



APMDC

The Andhra Pradesh Mineral Development Corporation Limited
(A Govt. of Andhra Pradesh Undertaking)

Date: 30th September 2026

To,
The Manager – Listing Compliance,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051.

Sub.: Outcome of the Board Meeting – Approval of Audited Financial Statements for the Financial Year ended 31st March 2026

Security Code: 930APMD30

Ref.: The Andhra Pradesh Mineral Development Corporation Limited ("the Company") – ISINs:
INE0TLC07036, INE0TLC07044, INE0TLC07028, INE0TLC07101, INE0TLC07093, INE0TLC07085,
INE0TLC07051, INE0TLC07077 and INE0TLC07069

Dear Sir / Madam,

Pursuant to Regulations 51(2) and 52 read with Part B of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we wish to inform you that the Board of Directors of the Company at its 436th Meeting held today, i.e., 30th September 2026, has, inter alia, considered and approved the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2026, together with the Statutory Auditor's Report thereon.

The Board has also taken note that the Statutory Audit for the financial year 2025-26 has been completed by M/s. M.N. Rao & Associates LLP, Chartered Accountants, Statutory Auditors of the Company, and the Statutory Auditor's Report has been received and placed before the Board.

Further, being a Government Company, the Board noted that the Audited Financial Statements together with the Statutory Auditor's Report are required to be submitted to the Comptroller and Auditor General of India (C&AG) for supplementary audit/review and comments or supplement to the Statutory Auditor's Report in accordance with Section 143(6) of the Companies Act, 2013.

The Board has approved the aforesaid Audited Standalone and Consolidated Financial Statements and the Statutory Auditor's Report for placing before the Members at the 65th Annual General Meeting of the Company. The comments/supplement of the C&AG and the Management Replies thereto, upon receipt, shall also be placed before the Members in accordance with the applicable provisions of the Companies Act, 2013.

Accordingly, the following documents are enclosed herewith:

1. Audited Standalone Financial Statements for the financial year ended 31st March 2026;
2. Audited Consolidated Financial Statements for the financial year ended 31st March 2026;
3. Statutory Auditor's Report on the Standalone and Consolidated Financial Statements;
4. Disclosures as required under Regulation 52(4) of the SEBI Listing Regulations;
5. Security Cover Certificate under the applicable provisions of the SEBI Listing Regulations; and
6. Other applicable disclosures/documents, as required.

The meeting of the Board of Directors commenced at 11:AM and concluded at 10: 10 PM.

The above information is also being made available on the website of the Company at www.apmdc.ap.gov.in.

We request you to kindly take the above information on record.

Thanking you,

Yours faithfully,

For The Andhra Pradesh Mineral Development Corporation Limited

SOMU SIVA
RAMA
KRISHNA

Digitally signed by SOMU
SIVA RAMA KRISHNA
Date: 2026.09.30 22:23:37
+05'30'

Somu. Siva Rama Krishna

Company Secretary & Compliance Officer

ACS: 60677



APMDC

The Andhra Pradesh Mineral Development Corporation Limited
(A Govt. of Andhra Pradesh Undertaking)

Reg. Off. #D.No:6-1-67/19/1 & 67/20, Flat No.302, Super Classic Apartments, Saifabad, Lakdikapul, Hyderabad – 500004.

THE EXTRACTS OF MINUTES OF 436th BOARD MEETING OF THE DIRECTORS OF THE ANDHRA PRADESH MINERAL DEVELOPMENT CORPORATION LIMITED HELD ON 30TH SEPTEMBER, 2026 AT 11.00 AM AT CHAMBERS OF PRINCIPAL SECRETARY (EXCISE), BLOCK-IV, A.P. SECRETARIAT, VELAGAPUDI, GUNTUR, ANDHRA PRADESH. ADHRA PRADESH.

Item No:6:

To consider and approve the Financial Statements (Standalone and Consolidation) from 01st April, 2025 to 31st March, 2026 – Reg.

The Managing Director placed before the Board the draft financials for the year 2024-25 consists of Balance Sheet as at 31st March, 2025, Statement of Profit and Loss for the year and Cash flow statement of the company on Standalone as well as consolidated basis for the period from 01st April, 2024 to 31st March, 2025 are placed below for consideration and approval.

After due discussion the following resolution was passed:

“RESOLVED THAT pursuant to the provisions of Sections 129, 134 and other applicable provisions of the Companies Act, 2013, read with the applicable Rules made thereunder, applicable Indian Accounting Standards (Ind AS), Secretarial Standard on Meetings of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India, and other applicable statutory requirements, the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026, comprising the Balance Sheet as at 31st March, 2026, Statement of Profit and Loss, Cash Flow Statement, Statement of Changes in Equity, Significant Accounting Policies, Notes to Accounts and other statements forming part thereof, together with the Statutory Auditor's Report thereon, as placed before the Meeting, be and are hereby approved.”

“RESOLVED FURTHER THAT the Board hereby takes note that the Statutory Audit of the Financial Statements of the Company for the financial year 2025-26 has been completed by M/s. M.N. Rao & Associates LLP, Chartered Accountants, Statutory Auditors of the Company, and that the Statutory Auditor's Report on the said Financial Statements has been received and placed before the Board.”

“RESOLVED FURTHER THAT the Board hereby takes note that, being a Government Company, the Audited Financial Statements and the Statutory Auditor's Report are required to be submitted to the Comptroller and Auditor General of India (C&AG) for supplementary audit/review and for comments or supplement to the Statutory Auditor's Report in accordance with Section 143(6) of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026, together with the Statutory Auditor's Report thereon, be and are hereby approved for placing before the Members at the 65th Annual General Meeting of the Company, and the comments/supplement of the C&AG and Management Replies thereto, upon receipt, shall also be placed before the Members in accordance with the provisions of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the 65th Annual General Meeting may take note of the Audited Financial Statements and the Statutory Auditor's Report and, since the comments/supplement of the C&AG under Section 143(6) of the Companies Act, 2013 are awaited, the matter relating to the final consideration and adoption of the Financial Statements shall be dealt with at the AGM/adjourned AGM, as applicable, after receipt and placement of the C&AG comments/supplement and the Management Replies thereon.”

“RESOLVED FURTHER THAT Managing Director, Director, Chief Financial Officer, and the Company Secretary of the Company, to the extent applicable under Section 134(1) of the Companies Act, 2013, be and are hereby authorised to sign/authenticate the said Standalone and Consolidated Financial Statements and the documents forming part thereof on behalf of the Board.”

“RESOLVED FURTHER THAT the Managing Director or Chief Financial Officer be and is hereby authorised to submit the duly approved and signed Audited Financial Statements, Statutory Auditor's Report and all other requisite documents to the Comptroller and Auditor General of India for supplementary audit/review and comments in accordance with Section 143(6) of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Managing Director, Chief Financial Officer and Company Secretary of the Company be and are hereby authorised severally to do all such acts, deeds, matters and things, execute and submit all necessary documents, make such statutory filings and give effect to the aforesaid resolutions, as may be necessary or incidental thereto.”

“Certified True Copy”



(Pravin Kumar, IAS)
Managing Director (FAC)
DIN NO: 07106418

INDEPENDENT AUDITOR'S REPORT

To
The Members of
The Andhra Pradesh Mineral Development Corporation Limited

Report on the Audit of Standalone Financial Statements:

Qualified Opinion:

We have audited the accompanying Standalone Financial Statements of **The Andhra Pradesh Mineral Development Corporation Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2026, 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 then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects and possible effects of the matters described in the *Basis for Qualified Opinion* section of our Report, the aforesaid Standalone 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 prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the:

- a) In case of Balance Sheet, of state of affairs of the Company as at 31st March 2026,
- b) In case of Statement of Profit and Loss (including Other Comprehensive Income), of profit of the Company for the year ended on that date,
- c) In case of Statement of Changes in Equity, and
- d) In case of Statement of Cash Flows, of cash flows for the year ended on that date.

Basis for Qualified Opinion:

1. Refer Note 48 of the accompanying Standalone Financial Statements, where the company has passed entries for bifurcation as per AP Reorganisation Act, 2014 in the past years except with respect to share capital based on recommendations of the Committee and as per GO issued by Govt of Andhra Pradesh. We are informed that such an exception is based on agreement between both the companies for which no written document was produced for our verification. Consequent to bifurcation, the Company has transferred certain amounts to M/s Telangana State Mineral Development Corporation Limited ("TSMDC") account ledgers which are subject to acceptance and confirmation by TSMDC.

The Company has passed entries pertaining to TSMDC which no supporting document was produced. Further, during the years after bifurcation, Income tax of the erstwhile entity was recovered from APMDIC Income Tax Refund, but no entries were passed in the books, as the complete recovery details are not available. In the absence of information, we are not able to ascertain the impact of the following amounts:

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Near V.P. Siddhartha Public School, Mogalrajapuram,
Vijayawada - 520010, Andhra Pradesh, India

Branch Offices: Tenali | Hyderabad | Narasaraopet

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Sl. No	Name of the ledger	Note no	Classification	Rs. in lakhs	Dr/Cr
1	APMDC Telangana Region Advance (Cr)	18	Other Financial liability (Non-Current)	2,733.95	Cr
2	Vijayawada (bank)	6	Other Financial Assets (Non-Current)	74.28	Dr

2. Loss Allowance for Expected Credit Losses / impairment as required under Ind AS 109:

- a) Corporation has stated in Note 10 of the accompanying Standalone Financial Statements that a total amount of **Rs.591.94 Cr** is outstanding towards unsecured trade receivable being considered good by the Management. In our opinion, the assessment of expected credit losses under Ind AS 109 requires consideration of the credit risk associated with the respective receivables, including relevant historical, current and forward-looking information and other available evidence. Ageing of receivables is one of the relevant factors in such assessment and should not, by itself, be considered determinative of the requirement or quantum of loss allowance. Based on the information available, certain receivables, including those which are significantly overdue and/or disputed, indicate heightened credit risk and require an appropriate assessment for expected credit losses. The Corporation has not adequately assessed and/or recognised the consequential loss allowance in respect of such receivables, resulting in overstatement of trade receivables and profit.
- b) Of the Rs. 591.94 Cr trade receivables disclosed in Note 10, Rs. 426 Cr is due from the Survey Settlements & Land Records (SS&LR) Department, Government of Andhra Pradesh, towards supply of survey stones by APMDC. These receivables are unsecured and no guarantee has been provided by the Government. As per Sl. No. 4(d) of G.O.Ms.No.33 dated 30-May-2023, payment was to be made through adjustment bill to APMDC's PD account; however, no funds were received during FY 2022-23, FY 2023-24, FY 2024-25 or FY 2025-26. Further, the survey stone operations were discontinued by APMDC from FY 2023-24 onwards. Management has not recognised any loss allowance for expected credit losses in respect of these receivables. In our opinion, the credit-risk indicators and other available evidence require an appropriate assessment of the recoverability of these balances and the related ECL.
- c) Further, out of the Rs. 591.94 Cr trade receivables disclosed in Note 10, Rs. 152.40 Cr is due from the Department of Mines and Geology, Andhra Pradesh, towards sand operations carried on by the Corporation as an agent up to FY 2022-23. These receivables are unsecured and no guarantee has been provided by the Government. Management has not recognised any loss allowance for expected credit losses in respect of these balances. Further, the sand operations were discontinued by APMDC from FY 2022-23 onwards. In our opinion, the above circumstances require an appropriate assessment of recoverability and expected credit losses in accordance with Ind AS 109.
- d) Refer Note 39, wherein the Company has recognised an additional amount of Rs. 61.84 Cr towards expected credit losses, representing 100% of receivables outstanding for more than 12 months as at 31-Mar-2026. However, no loss allowance has been recognised merely on the basis of ageing for receivables outstanding for less than 12 months. In our opinion, the determination of expected credit losses should be based on the credit-risk characteristics and expected cash shortfalls of the respective receivables, together with relevant historical, current and forward-looking information, rather than solely on an ageing cut-off of 12 months. Further, no ECL has been recognised in respect of the Survey Stones and Sand Operations receivables referred to in paragraphs (b) and (c) above, notwithstanding that these balances have remained outstanding for prolonged periods.



- e) Balance confirmations have not been obtained for the trade receivables disclosed in Note 10 of the accompanying Standalone Financial Statements, and the balances remain unreconciled. Further, the Corporation does not have a regular system for maintaining ageing analysis of trade receivables. Considering the absence of confirmations and reconciliation, and the limitations in the ageing information available, we are unable to determine the correctness and recoverability of the outstanding balances and the consequential impact, if any, on the Standalone Financial Statements.
3. There exist long outstanding credit balances towards advances received from customers, trade payables, security deposits payable, EMD Payable, Penalty Suspense, Statutory Dues Payable and Other deposits payable which are disclosed in Note No.18, 20, 23, 24, and 25 of the accompanying Standalone Financial Statements and remain unpaid and unreconciled. Party wise Ledger has not been maintained. Further, confirmations from Parties are also not available. Even though, Corporation has disclosed an accounting policy for de-recognition of financial liabilities which were discharged, expired or cancelled in accordance with Ind AS 109 in Note 2(x), the same is not being followed / implemented. The precise effect of consequential adjustments upon such confirmations/ reconciliations, if any, on the accounts is not ascertainable but considered to have significant impact on the profit.
4. There exist long outstanding advances given to Govt. Departments, Deposits with Collectors, Security Deposits, amounts recoverable from vendors & customers, which are disclosed in Note No. 6, 8, 10, 12 & 14 of the accompanying Standalone Financial Statements and remain outstanding and unreconciled. Further, confirmations / Utilization Certificate from Parties are also not available. Even though the corporation has disclosed an accounting policy for de-recognition of financial assets in accordance with Ind AS 109 in Note 2(x), & an accounting policy for impairment as per Ind AS 36 in Note 2(i), the same is not being followed / implemented. The precise effect of consequential adjustments upon such Utilization Certificate / confirmations/ reconciliations, if any, on the accounts is not ascertainable but considered to have significant impact on the profit.
5. Refer Note 38, where the company has disclosed Classification of Financial Instruments as per Ind AS 109 at Amortized Cost & FVTPL. However, Loans and advances given to staff at concessional rate of interest, Upfront Premium Refundable from Govt. of AP – (Note 62), Other Financial Assets & Other Financial Liabilities are not accounted at fair value / amortized cost and required disclosures have not been made as per Ind AS 109.
6. The Company has been generally filing Income Tax Returns based on Provisional Financials without fully complying with the provisions of the Income Tax Act. Note 8 (C) includes Corporate Tax Receivable of Rs. 190.31 Cr which are pending on account of various disputes at different forums & Refer Note 26, where the company has stated Provision for Income Tax Payable amounting to Rs.191.89 Cr for previous years. The balances are subject to reconciliation and consequential adjustments on outcomes, the impact of which is not ascertainable. Any consequential effect on account of actual tax liability based on the audited financial statements of previous years on Income Tax and Deferred Tax has not been provided for in the books, due to which we are unable to ascertain the resultant impact on the standalone financial statements.

Further, APMDC has recognized Current Tax & Deferred Tax for the FY: 2025-26 in the statement of profit & Loss based on internal assessment. The estimate of Provision for Current Tax & Deferred Tax is subject to change on completion of Tax Audit u/s 44AB of Income Tax Act. The precise effect of consequential adjustments upon such allowances / disallowances on completion of Tax Audit, if any, on the Standalone Financial Statements is not ascertainable.



7. Interest amounting to Rs. 12.56 Cr u/s 124(3) of the Companies Act, 2013 for delay in transferring unpaid dividend for the FY 2023-24 to separate bank account has neither been paid nor been accounted for.
8. Refer Note 37 to the Standalone Financial Statements, the Company's disclosure of contingent liabilities as at March 31, 2026 is incomplete in material respects. Complete litigation files were not made available to us for our verification, and the Note omits the current status of disputes, management's estimate of outcome, accrued interest, and amounts involved. We further note that legal fees and related expenses incurred during the year and preceding year indicate the existence of additional disputes, including matters involving JP Power Ventures, Adani, Bauxite Supply, Fisheries Workers Forum etc., which have not been included in Note 37. Supporting documentation for these matters was also not provided to us. In the absence of complete information, we are unable to confirm whether the contingent liabilities disclosed in Note 37 are complete and adequate in all material respects, or whether any of these matters meet the recognition criteria for a provision under Ind AS 37.

Further, the disputed income tax demands as disclosed as at 31-Mar-2026 in Note 37 of the accompanying Standalone Financial Statements is not matching with latest demand outstanding notice for which reconciliation and current status of dispute is not provided. Certain demands are found to be adjusted with income tax refund due, which are stated as receivable under Note 8 (Others – Balance with Statutory Authorities).

9. The company has recognized closing stock of 1,68,290 MT of coal at Suliaryi Coal Mine as at 31-Mar-2026. However, third party survey report evidencing the physical stock quantity of coal as on 31-Mar-2026 was not made available. Consequently, we are unable to verify the existence, completeness and accuracy of quantity of the inventory as at 31-Mar-2026.
10. Refer Note 2(l) & Note 53, where company has recognized closing stock for C+D+W Grade of Barytes only for a quantity of 17.56 lakh MTs as against the actual quantities of 79.89 Lakh MTs and considering no value for the remaining stock of 62.33 Lakh MTs, as management expects this grade to not fetch any value in the market. However, 21.13 MT has been sold @ Rs. 1,710/- per MT during the year. Therefore, the estimate of the management that the C+D+W grade material has no market value and not to apportion any cost to this grade is not appropriate and not in line with Ind AS 2. The precise effect of consequential adjustments upon such valuation, if any, on the financial statements is not ascertainable but considered to have significant impact.
11. Refer Note 34, where company has disclosed Excavation of Coal & Overburden of Suliaryi Mine of Rs. 642.68 Cr for the FY 2025-26. Adjustments to the Mining Fees on account of Short / Excess OB removal & Annual Reconciliations as per terms of the agreement are yet to be carried out for FY: 2021-22, FY: 2022-23, FY: 2023-24, FY 2024-25 & for FY 2025-26. Further, APMDC has not recognized the Shortfall / excess Overburden removal of Coal from Suliaryi Mine as compared the Overburden Removal as per the Stripping Ratio of the Mining Plan, which is not in line with Para 10, 11 & 12 of Ind AS 8 & Note 2(p) of the accounting policy. Further, the payments for Excavation of Coal & Overburden Charges are being made based on the effective Mining Fee applicable on date of sale to customers by APMDC instead of Mining Fee applicable on the date of Production of Coal by MDO, which is not in line with the agreement terms. The precise effect of these adjustments on the Excavation Charges disclosed in Note 34 of the Financial Statements could not be ascertained, in the absence of information.



12. Refer Note 34, where the company expensed Rs.370.24 Cr towards overburden (OB) removal in Barytes, achieving a stripping ratio of 2.65 against 1.77 as per the Mining Plan. Management has explained that the increase relates to OB removed in the adjacent Dolomite Mine, which is excluded from the stripping ratio in the Barytes Mining Plan. As per Note 2(aa) and Appendix-B of Ind AS 16, OB removal in the Dolomite Mine should be treated as development expenditure and capitalized. However, the Company has not apportioned the Rs.370.24 Cr between Barytes and Dolomite, but expensed the full amount to revenue for FY 2025-26. Accordingly, the policy adopted is not in line with Appendix-B of Ind AS 16. In the absence of bifurcation, the impact on Excavation Charges, Intangible Assets under Development, and profit cannot be ascertained.

Further, even considering management's view of a combined stripping ratio of 3, the actual ratio achieved (2.65) results in a shortfall. No provision has been made for this difference.

13. Suliari Coal project, Madhya Pradesh:

- a) The company has outsourced the entire Mine Development & Operations of Suliari Coal Mine, Madhya Pradesh to "Adani Enterprises Limited" (MDO) & around 72% of coal produced during the FY 2025-26 is sold to "Adani Power Limited" (APL) vide a coal supply agreement. During the FY 2025-26, the average sale rate of coal to APL is significantly lower compared to the avg. sale rate to other parties, resulting in forgone potential revenue of Rs. 261.43 Cr. The documentation along with justification of awarding the Mine Production & Sale agreements to parties related to each other are not on record.
- b) Further, Liquidated Damages / Compensation / Penalties for delay in commencement of Coal production as per the terms of the MDO agreement are not levied on AEL by APMDC.
- c) Additionally, mutual penalties for Short Delivery of Coal, Short Lifting of Coal & Short Offtake of Coal leviable on AEL, APL & APMDC as per the terms of MDO & Sale agreements for the FY: 2021-22, FY: 2022-23, FY: 2023-24, FY: 2024-25 & FY: 2025-26 have not been levied. In the absence of adequate supporting information and necessary assessment, the consequential impact, if any, on the Financial Statements could not be ascertained.

In the absence of complete information and any effective documented Risk Management Policy by the company, we are unable to ascertain the corresponding effect on the Standalone Financial Statements and operations of the Suliari Mine, due to potential Risks (if any) involved in the aforesaid matters.

14. Corporation has not obtained confirmation of MSME classification from vendors and hence, bifurcation of trade payables to MSME and others is not disclosed as required under Schedule III of Companies Act. Further, the ageing of Trade Payables, Trade Receivables & Capital Work in Progress (incl. Intangibles under Development) in respect of Cost & Time Overrun is not disclosed as required under Schedule III of Companies Act, 2013.

