidity risk management framework is to ensure that the company can fulfil its payment obligations at all times and can manage liquidity and funding risks within its risk appetite. The Asset Liability Committee regularly monitors the liquidity position and the duration of assets/liabilities. The company maintains liquidity ratio as per regulatory requirements by investing in government securities.

**c. Market Risk**

Market risk is the risk of loss arising from potential adverse changes in the value of the firm's assets and liabilities from fluctuation in market variables like liquidity, interest rate and equity prices.

- i. **Interest Rate Risk** - The company's exposure to changes in interest rates relates to its investment in debt securities. All the debt securities of the company is in local currency and on a fixed-rate basis and hence not subject to interest rate risk.
- ii. **Currency Risk** - The company does not have any borrowings or investments in foreign currency and hence not subject to currency risk
- iii. **Equity Risk** - The company has investments in listed companies, which are measured at FVTPL. The valuation is dependent on market conditions.

24.21: Pending Cases

Case No	Brief Description	Present Status
1	Tmt A Kala, General Manager's has filed writ petition against the order on compulsory retirement of service and for reinstatement of her post in TNPFC.	Judgement Received in favour of Tmt.A.Kala, GM and a writ appeal has been filed on 08/02/2024. The Hon'ble Division bench is convinced with our submission and pleased to adjourn the case after two weeks.
2	Thiru T Kumaran Former System Analyst. Has filed the writ petition against his order of dismissal of service by the appellate authority i.e Board of TNPFC. TNPFC is yet to file the counter affidavit.	The Case is still pending in High Court.

There is no financial impact to TNPFC on account of these cases.

24.22 Reasons for restatements:

There are no prior period adjustments during the financial year 2024-25.

24.23: Share Capital

Share Capital	As at 31st March 2025		As at 31st March 2024	
	Number	Rs. In Lakhs	Number	Rs. In Lakhs
Authorized Equity Shares of Rs. 10/- each	7,50,00,00,000	7,50,000	7,50,00,00,000	7,50,000
Issued, Subscribed and Paid-up Equity Shares of Rs. 10/- each fully paid-up	3,76,70,00,000	3,76,700	3,76,70,00,000	3,76,700



a. Reconciliation of the number of Shares outstanding	Equity Shares		Equity Shares	
	Equity Shares		Equity Shares	
	Number	Rs. In Lakhs	Number	Rs. In Lakhs
Number of Equity Shares at the beginning of the Year	3,76,70,00,000	3,76,700	3,76,70,00,000	3,76,700
Equity Shares issued during the Year	-	-	-	-
Less: Shares bought back during the Year	-	-	-	-
Number of equity Shares at the end of the Year	3,76,70,00,000	3,76,700	3,76,70,00,000	3,76,700
c. Shares held by holding/ultimate holding company and / or their subsidiaries/associates- The company does not have holding/ultimate holding company and subsidiaries/associates. d. There are no shares reserve for issue under options or contracts/commitments for the sale of shares/ disinvestment as at 31st March 2025. e. The company has neither allotted any shares as fully paid up pursuant to contracts without payments being received in cash or by way of bonus shares nor bought back any shares for the period of five years immediately preceding 31st March 2025. f. The company does not have any securities convertible into equity shares at 31st March 2025. g. Calls unpaid: NIL; Forfeited Shares: NIL (previous year - NIL)				
h. Details of shareholders holding more than 5% of shares in the company	No. of Shares held (31.03.2025)	% Holding (31.03.2025)	No. of Shares held (31.03.2024)	% of holding (31.03.2024)
Name of the Share holder				
Hon'ble Governor, Government of Tamil Nadu	3,76,69,99,920	99.99%	3,76,69,99,920	99.99%
i (a). Details of Shareholding of the Promoters as on 31.03.2025	No. of shares held	% of Total shares	% Changes during the year	
Hon'ble Governor, Government of Tamil Nadu	3,76,69,99,920	99.99%	NIL	

