SBICAP Trustee

SBICAP Trustee Company Ltd.

Ref. No. 77 /STCL/DT/2023-24 **06th April, 2023**

To,
The Bondholders of ISIN INE847E09029,
INE847E08DK6, INE847E08DM2, INE847E08DN0,
INE847E08DO8, INE847E08DP5 & INE847E08DQ3

Dear Sir/Madam,

Andhra Pradesh Power Finance Corporation Ltd ("Issuer"/ "Company")
Event of Default under the Modification-Cum-Accession Agreement ("Agreement") executed from time to time.

We refer to the various Modification-Cum-Accession Deed dated 13th July 2017 entered between the Company, State Bank of India, and SBICAP Trustee Company Limited ("STCL" / "Debenture Trustee") and Modification-Cum-Accession Agreement dated 24th November 2017 entered between Company, State Bank of India, The Governor of Andhra Pradesh and STCL vide which the Company has issued Listed, Unsecured, Non-convertible, Taxable Bond ("NCDs") aggregating to Rs. 5644.60 crores bearing ISIN INE847E09029, INE847E08DK6, INE847E08DM2, INE847E08DN0, INE847E08DO8, INE847E08DP5, INE847E08DQ3.

The payment of interest on the Bonds issued under ISIN INE847E08DK6 and INE847E08DM2 was due on 01.04.2023.

Vide email dated 05th April,2023 (copy enclosed for information), the Company has informed us that it has defaulted in payment of interest due on 01.04.2023 on the Bonds issued under the ISIN INE847E08DM2 and INE847E08DK6 thereby stating the reason that funds are not yet released by Telangana and Andhra Pradesh Government.

The Government of Andhra Pradesh has offered an unconditional guarantee for servicing of Interest and Redemption to the Bondholders.

In view of the above and considering the earlier defaults/delay in payments failure to create the Recovery Expenses Fund and non-submission of the Quarterly and Half Yearly Compliance, as also the Company has unilaterally decided to make the payment of due interest and repayment of principal to some of the bond holders and the Company has informed that the unpaid / remaining bond holders will be paid by Telangana State Power Finance Corporation Limited ("TSPFCL") as per the understanding between the Company and TSPFCL, without obtaining the specific consent of the bond holders or the bond trustee, it is proposed to convene an ISIN-wise virtual meeting of the bondholders on 04th May 2023 from 03:00 PM onwards under ISIN INE847E09029, INE847E08DK6, INE847E08DM2, INE847E08DN0, INE847E08DO8, INE847E08DP5, INE847E08DQ3 for considering whether: -

A. Positive consent for proceeding with the enforcement of the security i.e., the Government Guarantee; or
B. Negative consent for proceeding with the enforcement of security i.e., the Government Guarantee; or
C. Such other action as may be decided by the Bondholders in the meeting.

SBICAP TRUSTEE COMPANY LIMITED

It may be noted that the time period within which the consent needs to be provided is within 15 days from the date of the notice and the date of the meeting to be convened.

Further, it may be noted that the enforcement of security by the Bond Trustee will be undertaken only upon the passing of the resolution as mentioned at item no. 1 above, by the Bondholders representing not less than 75% of the outstanding Bonds by value and 60% of the Bond Holders by the numbers per ISIN wise. In case requisite consents are not received for enforcement of security then the Bond Trustee shall take further action, if any, as per the decision taken in the meeting of the Bond Holders.

However, please note that in case the default is cured before the date of the proposed meeting, then the meeting shall stand cancelled.

The Bondholders can cast their vote on the above mentioned points A or B in the following manner :

i. ***Casting of vote through e-voting link. The voting link is proposed to be opened w.e.f. 13.04.2023 and will be closed by 04.05.2023 details of which will be shared and hosted on our website.***

Alternatively, for the convenience of the Bond Holders, they are also permitted to cast their vote through offline mode i.e. by mailing to the email id dt@sbicaptrustee.com vide registered email id of the Bondholders along with their Letter of Authority to cast their vote.

Thus, we once again urge upon the Bondholders to ensure that the e-mail ID, with appropriate authority to cast e-vote, is registered with the RTA / DP on a priority basis, so that proper email IDs appear in BENPOS and quick communications.

Further, the meeting link will be provided shortly and the same will also be hosted on our website https://www.sbicaptrustee.com/ .Bondholders are advised to regularly visit our website for updates in the matter.

Important Note: The Bondholders shall ensure that they have valid POA/Board resolution for E-Voting and attending the meeting.

For SBICAP Trustee Company Limited

06.04.2023

SBICAP TRUSTEE COMPANY LIMITED

Authorised Signatory

Shubham Badagode

From: appfcl appfcl <appfcl@gmail.com>
Sent: Wednesday, April 5, 2023 11:20 AM
To: Shubham Badagode
Cc: DT
Subject: Re: TEMS - Alert for Interest Payment Reminder - III - Andhra Pradesh Power Finance Corporation Ltd (CL01774)
Attachments: Interest register due on 01.04.2023.xls

Dear Madam,
As per the trailing mail, it is to inform you that the funds are not yet released by Telangana & AP Government towards interest payment due on 01.04.2023. The Bond Holders list is attached herewith for your reference.

With Regards.,
M. Ramana Reddy, CFO
Chief Financial Officer,
A.P.Power Finance Corporation Ltd.
Landline No: 0866-2429226
Mobile No: 8897493344

On Wed, Apr 5, 2023 at 10:26 AM Shubham Badagode <Shubham.Badagode@sbicaptrustee.com> wrote:

Dear Sir / Madam,

With reference to below trail mail, request you to kindly share the interest payment confirmation for bearing ISIN mentioned below on priority.