15. Interest Free Loan to Andhra Pradesh State Fiber Net Limited (APSFL):

The Company has released an interest free unsecured loan of Rs. 100 Cr during the financial year 2017-18 and 2018-19 to M/s Andhra Pradesh State Fiber Net Limited ("APSFL"). The loan is repayable in 4 yearly instalments starting from FY: 2018-19 and ending in FY: 2021-22. APSFL has not repaid the instalments due in FY 2018-19, FY 2019-20, FY 2020-21 & FY 2021-22 as per terms of the agreement till date. The said loan is unsecured and not backed up by any government guarantee.



The management has not provided for impairment on the loan amount as it is confident of the recovery of the loan. In the absence of Audited Financial Statements of APSFL from FY 2017-18 and subsequent years and other supportive audit evidence substantiating the credit worthiness/Repayment capability of APSFL, we are unable to comment upon its impairment/recoverability and consequential impact on the Standalone Financial statements. Further, the difference between fair value of the instrument and transaction price on initial recognition of the instrument has not been recognized in the books as the loan agreement was not clear on purpose of issuance of interest free unsecured loan.

16. Loan to Machilipatnam Urban Development Authority (MUDA):

The Company has released unsecured loan of Rs. 200 Cr. to M/s Machilipatnam Urban Development Authority ("MUDA") on 01-Nov-2018 bearing interest at 8% per annum and repayable in 45 days. Despite multiple requests for repayment by APMDC, both the principal and the outstanding interest remain unpaid as on date. The said loan is an unsecured loan and is not backed by any government guarantee.

Additionally, APMDC received G.O.Ms. No. 32 dated 14-Mar-2024 to Waive off Rs.7.07 Cr of principal amount and corresponding interest that is recognised in the books of account. The Company has not written off / impaired the Loan. Further, in the absence of Audited Financial Statements of MUDA from FY 2018-19 and subsequent years and other supportive audit evidence substantiating the credit worthiness/Repayment capability of MUDA, we are unable to comment upon its impairment/recoverability and consequential impact on the Standalone Financial statements.

Further, the management has not provided for impairment on the loan amount as it is confident of the recovery of the loan, but on the other hand management has not recognized Interest Income amounting to Rs. 116.69 Cr for the period of 2662 days from 16.12.2018 to 31.03.2026 (excl. penal interest leviable under Clause 4 of loan agreement), on the basis of the accounting policy stating that Interest Income on irregular / overdue advances are recognized on realization basis. Thus, the practice of the Company to defer the recognition of interest accrued on loan referring to its accounting policy disclosed at 2(f)(iv) to recognise interest income on irregular / overdue advances on realisation basis is not justified and appropriate to that extent since neither uncertainty in realisation of the said loan was justified nor carrying amount of loan was impaired. As, inappropriate accounting policy cannot be rectified by disclosure. Deviation from accrual basis of accounting results in understatement of Other Income and Loans by Rs. 116.69 Cr each with understatement of Profit by the same amount. Further, the difference between fair value of the instrument and transaction price on initial recognition of the instrument has not been recognized in the books.

17. Inter-Corporate Deposits with Andhra Pradesh State Financial Services Corporation (APSFSC)

We draw attention to Note 13 to the accompanying Financial Statements, which includes investment of Rs. 555 Cr made during FY 2021-22 in Inter-Corporate Deposits (ICDs) with Andhra Pradesh State Financial Services Corporation (APSFSC). The company has not provided for any impairment on the basis that, interest payments on the deposits have been received regularly and that it is confident of full recovery.

Further, we note that APMDC has issued bonds during May-2025 at an interest rate of 9.3% p.a. which is significantly higher than the return on these ICDs. This raises concerns about the liquidity of the ICDs, as the company opted to raise debt at a much higher interest rate rather than utilizing the outstanding deposits with APSFSC. In the absence of sufficient appropriate audit evidence to corroborate management's assessment, we are unable to comment on whether any impairment provision is required in respect of these deposits, and consequently, on the impact, if any, on the Standalone Financial Statements as at 31-Mar-2026.



18. The company has not complied with the applicable Corporate governance requirements under the SEBI LODR (Listing Obligations and Disclosures Requirements) Regulations, 2015 including Director Composition, Establishment of Vigil Mechanism / Whistle blower Mechanism, Related party Transactions and formation of mandatory committees (i.e., Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee), as applicable to High Value Debt Listed Entity (HVDLE). Further, there were delays in the transfer of interest remaining unpaid/unclaimed for the prescribed period to the designated escrow account within the stipulated timeline prescribed under the applicable provisions of the SEBI LODR Regulations.
19. As disclosed in Note 3.4.1 (Intangibles under Development) and Note 8 (Capital Advances) to the financial statements, the Company has capitalised Rs.89 crore towards the Brahmadaha Coal Project and has also carried an Advance Royalty of Rs.10.27 crore for over 3 years. The project has not progressed to commercial development. The Company's internal assessment and an independent geological study conducted by CMPDI indicate that the project is economically non-viable, and the Company has communicated its intention to surrender the mine in April-2026. These conditions indicate impairment under Ind AS 36, *Impairment of Assets*. However, the Company has not recognised any impairment loss in respect of these balances. Consequently, the carrying amount of assets and the profit for the year are overstated by Rs.99.27 crore.
20. The bond issue proceeds were transferred to the Government's Personal Deposit (PD) Account in June-July 2025, whereas the demand notice for lease premium in respect of the 436 mines was raised by the Government only on 27-Mar-2026, with the corresponding debit from the PD Account effected on the same date. Consequently, the funds aggregating Rs. 6,884 Crores remained parked in the PD Account for approximately nine months, without earning any interest, while the Company simultaneously serviced bond obligations at a coupon rate of 9.3% p.a.. The resultant notional loss of interest income on account of this deployment of funds is ~Rs.260 Cr (Assuming 5% Interest on Fixed Deposits).

We conducted our audit in accordance with 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 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.



Emphasis of Matter Paragraph:

Without qualifying our opinion, we draw attention to the following matters in the Standalone Financial Statements:

1. Refer Note 62 to the financial statements regarding the upfront premium of Rs.6,884 Cr paid for mining rights and the subsequent Government Memo dated 10-Sep-2026 directing refund of the premium paid and providing for payment of premium as and when mineral reserves are extracted. As described in the said Note, the Company has considered the subsequent Government action as an adjusting event under Ind AS 10 and accordingly recognised the refund receivable as an Other Financial Asset. Our opinion is not modified in respect of this matter.
2. Refer Note 70 to the financial statements regarding capitalisation of borrowing costs of Rs.665.47 Cr in respect of the 436 mining projects and the subsequent Government Memo dated 10-Sep-2026 directing refund of the upfront premium. As stated in the said Note, the Company has capitalised such borrowing costs under Ind AS 23. Our opinion is not modified in respect of this matter.
3. Refer Note 69 to the financial statements, which describes the RAKIA arbitration proceedings and related litigations initiated by ANRAK Aluminium Limited and the Management's assessment thereof, including the basis for not recognising any provision or disclosing any contingent liability in respect of these matters. Our opinion is not modified in respect of this matter.
4. Refer to Note 27 to the accompanying Standalone Financial Statements read with Note 2(f) of the Significant Accounting Policies, wherein the Company has disclosed its policy of presenting statutory levies such as royalty, excluding GST, within Revenue from Operations. The amount of such statutory levies included in Revenue from Operations for the year ended 31-Mar-2026 is Rs. 686.55 Cr, with corresponding amounts presented under Rates & Taxes in Note 35. Management has represented that the presentation is consistent with the prevailing industry practice. The matter has no impact on the profit for the year.
5. Refer Note 67 to the accompanying financial statements, wherein the Management has disclosed that the variable consideration recognised in the previous year in respect of sale of barytes, based on Management's estimate and judgement that significant reversal was not probable, has been finalised during the current year pursuant to completion of the tender process. Accordingly, the differential amount of Rs.14.62 Cr has been recognised as revenue in the current year. Our opinion is not modified in respect of this matter.
6. Refer Note 68 of the accompanying financial statements, where the management has disclosed that, the accumulated GST ITC as on 31-Mar-2026 is due to inverted duty structure & RCM applicable on royalty. Management expects to utilize this ITC in future for payment of Output GST by taking into consideration the GST rate revision on Coal from 5% to 18% (effective from 22-Sep-2025) & its diversification into new mines.



Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the following matters to be the Key audit matters to be communicated in our report. The description of how our audit addressed the Key audit matter is provided in that context.

Sl. No.	Key Audit Matter	How the matter was addressed in our Audit
1	Inventory Valuation Refer Note 10 to the Standalone Financial Statements, the Company had inventories amounting to Rs.46,166 lakhs, comprising coal, barytes and other inventories as at 31-Mar-2026. Inventories are required to be measured at the lower of cost and net realisable value in accordance with Ind AS 2, <i>Inventories</i>. The cost of inventories is determined using the weighted average cost formula. The determination of the net realisable value of inventories involves significant judgement, including consideration of the expected selling prices, estimated costs to complete and sell the inventories and the prevailing market conditions. The matter was significant to our audit due to the magnitude of the inventory balance and the judgement and estimation involved in determining the net realisable value. Accordingly, the valuation of inventories was considered to be a Key Audit Matter.	Our audit procedures included, amongst others, the following: • We evaluated the design and implementation of relevant internal controls over the physical verification, recording and valuation of inventories. • We tested, on a sample basis, the cost of inventories with reference to underlying records and supporting documents. • We assessed the methodology adopted by the Company for determination of the cost and net realisable value of inventories with reference to the requirements of Ind AS 2. • We compared the estimated selling prices with subsequent sales and other relevant supporting information, where applicable. • We considered the appropriateness of the disclosures relating to inventories in the Standalone Financial Statements. • We also considered the adequacy of the related disclosures made by the Company in the Standalone Financial Statements. Based on the audit procedures performed, we considered the Company's accounting treatment and the related disclosures in the Standalone Financial Statements in forming our opinion on the financial statements as a whole. Refer to Para 9 & 10 of the Basis for Qualified Opinion section of our Report.
2	Revenue from Operations Revenue from Operations constitute revenue from sale of coal and barytes. The recognition of revenue is dependent upon determination of transfer of control of goods to customers in accordance with the terms and conditions of underlying contracts, dispatch documentation, weigh men records, quality parameters, grade-wise pricing, royalty adjustments and other statutory levies.	Our audit procedures included, amongst others, the following: • Assessing the appropriateness of the Company's revenue recognition accounting policies in line with IND AS 115. The matter is also described in the Para 4 & 5 of the Emphasis of Matter Section of this report. • Understanding and testing of design and operating effectiveness of Internal controls in place relating to recognition and measurement of revenue, royalty and sales taxes payable



	Further, in respect of mining entities, revenue transactions close to the year-end require specific audit focus to ensure that revenue is recognized in the correct accounting period. Accordingly, considering the materiality of revenue from operations, complexity involved in determination of quantity, grade and timing of revenue recognition, and the risk of inappropriate recognition of revenue, the same has been considered as a Key Audit Matter.	• Testing of relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue. • Performed Cut off procedures as on year end with respect to revenue, royalty and other sales taxes paid based on quantity dispatched • Assessing and testing adequacy and completeness of the company's disclosures in Standalone Financial Statements. Based on the audit procedures performed, we considered the Company's accounting treatment and the related disclosures in the Standalone Financial Statements in forming our opinion on the financial statements as a whole.
3	Evaluation of Decommissioning Provision The company provided for Decommissioning costs at the Present Value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of PPE. Progressive mine closure expenses are accounted for as and when incurred. The estimation of such provision is dependent upon significant management judgement in estimation relating to expected mine life, estimated closure costs, etc. Considering the materiality of the provision, and significant degree of judgement involved in determining the underlying assumptions, the matter was considered to be a Key Audit Matter.	Our audit procedures included, amongst others, the following: • Evaluated the recognition of the decommissioning / mine closure obligation with reference to applicable statutory, contractual and accounting requirements. • Assessed the valuation and measurement of the provision by evaluating key assumptions relating to estimated restoration costs, timing of cash outflows, inflation and discount rates and verified the mathematical accuracy of the computation, including unwinding of discount, wherever applicable. • Examined supporting documents including mine closure plans and technical reports supporting the estimates used by management. • Assessing and testing adequacy and completeness of the company's disclosures in Standalone Financial Statements. Based on the audit procedures performed, we considered the Company's accounting treatment and the related disclosures in the Standalone Financial Statements in forming our opinion on the financial statements as a whole.
4	Upfront Premium paid to Government and Related Borrowing Costs Refer to Note 62 & 70 to the financial statements. The Company has accounted for the upfront premium of Rs. 6,884 Cr paid to the Government in respect of mining leases and the related borrowing costs of Rs.665.47 Cr in accordance with the accounting policies described in the Standalone Financial Statements. Subsequent to the reporting date,	Our audit procedures included, amongst others, the following: • Obtaining and examining the relevant agreements, Government orders, memoranda and other supporting documentation relating to the upfront premium and the subsequent Government communication;



	the Government issued a Memorandum dated 10-Sep-2026 directing refund of the upfront premium and providing for its payment as and when the minerals are extracted. The Company has considered the subsequent development and its accounting implications under Ind AS 10 and has recognised the amount refundable as an Other Financial Asset. The Company has also continued to capitalise borrowing costs in accordance with Ind AS 23. The matter required significant auditor attention due to the magnitude of the amounts involved, the nature and timing of the subsequent Government communication, and the significant judgement involved in determining the appropriate accounting treatment under the applicable Ind AS requirements.	• Evaluating the Company's assessment of the subsequent event and the related accounting treatment with reference to the requirements of Ind AS 10 and other applicable Ind AS requirements; • Evaluating the recognition and measurement of the amount refundable as an Other Financial Asset; • Evaluating the Company's accounting treatment for borrowing costs with reference to the requirements of Ind AS 23; • Assessing the adequacy of the related disclosures in the Standalone Financial Statements; and • Considering the consistency of the accounting treatment with the information and explanations obtained from management and the underlying supporting records. Based on the audit procedures performed, we considered the Company's accounting treatment and the related disclosures in the Standalone Financial Statements in forming our opinion on the financial statements as a whole. This matter was also considered in the context of the related disclosures in Note 62 and Note 70 and the Emphasis of Matter paragraphs 1 and 2 of our report.
5	Accounting for bonds and related transaction costs Refer to Note 60 to the financial statements, During the year, the Company issued bonds aggregating to approx. Rs.9,000 Cr. The accounting for these financial liabilities involved consideration of the applicable requirements of Ind AS 109, including classification and measurement, the effective interest rate method and the accounting for directly attributable transaction costs. The matter required significant auditor attention due to the materiality of the amounts involved, the nature and terms of the financing arrangements, and the accounting judgements and calculations involved in determining the carrying amount and finance cost of the bonds in accordance with Ind AS 109.	Our audit procedures included, amongst others, the following: • obtaining and examining the relevant bond documents, agreements and other supporting records; • evaluating the classification and measurement of the bonds with reference to the requirements of Ind AS 109; • evaluating the Company's determination of the effective interest rate and independently checking the related calculations; • testing the transaction costs associated with the issue of the bonds and evaluating their accounting treatment; • performing substantive procedures over the proceeds received and the utilisation/recording of the related transactions; • evaluating the finance cost recognised during the year; and



		• assessing the adequacy and appropriateness of the related disclosures in the Standalone Financial Statements. Based on the audit procedures performed, we considered the Company's accounting for the bonds and the related disclosures in the Standalone Financial Statements in forming our opinion on the financial statements as a whole.
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Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Annual Report (collectively called as "Other Information"), but does not include the Standalone Financial Statements and our auditor's report thereon. The Other information as above is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations, if required.

Management's Responsibility for the Standalone Financial Statements:

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance 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, 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as 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 Responsibility for the Audit of Standalone Financial Statements:

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatements, 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 Standards on Auditing will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

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

- Identify and assess the risks of material misstatement of the Standalone 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 whether the Company has adequate internal financial controls system with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimate 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 Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act 2013, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable.
2. As required under Section 143(5) of the Companies Act 2013, we give in "**Annexure B**" a statement on the directions and sub-directions issued by the Comptroller and Auditor General of India, action taken thereon and the impact on the accounts and Standalone financial statements of the Company, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us.
3. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought, except for the effects/ possible effects of the matter described in the Basis for Qualified Opinion paragraph 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) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts and other records maintained for the purpose of preparation of the Standalone Financial Statements.
 - d) Except for the effects/ possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.
 - e) Being a Government Company, pursuant to Notification No. GSR 463(E) dated 05-Jun-2015 issued by Government of India, Provisions of clause (g) of sub-section (3) of section 143 of the Companies Act 2013 are not applicable to the Company.



- f) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on functioning and cash flows of the Company.
- g) 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**". Our report expresses disclaimer of opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. Due to qualification stated at Para No. 8 of the Basis of Qualified Opinion, we are unable to comment on whether the Company has disclosed the impact of all the pending litigations on its financial position in its Standalone financial statements.
 - ii. In our opinion and as per the information and explanations provided to us, the Company did not have any long-term contracts, requiring provisions under applicable laws or accounting standards, for material foreseeable losses.
 - iii. There are no amounts which are required to be transferred to 'Investor Education and Protection Fund' by the company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the company to or in any other person 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 person or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person 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 from or on behalf of the Ultimate Beneficiaries; and
(c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that representations under sub clause [a] and [b] above, contain any material mis-statement.
 - v. The company has not declared or paid any dividend for the FY: 2025-26 in contravention of the provisions of section 123 of the Companies Act, 2013. Reference is invited to Para 7 of the Basis of Qualified Opinion section of this Audit report; the company has not remitted the Interest on delayed payment of dividend declared for the FY: 2023-24 which is in contravention to Sec 124 of the Companies Act, 2013



- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. With respect to reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014, the audit trail has been preserved by the company as per the statutory requirements for record retention.
4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Act, are not applicable to the company.

Place: Vijayawada

Date: 30-Sep-2026

UDIN:

Encl.: Annexure A, B and C to the Audit Report

For M. N. Rao & Associates LLP

Chartered Accountants

Firm Reg. No: 005386S/S000195



(D.S.S Srikanth)

Designated Partner

Membership No.: 250883

UDIN: 26250883PYR9FF8616



Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Reports on Other Legal and Regulatory Requirements' section of our report of even date to the members of The Andhra Pradesh Mineral Development Corporation Limited on the financial statements for the year ended March 31, 2026.)

We report that:

1. In respect of Company's Property, Plant and Equipment, right-of-use (ROU) assets and Intangible Assets:
 - a) i. According to the information and explanations given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. However, such records have not been made available for our verification.
 - ii. The Company has not maintained proper records showing full particulars of intangible assets.
 - b) During the year, property, plant and equipment have been physically verified by the Company. In our opinion the periodicity of the physical verification is reasonable having regard to the size of the company and the nature of Property, Plant and Equipment. According to the information and explanations given to us, on such verification certain items of property, plant and equipment were not identified and the same have been impaired in the books of account.
 - c) According to the information and explanations given to us and on the basis of our examination of the title deeds of all the immovable properties disclosed in the Standalone Financial Statements, the same are held in the name of the Company as on the Balance Sheet date except in the following cases where the title deeds are not provided by the Company for our verification:

Description of property	Gross Carrying value Rs.	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Dwaraka Tirumala (Acres 2.45)	1,877	Not Available	Not Available	Not Available	The title deeds were not made available for our review. Therefore, we could not ascertain whether the same are held in the name of the company.
Mangampet branch (Acres 1.61 & Acres 9.12)	1,46,99,489	Not Available	Not Available	Not Available	
Chimakurthy Branch (Acres 268.68)	2,56,00,000	Not Available	Not Available	Not Available	
H.O.Unit Shadnagar – (Guntas 2.10)	19,329	Not Available	Not Available	Not Available	
At Brahmadhiha	1,31,79,373	Not Available	Not Available	Not Available	

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Near V.P. Siddhartha Public School, Mogalrajapuram,
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- d) The company has not revalued its property, plant and equipment or intangible assets or both during the year. Therefore, the Clause 3(i)(d) of the order is not applicable to the company.
- e) No proceedings have been initiated during the year or are pending against the company as at 31-Mar-2026 for holding any benami property under the Benami Transaction Prohibition Act 1988. Therefore, the Clause 3(i)(e) of the Order is not applicable to the Company.

2. In respect of inventory

- a) According to the information and explanations given to us, the physical verification of inventory has been conducted at reasonable intervals by the management and, in our opinion, the coverage and procedure of such verification are appropriate.

Reference is invited to Para 9 & 10 of the Basis for Qualified Opinion section of our Audit Report in respect of Quantity of Coal accounted and Excess Quantity of Barytes available which is not accounted for in the books. The management has not adopted any policy to adjust quantity differences in the books of account.

- b) 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, the Company has not been sanctioned working capital limits in excess of INR 5 Crores, in aggregate, from the bank or financial institutions on the basis of security of current assets as per terms of sanction. Hence, reporting under paragraph 3(ii)(b) of the order is not applicable.

3. According to the information and explanations given to us, the Company has not maintained the register as prescribed under Section 189 of the Companies Act, 2013 and hence we are unable to report on the reporting requirements as specified in clause (iii) of the Paragraph 3 of the Order.

Reference is invited to Para 15, 16 & 17 of the Basis for Qualified Opinion section of our Audit Report.