24.24: Other Equity**(Rs. In Lakhs)**

	Reserves and Surplus	As at March 31, 2025	As at March 31, 2024
a. Securities Premium			
Balance as per last Financial Statements		1,800.00	1,800.00
Less: Amount utilized towards issue of fully paid bonus shares		-	-
Closing Balance		1,800.00	1,800.00



b. Special Reserve		
Balance as per last Financial Statements	86,412.27	79,543.37
Add: Amount transferred from surplus balance in statement of Profit & Loss Account	6,428.84	6,868.90
Closing Balance	92,841.11	86,412.27
c. General Reserve		
Balance as per last Financial Statements	60,291.94	57,400.79
Add Prior Period adjustments		
Add: Amount transferred from surplus balance in statement of Profit & Loss Account	2,764.19	2,891.15
Closing Balance	63,056.13	60,291.94
d. Reserve Fund		
Balance as per last Financial Statements	61,433.09	55,650.78
Add Prior Period Adjustments		
Add: Amount transferred from surplus balance in statement of Profit & Loss Account	5,528.38	5,782.31
Closing Balance	66,961.47	61,433.09
e. Surplus		
Balance as per last Financial Statements	1,69,479.85	1,72,110.68
Add Prior Period adjustments		
Profit for the year	27,641.89	28,911.53
Less: Appropriations		
Dividend (including interim dividend)	(13,885.00)	(16,000.00)
Change in fair value of staff advances		
Transfer to Special Reserve	(6,428.84)	(6,868.90)
Transfer to General Reserve	(2,764.19)	(2,891.15)
Transfer to Reserve Fund	(5,528.38)	(5,782.31)
Closing Balance	1,68,515.34	1,69,479.85
f. Other comprehensive income	(6,762.27)	(8,898.46)
Change in fair value of staff advances	10.09	2.45
Actuarial gain/(loss) on gratuity	43.71	(2.45)
Gain on change in fair value of Government securities	8,233.43	2,136.18
Closing Balance	1,524.96	(6,762.27)
Total Reserves & Surplus	3,94,699.00	3,72,654.88

24.25: Interest Accrued on Deposits-Payable :

This account has an outstanding balance of Rs. 60,698.79 lakhs as on 31st March 2025, out of which Rs. 60,695.92 Lakhs being excess Interest accrued on deposits during the previous years, which is yet to be fully reviewed and written back, if required. The said outstanding balance is disclosed in Note 14 under Unpaid matured deposits and interest accrued thereon.

**24.26: Title Deeds of Immovable Property not held in the name of the company**

The Title Deeds of the Immovable Property are not held in the name of the Company. Details of the Immovable Property are given below:

Relevant Item in the Balance Sheet	Description of item of Property	Carrying Value (Rs. In lakhs)	Title Deeds held in the name of	Whether Title Deed holder is promoter, director or promoter or employee of above	Property held since	Reason for not being held in the name of the Company
Property, Plant & Equipment	Land	243.07	Tamil Nadu Urban Habitat Development Board	No	2005	Settlement Issue
Property, Plant & Equipment	Building	78.31	Tamil Nadu Urban Habitat Development Board	No	2005	Settlement Issue

24.27: Fair Valuation of Investment Property

The Company has no Investment Property

24.28: Revaluation of Property, Plant & Equipment and Right-of-Use Assets

During the year, no revaluation of Property, Plant & Equipment and Right-Of-Use Assets has been done by the Company.

24.29: Revaluation of Intangible Assets

During the year, no revaluation of Intangible Assets has been done by the Company.

24.30: Loans & Advances to Promoters, Directors, KMP & Related Parties repayable on demand

The Company has not extended any Loans or Advances in the nature of Loans to specified persons that are repayable on demand during the year.

24.31 Details of Benami Properties held

No proceedings have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

24.32: Borrowings secured against Current Assets

The Company has no Borrowings from Banks or Financial Institutions on the security of Current Assets.

24.34: Wilful Defaulter

The Company has not been declared as wilful defaulter by any bank or financial institution or lender during the year

24.35: Relationship with Stuck off Companies

The Company has no transactions with Companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year.

24.36: Registration or charges or satisfaction with Registrar of Companies (ROC)

The Company has no charges or satisfaction yet to be registered with ROC beyond the statutory period during the year.

**24.37: Compliance with number of Layers of Companies**

The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act read with Companies (Restriction on number of layers) Rule, 2017 during the year.

24.38: Compliance with approved Schemes of Arrangements

During the year, the Company has no Scheme of Arrangements approved by the Competent Authority to be implemented in the Books of Accounts.

24.39. Utilisation of Borrowed funds and Share Premium

During the year, no funds have been advances or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Company or to in any other persons or entities, including foreign entities (" Intermediates"), 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. During the year, no funds have been received by the company from any persons or entities, including foreign entities ("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.