Issuer Name	ISIN Number	Interest Due Date
Andhra Pradesh Power Finance Corporation Ltd	INE847E08DM2	01-04-2023
Andhra Pradesh Power Finance Corporation Ltd	INE847E08DK6	01-04-2023

Thanks & Regards,
Shubham Badagode
Executive

DT Operations

SBICAP Trustee Company Limited
A: 04th Floor, Mistry Bhavan, 122 Dinshaw Vachha Road,
Churchgate, Mumbai -400020
M: +91 8692039781
B: 022 4302 5555/5566
E: shubham.badagode@sbicaptrustee.com

-----Original Message-----
From: Shubham Badagode <Shubham.Badagode@SBICAPTRUSTEE.COM>
Sent: Monday, April 3, 2023 6:43 PM
To: appfcl@gmail.com
Cc: DT <dt@sbicaptrustee.com>
Subject: RE: TEMS - Alert for Interest Payment Reminder - III - Andhra Pradesh Power Finance Corporation Ltd (CL01774)

Dear Sir,

Please share the interest payment confirmation for bearing ISIN mentioned below at the earliest.

Issuer Name	ISIN Number	Interest Due Date
Andhra Pradesh Power Finance Corporation Ltd	INE847E08DM2	01-04-2023
Andhra Pradesh Power Finance Corporation Ltd	INE847E08DK6	01-04-2023

Thanks & Regards,
Shubham Badagode
Executive
DT Operations

SBICAP Trustee Company Limited
A: 04th Floor, Mistry Bhavan, 122 Dinshaw Vachha Road,
Churchgate, Mumbai -400020
M: +91 8692039781

B: 022 4302 5555/5566
E: shubham.badagode@sbicaptrustee.com

-----Original Message-----
From: Donotreply <donotreply@sbicaptrustee.com>
Sent: Saturday, April 1, 2023 12:00 AM
To: appfcl@gmail.com
Cc: Sachin Walke <Sachin.Walke@SBICAPTRUSTEE.COM>; Priyanka Chavan <Priyanka.Chavan@SBICAPTRUSTEE.COM>; Prathmesh Khandagale <Prathmesh.Khandagale@SBICAPTRUSTEE.COM>; Aayushi Sanghavi <Aayushi.Sanghavi@SBICAPTRUSTEE.COM>; Kalpita Ghosh <Kalpita.Ghosh@SBICAPTRUSTEE.COM>; Darpika Mahadik <Darpika.Mahadik@SBICAPTRUSTEE.COM>; Shubham Badagode <Shubham.Badagode@SBICAPTRUSTEE.COM>; icra_trustee_info@icraindia.com; icra.isin@icraindia.com; care.dt@careratings.com; ravi.nayak@careedge.in; trusteeinfo@crisil.com; bwr-dt@brickworkratings.com; instruments.info@indiaratings.co.in; rating.communication@acuite.in
Subject: TEMS - Alert for Interest Payment Reminder - III - Andhra Pradesh Power Finance Corporation Ltd (CL01774)

Dear Sir/Madam,

ERP has found a matching entry which reflects a repayment schedule of the following transaction.

Please provide us the complete list of the Debenture Holders (ISIN wise) along with their address and contact details including email address as on the Record Date to whom the payment on below due date us to be made by you.
The following are the details extracted from the repayment schedule:

Company Name : Andhra Pradesh Power Finance Corporation Ltd Consent Letter No : CL01774 Consent Letter Date : 16-02-2017 Interest Payment Date : 01-04-2023 Series : 2-Series II/2011-OPTION B-9.97% Allotment Date : 30-01-2012 Repayment : Interest Interest Amount : As per Debenture Trust Deed ISIN : INE847E08DM2

Pursuant to the provision of the SEBI (Debenture Trustee) Regulation, 1993, SEBI (Issue and Listing of Debt Securities), 2008, Companies Act, 2013 and Companies (Share Capital & Debentures) Rules, 2014, Companies (Prospectus and Allotment of Securities), Rules, 2015, Uniform Listing Agreement, Debenture Trust Deed and SEBI Circular No. SEBI/HO/MIRSD/MIRSD3/CIRP/P/2017/72 dated the 30th June, 2017, you are requested to make the payment on due date to the debenture holders in respect of the above debt issue and provide us the information with below details:

Transaction Name :
ISIN No :
Due date of Payment of Interest / Principal :
Actual Date of Payment of Interest / Principal :

Was the disclosure about the payment made on the respective Stock Exchange :
Name of the Stock Exchange on which Debentures are Listed :
Remarks (Paid on Due Date/Variation Due to Holiday/Paid and Redeemed/Call Option Exercised/Put Option Exercised/Roll Over/Delay/Default) :

and
(i) Confirm to us and Credit Rating Agency (CRA) immediately;
(ii) Send us and CRA a copy of the certificate submitted by you to the Stock Exchange under Regulation 57 (i) of the SEBI (LODR) Regulation, 2015 Please note that non-furnishing of information regarding status of the payment by due date or non-disclosure of information with respect to timely payment by you on the stock exchange website may attract provision of Section 12A of the SEBI Act, 1992 and SEBI (prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.
We refer to our emails dated (13-03-2023) and (27-03-2023) regarding Interest Payment for the above mentioned Debentures.

With Warm Regards
SBICAP Trustee Company Limited

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