- 4. As per Notification GSR 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 185 and 186 of the Companies Act, 2013 are not applicable as it is a Government Company and if such company obtains approval of the Ministry or Department of the Central Government which is administratively in charge of the company or as the case may be the State Government before making any loan or giving any guarantee or providing any security under the section. As per our verification of the records, the loans given by the company were in accordance with the GOs received from the administrative department of the State Government and hence, the Company is compliant with the provisions of section 185 and 186 of the Act.
- 5. According to the information and explanations given to us, ageing analysis of Security Deposits Payable, EMD Payable and Advances received from customers are not available. In the absence of information, we are unable to determine whether the amounts qualify as deposits under Companies (Acceptance of Deposits) Rules, 2014 and hence the compliance with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014 could not be ascertained. Reference is invited to Para 3 of the Basis for Qualified Opinion section of our Audit Report.



6. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Central Government has prescribed the maintenance of cost records under section 148(1) of the Act, for the business activities carried out by the Company. We are of the opinion that prima facie the Company is generally maintaining these cost records. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.
7. (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has generally been regular in depositing undisputed statutory dues including Employees' Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues, as applicable, with the appropriate authorities. However, certain statutory dues collected / deducted are remitted with delay or not remitted as on 31-Mar-2026, the details of which are tabulated below. Further, certain statutory dues such as District Mineral Foundation (DMF) & Infrastructure Development Fund could not be remitted on account of non-availability of the payment portal.

We also draw attention to Para 7 of the Basis for Qualified Opinion section of our Audit Report, in respect of interest on delay/ non remittance of the declared dividend of FY 2023-24.

Sl.no	Name of Statute	Nature of Dues	Period to which amount relates	Amount in Rupees
1	Income Tax Act	TDS	Upto 25-26	1,50,570
2	Mines and Minerals (Development Regulation Act)	District mineral foundation	2016-17 to 2019-20	13,71,60,972
3	Mines and Minerals (Development Regulation Act)	Cess	2016-17 to 2025-26	41,13,84,897
4	Mines and Minerals (Development Regulation Act)	Royalty from Sub leaseholders	2018-19 to 2023-24	24,88,497
5	Companies Act, 2013	Interest on Unpaid Dividend 124(4)	24-Feb-2024 to 24-Mar-2025	12,55,73,770
6	Mines and Minerals (Development Regulation Act)	Infrastructure Development Fund	Upto FY 2024-25	16,63,69,892



(b) According to the information and explanations given to us, the following Statutory dues have not been deposited by the company on account of disputes:

Sl.no	Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which amount relates FY	Amount in Rupees
1	Income Tax Act	Demand	CIT Appeals	2017-18	4,61,24,150
2	Income Tax Act	Demand	CIT Appeals	2019-20	83,64,54,414
3	Income Tax Act	Demand	CIT Appeals	2021-22	5,08,47,380
3	Income Tax Act	Demand	CIT Appeals	2021-22	86,57,91,978
4	Income Tax Act	Demand	CIT Appeals	2021-22	2,01,55,65,002
5	VAT/Sales Tax	Tax on Explosive-2nd Sale-Penalty	Tribunal	1998-99 1999-00 2000-01	2,87,647 3,36,253 5,08,165
6	VAT/Sales Tax	Tax on Explosive-2nd Sale-Penalty	Tribunal	2007-08	3,92,913
7	VAT/Sales Tax	Tax on Explosive-2 nd Sale and consideration Penalty Interest	Tribunal	2008-09 2008-09 2008-09	1,00,47,014 33,49,005 6,02,821
8	VAT/Sales Tax	Consideration Penalty	Tribunal	2009-12 2009-12	2,32,95,681 83,61,030
9	VAT/Sales Tax	Consideration from Joint Venture & Other Receipts	Appellate Tribunal (Tirupati)	2020-21	6,64,38,807
10	CST APPELLATE Authority	H-Form's	CST Appellate Visakhapatnam	2022-23	3,74,39,288
11	CESTAT	Service tax on Seigniorage	CESTAT Hyderabad	2021-22	7,77,63,051
12	CESTAT	Penalty on service tax on Seigniorage	CESTAT Hyderabad	2021-22	7,77,63,051

The aforesaid details are provided based on the information provided by the management and could not be verified by us due to absence of adequate information and records.

We also draw attention to Para 6, 7 & 8 of the Basis of our Qualified Opinion.



8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence, reporting under clause 3(viii) is not applicable. We also draw attention to Para 9 of the Basis of Qualified Opinion.
9. a. According to the information and explanations give to us and on the basis of our examination of the records of the Company, there were no defaults in repayment of loans or other borrowings or in the payment of interest thereon to the lenders, except:

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date & O/s as on 31-Mar-2026	Whether principal or interest	No. of days delay or unpaid	Remarks
Secured, Rated, Listed, Redeemable Non-Convertible Debentures	Bondholders / Debenture holders*	Rs.77,41,718/-	Interest	Multiple	The interest could not be remitted to certain bondholders on the due date, due to technical issues. However, the same were subsequently transferred* to the designated unpaid interest account and/or paid to the respective bondholders.

**There were delays in the transfer of interest remaining unpaid/unclaimed to the designated escrow account within the stipulated timeline prescribed under the applicable provisions of the SEBI LODR Regulations.*

- b. According to the information and explanations give to us by the management, the company is not declared wilful defaulter by any bank or financial institution or other lender.
- c. According to the information and explanations give to us by the management, in our opinion, Non-Convertible Debentures raised by the Company were applied for the purposes for which the loans were obtained. Reference is invited to Para 1 of the 'Emphasis of Matter' Paragraph Section of our Audit Report and Note 62 to the accompanying financial statements.
- d. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes.
- e. The Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries, associates and joint ventures and hence reporting under Clause 3(ix) (e) of the order is not applicable.
- f. The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates and joint ventures and hence reporting under Clause 3(ix) (f) of the order is not applicable.



10. a. The Company has raised moneys by way of initial public offer of Secured, Rated, Listed, Redeemable Non-Convertible Debentures during the year and the moneys raised were applied for the purposes for which those are raised i.e., for repayment of existing term loan and payment of upfront premium for 436 new minor mineral mines allotted by Govt. of AP. Reference is invited to Para 1 of the 'Emphasis of Matter' Paragraph Section of our Audit Report and Note 62 to the accompanying financial statements, wherein the Govt. has directed the DMG vide Memo dt 10-Sep-2026 to refund the upfront premium to APMDC and deferred the liability.
- b. During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially optionally convertible) during the year. Hence, reporting under Clause 3(x)(b) of the Order is not applicable.
11. a. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- b. No Audit Report in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 has been filed with Central Government in terms of provisions of sub section 12 of Section 143 of the Companies Act during the year under report.
- c. According to the information and explanations given to us, no whistle blower complaint has been received by the company during the year.
12. The Company is not a Nidhi company and hence reporting under Clause 3 (xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. a. In our opinion, the Company has an internal audit system which is adequate and commensurate with the size and nature of its business.
- b. We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence reporting under Clause(xv) of the Order is not applicable.
16. a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.



18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payments 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 the Company is not capable of meeting its liabilities existing at the balance sheet date 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.
20. a. There are no unspent amounts towards Corporate Social Responsibility (CSR) that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the order is not applicable for the year.
- b. The company is not carrying on any CSR activities towards ongoing projects and hence the reporting under clause (3)(xx)(b) of the order is not applicable for the year under report.
21. Based on our review of the audit reports received by us in respect of four Joint Ventures and according to the information and explanations given to us in respect of other subsidiaries, joint ventures and associates, included in the consolidated financial statements of the Company, where reporting on matters specified in paragraph 3 and 4 of the Order is applicable, and based on the identification of any qualifications or adverse remarks in their Companies (Auditor's Report) Order, 2020 reports by the respective component auditors, we report that no qualifications or adverse remarks have been reported by the auditors of such companies in their CARO reports.

Place: Vijayawada

Date: 30-Sep-2026

UDIN: 26250883PYR4FE 8616

For M. N. Rao & Associates LLP

Chartered Accountants

Firm Reg. No: 005386S/S000195



(D.S.S Srikanth)

Designated Partner

Membership No.: 250883



Annexure-B to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Reports on Other Legal and Regulatory Requirements' section of our report of even date to the members of The Andhra Pradesh Mineral Development Corporation Limited on the standalone financial statements for the year ended March 31, 2026)

Report on Directions & Sub-Directions issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013

Sl.no	Directions/Sub-directions	Observations/Findings
A. Directions		
1.	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	The Company measures all its investments, whether quoted or unquoted, including those made directly or through trusts for post-retirement employee benefit schemes, at fair value, with changes recognized through Other Comprehensive Income (OCI). Actuarial Valuation Report in respect of post-retirement benefits under IND AS has been obtained from an Actuary registered under Institute of Actuaries of India and the same is reasonable and in line with the applicable regulations and the accounting policy adopted by the company.
2.	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been done by Information Security Auditing Organisations empaneled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported.	The Company has system in place to process all the accounting transactions through IT System i.e., Microsoft Dynamics ERP. However, many areas have not been covered under the ERP such as Accounting of Inventory, Payroll, Stores Consumption, Depreciation etc. which are manually maintained. We draw attention to Annexure C of our Audit Report, wherein we have disclaimed our opinion in respect of internal financial controls over financial reporting of the company with reference to these standalone financial statements. In respect of Cyber Security, no audit has been carried out during the year
3.	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	No such Funds have been received / receivable for specific schemes from central / state agencies.

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4.	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	We draw attention to Annexure C of our Audit Report, wherein we have disclaimed our opinion. As stated therein, the Company has not identified Key Risk Areas and has also not formulated a Risk Management Policy.
5.	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	We draw attention to Para 18 of the Basis of Qualified Opinion Section of our Audit Report in respect of non-compliance with Corporate Governance requirements and delays in transferred unpaid/unclaimed interest on Bonds to the designated account under the SEBI LODR Regulations 2015. We draw attention to Para 7 of the Basis of Qualified Opinion Section of our Audit Report in respect of non-compliance with Sec 124 (Interest on delayed payment of dividend) of the Companies Act, 2013. According to the information and explanations given to us and on the basis of our examination of the records of the company, except for the effects of the matters specified above, the company is in compliance with all the applicable regulations.

B. Sub-Directions – General

1.	In case of works executed with the funds of Central or State government(s)/ other user department(s) or their agencies, whether there is conclusive evidence that the assets created will be the assets of the PSU? If not, the accounting treatment of the funds received, utilised, returned, assets created upto and during the year (work-in-progressor completed), assets handed over to the fund-giving agency upto and during the year, assets impaired, if any, and the revenue/ commission/ centage realised on these works, with full quantitative details may be detailed.	According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no works executed with the funds of Central or State government(s)/ other user department(s) or their agencies.
2.	Where Grants are received from Central or State government(s)/ other user department(s) or their agencies: a) Where grants are taken as revenue for the year, whether the concerned orders are clear that the funds can be utilised for revenue expenditure; b) Where guarantee commission is to be paid, the quantitative details viz., amount guaranteed, rate of guarantee commission, whether the commission was paid or payable along with the details of the purpose of raising the funds with guarantee and whether the funds were utilised for the stated purpose;	According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no grants received by the corporation from Central or State government(s)/ other user department(s) or their agencies.



3.	Where any long-term liability is undertaken against an asset of finite lifetime, whether there is a clear accounting policy thereon (for instance, land obtained on lease for a specific period (whether renewable or non-renewable) but shares issued in lieu of the land lease).	According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no long-term liabilities in respect of asset with finite life time except for mines in respect of which Provision for Decommissioning of Mine has been provided in line with the provisions of Ind AS. Attention is also invited to Note 60 & 71 of the accompanying financial statements where the company has raised bonds to fund the upfront premium of the new minor mineral mines.
4.	Whether the corresponding expenditure on which the taxes paid/ payable are accounted in the financial statements is also included appropriately	According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has accounted Taxes on Expenditure appropriately, wherever applicable.
5.	Whether there is a Personal Deposit account in the name of the PSU? If yes, a) Funds debited from the PD account erroneously/ lapsed by the treasury, but claimed by the Company as receivable / its own funds; b) If any funds given by any Government or agencies other than the State Government were lapsed, the details of the same may be detailed; c) Details of the funds raised through loans (with or without government guarantee) and deposited in PD Account; Purpose of the loans and whether the purpose is initiated/completed;	The Company has been maintaining Personal Deposit Account vide PD DDO Code: 27002403004 a) Based on our verification, we have not found any such transactions during the year covered under our audit. b) No funds have been received by APMDC during the year. c) During the year company has raised funds of ~Rs.9000 Cr. through issue of Non-Convertible Redeemable Bonds backed by Government Guarantee for development of 436 minor minerals and other corporate purposes and deposited the funds (net of DSRA & Issue proceeds) in PD A/c. Technical feasibility and Statutory approvals for these minor minerals are in progress. (Refer Note 60 & 71 to the Financial Statements). Attention is also invited to Para 20 of the Basis of Qualified Opinion Section & Para 1 of the Emphasis of Matter Section our Audit Report. Subsequent to the reporting date, the Government, vide Memo dated 10-Sep-2026, directed the DMG to refund of the upfront premium paid and to collect the premium as and when the mineral reserves are extracted. However, Refund Orders from DMG and credit in the PD account were not received up the date of Audit Report.



	d) Whether suitable disclosure on the restrictions or additional permissions required on withdrawing the funds in PD Accounts is included or not; e) The quantitative details of the bills sent for clearing against the PD account balances but not cleared/ returned unpaid as on the reporting date along with age wise analysis;	d) According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no restrictions or additional permissions required for withdrawing the funds from this account. e) According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no returned/ unpaid bills as on 31-Mar-2026
6.	Where funds are raised by the Company and the payment of Principal or Interest or both are met by the State Government or its agencies, directly or indirectly, the details and the purpose of these loans may be stated along with the fact whether the funds were utilised for the stated purpose.	According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no funds which have been raised by the company for which payment of principal or interest or both are met by the State Government or its agencies, directly or indirectly.
7.	Whether the land owned by the Company is encroached, under litigation, not put to use or declared surplus. Details may be provided.	As per the information and explanations provided by the management, there are no such instances taken place and reported during the year.
8.	Whether the inventory has been taken on the basis of physical verification after adjustment of shortage/ excess found and whether due consideration has been given for deterioration/ obsolescence in the quality which may result into overvaluation of stock?	Reference is invited to Para 9 & 10 of the Basis of Qualified Opinion Section of the Audit Report.
9.	Whether the cost incurred on abandoned projects has been written off?	The Company's internal assessment and an independent geological study conducted by CMPDI indicate that the Brahmadaha Coal Project is economically non-viable, and the Company has communicated its intention to surrender the mine in April-2026. However, the cumulative cost incurred till date of Rs.99.27 Cr is not written off. Reference is Invited to Para 19 of the of the Basis of Qualified Opinion Section of the Audit Report. Except for the matters stated above, according to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not incurred any cost on abandoned projects.



10.	Cases of wrong accounting of interest earned on account of non-utilization of amounts received for certain projects/schemes may be reported.	According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not received any amounts for projects/schemes.
11.	Whether the bifurcation plan (between Andhra Pradesh & Telangana States), if any, for the Company is finalised and approved; Whether the accounting treatment as per the plan and the suitable detailed disclosures are given. Deviations may be stated.	We have Qualified our report for want of information and records. Accordingly, on account of the reasons as stated in Basis for Qualified Opinion para 1, we are unable to comment upon the same. We also draw attention to Note 48 in the accompanying financial Statements.
C. Sub Directions – Mining Sector		
12.	Whether the company has taken adequate measures to reduce the adverse effect on environment as per established norms and taken up adequate measures for the relief and rehabilitation of displaced people.	According to the information and explanations given to us by the management, the company has taken adequate measures to reduce the adverse effect on environment as per established norms and taken up adequate measures for the relief and rehabilitation of displaced people.
13.	Whether the Company had obtained the requisite statutory compliances that was required under mining and environmental rules and regulations?	According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has obtained the requisite statutory compliances that was required under mining and environmental rules and regulations.
14.	Whether overburden removal from mines and backfilling of mines are commensurate with the mining activity?	Reference is invited to Para 11 & 12 of the Basis of Qualified Opinion section of the Audit Report.
15.	Whether the Company has disbanded and discontinued mines, if so, the payment of corresponding dead rent there against may be verified.	According to the information and explanations given to us and on perusal of the mining plans submitted to us, the company is regular in payment of dead rent in respect of disbanded or discontinued mines.
16.	Whether the Company's financial statements had properly accounted for the effect of Rehabilitation Activity and Mine Closure Plan?	According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has properly accounted for the effect of the Rehabilitation Activity and Mine Closure Plan in with the accounting policy adopted by the company.

For M. N. Rao & Associates LLP

Chartered Accountants

Firm Reg. No: 005386S/S000195


(D.S.S Srikanth)

Designated Partner

Membership No.: 250883

Place: Vijayawada

Date: 30-Sep-2026

UDIN: 26250883PYRGFE8G16



Annexure - C to the Independent Auditors' Report

(Referred to in paragraph 3(g) under 'Reports on Other Legal and Regulatory Requirements' section of our report of even date to the members of The Andhra Pradesh Mineral Development Corporation Limited on the standalone financial statements for the year ended March 31, 2026)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We were engaged to audit the internal financial controls over financial reporting of The Andhra Pradesh Mineral Development Corporation Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Financial Statements 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 issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to Financial Statements 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls over financial reporting with reference to these Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

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

Because of the matter described in the disclaimer of opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the internal financial controls over financial reporting of the company with reference to these standalone financial statements.



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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 Standalone 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 with reference to Standalone Financial Statements

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

Disclaimer of Opinion:

According to the information and explanations given to us, the Company has not established its internal control over financial reporting on criteria 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. As a result, we are unable to obtain sufficient and appropriate audit evidence to provide a basis for our opinion whether the company had adequate internal control over financial reporting and whether such internal control was operating effectively as on 31st March, 2026.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of Financial Statements of the company, and the disclaimer does not affect our opinion on the Financial Statements of the Company.

For M. N. Rao & Associates LLP
Chartered Accountants
Firm Reg. No: 005386S/S000195



(D.S.S. Srikanth)

Designated Partner

Membership No.: 250883

Place: Vijayawada

Date: 30-Sep-2026

UDIN: 26250883PYR6FE8616



The Andhra Pradesh Mineral Development Corporation Limited
Standalone balance sheet as at March 31, 2026
All amounts are in Rs. Lakhs, unless otherwise stated

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	3	1,749	1,621
(b) Right-of-use assets	3.1	403	506
(c) Capital work in progress	3.2	301	519
(d) Intangible assets	3.3	1,58,741	1,76,707
(e) Intangible assets under development	3.4	75,467	8,851
(f) Financial assets			
(i) Investments	4	630	500
(ii) Loans	5	410	441
(iii) Other financial assets	6	1,10,619	14,254
(g) Other non-current assets	8	55,690	64,514
Total non-current assets		4,04,009	2,67,913
2) Current assets			
(a) Inventories	9	46,166	39,761
(b) Financial assets			
(i) Trade receivables	10	59,194	74,592
(ii) Cash and cash equivalents	11	75,917	48,952
(iii) Other bank balances	11	14,272	1,084
(iv) Loans	12	30,060	30,112
(v) Other financial assets	13	7,45,272	56,169
(c) Other current assets	14	51,978	45,499
Total current assets		10,22,860	2,96,168
TOTAL ASSETS		14,26,869	5,64,081
EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	15	631	631
(b) Other equity	16	4,30,561	3,56,332
Total equity		4,31,191	3,56,963
Liabilities			
2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	7,73,939	45,143
(ia) Lease Liability	17a	310	390
(ii) Other financial liabilities	18	6,594	6,377
(b) Provisions	19	3,508	3,540
(c) Deferred tax liability (net)	7	16,716	13,160
(d) Other non-current liabilities	20	254	254
Total non-current liabilities		8,01,321	68,865
3) Current liabilities			
(a) Financial liabilities			
(i) Short Term Borrowings	21	74,999	10,800
(ia) Lease Liability	22	124	118
(ii) Trade payables	23	8,705	25,479
(iii) Other financial liabilities	24	31,216	10,068
(b) Other current liabilities	25	60,123	77,335
(c) Current tax liabilities	26	19,189	14,453
Total current liabilities		1,94,356	1,38,253
TOTAL EQUITY AND LIABILITIES		14,26,869	5,64,081
Notes to financial statements	1-72		

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date

For M N RAO & ASSOCIATES LLP
Chartered Accountants
Firm Regn No: 005386S/S000195


D.S.S. Srikanth
Partner
M.No. 250883



Place : Vijayawada
Date: September 30, 2026

UDIN: 26250883PYRGFE 8616

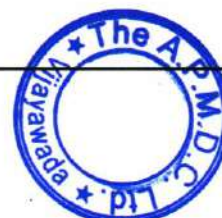
For and on behalf of the Board of Directors


Pravin Kumar, IAS
Managing Director
DIN: 07106418


S.Hanumantha Rao
Director
DIN: 11336430


V.V.V. Phani Kumar
Chief Financial Officer


S.Siya Rama Krishna
Company Secretary &
Compliance Officer
M No: A60677



The Andhra Pradesh Mineral Development Corporation Limited
Standalone statement of profit and loss for the year ended March 31, 2026
All amounts are in Rs. Lakhs, unless otherwise stated