24.40: Disclosure in relation to Undisclosed Income

The Company does not have any transaction not recorded in the Books of Accounts that has been surrendered or disclosed as Income during the year in the tax assessments under the Income Tax Act, 1961.

24.41: Details of Crypto Currency or Digital Currency

The Company has not traded any or invested in any Crypto Currency or Virtual Currency during the financial year.

24.42: Corporate Social Responsibility

The details of amount spent during the year on CSR related activities is given below:

- i. The Gross amount required to be spent by the company during the year is Rs.1,699.91 Lakhs (Previous year - Rs. 1,864.91 Lakhs)
- ii. Amount spent during the year on:

(Rs. In Lakhs)

Particulars	Paid in Cash	Not Paid in Cash	Total
Amount spent during the year ending on March 31, 2025			
i. Construction/Acquisition of any asset	-	-	-
ii. On purposes other than (i) above		1,733.60	1,733.60
Amount spent during the year ending on March 31, 2024			
i. Construction/Acquisition of any asset	-	-	-
ii. On purposes other than (i) above	-	1,865.60	1,865.60



Particulars	Amount
Amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	Nil
Total of previous years' shortfall amounts	Nil
Reason for above shortfalls by way of a note	N/A

iii. The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year: Nil

iv. Total of previous years' shortfall amounts: Nil

v. The reason for above shortfalls by way of a note: Not Applicable

vi. Nature of CSR activities during the year- Contribution towards Promoting Education and sanitation

24.43: The Following Deposits amount relates to Government Scheme, received during the financial year 2024-25, for that the deposit receipts not created for want of beneficiary details.

- Under School dropout (Children's studying 10th, 11th, 12th standard) scheme of GoTN, under school education, GoTN deposited an amount of Rs. 195.13 Crores.
- Under school dropout students (Disabled) an amount of Rs. 0.69 Crores.
- Under Girl Child Protection Scheme an amount of Rs.27.30 Crores.
- Under Breadwinning scheme an amount of Rs.5.68 Crores.

24.44: Relationship between tax expenses and accounting profit:

a) Tax amount Reconciliation

(Rs in Lakh)

Particulars	Amount	Tax amount
Accounting Profit	35,399.05	8,909.23
Disallowance		
Depreciation disallowance	(24.29)	(6.11)
Expenditure incurred on CSR	1,733.60	436.31
Allowance		-
Fair Value Changes for Investments in NLC	989.25	248.97
Transfer to Special reserve	6,428.84	1,618.01
Tax Profit	29,690.28	7,472.45

b) Tax Rate Reconciliation

Applicable Tax rate	25.17%
Expenses (Disallowance)/ Allowance	(4.06)%
Average Effective Tax Rate	21.11%



24.45: Business Combination:

The Government of Tamil Nadu has vide G.O. (Ms.) No. 336 Finance (BPE) Department, dated 23rd November 2023 has approved the merger of TN Power Finance and Infrastructure Development Corporation Limited and TN Transport Development Finance Corporation Limited in order to reinforce an effective management of funds within state owned entities, mobilize the deposit and strengthen the infrastructure project financing.

Hence, the Board of Directors of the Company at its meeting held on 8th April 2024, approved a Scheme of Merger of TNPFC and TDFC, with the effective date of merger being 1st April 2024, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder. The Company is in the process of filing an application with the Ministry of Corporate Affairs (MCA) for approval of the scheme of merger. The said scheme shall take effect in the subsequent financial year based on the final orders received from the MCA and the respective statutory authorities.

24.46: Previous year's figures have been regrouped / reclassified wherever applicable.

For R V K S and Associates

Chartered Accountants

(Firm Regn. No. 008572S) (Firm Regn. No. 000175S)

L K Sivaramakrishnan

Partner

Membership No. 205025

Place : Chennai

Date : 26-09-2025

UDIN: 25205025BMLXFS4427

For Anil Nair and Associates

Chartered Accountants

G Anil

Partner

Membership No. 022450

Place : Chennai

Date : 26-09-2025

UDIN: 25022450BMITOO8493

For and on behalf of the Board,

Pratik Tayal I.A.S

Director

DIN : 09422959

P Jameela

Chief Financial Officer

Place : Chennai

Date : 26-09-2025

Pooja Kulkarni I.A.S

Managing Director

DIN : 02783673