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
I Revenue from operations	27	3,22,579	3,00,103
II Other income	28	8,193	7,606
III Total income (I+II)		3,30,772	3,07,709
IV Expenses			
Change in inventories of finished goods	29	(6,395)	(19,006)
Employee benefits expense	30	4,501	4,921
Finance costs	31	9,276	6,388
Depreciation and amortization expense	32	20,859	20,450
Power and fuel	33	890	820
Excavation and transport charges	34	1,07,651	1,21,246
Other expenses	35	90,679	74,892
Total expenses (IV)		2,27,462	2,09,710
V Profit before tax (III-IV)		1,03,310	97,999
VI Tax expense/(benefit)			
Current tax	36	25,658	23,784
Deferred tax	36	3,556	1,140
Total tax expense/ (benefit) (VI)		29,214	24,924
VII Profit for the year from continuing operations (V-VI)		74,096	73,075
VIII Other comprehensive income			
(i) Items that will not be reclassified to profit or loss (Re-measurement of post-employment benefit obligations)		2	(42)
(ii) Income tax on above items		-	-
Total other comprehensive income for the year (VIII)		2	(42)
IX Total comprehensive income for the year (Comprising Profit and Other Comprehensive Income for the reporting period) (VII+VIII)		74,098	73,033
Earnings per equity share (EPS) (Face Value of Rs. 1000)			
- Basic (Rs.)	42	1,17,497.69	1,15,878.32
- Diluted (Rs.)		1,17,497.69	1,15,878.32
Notes to financial statements	1-72		

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date

For **M N RAO & ASSOCIATES LLP**
Chartered Accountants
Firm Regn No: 005386S/S000195


D.S.S. Srikanth
Partner
M.No. 250883



Place : Vijayawada
Date: September 30, 2026

UDIN : 26250883PYRGEF8616

For and on behalf of the Board of Directors


Pravin Kumar, IAS
Managing Director
DIN: 07106418


V.V.V. Phani Kumar
Chief Financial Officer


S. Hanumantha Rao
Director
DIN: 11336430


S. Siva Rama Krishna
Company Secretary &
Compliance Officer
M No: A60677



The Andhra Pradesh Mineral Development Corporation Limited
Standalone cash flow statement for the year ended March 31, 2026
All amounts are in Rs. Lakhs, unless otherwise stated

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flow from operating activities		
Profit before tax from continuing operations	1,03,310	97,999
Adjustments for		
Interest expense	8,893	6,111
Unwinding of discounting on provisions	907	277
Interest income	(7,745)	(6,630)
Depreciation and amortization expense	20,859	20,450
Dividend income	-	(220)
Provision for bad & doubtful advances	6,184	364
Liabilities no longer required written back	(379)	(145)
Operating profit before working capital changes	1,32,029	1,18,207
Adjustments for:		
Increase/(decrease) in trade payables	(16,494)	6,042
Increase/(decrease) in provisions	9	(6,451)
Increase/(decrease) in other financial liabilities	21,409	(12,181)
Increase/(decrease) in other liabilities	(17,212)	19,392
Decrease/(increase) in trade receivables	9,214	(28)
Decrease/(increase) in inventories	(6,406)	(19,030)
Decrease/(increase) in other assets	2,344	(36,857)
Decrease/(increase) in other financial assets	(7,85,468)	(7,220)
Cash generated from operations	(6,60,575)	61,875
Direct taxes paid [net of refunds]	21,769	23,784
Net cash flow from/[used in] operating activities (A)	(6,82,344)	38,091
Cash flow from investing activities		
Purchase of property, plant and equipment, intangible assets, including intangible assets under development, CWIP and capital advances	(62,702)	(3,160)
Movements in other bank balances	(13,188)	10,149
Loans to staff	83	(93)
Interest received	7,745	6,630
Dividend income	-	220
Net cash flow from/[used in] investing activities (B)	(68,061)	13,745
Cash flow from financing activities		
Proceeds from borrowings	8,41,966	(15,529)
Repayment of Borrowings	(56,109)	-
Interest paid	(8,370)	(6,111)
Payment of lease liability	(118)	(142)
Dividends paid including Interim dividend	-	(10,000)
Net cash flow from/[used in] financing activities [C]	7,77,370	(31,782)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	26,964	20,053
Cash and cash equivalents at the beginning of the year/period	48,952	28,899
Cash and cash equivalents at the end of the year /period	75,917	48,952
Components of cash and cash equivalents		
Cash on hand	1	1
Balances with scheduled banks		
With current accounts	75,916	48,951
Total cash and cash equivalents (Note 11)	75,917	48,952

a. Figures in brackets indicates outflow

b. The cash flow statement has been prepared using the indirect method as setout in Ind As -7

As per our report of even date

For M N RAO & ASSOCIATES LLP
Chartered Accountants
Firm Regn No: 005386S/S000195


D.S.S. Srikanth
Partner
M.No. 250883



Place : Vijayawada
Date: September 30, 2026

UDIN : 26250883PYR9FE8G16

For and on behalf of the Board of Directors


Pravin Kumar, IAS
Managing Director
DIN: 07106418


S. Hanumantha Rao
Director
DIN: 11336430


V.V.V. Phani Kumar
Chief Financial Officer


S. Siva Rama Krishna
Company Secretary &
Compliance Officer
M No: A60677



The Andhra Pradesh Mineral Development Corporation Limited

Statement of changes in equity for the year ended March 31, 2026

A. Equity share capital

Particulars	(Rs.in Lakhs)	
	No of Shares	Amount
Balance as at April 1, 2024	63,062	631
Changes in equity share capital during 2024-25	-	-
Balance as at April 1, 2025	63,062	631
Changes in equity share capital during 2025-26	-	-
Balance as at March 31, 2026	63,062	631

B. Other equity

Particulars	Reserves and surplus				Other comprehensive income			Total
	Capital reserve	Reserve for bad and doubtful debts	Other reserves (General reserve)	Retained earnings	Equity instruments through other comprehensive income	Acturial gains/losses reserve	Deferred tax on OCI items	
Balance as at March 31, 2024	500	4,889	17,050	2,71,305	(57)	(358)	(30)	2,93,300
Profit for the year	-	-	-	73,075	-	-	-	73,075
Other comprehensive income for the year	-	-	-	-	-	(42)	-	(42)
Total comprehensive Income for the year	-	-	-	73,075	-	(42)	-	73,033
Interim Dividend (FY 2023-24)	-	-	-	(10,000)	-	-	-	(10,000)
Transfer to reserve for bad and doubtful debts	-	(615)	-	615	-	-	-	-
Balance as at March 31, 2025	500	4,274	17,050	3,34,995	(57)	(400)	(30)	3,56,332
Profit for the year	-	-	-	74,096	-	-	-	74,096
Other comprehensive income for the year	-	-	-	-	-	2	-	2
Total comprehensive Income for the year	-	-	-	74,096	-	2	-	74,098
Free ride equity shares in Joint Ventures	130	-	-	-	-	-	-	130
Transfer to reserve for bad and doubtful debts	-	(882)	-	882	-	-	-	-
Balance as at March 31, 2026	630	3,392	17,050	4,09,974	(57)	(398)	(30)	4,30,561

As per our report of even date

For M N RAO & ASSOCIATES LLP

Chartered Accountants

Firm Regn No: 005386S/S000195


D.S.S. Srikanth
Partner
M.No. 250883



Place : Vijayawada

Date: September 30, 2026

UDIN: 26250883PYRGFE8616

For and on behalf of the Board of Directors


Pravin Kumar, IAS
Director
DIN: 11336430


V.V.V. Phani Kumar
Chief Financial Officer


S.Hanumantha Rao
Director
DIN: 11336430


S.Siva Rama Krishna
Company Secretary &
Compliance Officer
M No: A60677



Notes forming part of the Financial Statements

1. Corporate Information

The Andhra Pradesh Mineral Development Corporation Ltd., was incorporated on 24th Feb., 1961 as a wholly owned undertaking of the Government of Andhra Pradesh for the development of mineral resources and promotion of mineral-based industries in Andhra Pradesh including exploration, exploitation, conservation, processing, beneficiation and conversion into value added products. The administrative office of the company is situated at 294/1D, 100 ft road, Kanuru Village, Penamaluru Mandal, Vijayawada, Andhra Pradesh-521137.

2. Significant Accounting Policies

a. Statement of compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, and Companies (Indian Accounting Standards) Amendment Rules, 2020 and relevant provisions of the Companies Act, 2013.

b. Basis of preparation

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis, except for the certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments) and defined benefit and other long term employee benefits that have been measured at fair value as required by relevant Ind AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The standalone financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest lakhs, unless stated otherwise

d. Use of Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period.



Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period.

Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Formulation of accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial. In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

- a. relevant to the economic decision-making needs of users and
- b. reliable in that financial statements:
 - i. represent faithfully the financial position, financial performance and cash flows of the Company;
 - ii. reflect the economic substance of transactions, other events and conditions, and not merely the legal form;
 - iii. are neutral, i.e., free from bias;
 - iv. are prudent; and
 - v. are complete in all material respects on a consistent basis.

In making the judgement, management considers the most recent pronouncements of the Institute of Chartered Accountants of India and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The Company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geo mining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades.



The key areas involving critical estimates or judgements are in respect of useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities etc.

e. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current, when it satisfies any of the following criteria:

- It is expected to be realized in or is intended for sale or consumption in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded
- It is expected to be realised within twelve months after the reporting date; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after reporting date.

All other assets are classified as non-current.

A liability is classified as current, when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle
- it is held primarily for the purpose of being traded;
- it is expected to be settled within twelve months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has deemed its operating cycle as twelve months for the purpose of current/non-current classification.

f. Revenue recognition

Revenue from contracts with customers is recognized when control of goods or services is transferred to the customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

i. Revenue from Sale of Goods

Revenue from the sale of goods is recognized at a point in time, when control of the goods is transferred to the customer. This generally occurs upon delivery of goods as per the terms of contract. The timing of transfer of control is assessed based on the terms of each contract, which may vary from one contract to another.

Revenue is measured at the price which company expects to be received in exchange for those goods or service, which may include a fixed or variable component.



If the consideration in a contract includes a variable component, the company estimate the amount using the most likely method, based on the historical experience and contractual terms. Variable consideration is recognised only to the extent that it is highly probable that a significant reversal will not occur when the uncertainty is resolved.

The sale value includes amounts related to Royalty, District Mineral Foundation (DMF), MERIT, cess, and other statutory charges, but excludes Goods and Services Tax (GST).

ii. Revenue from Raising-cum-sale contracts

Revenue from raising-cum-sale contracts is recognized over time, based on the terms of the contract and in proportion to the performance completed to date. Recognition is subject to the minimum consideration specified in the contract and is accounted for only to the extent that it is highly probable that a significant reversal of revenue will not occur in the future.

iii. Dividend

Dividend income is recognized in the statement of profit and loss only when the right to receive dividend is established.

iv. Interest Income

Interest Income from debt instruments is accrued on a time basis, by reference to the principal outstanding using the effective interest rate method. Interest income from loans and advances to employees has been recognised on realisation basis.

Interest income on irregular/overdue advances has been recognised on realisation basis.

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation and can be measured reliably.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying value of a financial asset. While calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

g. Property, plant and equipment

Property, plant and equipment other than freehold land are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset until the Property, Plant and Equipment are ready for use, as intended by the Management.



When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is de-recognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and carrying amount of the property, plant and equipment and is recognised in the statement of profit and loss.

Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives as prescribed in Schedule II of the Companies Act, 2013 on written down value basis. except for certain assets where the useful life is determined by technical assessment / Company's past experiences. Assets acquired under finance lease and leasehold improvements are depreciated over the lower of estimated useful life and lease term. Fixed assets costing five thousand or less are fully depreciated in the year of purchase.

Decommissioning assets is depreciated on a unit of production method over the expected useful life of the identified component of the ore body. The estimated useful lives and residual values are reviewed at end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Assets in the course of construction are capitalized in capital work in progress account.

At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs (net of income) associated with the commissioning of an asset are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.

Mining properties and other assets in the course of development or construction and freehold land are not depreciated.



h. Intangible assets

Intangible assets are measured on initial recognition at cost including all directly attributable cost (net of recoverable taxes, if any). They are amortised on Written Down Value method (WDV) based on the useful lives determined based on technical evaluation done by the management except mining exploration and evaluation and development assets, which are amortised using a unit-of-production method based on the data available with the Company as regards extraction of the minerals as compared to the technical estimation of gross geological mineral reserves as mentioned in the mining plan submitted/approved to the mining authorities. Capitalised mining assets are amortised once commercial production commences. The intangible assets are assessed for impairment whenever there is an indication that the item of intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date.

i. Impairment

Assets are tested for impairment when carrying cost exceeds its recoverable value. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired.

j. Foreign currency transactions and balances

Transactions in foreign currency are translated to the functional currency of the Company at the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains / (losses).

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statements of profit and loss. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

k. Investment in subsidiaries, associates and joint ventures

A subsidiary is an entity controlled by the Company. Investment in subsidiaries is measured at cost less impairment. The cost comprises price paid to acquire investment and directly attributable cost.

Investments in Subsidiary, Associates and Joint Ventures are measured at cost as per Ind AS 27 – Separate Financial Statements.



l. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories is determined on the 'weighted average' basis and comprises expenditure incurred in the normal course of business for bringing such inventories to their present location and condition and includes, wherever applicable, appropriate overheads. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

For Barytes of grades C, D, and W, a closing stock of 18.75 lakh MTs has been considered for the production during the current financial year. The remaining quantity of 62.33 lakh MTs has not been assigned any value, as it has remained unvalued since inception. While the current market demand exceeds the production of the year, valuation has been restricted in accordance with historical practice. Specifically, valuation has been applied only to the opening stock of 15.00 lakh MTs and the current year's production of 18.62 lakh MTs, after deducting dispatches, to arrive at the closing stock recognized for valuation purposes.

m. Employee benefits

Short term employee benefit obligations

Liabilities for wages, salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method.

The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.



Post-employment obligation

The Company operates the following post-employment schemes:

- Defined benefit plans such as gratuity for its eligible employees,
- Defined contribution plans such as provident fund

Defined Benefit Plan

The liability or asset recognized in the balance sheet in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the Government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (net-off deferred tax).

They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plan

Employee benefits in the form of provident fund, pension fund, superannuation fund and employees state insurance are defined contribution plans. The Company recognises contribution payable to a defined contribution plan as an expense, when an employee renders the related service.

n. Taxes on income

Income Tax expense comprises of current tax and deferred tax.

The current income tax is the amount of income taxes payable in respect of the taxable income for a period, determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred income tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements.



Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

o. Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in non-financial liabilities as deferred income and are recognised in Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented with in other income.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognized in statement of Profit and Loss in the period in which they become receivable.

p. Provisions, contingent liabilities and contingent assets

Provisions

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

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in profit or loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.



Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of PPE. Progressive mine closure expenses are accounted for as and when incurred.

In accordance with the Mine Closure Guidelines issued by the Department of Mines and Geology, Government of Andhra Pradesh, dated 27th February 2017, the Corporation provides for annual mine closure costs for the Barytes project. The provision is recognized at Rs. 3 lakh per hectare for Category A mines and Rs. 2 lakh per hectare for Category B mines, reflecting the estimated expenditures required for land reclamation, environmental restoration, and other closure activities.

In respect of coal operations, mine closure costs attributable to the Corporation's share, as per the approved mining plan, are recognized as a provision. These costs represent the estimated expenditures required for land reclamation, environmental restoration, and dismantling of infrastructure upon cessation of mining activities.

The provisions are measured in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets and are reviewed periodically to reflect changes in estimates, regulatory requirements, or mining plans.

These annual costs are required to be modified with reference to WPI as mentioned and considered in the mine closure plan submitted / approved for the respective mines. The mine closure provisions are required to be provided in line with the approved / submitted / prepared mine closure plans. In case the mine closure plan has not been submitted / approved / prepared, the annual cost is estimated based on the above referred guidelines.

The company has to maintain stripping ratio as per the mining plan every year. Accordingly, provision has to be made for the shortfall in the quantity of overburden not removed as per the ratio of the mining plan.

In the case of Barytes, mining plans are generally prepared every 5 years or such shorter intervals as prescribed by mining authorities and the stripping ratio estimate keeps changing based on the situation as on the date of preparation of the plan. The provision for shortfall in the quantity of overburden is restated in line with the updated mining plan and the previous provision, if any shall be reversed. Excess quantity of overburden removed over and above the stripping ratio as per mining plan is adjusted to the extent of provision available in the books. Any further excess quantity which is in the nature of an asset is not recognised in the books.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because:-



- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets

Contingent assets are not recognised in the financial statements. However, the same is disclosed, where an inflow of economic benefit is probable.

q. Segment reporting

Operating segments are defined as components of our entity for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.

Accordingly, the board of directors of the Company is CODM for the purpose of segment reporting. Refer note no. 43 for segment information presented.

r. Leases

The company lease assets consist of lease for buildings. The company assesses whether a contract is or contain a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assess whether:

- The contract involves the use of identified asset.
- The company has substantially all of the economic benefits from use of the asset through the period of lease and
- The company has right to direct the use of the asset.

At the date of commencement of the lease, the company recognised a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term lease) and leases of low value assets up to one lakh per month.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.



A lease liability is remeasured upon the occurrence of certain events such as change in lease term or change in an index or rate used to determine lease payments. The remeasurement normally also adjust the leased assets.

s. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

t. Cash flow statement

Cash flows are reported using the indirect method, whereby the profit before tax for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

u. Borrowing costs

Borrowing costs attributable to acquisition, construction or production of qualifying assets are capitalized as part of cost of the assets until such time as the assets are substantially ready for their intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use or sale. Borrowing cost also includes foreign exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

v. Earnings per share (EPS)

Basic EPS is calculated by dividing profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The Company does not have any dilutive securities in any of the years presented.

w. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.



In measuring fair value of an asset or liability, the Company takes into account those characteristics of the assets or liability that market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

x. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets - subsequent measurement

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

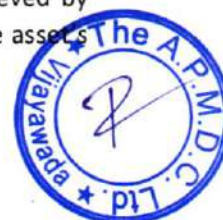
i. Financial assets measured at amortised cost

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise, on specified dates, to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

The losses arising from impairment are recognised in the statement of Profit and Loss. This category generally applies to trade and other receivables.

ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and the asset's contractual cash flows represents solely payments of principal and interest.



The company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity instruments not held for trading. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). On sale of investments, cumulative gain or loss is recognised in OCI and the amount is not reclassified to profit or loss.

iii. Financial assets at fair value through profit or loss (FVTPL)

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency debt instruments that do not meet the amortized cost criteria are measured at FVTPL.

iv. De-recognition of financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities – subsequent measurement

All financial liabilities are subsequently measured at amortized cost using the effective interest method except for financial liabilities at FVTPL.

i. Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when it is held for trading or it is designated as at FVTPL upon initial recognition.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

ii. Financial liabilities measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method.



iii. De-recognition of financial liabilities

The Company de-recognizes financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred and the consideration paid and payable is recognized in statement of profit and loss as other income or finance costs.

y. Reserve for bad and doubtful debts

Reserve for bad and doubtful debts is maintained @ 5.73% of net trade receivables.

z. Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

aa. Exploration and evaluation

Exploration and evaluation expenditure comprises costs that are directly attributable to:

- Researching and analysing existing exploration data;
- Conducting geological studies, exploratory drilling and sampling;
- Examining and testing extraction and treatment methods; and/or
- Compiling pre-feasibility and feasibility studies.

Exploration expenditure relates to the initial search for deposits with economic potential. Evaluation expenditure relates to a detailed assessment of deposits or other projects that have been identified as having economic potential. All evaluation and exploration expenses till high degree of confidence is achieved are expensed.

Evaluation expenditures are capitalised as Intangible assets when there is a high degree of confidence that the Company will determine that a project is commercially viable, that is the project will provide a satisfactory return relative to its perceived risks, and therefore it is considered probable that future economic benefits will flow to the Company.

The carrying values of capitalized evaluation expenditure are reviewed for impairment every year by management. Amortization of exploration intangible assets commences in the year when commercial operations begin. The amortization expense is then calculated using the unit of production method, which allocates the cost of the exploration intangible assets based on the ratio of the current period's production to the total estimated reserves as per the approved mining plan.



ab. Restatement of earliest prior period financials on material error/omissions

The value of error and omissions is construed to be material for restating the opening balance of assets and liabilities and equity for the earliest prior period presented if the amount in each case of earlier period income/expense exceeds 2.00% of the previous year turnover of the company.

ac. Events occurring after the Balance Sheet Date

Adjusting events (that provides evidence of condition that existed at the Balance Sheet date) occurring after the Balance Sheet date are recognised in the Standalone Financial Statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the Balance Sheet date) occurring after the Balance Sheet date that represent material change and commitments affecting the financial position are disclosed in the Board's Report. Material non adjusting events (that are inductive of conditions that arose subsequent to the Balance Sheet date) occurring after the Balance Sheet date that represent material change and commitments affecting the financial position are disclosed in the Board's Report.



The Andhra Pradesh Mineral Development Corporation Limited											
Property, Plant and Equipment, Capital work in progress, Intangible assets, Intangible assets under development, Right of use asset for the year ended March 31,2026											
Note - 3											
Property, Plant And Equipment For The Period Ended 31.03.2026											
Particulars	Gross Block				Depreciation Block					Net Block	
	Cost as at April 1, 2025	Additions	Disposals/ adjustments/ transfer	Cost as at March 31, 2026	Accumulated Depreciation as at April 1, 2025	Depreciation For the Year	Impairment Loss	Disposal / Adjustments/ Transfer	Accumulated Depreciation as at March 31, 2026	Net block as at March 31, 2026	Net block as at March 31, 2025
Land	429	109	-	538	-	-	-	-	-	538	429
Quarters & Pucca Constructions	522	8	-	530	343	42	-	-	386	144	179
Mining Equipment	722	6	-	728	666	8	-	-	674	54	56
Furniture & Fixtures	329	0	-	329	219	28	-	-	247	82	109
Office Equipment	280	1	-	282	252	7	-	-	259	23	29
Data Processing Equipment	397	25	-	422	350	24	-	-	374	49	47
Vehicles	327	-	-	327	263	19	-	-	281	45	64
Tents & Huts	163	485	-	648	142	304	-	-	446	202	21
Plant & Machinery	3,736	57	-	3,793	3,060	133	-	-	3,193	600	675
Leasehold building	255	-	-	255	242	0	-	-	242	13	13
Total	7,159	692	-	7,851	5,537	565	-	-	6,102	1,749	1,621
Less: Depreciation capitalised during the year	-	-	-	-	-	0	-	-	-	-	-
Total	7,159	692	-	7,851	5,538	564	-	-	6,102	1,749	1,621
Previous year - 2024-25	8,070	168	1,079	7,159	5,019	379	139	-	5,537	1,621	3,050

Note 3.1

LEASED ASSETS - RIGHT OF USE	Cost as at April 1, 2025	Additions	Disposals/ adjustments/ transfer	Cost as at March 31, 2026	Accumulated Depreciation as at April 1, 2025	Depreciation For the Year	Disposal / Adjustments / Transfer	Accumulated Depreciation as at March 31, 2026	Net block as at March 31, 2026	Net block as at March 31, 2025
Right of use asset - Buildings	514	-	-	514	9	103	-	111	403	506
Total	514	-	-	514	9	103	-	111	403	506
Previous year - 2024-25	169	514	169	514	37	133	161	9	506	133





Note 3.2 Capital work in progress					
Particulars	As at March 31, 2026		As at March 31, 2025		
Gross carrying amount at beginning	1,232		1,261		
Add: Additions during the year	266		-		
Less: Transferred to Property, Plant & Equipment	484		29		
Closing Gross Carrying Value	1,014		1,232		
Accumulated Impairment Allowance					
Balance at the Beginning of the year	712		705		
Add: Additions during the year	-		8		
Closing Accumulated Impairment Allowance	712		712		
Closing net carrying value	301		519		
Capital work in progress ageing schedule as at 31.03.2026					
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	266	35	-	-	301
Projects temporarily suspended			130	582	712
Capital work in progress ageing schedule as at 31.03.2025					
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	135	211	173	-	519
Projects temporarily suspended	-	130	373	209	712
3.3 Intangible Assets					
Particulars	As at March 31, 2026		As at March 31, 2025		
Computer software	136		222		
Decommissioning assets	157		357		
Mining Infrastructure assets	1,46,511		1,54,035		
Mining Infrastructure assets - R&R -Mpet	11,937		22,092		
Total	1,58,741		1,76,707		
A.Computer Software					
Particulars	As at March 31, 2026		As at March 31, 2025		
Gross carrying amount at beginning	437		423		
Add: Additions during the year	1		14		
Less: Disposals/ adjustments/transfer	-		-		
Closing Gross Carrying Value	438		437		
Accumulated Amortisation & Impairment					
Balance at the beginning of the year	215		78		
Add: Additions during the year	88		137		
Less: Deletions / Adjustments	-		-		
Closing Accumulated Impairment Allowance	302		215		
Net carrying value	136		222		
B.Decommissioning Assets					
Particulars	As at March 31, 2026		As at March 31, 2025		
Gross carrying amount at beginning	533		7,184		
Add: Additions during the year	-		-		
Less: Disposals/ adjustments/transfer	178		6,650		
Closing Gross Carrying Value	356		533		
Accumulated Amortisation & Impairment					
Balance at the beginning of the year	177		614		
Add: Additions during the year	22		35		
Less: Deletions / Adjustments	-		472		
Closing Accumulated Impairment Allowance	199		177		
Net carrying value	157		357		
C.Mining Infrastructure Assets					
Particulars	As at March 31, 2026		As at March 31, 2025		
Gross carrying amount at beginning	1,73,962		1,65,112		
Add: Additions during the year	2,391		8,850		
Less: Disposals/ adjustments/transfer	-		-		
Closing Gross Carrying Value	1,76,353		1,73,962		
Accumulated Amortisation & Impairment					
Balance at the beginning of the year	19,927		10,470		
Add: Additions during the year	9,916		9,458		
Less: Deletions / Adjustments	-		-		
Closing Accumulated Impairment Allowance	29,843		19,927		
Net carrying value	1,46,511		1,54,035		
Corporation has incurred an amount of Rs.1,73,962 lakhs till the end of previous financial year on its Suliari coal mine project and same has been capitalised under mining infrastructure assets. Additionally, during the current reporting period an amount of Rs.2,391 lakhs has been capitalised and amortised based on the unit of production method.					



D.Mining Infrastructure - R&R -Mpet					
Particulars		As at March 31, 2026		As at March 31, 2025	
Gross carrying amount at beginning		53,363		52,401	
Add: Additions during the year		11		962	
Less: Disposals/ adjustments/transfer		-		-	
Closing Gross Carrying Value		53,374		53,363	
Accumulated Amortisation & Impairment					
Balance at the beginning of the year		31,270		21,109	
Add: Additions during the year		10,167		10,162	
Less: Deletions / Adjustments		-		-	
Closing Accumulated Impairment Allowance		41,437		31,270	
Net carrying value		11,937		22,092	
3.4 Intangible assets under development					
Particulars		As at March 31, 2026		As at March 31, 2025	
Intangible Assets under development - Brahmadhiha Coal Mine		8,873		8,851	
Intangible Assets under development - New Mine leases		66,594		-	
Total		75,467		8,851	
3.4.1 Intangible Assets under development - Brahmadhiha Coal Mine					
Particulars		As at March 31, 2026		As at March 31, 2025	
Gross carrying amount at beginning		8,851		8,906	
Add: Additions during the year		21		288	
Less: Adjustments/transfer		-		342	
Closing Gross Carrying Value		8,873		8,851	
Accumulated Amortisation & Impairment					
Balance at the beginning of the year		-		-	
Add: Additions during the year		-		-	
Less: Deletions / Adjustments		-		-	
Closing Accumulated Impairment Allowance		-		-	
Net carrying value		8,873		8,851	
Intangible assets under development Brahmadhiha Coal Mine Ageing schedule as at 31.03.2026					
Particulars	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	21	288	2,590	5,973	8,873
Projects temporarily suspended	-	-	-	-	-
Total					8,873
Intangible assets under development Brahmadhiha Coal Mine Ageing schedule as at 31.03.2025					
Particulars	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	288	2,590	1,942	4,031	8,851
Projects temporarily suspended	-	-	-	-	-
Total					8,851
The corporation has incurred and capitalized an amount of Rs. 8,873 lakhs towards the developemnt of Brahmadhiha Coal Mine till the end of the current financial year.					
3.4.2 Intangible assets under development - New Mine Leases					
Particulars		As at March 31, 2026		As at March 31, 2025	
Gross carrying amount at beginning		-		-	
Add: Additions during the year		66,594		-	
Less: Adjustments/transfer		-		-	
Closing Gross Carrying Value		66,594		-	
Accumulated Amortisation & Impairment					
Balance at the beginning of the year		-		-	
Add: Additions during the year		-		-	
Less: Deletions / Adjustments		-		-	
Closing Accumulated Impairment Allowance		-		-	
Net carrying value		66,594		-	
Intangible assets under development New Mine Leases Ageing schedule as at 31.03.2026					
Particulars	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	66,594	-	-	-	66,594
Projects temporarily suspended	-	-	-	-	-
Total Intangible assets under development					66,594
This includes 665.47 Cr borrowing cost capitalized during the year - Refer Note 70					



The Andhra Pradesh Mineral Development Corporation Limited
Notes to standalone financial statements for the year ended March 31, 2026
All amounts are in Rs. Lakhs, unless otherwise stated

4	Non-current Investments	As at March 31, 2026	As at March 31, 2025
	Unquoted equity instruments - Investments measured at cost		
	Investment in subsidiary companies		
	i. M/s.APMDC - SCCL suliyari coal company limited 5,100 equity shares (March 31, 2025: 5,100) of Rs.10/- each fully paid up	1	1
	Less: Provision made for diminution in the value of shares	(1)	(1)
	ii. M/s Nuagaon coal company limited 3,000 equity shares (March 31, 2025: 3,000) of Rs.100/- each fully paid up	60	60
	Less: Provision made for diminution in the value of shares	(60)	(60)
	iii. M/s.Andhra phosphate (P)Ltd. 1,110 equity shares (March 31, 2025: 1,100) of Rs.1,000/- each fully paid up	11	11
	Less: Provision made for diminution in the value of shares	(11)	(11)
	iv. M/s.Ongole iron ore mining company private limited 56,100 equity shares (March 31, 2025: 56,100) Rs.10/- each fully paid up	6	6
	Less: Provision made for diminution in the value of shares	(6)	(6)
	Investment in Associates		
	v. M/s. Aswani mineral development private limited. 65,000 equity shares (March 31, 2025: 65,000) of Rs.10/- each fully paid up	7	7
	Less: Provision made for diminution in the value of shares	(7)	(7)
	vi. M/s.SRAP mineral private limited 3,25,000 equity shares (March 31, 2025: 3,25,000) of Rs.10/- each fully paid up	33	33
	Less: Provision made for diminution in the value of shares	(33)	(33)
	vii. M/s. Arham mineral exports private limited 1,30,000 equity shares (March 31, 2025: 1,30,000) of Rs.10/- each fully paid up	13	13
	Less: Provision made for diminution in the value of shares	(13)	(13)
	viii. M/s.Isra mineral exports private limited 1,30,000 equity shares (March 31, 2025: 1,30,000) of Rs.10/- each fully paid up	13	13
	Less: Provision made for diminution in the value of shares	(13)	(13)
	ix. M/s. Margasree granites private limited 1,30,000 equity shares (March 31, 2025: 1,30,000) of Rs.10/- each fully paid up	13	13
	Less: Provision made for diminution in the value of shares	(13)	(13)
	x. M/s. Ongole mineral exports private limited 3,25,000 equity shares (March 31, 2025: 3,25,000) of Rs.10/- each fully paid up	33	33
	Less: Provision made for diminution in the value of shares	(33)	(33)
	xi. M/s. RLP granite private limited 3,25,000 equity shares (March 31, 2025: 3,25,000) of Rs.10/- each fully paid up	33	33
	Less: Provision made for diminution in the value of shares	(33)	(33)
	xii. M/s.A.P.coastal sands & metals private limited., 13,000 equity shares (March 31, 2025: 13,000) of Rs.10/- each fully paid up	1	1
	Less: Provision made for diminution in the value of shares	(1)	(1)
	xiii. M/s.Andhra Pradesh tribal mining private limited 28,600 equity shares (March 31, 2025: 28,600) of Rs.10/- each fully paid up	3	3
	Less: Provision made for diminution in the value of shares	(3)	(3)



xiv. Samyuktha Granite Private limited 13,00,000 equity shares (March 31, 2025: 13,00,000) of Rs.10/- each fully paid up	130	130
xv. Naandhi Granites India Private limited. 13,00,000 equity shares (March 31, 2025: 13,00,000) of Rs.10/- each fully paid up	130	130
xvi. Shambhavi stones AP Private limited. 13,00,000 equity shares (March 31, 2025: 13,00,000) of Rs.10/- each fully paid up	130	130
xvii. AP midwest galaxy Private limited. 13,00,000 equity shares (December 12, 2025: 13,00,000) of Rs.10/- each fully paid up	130	-
Investment in Joint Ventures		
xviii. M/s.A.P.granites (midwest) private limited 11,00,000 equity shares (March 31, 2025: 11,00,000) of Rs.10/- each fully paid up	110	110
xix. M/s.Alliance A.P.black galaxy granites private limited 11,00,000 equity shares (March 31, 2025: 11,00,000) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	110 (110)	110 (110)
xx. M/s.Pallavared granite private limited 11,00,000 equity shares (March 31, 2025: 11,00,000) of Rs.100/- each fully paid up Less: Provision made for diminution in the value of shares	110 (110)	110 (110)
xxi. M/s.Gimpex AP barytes beneficiation private limited 1,320 equity shares (March 31, 2025: 1,320) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	0 (0)	0 (0)
xxii. M/s.Andhra baryte corporation private limited 8,52,500 equity shares (March 31, 2025: 8,52,500) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	85 (85)	85 (85)
xxiii. M/s.Andhra Pradesh iron ore company limited 6,850 equity shares (March 31, 2025: 6,850) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	1 (1)	1 (1)
xxiv. M/s.Trimex baryte private limited 4,50,000 equity shares (March 31, 2025: 4,50,000) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	45 (45)	45 (45)
xxv M/s.V.V. minerals private limited 1,100 equity shares (March 31, 2025: 1,100) of Rs.100/- each fully paid up Less: Provision made for diminution in the value of shares	1 (1)	1 (1)
Investments measured at amortised cost		
Investment in Government Securities (unquoted)	71	71
Less: Provision made for doubtful investment	(71)	(71)
	630	500
Aggregate amount of quoted Investments - Market value		
Aggregate amount of quoted Investments - Book value		
Aggregate amount of unquoted investments	630	500
Aggregate amount of impairment	576	576
Aggregate Provision made for doubtful investment	71	71



5	Loans (Non-current)	As at March 31, 2026	As at March 31, 2025
	Loans and advances to employees		
	Unsecured, considered good	410	441
	Unsecured, considered doubtful	9	9
	Less: Allowance for bad and doubtful debts	(9)	(9)
	Total	410	441
6	Other financial assets (Non-current)	As at March 31, 2026	As at March 31, 2025
	Security Deposits		
	Unsecured, considered good	303	260
	Unsecured, considered doubtful	93	93
	Less: Provision for doubtful debts	(93)	(93)
	Total	303	260
	Balance in current accounts (Frozen)	74	209
	Fixed Deposits for Bank guarantees	15,693	11,152
	Deposit in Bank under Mine Closure plan *	2,724	2,633
	Fixed Deposits for under DSRA #	91,824	-
	Unsecured, considered doubtful		
	Balance in post office savings account	4	4
	Less: Provision for doubtful portion	(4)	(4)
	Total	1,10,619	14,254
* Following the guidelines from Ministry of Coal, Government of India for preparation of Mine Closure Plan, an Escrow Account has been opened and deposits are made as required.			
# Following the agreement with debenture trustee towards issue of debentures during the year company is required to maintain Debt Service Reserve Account (DSRA) till the full repayment of the debentures.			
7	Deferred tax liability (Net)	As at March 31, 2026	As at March 31, 2025
	Deferred tax asset		
	Property, Plant & Equipment	395	313
	Provision for decommissioning costs	868	873
	Provision for lease liability / assets	8	1
	Provision for bad & doubtful debts, investments & advances	5,041	3,529
	Total deferred tax asset	6,312	4,715
	Deferred tax liability		
	Investment	72	72
	Mining Infrastructure asset	14,139	12,244
	Mining Infrastructure Assets - R&R -Mpet	3,004	5,560
	Debentures	3,789	-
	Intangible assets under development	2,024	-
	Total deferred tax liability	23,027	17,875
	Net deferred tax (asset)/Liability	16,716	13,160
8	Other non-current assets	As at March 31, 2026	As at March 31, 2025
	A) Capital advances		
	Unsecured, considered good	10,199	23,666
	Unsecured, considered Doubtful	2,654	2,654
	Less: Provision for doubtful advances	(2,654)	(2,654)
	Total	10,199	23,666
	B) Advances to contractors and other Government departments		
	Unsecured, considered good	14,987	14,874
	Unsecured, considered Doubtful	5,397	5,574
	Less: Provision for doubtful advances	(5,397)	(5,574)
	Total	14,987	14,874
	C) Balance with Statutory Authorities		
	Unsecured, considered good	30,483	25,550
	Unsecured, considered Doubtful	1,882	1,882
	Less: Provision for doubtful advances	(1,882)	(1,882)
	Total	30,483	25,550
	D) Prepaid expenses	21	423
	Total (A+B+C+D)	55,690	64,514



9	Inventories	As at March 31, 2026	As at March 31, 2025
	Finished goods (Refer note. 53)		
	- Barytes	43,708	28,737
	- Coal	2,296	10,872
	Stores and spares	163	152
	Total	46,166	39,761
	Method of valuation: Refer Note no. 2(i) of significant accounting policies		
10	Trade receivables (Current)	As at March 31, 2026	As at March 31, 2025
	Unsecured, considered good	59,194	74,592
	Unsecured, considered credit impaired	9,601	3,417
	Less: Impairment allowance for doubtful debts	(9,601)	(3,417)
	Total	59,194	74,592
	Refer note no. 63		
11	Cash and cash equivalents	As at March 31, 2026	As at March 31, 2025
	Cash and cash equivalents		
	Balances with banks:		
	In current accounts and sweep accounts	75,916	48,951
	Cash on hand	1	1
	(A)	75,917	48,952
	Other bank balances		
	Earmarked balances with banks		
	Unpaid interest account	12	-
	Deposits with banks - Bonds Servicing Account (BSA) *	13,117	-
	Deposits in banks with maturity >3 months and <12 months	1,144	1,084
	(B)	14,272	1,084
	Total	90,189	50,037
	* Pursuant to the terms of the financing arrangements for Non-Convertible Debentures, the Company is required to periodically transfer specified amounts into designated Bond Servicing Accounts (BSA) for servicing of interest and/or principal obligations to the debt holders. Accordingly, balances lying in the BSA as at the reporting date represent amounts earmarked exclusively for debt servicing obligations due in the subsequent period and are therefore subject to contractual restrictions on their use for any other purpose. Pending utilization towards payment to debt holders, the surplus balance in the BSA is temporarily deployed in fixed deposits with banks in accordance with the terms of the financing documents. Such balances, including related fixed deposits, are repayable/utilized during the subsequent financial year towards servicing of the related debt obligations.		
12	Loans (current)	As at March 31, 2026	As at March 31, 2025
	Vehicle loans to staff		
	Secured, considered good	21	27
	Unsecured, considered good		
	Loan to AP state fibernet Limited & Machilipatnam Urban Development Authority- Refer Note: 49 & 50	30,000	30,000
	Loans and advances to employees		
	Unsecured, considered good	39	84
	Total	30,060	30,112
13	Other financial assets (Current)	As at March 31, 2026	As at March 31, 2025
	Deposits with APSFSL (Unsecured)	55,500	55,500
	Amount Receivable from DMG	6,88,400	
	Interest accrued on deposits		
	Unsecured, considered good	1,616	913
	Less: Provision for the doubtful portion	(244)	(244)
	Total	7,45,272	56,169
14	Other current assets	As at March 31, 2026	As at March 31, 2025
	A) Advances recoverable		
	Unsecured, considered good	274	242
		274	242
	B) Others - specified		
	Unsecured, considered good		
	Balance with statutory authorities	50,794	44,394
	Prepaid expenses	804	709
	Others	107	153
	Total	51,705	45,257
	Total	51,978	45,499



15	Equity share capital	As at March 31, 2026	As at March 31, 2025
Authorised share capital: 1,00,000 equity shares of Rs.1,000/- each (March 31, 2026 - 1,00,000 equity shares of Rs.1,000/- each)		1,000	1,000
		1,000	1,000
Issued, subscribed and fully paid up share Capital: 63,062 equity shares of Rs.1,000/- each fully paid up (March 31, 2026 - 63,062 equity shares of Rs.1,000/- each)		631	631
		631	631
15.1 Additional notes			
Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting period			
	Particulars	As at March 31, 2026	As at March 31, 2025
	Shares outstanding at the beginning of the year	63,062	63,062
	Shares issued during the year	-	-
	Shares outstanding at the end of the year	63,062	63,062
15.2 Rights, preferences and restrictions attached to equity shares			
The company has one class of equity shares having a par value of Rs.1,000/- per share. Each equity shareholder is entitled to one vote per share. In the event of the liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.			
15.3 The details of shares in the Company held by each shareholder holding more than 5% shares			
	Name of the share holder	As at March 31, 2026	As at March 31, 2025
	Governor of the Andhra Pradesh- represented by assistant secretary to Government (Mines) Industries & Commerce department	63,059 (99.995%)	63,059 (99.995%)
15.4 Details of Shareholding of Promoters			
	Name of the share holder	As at March 31, 2026	As at March 31, 2025
	Governor of the Andhra Pradesh- represented by assistant secretary to Government (Mines) Industries & Commerce department	63,059 (99.995%)	63,059 (99.995%)
16	Other equity	As at March 31, 2026	As at March 31, 2025
Capital reserves			
Free ride equity shares for consideration other than cash allotted by			
i. M/s. Aswani mineral development private limited.			
65,000 equity shares (March 31, 2025: 65,000) of Rs.10/- each			
fully paid up		7	7
Less: Provision made for diminution in the value of shares		(7)	(7)
ii. M/s.SRAP mineral private limited			
3,25,000 equity shares (March 31, 2025: 3,25,000) of Rs.10/- each			
fully paid up		33	33
Less: Provision made for diminution in the value of shares		(33)	(33)
iii. Arham mineral exports private limited			
1,30,000 equity shares (March 31, 2025: 1,30,000) of Rs.10/- each			
fully paid up		13	13
Less: Provision made for diminution in the value of shares		(13)	(13)
iv. Isra mineral exports private limited			
1,30,000 equity shares (March 31, 2025: 1,30,000) Rs.10/- each			
fully paid up		13	13
Less: Provision made for diminution in the value of shares		(13)	(13)
v. Margasree granites private limited			
1,30,000 equity shares (March 31, 2025: 1,30,000) of Rs.10/- each			
fully paid up		13	13
Less: Provision made for diminution in the value of shares		(13)	(13)
vi. Ongole mineral exports private limited			
3,25,000 equity shares (March 31, 2025: 3,25,000) of Rs. 10/- each			
fully paid up		33	33
Less: Provision made for diminution in the value of shares		(33)	(33)



vii. RLP granite private limited 3,25,000 equity shares (March 31, 2025: 3,25,000) of Rs. 10/- each fully paid up Less: Provision made for diminution in the value of shares	33 (33)	33 (33)
viii. M/s.A.P.granites (Midwest) private limited 11,00,000 equity shares (March 31, 2025: 11,00,000) of Rs.10/- each fully paid up	110	110
ix. M/s.Alliance A.P.black galaxy granites private limited 11,00,000 equity shares (March 31, 2025: 11,00,000) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	110 (110)	110 (110)
x. M/s.Pallavared granites private limited 1,10,000 equity shares (March 31, 2025: 1,10,000) of Rs.100/- each fully paid up Less: Provision made for diminution in the value of shares	110 (110)	110 (110)
xi. M/s.A.P.coastal sands & metals private limited., 13,000 equity shares (March 31, 2025: 13,000) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	1 (1)	1 (1)
xii. M/s.Ongole iron ore mining company private limited 56,100 equity shares (March 31, 2025: 56,100) of Rs.10/- each paid up Less: Provision made for diminution in the value of shares	6 (6)	6 (6)
xiii. M/s.Gimpex AP barytes beneficiation private limited 1,320 equity shares (March 31, 2025: 1,320) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	0 (0)	0 (0)
xiv. M/s.Andhra baryte corporation private limited 8,52,500 equity shares (March 31, 2025: 8,52,500) Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	85 (85)	85 (85)
xv. M/s.Andhra Pradesh iron ore company limited 6,850 equity shares (March 31, 2025: 6,850) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	1 (1)	1 (1)
xvi. M/s.Trimex barite private limited 4,50,000 equity shares (March 31, 2025: 4,50,000) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	45 (45)	45 (45)
xvii. M/s.V.V. minerals private limited 1,100 equity shares (March 31, 2025: 1,100) of Rs.100/- each fully paid up Less: Provision made for diminution in the value of shares	1 (1)	1 (1)
xviii. Samyuktha Granite Private limited 13,00,000 equity shares (March 31, 2025: 13,00,000) of Rs.10/- each fully paid up	130	130
xix. Naandhi Granites India Private limited. 13,00,000 equity shares (March 31, 2025: 13,00,000) of Rs.10/- each fully paid up	130	130
xx. Shambhavi stones AP Private limited. 13,00,000 equity shares (March 31, 2025: 13,00,000) of Rs.10/- each fully paid up	130	130
xxi. AP midwest galaxy Private limited. 13,00,000 equity shares (December 12, 2025: 13,00,000) of Rs.10/- each fully paid up	130	-
	630	500
Other comprehensive income		
Opening balance	(487)	(445)
Other comprehensive income for the year/period	2	(42)
Add/(Less): Transferred from/(to) retained earnings		-
Closing balance	(485)	(487)
Reserve for bad and doubtful debts		
Opening balance	4,274	4,889
Add/(Less): Transferred from/ to profit and loss account	(882)	(615)
Closing balance	3,392	4,274



	General reserve		
	Opening balance	17,019	17,019
	Closing balance	17,019	17,019
	Retained earnings		
	Opening balance	3,35,026	2,71,336
	Add/(Less): Profit for the year/period	74,096	73,075
		4,09,122	3,44,411
	Less: Appropriations		
	Reserve for bad and doubtful debts	(882)	(615)
	Interim Dividends	-	10,000
	Total appropriations	(882)	9,385
	Closing balance	4,10,004	3,35,026
	Total	4,30,561	3,56,332

Nature and purpose of reserves

General reserve
General reserve is created by the company by appropriating the balance of Retained Earnings. It is a free reserve which can be used for meeting future contingencies, creating working capital for business operations, strengthening the financial position of the company.

Reserve for bad and doubtful debts
Reserve for bad and doubtful debts is created by appropriating the balance of retained earnings. It is a free reserve which can be used to meet the contingencies related to debtors.

Retained earnings
Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, reserve for bad and doubtful debts, dividends or other distributions paid to shareholders.

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	Borrowings	As at March 31, 2026	As at March 31, 2025
	Debentures (Secured)		
	9.3 % Non Convertible Debentures	8,48,938	-
	Less: Current Maturities of long-term bonds	(74,999)	-
	Total Non-current Borrowings	7,73,939	-
	Rupee Term Loan from Banks - Secured		
	From State Bank of India	-	45,143
	Total	7,73,939	45,143

Secured Listed Non-Convertible Debentures
During the year, the Company has issued Secured, Rated, Listed, Redeemable Non-Convertible Debentures ("NCDs") aggregating to Rs. 8,99,991 lakhs on private placement basis. The NCDs are listed on the Wholesale Debt Market Segment of the National Stock Exchange of India Limited ("NSE").

The NCDs are backed by an unconditional and irrevocable guarantee extended by the Government of Andhra Pradesh for servicing of interest and repayment of principal in accordance with the terms of the respective transaction documents and Government approvals.

The NCDs are secured by way of an exclusive charge on current assets of the Company and the mining rights pertaining to 436 mines/quarries allotted by GOAP on nomination basis as per G.O.Ms.No.69, Industries & Commerce (M.III) Department, dated 24.04.2025, together with escrow of Debenture Service Reserve Account (DSRA) and such other security interests as stipulated in the Debenture Trust Deed and related financing documents executed by the Company.

The principal amount of the NCDs is repayable in 36 equal quarterly instalments commencing from 07 August 2026 together with applicable interest. Interest on the NCDs is payable on quarterly basis from the date of issue/allotment.

During the year, the Company has fully repaid the outstanding term loan availed from State Bank of India ("SBI"), including accrued interest thereon, out of the proceeds received from the aforesaid debenture issue. Consequently, no amount remains outstanding under the said term loan as at 31 March 2026.

The borrowing has been classified into current and non-current portions based on the contractual repayment schedule and has been recognised at amortised cost using the Effective Interest Rate ("EIR") method in accordance with Ind AS 109 – Financial Instruments.

There has been no default in repayment of principal or interest in respect of the aforesaid NCDs as at the reporting date.

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	Particulars	As at March 31, 2026	As at March 31, 2025
	Lease Liability (Refer note no 57)	310	390
	Total	310	390

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	Other financial liabilities (Non-current)	As at March 31, 2026	As at March 31, 2025
	Expenses payable against infrastructure development	1,839	1,664
	Deposits	173	173
	Others	4,582	4,541
	Total	6,594	6,377



19	Provisions (Non-current)	As at March 31, 2026	As at March 31, 2025
	Provision for employee benefits		
	Provision for gratuity	58	71
	Provision for others:		
	Provision for decommissioning cost *	3,450	3,469
	Total	3,508	3,540
* Refer Note no 58			
20	Other non-current liabilities	As at March 31, 2026	As at March 31, 2025
	Others		
	Statutory liabilities	254	254
	Total	254	254
21	Borrowings (Current)	As at March 31, 2026	As at March 31, 2025
	Secured		
	Current Maturities of long-term bonds	74,999	-
	Rupee Term Loan from Banks - Secured		
	From State Bank of India		10,800
	Current maturities term loan	-	10,800
	Total	74,999	10,800
22	Particulars	As at March 31, 2026	As at March 31, 2025
	Lease Liability (Refer note no 57)	124	118
	Total	124	118
23	Trade payables (Current)	As at March 31, 2026	As at March 31, 2025
	Trade payables (Refer Note.63)		
	Dues of micro enterprises and small enterprises	-	-
	Dues of creditors other than micro enterprises and small enterprises	8,705	25,479
	Total	8,705	25,479
Micro and small enterprises under the micro and small enterprises development Act,2006 (MSMED Act), have been determined based on the information available with the company and the required disclosures are given below.			
	Particulars	As at March 31, 2026	As at March 31, 2025
	a) Principal amount and interest due thereon	-	-
	b) Interest paid in terms of section 16 of MSMED Act	-	-
	c) Interest due and payable for the period of delay excluding interest specified under MSMED Act	-	-
	d) Interest accrued and remaining unpaid at the end of the year	-	-
	e) Further interest due and payable in terms of section 23 of MSMED Act, 2006	-	-
Dues to the micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.			
24	Other financial liabilities (Current)	As at March 31, 2026	As at March 31, 2025
	Salaries & other benefits payable	199	163
	Earnest money and security deposits from customers	3,406	5,964
	Other Financial liabilities	27,611	3,941
	Total	31,216	10,068
25	Other current liabilities	As at March 31, 2026	As at March 31, 2025
	Advance from customers	42,883	63,197
	Statutory liabilities	17,240	14,139
	Total	60,123	77,335
26	Current tax liabilities	As at March 31, 2026	As at March 31, 2025
	Provision for income tax	19,189	14,453
	Total	19,189	14,453



The Andhra Pradesh Mineral Development Corporation Limited
Notes to standalone financial statements for the year ended March 31, 2026
All amounts are in Rs. Lakhs, unless otherwise stated

27	Revenue from operations	For the year ended March 31, 2026	For the year ended March 31, 2025
	Sale of products		
	Barytes *	88,862	92,230
	Coal	2,29,696	2,03,952
	Sale of services		
	Consideration	4,021	3,920
	Total	3,22,579	3,00,103
* Refer note no 67			
28	Other income	For the year ended March 31, 2026	For the year ended March 31, 2025
	Interest income		
	Bank deposits	7,104	5,743
	Loans	10	7
	Others	98	197
	Income from Investments		
	Dividend from M/S AP Granites(Mid west)P Ltd	-	220
	Other non operating income		
	Rent receipts	6	7
	Forfeiture of security deposit	25	570
	Other receipts	532	507
	Sale of tender documents	17	6
	Interest on delay in payment of minimum consideration	-	177
	Liabilities no longer required written back	379	145
	Other miscellaneous Income	21	29
	Total	8,193	7,606
29	Changes in inventories of finished goods	For the year ended March 31, 2026	For the year ended March 31, 2025
	a) Opening stock of finished goods	39,609	20,603
		39,609	20,603
	b) Closing stock of finished goods	46,004	39,609
		46,004	39,609
	Changes in inventories of finished goods	(6,395)	(19,006)
30	Employee benefit expenses	For the year ended March 31, 2026	For the year ended March 31, 2025
	Salaries and wages	3,366	3,796
	Contribution to provident fund and other funds	799	804
	Staff welfare expenses	335	321
	Total	4,501	4,921
31	Finance costs	For the year ended March 31, 2026	For the year ended March 31, 2025
	Interest expense on financial liabilities at amortised cost	72,698	5,629
	Unwinding of discount on provision	334	277
	Interest on lease liability	49	10
	Other Interests	2,789	-
	Less: Capitalisation of finance cost/borrowing cost (refer Note 70)	(66,594)	472
	Total	9,276	6,388



32	Depreciation and Amortization expense	For the year ended March 31, 2026	For the year ended March 31, 2025
	Depreciation of Property, Plant and Equipment	564	379
	Amortization of intangible assets	20,192	19,791
	Depreciation on right of use assets	103	133
	Impairment expenses	-	146
	Total	20,859	20,450
33	Power and fuel	For the year ended March 31, 2026	For the year ended March 31, 2025
	Power and fuel	890	820
	Total	890	820
34	Excavation and transport charges	For the year ended March 31, 2026	For the year ended March 31, 2025
	Excavation & transport charges for run of mine	6,359	6,129
	Excavation & transport charges for overburden	37,024	39,877
	Excavation of coal & OB removal	64,268	75,239
	Total	1,07,651	1,21,246
35	Other expenses	For the year ended March 31, 2026	For the year ended March 31, 2025
	Rents	15	21
	Repairs & maintenance	332	166
	Insurance	6	32
	Rates and taxes		
	Royalty	29,144	26,266
	DMF	4,377	3,986
	NMET	736	525
	Cess	548	469
	Reserve price	21,829	19,469
	MPGSVA Exp	7,796	6,953
	Forest tax coal exp	3,727	3,201
	Other rates and taxes	1,447	317
	Administrative and Selling Expenses		
	Operating expenses	312	297
	Transport and wagon loading charges	439	519
	Selling expenses	368	337
	Prospecting & Mining Lease expenses	898	36
	Office & General expenses	2,225	2,343
	Payment to auditors (refer note no 35.1)	13	22
	Audit fee for other auditors	46	20
	Printing & stationery	34	49
	Corporate Social Responsibility Expenses (Refer Note No.47)	1,198	1,102
	Remuneration to outsourced services	5,245	5,549
	Provision for doubtful debts	6,184	-
	Assets written off	-	-
	Provision for doubtful advances	-	364
	Data processing charges	124	284
	Rehabilitation expenses	3,630	2,027
	Donations	-	500
	Miscellaneous expenditure	6	36
	Total	90,679	74,892



35.1	Payment to Auditors	For the year ended March 31, 2026	For the year ended March 31, 2025
	Statutory audit Fee	13	12
	Limited review or special audit	0	10
	Total	13	22
36	Income Tax		
	The major components of income tax expense for the year ended March 31, 2026 and March 31, 2025 are:		
	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Current Tax Expenses :		
	Current income tax charge	25,658	23,784
	Total (A)	25,658	23,784
	Deferred Tax Expenses:		
	In respect of current year origination and reversal of temporary differences	3,556	1,140
	Total (B)	3,556	1,140
	Total (A+B)	29,214	24,924
	Other Comprehensive Income		
	Items that will not be reclassified to P&L	For the year ended March 31, 2026	For the year ended March 31, 2025
	Remeasurement of defined benefit plan loss/gain		
	Gratuity	13	(19)
	Leave encashment	(11)	(23)
	Total	2	(42)
	The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Profit/(loss) before tax as per statement of profit and loss	1,03,310	97,999
	Applicable tax rate as enacted by the relevant finance Act	25.168%	25.168%
	computed tax expense	26,001	24,664
	Tax effect of :		
	i) Deferred tax related adjustment (including impact on deferred tax for the year due change in applicable tax rate)	3,556	1,140
	ii) Increase/Decrease in tax expense on account of		
	a) CSR expenditure	301	277
	b) Change in depreciation & Amortisation	723	(1,269)
	c) Finance cost as per Ind AS	248	0
	d) Provision for doubtful items	(46)	-
	e) Interest capitalised under Ind AS	(970)	-
	f) Issue expenses of debts	(2,265)	-
	f) Expected Credit Loss as per Ind AS	1,556	-
	g) Other items	109	112
	Total income tax expense for the year	29,214	24,924



37. Contingent liabilities and commitments

(To the extent not provided for)

All the amounts are in Rs. lakhs, unless otherwise stated

Sl.no	Particulars	As at 31.03.2026	As at 31.03.2025
A	Claims against the company not acknowledged as debts consisting of :		
I	Against the cases pending with money suits and arbitration.	15,937	10,802
II	Demand raised by Income tax authorities which has been disputed and pending before appellate authorities.	38,148	34,924
III	Capital commitment towards Chimakurthy black galaxy granite project- land towards consideration of landed measuring to 266.86 acres for patta land at Chimakurthy belonging to animal husbandry department, Govt. of Andhra Pradesh, for which final value has not yet been determined, pending at appropriate authorities.	622	622
IV	Dispute towards reimbursement of Service Tax, Collected from Barytes Buyers of Mangampet during the year 2007-08 & 2008-09 towards payment to excavation contractor on submission of proof of payment of service tax.	600	600
V	As per the Assessment order issued by the Sales tax / VAT authorities for the years 1998-99 to 2022-23, the total demand raised, deposits made and remining un paid amount. (Details given below)*	2,262	2,262

* Details of Assessment orders issued by the Sales tax / Vat authorities for the years 1998 1999 to 2025-2026, the total demand raised, deposits made and remaining unpaid are as follows.

Assessment year	Particulars	Demand as per the assessment order	Deposit made	Unpaid amount
1998-99	Explosives	4	2	2
1999-00	Explosives	4	-	4
2000-01	Explosives	7	2	5
2002-03	Explosives	-	4	-
2004-05	Explosives	3	3	-



2005-06	Explosives	45	45	-
2006-07	Explosives	50	50	-
2007-08	Explosives	31	31	-
2007-08	Penalty	8	4	4
2008-09	Explosives & Consideration.	201	100	101
2008-09	Penalty	50	17	33
2008-09	Interest	6	-	6
2009-12	Consideration	669	436	233
2009-12	Penalty	167	84	84
Total – A		1,247	780	472
Less: Share of TSMDC		-	(311)	-
Share of APMDC		-	469	-
Deposits made after 31.03.2016				
2014-15		168	85	83
2014-15- Penalty		42	21	21
2020-21		532	66	466
2020-21		133	17	116
2021-22		374	94	280
2023-24		778	58	720
Total – B		2,027	341	1,686
Grand total		3,274	810	2,262

38. Classification of financial instrument

Financial assets and financial liabilities are classified in accordance with the accounting policies.

As at 31st March, 2026

Particulars	Carrying amount				
	Financial assets - FVTOCI	Financial assets - FVTPL	Financial assets- amortised cost	Financial liabilities- amortised cost	Total
Financial Assets:					
Investments	-	-	630	-	630
Loans	-	-	30,470	-	30,470
Trade receivables	-	-	59,194	-	59,194
Cash and Cash equivalents	-	-	75,917	-	75,917
Other bank balances	-	-	14,272	-	14,272
Other financial assets	-	-	8,55,891	-	8,55,891



Total	-	-	10,36,374	-	10,36,374
Financial liabilities:					
Borrowings	-	-	-	8,48,938	8,48,938
Lease Liability	-	-	-	434	434
Trade payables	-	-	-	8,705	8,705
Other financial liabilities	-	-	-	37,810	37,810
Total	-	-	-	8,95,887	8,95,887

As at 31st March, 2025

AS at 31st March, 2023

Particulars	Carrying amount				
	Financial assets - FVTOCI	Financial assets - FVTPL	Financial assets- amortised cost	Financial Liabilities- amortised cost	Total
Financial Assets:					
Investments	-	-	500	-	500
Loans	-	-	30,553	-	30,553
Trade receivables	-	-	74,592	-	74,592
Cash and Cash equivalents	-	-	48,952	-	48,952
Other Bank balances	-	-	1,084	-	1,084
Other Financial assets	-	-	70,423	-	70,423
Total	-	-	226,104	-	226,104
Financial Liabilities:					
Borrowings	-	-	-	55,943	55,943
Lease Liability	-	-	-	508	508
Trade payables	-	-	-	25,479	25,479
Other financial liabilities	-	-	-	16,445	16,445
Total	-	-	-	98,376	98,376

During the year, the Company paid Rs.6,884 crore to the Department of Mines & Geology (DM&G) towards advance premium and seigniorage fee, initially recognised under Intangible Assets under Development.

Subsequently, vide Memo No. 3346686/M.III/2026 dated 10 September 2026, the Government of Andhra Pradesh permitted refund of the advance amount, subject to necessary adjustments. Accordingly, considering the requirements of Ind AS 10, the amount has been treated as an adjusting event and reclassified as Other Financial Assets – Current.



Considering the expected short-term realisation, the impact of discounting is not material and hence the same is measured and recognized at Face Value and not at amortized cost. The refund is pending receipt as at the date of approval of the financial statements.

Refer Note No 60, wherein the during the Financial Year the company has raised bonds for an amount of Rs.8,99,991 lakhs. The same are measured at amortized cost under Effective Interest Rate Method (EIR) as per Ind AS 109 taking into account the costs for the issuance of bonds.

39. Financial Risk Management

A. Management of Credit Risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primary trade receivables) and from its investing activities, including deposits with banks and other financial instruments. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables is monitored on a continuous basis by the receivables team.

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined / modified.

Expected credit loss for trade receivables under simplified approach is as under.

Particulars	2025-26	2024-25
Ageing	>12 Months	>12 Months
Gross carrying amount	67,440	61,256
Gross Carrying Amount other than Survey stones and Sand operations	9,601	3,417
Expected loss rate on receivables other than Survey stones and Sand operations	100.00%	100.00%
Expected credit loss (loss allowance provision)	9,601	3,417
Carrying amount of trade receivables (net of impairment)	57,839	57,839

Particulars	2025-26	2024-25
Ageing	<12 Months	<12 Months
Gross carrying amount	1,355	16,753
Expected loss rate	0.00%	0.00%
Expected credit loss (loss allowance provision)	-	-
Carrying amount of trade receivables (net of impairment)	1,355	16,753



B. Management of market risk

The above risks may affect income and expenses, or the value of its financial instruments of the Company. The objective of the management of the Company for market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company exposure to, and the management of these risks is explained below:

i. Commercial risk**a. Sale price risk**

Particulars	Impact on profit	
	2025-26	2024-25
Selling price increase by 5%		
Barytes	4,443	4,612
Coal	11,485	10,198
Selling price decrease by 5%		
Barytes	(4,443)	(4,612)
Coal	(11,485)	(10,198)

b. Excavation & Transport Charges risk

Particulars	Impact on profit			
	2025-26		2024-25	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
Name of the expense:				
Excavation & transport charges for run of mine	(318)	318	(307)	307
Excavation & transport charges for overburden	(1,851)	1,851	(1,994)	1,994
Excavation of Coal & OB Removal	(3,213)	3,213	(3,762)	3,762

40. Management of liquidity risk

Liquidity risk is the risk that the company will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Company is exposed to this risk from its operating activities and financial activities. The Company's approach to managing liability is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity requirements are maintained within the credit facilities established and are available to the Company to meet its obligations. The table now provides details regarding the contractual maturities of significant financial liabilities as of the reporting date.



As at 31st March 2026

Particulars	Contractual cash flows			
	Carrying Amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities:				
Trade payables	8,705	8,705	8,705	-
Non-current financial liabilities	780,843	780,843	-	780,843
Current financial liabilities	1,06,339	1,06,339	1,06,339	-
Total	8,95,887	8,95,887	1,15,044	7,80,843

As at 31st March 2025

Particulars	Contractual cash flows			
	Carrying Amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities:				
Trade payables	25,479	25,479	25,479	-
Non-current financial liabilities	51,911	51,911	-	51,911
Current financial liabilities	20,986	20,986	20,986	-
Total	98,376	98,376	46,465	51,911

41. Employee Benefits

A. Defined Contribution Plan

Particulars	As at 31-03-2026	As at 31-03-2025
Employers' contribution to provident fund	198	187
Employers' contribution to pension fund	75	72

B. Defined benefit plans

- i. The following table set out the funded status of the gratuity plans (funded), leave Encashment and the amounts recognized in the Company's financial statements as at 31st March, 2026 and 31st March 2025

Particulars	Gratuity		Leave encashment	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Change in present value of benefit obligations				
Benefit obligations at the beginning	673	684	686	681
Service cost	22	19	64	33
Interest expenses	43	46	42	46



Curtailment (gains)/losses	-	-	-	-
Transfer of obligation (net)	-	-	-	-
Benefits paid	(78)	(91)	(134)	(95)
Remeasurements - actuarial (gains)/losses	(13)	15	11	20
Benefit obligations at the end	647	673	669	686

Particulars	Gratuity		Leave encashment	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Change in fair value of plan Assets				
Fair value of plan assets at the beginning	602	619	815	845
Interest income	39	43	52	58
Employer contributions	26	36	15	9
Benefit payments from plan assets	(78)	(91)	(135)	(95)
Actuarial gain / (loss) on plan assets	(1)	(4)	(0)	(3)
Benefit obligations at the end	588	602	747	815

ii. Amount recognized in the Balance sheet

Particulars	Gratuity		Leave encashment	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
PV of obligations at the end of the year	647	673	669	686
Fair value of plan assets at the end of the year	588	602	747	815
Liability (+) / Asset (-) recognised in the balance sheet	59	71	(78)	(129)

iii. Amount recognized in the statement of Profit and Loss under employee benefit expenses

Particulars	Gratuity		Leave encashment	
	For the year ended		For the year ended	
	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Service cost	22	19	64	33
Interest expenses	4	3	(10)	(12)
Net expense recognised	26	22	54	21



iv. Amount for the year ended March 31, 2026 and March 31, 2025 recognized in the statement of other comprehensive income:

Particulars	Gratuity		Leave encashment	
	For the year ended		For the year ended	
	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Actuarial (gain)/losses on obligations for the period	(13)	15	11	20
Actuarial (gain)/losses on plan assets for the period	1	4	0	3
Net expense recognised	(12)	19	11	23

Assumptions	Gratuity		Leave encashment	
	For the year ended		For the year ended	
	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Rate of discounting	7.51%	6.84%	7.51%	6.84%
Rate of salary increase	7.00%	7.00%	7.00%	7.00%

v. Summary of demographic assumptions

Particulars	Gratuity		Leave encashment	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Mortality rate	100.00%	100.00%	100.00%	100.00%
Disability rate	0.00%	0.00%	0.00%	0.00%
Withdrawal rate	1.0% to 3.0%	1.0% to 3.0%	1.0% to 3.0%	1.0% to 3.0%
Normal retirement age	60 Years	60 Years	60 Years	60 Years
Adj. average future service	15.70%	16.36%	-	-
Leave encashment rate	-	-	10.00%	10.00%
Leave availment rate	-	-	2.00%	2.00%

vi. Maturity profile of defined benefit obligations:

Particulars	Gratuity		Leave encashment	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Expected cash flow in year 1	76	68	144	145
Expected cash flow in year 2	82	73	123	121
Expected cash flow in year 3	95	80	128	107
Expected cash flow in year 4	36	92	69	108
Expected cash flow in year 5	157	34	110	59
Expected cash flow in year 6	70	152	61	97
Expected cash flow in year 7	9	68	30	52



Expected cash flow in year 8	86	8	69	25
Expected cash flow in year 9	43	84	31	60
Expected cash flow in year 10	8	42	18	23
Expected cash flow in year 11+	538	495	143	131

vii. Significant estimates: Sensitivity analysis

Discount rate, salary escalation rate and withdrawal rate are significant actuarial assumptions. The change in Present value of defined benefit obligation for a change of 100 basis points from the assumed assumption is given below:

Effect on gratuity valuation

Particulars	Defined benefit obligation (Rs.in.Lakhs)		(% of change)	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Under base scenario	647	673	0.00%	0.00%
Salary escalation - up by 1%	664	691	2.72%	2.67%
Salary escalation - down by 1%	629	654	-2.79%	-2.90%
Withdrawal rates - up by 1%	654	680	1.11%	0.98%
Withdrawal rates - down by 1%	639	666	-1.26%	-1.10%
Discount rates - up by 1%	610	632	-5.67%	-6.05%
Discount rates - down by 1%	689	720	6.46%	6.91%
Mortality rates- up by 10%	647	674	0.06%	0.06%
Mortality rates- down by 10%	646	673	-0.06%	-0.06%

viii. Effect on leave encashment valuation

Particulars	Defined benefit obligation (Rs.in.Lakhs)		(% of change)	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Under base scenario	669	686	0.00%	0.00%
Salary escalation - up by 1%	698	716	4.30%	4.40%
Salary escalation - down by 1%	642	658	-4.00%	-4.10%
Attrition rates - up by 1%	669	686	0.00%	0.00%
Attrition rates - down by 1%	669	687	-0.10%	0.00%
Discount rates - up by 1%	647	662	-3.40%	-3.50%
Discount rates - down by 1%	694	712	3.70%	3.80%
Mortality rates- up by 10%	669	686	0.00%	0.00%
Mortality rates- down by 10%	669	686	0.00%	0.00%



ix. Risk exposure

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as company take on uncertain long-term obligations to make future benefit payments.

x. Liability risks

a. Discount rate risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

b. Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

42. Earnings per share (EPS)

Particulars	As at 31-03-2026	As at 31-03-2025
Profit after tax before exceptional items	74,096	73,075
Add: exceptional items	-	-
Profit after tax after exceptional items	74,096	73,075
Profit available for equity shareholders	74,096	73,075
Weighted number of equity shares outstanding	63,062	63,062
Nominal Value of equity share in Rs.	1,000	1,000
Basic and diluted earnings per share (In Rupees) – before exceptional item	1,17,497.69	115,878.32
Basic and diluted earnings per share (In Rupees) – after exceptional item	1,17,497.69	115,878.32

43. Segment Information

i. Description of segment and principal activities

The chief operational decision maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment, and accordingly, the Company has identified two reportable operating segments viz. mining and sand operations. Operating segments have been identified and reported in a manner consistent with the internal reporting provided to the CODM.



ii. Segment revenue and expense

Revenue and expenses have been identified to a segment on the basis of relationship to operating of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as un allocable.

iii. Segment assets and liabilities

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on a reasonable basis have been disclosed as unallocable.

iv. Secondary segment reporting

The Company does not have geographical distribution of revenue as the operations of the Company are carried out within the country and hence secondary segmental reporting based on geographical locations of its customers is not applicable to the Company.

v. Information about major customers

Revenue from Barytes & Minor Minerals (which exceeds 10% of total segment revenue) amounting to Rs.81,432 Lakhs is derived from three customers (P.Y 49,939 Lakhs from three customers).

Revenue from coal segment (which exceeds 10% of total segment revenue) amounting to Rs.98,486 Lakhs is derived from three customers (P.Y 1,02,393 Lakhs from four customers).

vi. Information about product and services

The company revenue from external customers for each product is same as that disclosed below under "segment revenue".

a. Segment reporting for the financial year 2025-26

Particulars	For the year ended 2025-26				
	Barytes & Minor Minerals	Coal- Projects	Sand operations	Unallocated	Total
Segment revenue					
External revenue *	92,883	2,29,696	-	-	3,22,579
Total segment revenue	92,883	2,29,696	-	-	3,22,579

* Segment Revenue includes other income which is directly attributable to each segment.

Particulars	For the year ended 2025-26				
	Barytes & Minor Minerals	Coal- Projects	Sand operations	Unallocated	Total
Segment Results					
Profit/(Loss)	15,451	82,480	-	-	97,930
Unallocated other income	-	-	-	6,578	6,578



Unallocated expense and finance cost	-	-	-	(1,198)	(1,198)
Profit before exceptional items and tax	15,451	82,480	-	5,380	1,03,310
Exceptional items					
Profit before tax	15,451	82,480	-	5,380	1,03,310
Income tax-current	-	-	-	25,658	25,658
Deferred tax	-	-	-	3,555	3,555
Profit after tax	15,451	82,480	-	(23,834)	74,097

Particulars	For the year ended 2025-26				
	Barytes & Minor Minerals	Coal-Projects	Sand operations	Unallocated	Total
Other Information					
Segment Assets**	8,66,222	1,68,6755	15,247	3,76,724	14,26,868
Segment Liabilities**	9,06,300	29,762	3,623	55,992	9,95,678
Capital work in progress	-	301	-	-	301
Depreciation and amortisation	10,244	10,345	-	270	20,859
Non-Cash expense other than depreciation and amortisation	7,471	180	-	49	7,700

** Segment assets and liabilities are measured in the same way as in the financial Statements. They are allocated based on the operations of the segment.

Note: Segment assets and liabilities are subject to reconciliation

a. Segment reporting for the Financial Year 2024-25

Particulars	For the year ended 2024-25				
	Barytes & Minor Minerals	Coal - Projects	Sand operation	Unallocated	Total
Segment revenue					
External revenue *	96,150	2,03,952	-	-	3,00,103
Total segment revenue	96,150	203,952	-	-	3,00,103

* Segment revenue includes other income which is directly attributable to each segment.



Particulars	For the year ended 2024-25				
	Barytes & Minor Minerals	Coal-Projects	Sand operations	Unallocated	Total
Segment Results					
Profit/(Loss)	34,532	58,178	-	-	92,711
Unallocated other income	-	-	-	6,890	6,890
Unallocated expense and finance cost	-	-	-	(1,602)	(1,602)
Profit before exceptional items and tax	34,532	58,178	-	5,288	97,999
Exceptional items					
Profit before tax	34,532	58,178	-	5,288	97,999
Income tax-current	-	-	-	(23,784)	(23,784)
Deferred tax	-	-	-	(1,140)	(1,140)
Profit after tax	34,532	58,178	-	(19,636)	73,075

Particulars	For the year ended 2024-25				
	Barytes & Minor Minerals	Coal-Projects	Sand operations	Unallocated	Total
Other Information					
Segment Assets**	91,904	2,22,517	15,266	2,34,394	5,64,081
Segment Liabilities**	38,964	127,980	3,656	36,518	207,118
Capital work in progress	-	519	-	-	519
Depreciation and amortisation	10,510	9,633	-	307	20,450
Non-Cash expense other than depreciation and amortisation	-	-	-	277	277

** Segment assets and liabilities are measured in the same way as in the financial Statements. They are allocated based on the operations of the segment.

Note: Segment assets and liabilities are subject to reconciliation.



44. Related party transactions

A. List of related parties

(% of holding)

Name of the related party	As at 31-03-2026	As at 31-03-2025
Subsidiaries		
Ongole iron ore mining company private limited	51.00%	51.00%
Andhra phosphate private limited	50.00%	50.00%
APMDC - SCCL Suliari coal company limited	51.00%	51.00%
Nuagon coal company limited	50.00%	50.00%
Joint ventures		
Andhra baryte corporation private limited	11.00%	11.00%
Andhra Pradesh iron ore company limited	11.00%	11.00%
Gimpex AP barytes beneficiation private limited	11.00%	11.00%
Trimex baryte private limited	11.00%	11.00%
Andhra Pradesh granite (Midwest) private limited	11.00%	11.00%
Pallavaredgranite private limited	11.00%	11.00%
V.V minerals private limited	12.36%	12.36%
Alliance Andhra Pradesh black granites private limited	11.00%	11.00%
Associates:		
Aswani mineral development private limited	26.00%	26.00%
Arham minerals exports private limited	26.00%	26.00%
Isra minerals exports private limited	26.00%	26.00%
Margasree granites private limited	26.00%	26.00%
Ongole minerals exports private limited	26.00%	26.00%
RLP granites private limited	26.00%	26.00%
SRAP minerals private limited	26.00%	26.00%
AP coastal sand & metals private limited	26.00%	26.00%
Andhra Pradesh tribal mining private limited	26.00%	26.00%
Samyuktha Granite private limited	26.00%	26.00%
Naandhi Granites India Private limited	26.00%	26.00%
Shambhavi Stones AP Private Limited	26.00%	26.00%
AP midwest galaxy Private limited	26.00%	-

Key Management Personal:

Name of the related party	Relation
Sri Pravin Kumar, IAS (24-06-2024 onwards)	Managing Director
V.V.V.Phani Kumar (21-12-2021 onwards)	Chief Financial Officer
S. Siva Rama Krishna (26-04-2025 onwards)	Compliance Officer



Others

Name of the related party	Relation
AP state Fibernet limited – APSFL Machilipatnam urban development authority Rayalaseema steel corporation Limited AP high grade steel limited Andhra Pradesh State Financial Service Corporation Limited– APSFSCCL The Commissioner SS&LR Department	Fellow Government company / Authority

B. Related party transactions**i. Amounts of revenue from the related parties**

Name of the related party	Amount
Andhra Pradesh granite (Midwest) private limited	3,688
Naandhi Granites India Private limited	232
Shambhavi Stones Ap Private Limited	73

ii. Amount due (to)/from related parties

Name of the related party	As at 31-03-2026	As at 31-03-2025
Andhra Pradesh granite (Midwest) private limited	703	832
Naandhi Granites India Private limited	28	336
SRAP minerals private limited	45	45
Machilipatnam urban development authority	197	197
The Commissioner SS&LR Department	53,441	53,441
Samyuktha Granite private limited	9	9
Shambhavi Stones Ap Private Limited	43	-

iii. Provisions for doubtful debts due to related parties at the balance sheet date and accounts written off or written back of debts due from related Parties:

Name of the related party	As at 31-03-2026	As at 31-03-2025
SRAP minerals private limited	45	45
Machilipatnam urban development authority	197	197

iv. Balance during the year with related parties

Investment in subsidiaries	As at 31-03-2026	As at 31-03-2025
Ongole iron ore mining company private limited	5	5
Andhra phosphate private limited	11	11
APMDC- SCCL Suliari coal company limited	1	1



Nuagon coal company limited	60	60
Total	77	77
Investment derated/provision	77	77
Investment in joint ventures	As at 31-03-2026	As at 31-03-2025
Andhra baryte corporation private limited	85	85
Andhra Pradesh iron ore company limited	1	1
Gimpex AP barytes beneficiation private limited	0	0
Trimex barite private limited	45	45
Andhra Pradesh granite (Midwest) private limited	110	110
Pallavared granite private limited	110	110
V.V minerals private limited	1	1
Alliance Andhra Pradesh black granites private limited	110	110
Total	462	462
Investment derated/provision	352	352
Investment in associates	As at 31-03-2026	As at 31-03-2025
Aswani mineral development private limited	7	7
Arham minerals exports private limited	13	13
Isra minerals exports private limited	13	13
Margasree granites private limited	13	13
Ongole minerals exports private limited	33	33
RLP granites private limited	33	33
SRAP minerals private limited	33	33
AP coastal sand & metals private limited	1	1
Andhra Pradesh tribal mining private limited	3	3
Samyuktha Granite private limited	130	130
Naandhi Granites India Private limited	130	130
Shambhavi Stones AP Private Limited	130	130
AP midwest galaxy Private limited	130	-
Total	669	539
Investment derated/provision	149	149



v. Remuneration & Others to key management personal

Name of the key management personal	As at 31-03-2026	As at 31-03-2025
Sri VG.Venkata Reddy	-	-
Medical Expenses to VC & MD	-	2
Sri Pravin Kumar, IAS (24-06-2024 onwards)	-	-
V.V.V.Phani Kumar (21-12-2021 onwards)	27	25
S. Siva Rama Krish (26-04-2025 onwards)	10	-

vi. Loan/Deposit to related parties

Name of the related party	As at 31-03-2026	As at 31-03-2025
AP state Fibernet limited	10,000	10,000
Machilipatnam urban development authority	20,000	20,000
AP State Financial Services Corporation Limited	55,500	55,500

vii. Advance to related parties

Name of the related party	As at 31-03-2026	As at 31-03-2025
Rayalaseema steel corporation limited *	327	327
AP High Grade Steel Limited*	1,200	1,200
The Commissioner SS&LR Department	10,833	10,833

*Provision for the doubtful advance is created on the above advances given to the related parties.

45. Note on sand operations

- a. The Government of Andhra Pradesh had appointed the corporation as an agent vide G.O.Ms.No.70 dated 04.09.2019 and directed the company to carry out the following initial activities.
 - i. Put in place an online system for registration of end consumers and transporters, receipt of orders directly from the end consumers, collection of payments and remittance to the treasury account of the State Government online and maintenance of stockyards, disposal of sand from the stockyards and real time tracking of Sand carrying vehicles.
 - ii. Allot the work of sand extraction, loading and transportation of sand to stockyard, ramp maintenance, loading of sand into dispatch vehicles at the stockyard through a competitive reverse tendering process.
 - iii. Install weighbridges at the stockyards and CCTV cameras at Sand reaches and Stockyards to monitor sand operations and vehicular movement.
- b. Accordingly, under the overall authorization provided under the above GO, company had executed the sand policy and had allotted various work orders for excavation, loading, and ramp maintenance at various locations across the state and performed



the necessary activities. Additionally, the company has appointed several transporters for internal transport and sand door delivery across the state for the period from 05-09-2019 to 14-05-2021.

- c. Further government vide its G.O.MS.No.78 dated 12-11-2020 upgrading the sand policy and issuance of standard operating procedures for transition of sand operations from the corporation to the new agency appointed by the Government, the corporation has completed the following activities.
- Finalised the cut-off date for transition of sand operations to new agency
 - Cancelled all pending orders and refunded the amount of cancelled bookings.
 - Handed over sand reaches
 - Transferred balance sand stocks in depots
 - Sold its assets / infrastructure created for the sand operations

Additionally, to arrive at the physical sand quantities available at the stock yards at reaches/pattalands/de-siltation points and sand depots joint inspections were conducted at all stock yards at reaches/pattalands/de-siltation points and sand depots by representatives of corporation and along with the representatives of new agency. After completion of joint inspections, 14.33 lakhs MT's of sand was available at various stock yards at reaches / pattalands/de-siltation points and sand depots as on the cut-off date and same has been handed over to new agency during the previous year. Further, as per Government orders various assets were also transferred to the new agency as per the prescribed procedures laid down in the Government Order.

46. Deferred tax asset /(liability)

Particulars	As at 31-03-2026	As at 31-03-2025
Tax effect of items constituting deferred tax assets		
Property, plant and equipment	395	313
Provision for decommissioning asset	868	873
Provision for lease liability	8	1
Other provisions for bad & doubtful debts, investments & advances	5,041	3,529
Total deferred tax asset	6,312	4,715
Tax effect of items constituting deferred tax liabilities		
Property, plant and equipment	-	-
Investments	72	71
Mining Infrastructure Assets	14,139	12,244
Bonds	3,789	-
Mining Infrastructure Assets - R&R -M'pet	3,004	5,560
Intangible assets under development	2,024	-
Total deferred tax liability	23,027	17,875
Deferred tax asset /(liability) – net	16,716	13,160



47.CSR Expenditure

- a. Gross amount required to be spent by the company during the year is Rs.2,154 Lakhs (Previous Year Rs.1,779 Lakhs).
- b. Amount spent during the year

Particulars	Year ended 31-03-2026	Year ended 31-03-2025
Construction/ acquisition of any assets	-	-
Purpose other than above	1,198	1,102

- c. Provision for unspent CSR : Nil
- d. Total of previous year shortfall : Nil
- e. Reason for shortfall : Not applicable
- f. Nature of CSR activities: The corporation undertakes impactful social projects which are in alignment with the areas specified under Schedule VII of the companies Act 2013 of the company takes up CSR projects largely in the projects related to Education, Health & Hygiene, Nutrition, Drinking water, Rural development, Skill Development and Income Generation, Promotion of Sports, Protection of Cultural and Heritage, Flood Relief and Natural Calamities, Environment & Others.
- g. Details of related party transaction: Contribution to a trust controlled by the company in relation to CSR expenditure amounting to Rs. 1,198 lakhs (PY Rs. 1,102 lakhs)
- h. Where a provision is made with respect to a liability incurred by entering a contractual obligation, the movement in the provision during the year should be shown separately: Nil.
- i. As per the provisions of Section 135 of the Companies Act, 2013 (as amended by the Companies (Amendment) Acts, 2019 and 2020) read with Rule 7(3) of the Companies (CSR Policy) Rules, 2014 (as amended in 2021), the Corporation was required to spend Rs.2,154 lakhs towards Corporate Social Responsibility (CSR) activities during the current financial year. Against the said requirement, the Corporation has incurred CSR expenditure of Rs.1,198 lakhs during the year, resulting in a shortfall of Rs.957 lakhs.

The aforesaid shortfall has been adjusted against the excess CSR expenditure available for set-off from the financial years 2022-23 and 2023-24, in accordance with the applicable provisions of the Companies Act, 2013 and the CSR Rules framed thereunder.



48. Treatment of demerger plan in the Books of accounts

- a. The AP Re-organization Act 2014 has bifurcated the combined Andhra Pradesh state into Andhra Pradesh & Telangana.
- b. Section 53 of the AP Re-organization Act 2014 provides the basis and procedure for distribution of Assets & Liabilities between both the states in respect of head office and location basis for other projects.
- c. In line with the provisions of the Act, the demerger plan for bifurcation of assets & liabilities of APMDC as on 01.06.2014 between APMDC and TSMDC was prepared.
- d. The then Principal Secretary (Ind & Comm.), and Chairman, APMDC (Combined State) addressed letters on 24.10.2014 to all the bank instructing them to freeze the accounts of APMDC as on 01.06.2014 and directed them not to permit any transactions.
- e. The demerger plan was discussed by the boards of APMDC and TSMDC. After detailed deliberations, consensus was arrived between APMDC and TSMDC and the formula for bifurcation was approved.
- f. The demerger plan was subsequently presented before the expert appraisal committee (EAC) constituted for this purpose. The EAC also approved the demerger plan and sent its recommendations to the respective Governments.
- g. As per the demerger plan, the assets & liabilities of APMDC (head office) are to be split between APMDC and TSMDC in the following ratio.
 - APMDC –58.32%
 - TSMDC –41.68%
- h. APMDC has sent demerger plan to the Andhra Pradesh state government and the same has been approved by GOAP vide G.O.Ms.No 19 dated 29.01.2019.
- i. The approval of the Telangana State Government is still pending. VC&MD, APMDC has addressed TSMDC vide Lr. No. APMDC/F&A/Demerger/2019-20/1959 dated 06.11.2019 to take up the issue with the Telangana State Government and complete the pending formalities.

Distribution of the assets & liabilities of common pool as on 01.06.2014 are given below:

Equity & liabilities	Common pool	AP	TS
Ratio		58.32%	41.68%
Shareholder's Funds			
Share capital	631	368	263
Reserve & surplus	104,281	60,817	43,464
Deferred Govt. grants	-	-	-



Board decision matter has been communicated to the secretary to Government (Mines), Industries & Commerce department and also on 08-02-2017 duly requesting to take further action on the matter.

In responses to the above correspondence, a letter reference Lr.No.Fin-21022/6/2017 -AS, II – Finance dated 28-03-2017 has been received and directed to remit the amount of Rs.100.00 crores transferable to the consolidated fund of the state and they have also confirmed that, this amount would be refunded in the next financial year and same has been refunded on 29-06-2017.

Further, a letter reference APSFL/APMDC Loan/226/2017 dated 04-07-2017 received from the CFO, APSFL requesting to sanction Rs.100.00 crores loan and also shared draft loan agreement to be entered. Accordingly, loan agreement between the corporation and APSFL has been executed and corporation has remitted the funds as per terms of the loan agreement entered.

Wherein the company has sanctioned an interest free loan to M/s Andhra Pradesh State Fibernet limited amounting to Rs.100.00 crores and disbursed an amount of Rs.60.00 crore during the financial year 2017-18 and the balance amount of Rs.40.00 crores has been released in the financial year 2018-19, However the difference between fair value of the instrument and transaction price on initial recognition of the instrument has not been recognised in the books as the loan agreement was silent on purpose of issuance of interest free loan.

Further, the disbursement schedule and repayment schedule has specified in the loan agreement dated 22nd July, 2017 has not been followed and no revised loan agreement was agreed upon with the party.

Out of the sanctioned amount of Rs.100.00 crores, an amount of Rs.60.00 crores have been released during the financial year 2017-18 and the balance amount of Rs.40.00 crores has been released in the financial year 2018-19 to be repayable in the period of 5 years as under:

(Rs.in Crores)		
S.no	Year	Proposed repayment
1	2017-2018	Nil
2	2018-2019	20.00
3	2019-2020	25.00
4	2020-2021	25.00
5	2021-2022	30.00
Total		100.00

APSFL has not repaid the due instalments as per terms of the agreement. However, continuous follow ups are being made for repayment and confirmation of balance has been obtained and management is confident of recovery of this advance and considered this advance as good.



Current/ non-current liabilities			
Deferred tax liability	24	14	9
Trade payables	23,380	13,635	9,745
Other current liabilities	6,668	3,889	2,779
Provisions	1,072	625	447
Total	136,056	79,348	56,708

Assets	Common Pool	AP	TS
Non-Current Assets			
Property, Plant and Equipment	344	201	143
Non-Current Investment	499	291	208
Loans & Advances	36,600	21,345	15,255
Current Assets			
Inventories	14	8	6
Trade receivables	166	97	69
Cash & bank balances	4	2	2
Fixed deposits – BG	13,728	8,006	5,722
Other fixed deposits	81,621	47,602	34,020
Other current assets	4,255	2,481	1,773
Total	137,231	80,033	57,198

Interim division of funds in current accounts, fixed deposits, sweep accounts

During the financial year 2023-24 a Memorandum of Understanding (MOU) has been signed by both the corporations i.e. APMDCL and TSMDCL on 29th January, 2024 and as per terms of the MOU, both APMDCL and TSMDCL have decided to de freeze current accounts, fixed deposits and sweep accounts and distribute funds in the population ratio.

Accordingly, they have arrived balances in current accounts, fixed deposits and sweep accounts totalling to Rs.1,393.43 crores and same has been distributed in the population ratio i.e. APMDCL @58.32% and TSMDCL @ 41.68%. As per MOU Rs.842.65 crores and Rs.550.78 crores was distributed to APMDCL and TSMDCL respectively, vide Memo No.4354/M.I(1)/2018 dated 30-01-2024 issued by the Industries and commerce (Mines.I) Department, Government of Telangana.

49. Loan to Andhra Pradesh State Fiber Net limited (APSFL).

Corporation has received a Government order (GO) from Energy. Infrastructure & Investment (Airports) Department vide G.O.RT.No.161 dated 22-11-2016 to give an interest free loan of Rs.100.00 crores to AP State Fibernet Limited (APSFL) which is repayable within 5 years towards the margin money for the proposed procurement of 10 Lakh sets of CPE boxes.

The board discussed the proposal in detail and accorded its approval to grant a inter corporate loan of Rs.100.00 crores to APSFL at an interest rate of 7.00% p.a. In compliance with the



50. Loan to Machilipatnam Urban Development Authority (MUDA)

Company has received a Government order (GO) MS.No.127 dated 31-10-2018 to give loan of Rs.200.00 crores to Machilipatnam Urban Development Authority at an interest of 7.00% per annum and same shall be repaid within 45 days. Accordingly, Board of Directors in its 396th meeting held on 01-11-2018 approved the loan amount with interest of 8% and necessary loan agreement has been executed.

The company disbursed the loan amount of Rs.200.00 crores on 1st November 2018. As per terms of the Loan agreement in case of failure to repay by MUDA along with interest on due dates, penal interest at a rate charged by national banks will be paid. The stipulated time of 45 days was completed on 15th December, 2018, but the repayment has not been made by the MUDA. However, continuous follow ups are being made for repayment. Confirmation of balance has been obtained and management is confident of recovery of this advance and considered this advance as good.

The Government of Andhra Pradesh, through G.O. Ms. No.32 dated 14.03.2024, has communicated waiver of a loan amounting to Rs.9.91 crore out of the disbursed amount of Rs.200.00 crores. The said waiver is, however, subject to the approval of the Board of Directors. As the approval of the Board has not yet been obtained, the waiver has not been recognized in the books of account. Consequently, the outstanding loan liability of Rs.200.00 crores continues to be reflected under borrowings in the financial statements as at the reporting date.

51. Advance to Rayalaseema Steel Corporation limited

Company has paid an amount of Rs.3.27 crores to Rayalaseema Steel Corporation limited (RSCL) to meet the essential expenses relating to day-to-day operations of the company on reimbursement basis pursuant to G.O.MS No.131, 132 and 133 with the approval of the board of directors of the company. However, RSCL intimated that, Government of Andhra Pradesh has not infused any equity into the company and the company met the running expenses from the proceeds of loan sanctioned by the APMDC.

It is further informed that company doesn't have any assets or shareholder funds to repay the loan to APMDC and all transactions of the company were closed. In view of the uncertainty in realising the advanced amount, an amount of Rs.3.27 crores has been provided towards provision for doubtful advance in the financial year 2019-20.

52. Advance to AP High Grade Steel Limited

As per the endorsement of special chief secretary, Industries & Commerce department, Company has paid Rs.3.00 crores (Rs.2.00 crores to AP High Grade Steels Limited and Rs.1.00 crore to district collector, YSR Kadapa district) towards expenses incurred for laying of foundation and inaugural function for the integrated steel plant till 31st March, 2020 and same has been ratified by the board of directors in their 404th meeting held on 17-07-2020.



Further, loan agreement has been executed between the company and AP High Grade Steels Limited as on 15th September, 2020. During the year 2020-21 an additional amount of Rs.9.00 crores has been paid totalling to Rs.12.00 crores till 31-03-2021. However, management has uncertainty in realising the amount advanced to AP High Grade Steel Limited and district collector, YSR Kadapa district, hence, an amount totalling to Rs.12.00 crores have been provided towards provision for doubtful advance till 31-03-2021.

53. Non valuation of inventory

a. C+D+W Grade of barytes

Based on the past experience, sales statistics and considering slow moving nature of C+D+W Grade of Barytes, closing stock is recognised for a quantity of 5 lakhs MTs from financial year 2013-14 onwards.

Subsequently, considering increased demand in domestic and international markets, the recognized closing stock quantity was revised to 8 lakh MTs from FY 2018-19 onwards. Further, based on growth in demand and confirmed customer orders on hand, the recognized closing stock quantity was increased to 12 lakh MTs during FY 2022-23 and to 15 lakh MTs during FY 2023-24.

Further, based on the current orders in hand, a closing stock of 17.56 lakh MTs has been considered for the stock produced during the current financial year. The remaining quantity of 62.33 lakh MTs has not been assigned any value, as it has not been valued since inception. Although the present market demand exceeds the current year's production, the valuation has been restricted in line with past practices. Specifically, valuation has been applied only to Opening stock considered for valuation and current year production with dispatches deducted from the production to arrive at the closing stock considered for valuation for the current year.

b. Inventory of Ball clay at Dwaraka Tirumala

The company has awarded a contract for mining of ball clay at Dwaraka Tirumala on Raising-cum-sale basis to M/s. CNR Tiles & Sanitary (RCS contractor) on February 02, 2017 for a period of 5 years with a consideration of Rs.72 per MT of quantity sold by the contractor with a minimum consideration of 24,000 MT's every year.

As per the terms and conditions of the agreement with RCS contractor, the contractor shall lift the stock available within three months from the expiration of the contract, failing which, stock available shall be the sole property of the company. During the financial year 2019-20, the company terminated the contract with the RCS contractor for violation of the mining rules, and the company has entered fresh agreement with M/s. Raghuram Hume Pipes Private Limited vide agreement dated 4th May, 2020 and The Closing stock as on 31.03.2026 is 1.55 lakh MT's which the company has not valued.



c. Inventory of survey stones

Production of survey stones at Ballikurava unit has been stopped during the year and O&M contract has not been renewed due to uncertainty on continuity of operations. Closing stock of survey stones of 9,458 are available as on 31.03.2026. However, in view of uncertainty in continuing future operations, management has decided to impair the plant and machinery. Further, there is no realisable value to the stock. Hence, no value has been considered for the closing stock of 9,458 stones as on 31-03-2026.

54. Leasehold Lands

The company has been allotted following lands on lease hold basis and has rights of conducting mining operations as per the respective lease rights granted by the government authorities. Fair value of these mining rights has not been incorporated in the value of plant, property and equipment.

S.no	Project	Area in Hectors
1	Mangampet	443.67
2	Chimakurthy	33.60
3	Dwaraka Tirumala	13.29
4	Visakapatnam	46.31
5	Srikakulam	8.04
6	Suliyari	1,298.00
7	Brahmadiha	105.15
Total		1,948.06

55. Deposit with Andhra Pradesh State Financial Services Corporation Limited (APSFSC)

The Company had received communications from Andhra Pradesh State Financial Services Corporation Limited (APSFSC) requesting placement of excess and/or unutilised funds in the form of Inter-Corporate Deposits (ICDs), carrying interest at a minimum rate of 5% per annum payable monthly and withdrawable upon giving 21 days' prior notice to the Vice Chairman and Managing Director of APSFSC. Accordingly, the Company had placed deposits aggregating to Rs. 555.00 crores with APSFSC up to 31.03.2023, for which deposit certificates were obtained.

The Company has been regularly receiving interest on the aforesaid deposits up to 31.03.2026 and no withdrawals were made during the current year. Balance confirmations in respect of the deposits have also been obtained from APSFSC.

Based on the nature of the instrument and considering that APSFSC is a Non-Banking Financial Company (NBFC) and the receipts issued are in the nature of Inter-Corporate Deposits, the balances, which were previously classified under "Other Bank Balances", have been reclassified during the current year under "Other Financial Assets – Deposits" in the financial statements.



56. Note on Survey Stones

Pursuant to Government Memo No. INC01-MG/10/2022-M-III dated 02.09.2022 and G.O.Ms.No.33 dated 30.05.2023 issued by the Government of Andhra Pradesh, the Corporation was entrusted with the responsibility of procurement, supply and transportation of survey stones for implementation of the prestigious programme "YSR Jagananna Shaswata Bhu Hakku Mariyu Bhu Raksha Pathakam" for the SS&LR Department.

During the previous years, the Corporation had undertaken procurement, supply and transportation activities in accordance with the Government orders and had recognized revenue including the prescribed service charge. No operational activity relating to the project was carried out during the current year.

As at the reporting date, an amount of Rs. 108.33 crores advanced to the SS&LR Department towards operational expenses for plantation of stones and an amount of Rs. 426.08 crores receivable from the SS&LR Department towards supply and transportation of survey stones continue to remain outstanding. Management is confident of recovery of the aforesaid amounts in due course.

57. Leases (Ind AS 116)

The following is the carrying amounts of Company's right of use assets and the movement in lease liabilities during the year ended March 31, 2026:

- (i) Refer No.3.1 for carrying amounts of Company's right of use assets and the movement during the year ended March 31, 2026.
- (ii) Movement in Lease liability with Current/Non-Current break-up:

Particulars	As at 31-03-2026	As at 31-03-2025
Balance at the beginning of the year	508	134
Additions during the year	-	514
Deletions during the year	-	(8)
Finance cost accrued during the period	44	10
Payment of lease liabilities	118	142
Balance at the closing of the year	434	508

Amounts recognised in profit or loss

Particulars	As at 31-03-2026	As at 31-03-2025
Interest expenses	44	10
Depreciation charge for right-of-use assets	103	133



Contractual maturity analysis of undiscounted lease liabilities is given below:

Maturity Analysis of lease liabilities (undiscounted):

Particulars	As at 31-03-2026	As at 31-03-2025
Less than one year	124	118

58. Note on provision for decommissioning

Name of the project	As at 31-03-2025	Provision made during the year	Provision reversed during the year	As at 31-03-2026
Mangampet-Barytes	734	78	20	792
Ballclay	34	3	4	33
Mangampet - Dolomite	637	74	17	694
Suliyari – Coal	2,064	180	312	1,931
Total	3,469	320	353	3,450

During the year 2025–26, the Company reassessed the Mine Closure Plan provision in respect of its coal mines based on the latest available estimates. Consequent to this reassessment, there has been an overall decrease in the Mine Closure Provision by Rs. 312 lakhs.

In accordance with Ind AS 16 Property, Plant and Equipment and Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, the impact of this change in estimate has been adjusted against the corresponding decommissioning (mine closure) asset in the books of account.

59. Analytical Ratios

The following are analytical ratios for the year ended 31st March, 2026.

S.no	Particulars	Numerators	Denominators	31-03-26	31-03-25	Variance (In %)
1	Current Ratio (*1)	Current Assets	Current Liabilities	5.26	2.14	145.67%
2	Debt -Equity Ratio (*2)	Total Debt	Shareholders' funds	1.97	0.16	1156.26%
3	Debt service coverage ratio (*3)	Earnings available for debt service	Debt services	1.57	9.25	(83.03%)
4	Return on equity	Profit after tax	Average shareholders fund	18.80%	20.47%	(7.42%)
5	Inventory turnover ratio	Cost of goods sold or sales	Average Inventory	7.51	9.97	(24.67%)



6	Trade receivables turnover ratio	Net credit sales	Average accounts receivables	4.82	4.02	19.90%
7	Net Capital Turnover Ratio(*4)	Net Sales	Working capital	0.39	1.90	(79.51%)
8	Net profit ratio	Net profit	Net sales	22.97%	24.35%	(5.67%)
9	Return on capital employed (*5)	Earnings before interest and taxes	Capital employed	9.13%	24.51%	(62.74%)
10	Interest service Coverage Ratio (*6)	EBIT and exceptional Items	Interest Expenses	1.72	16.34	(85.47%)
11	Long term debt to working capital ratio (*7)	Non-current borrowings	Working capital	1.02	0.33	209.02%
12	Current liability ratio (*7)	Total Current Liabilities	Total Liabilities	0.20	0.67	(70.76%)
13	Total Debts to Total Assets (*8)	Total Debt	Total Assets	0.70	0.37	90.05%
14	Operating Margin Ratio	EBIT Less other income	Revenue	32.36%	32.25%	0.35%

(*1,2,3,4,5,6,7,8) Due to raising of debentures and servicing/payment of interest thereon during the current year and amount receivable from DM&G as mentioned at note no 62.

60. Issuance of Non-convertible debentures

During the year, the Company, for the first time, raised funds through private placement from certain identified investor(s) by issuing senior, secured, rated, listed, redeemable, taxable, non-convertible bonds in the nature of debentures under the scheme titled "APMDC Bonds 2025-26". The issue comprised nine sub-series ("A" to "I") with sequential tenures ranging from 2 (two) years to 10 (ten) years and carrying a face value of INR 1,00,000 (Indian Rupees One Lakh only) each. Under Series-I, the Company raised an aggregate amount of Rs. 3,474 Crores at an interest rate of 9.30% per annum.

The bonds issued during the year are senior, secured, rated, listed, redeemable, taxable, and non-convertible in nature, and are backed by an unconditional and irrevocable guarantee of the Government of Andhra Pradesh as a continuing obligation. The bonds are further secured by a charge over specified assets of the Company, in accordance with the terms and conditions stipulated in the respective financing agreements and the Trust Deed.



The details of Bonds outstanding as at the reporting date are as follows:

ISIN Details	Issue Date	Maturity date	Issued Amount (Rs. in lakhs)	Outstanding as on 31 st march 2026 (Rs. In lakhs)
INE0TLC07085	09-05-2025	07-05-2027	38,597	38,597
INE0TLC07093	09-05-2025	09-05-2028	38,597	38,597
INE0TLC07069	09-05-2025	08-05-2029	38,597	38,597
INE0TLC07077	09-05-2025	07-05-2030	38,597	38,597
INE0TLC07051	09-05-2025	09-05-2031	38,597	38,597
INE0TLC07101	09-05-2025	07-05-2032	38,597	38,597
INE0TLC07028	09-05-2025	09-05-2033	38,597	38,597
INE0TLC07044	09-05-2025	09-05-2034	38,597	38,597
INE0TLC07036	09-05-2025	08-05-2035	38,597	38,597

Further, the Company has also raised funds through the issuance of Series-II Bonds aggregating to Rs. 5,526 Crores, carrying an interest rate of 9.30% per annum. The said bonds are senior, secured, rated, listed, redeemable, taxable, and non-convertible in nature, and are backed by an unconditional and irrevocable guarantee of the Government of Andhra Pradesh as a continuing obligation. The bonds are further secured by a charge over specified assets of the Company, in accordance with the terms and conditions set out in the respective financing agreements and the Trust Deed executed in connection therewith.

The details of Bonds outstanding as at the reporting date are as follows:

ISIN Details	Issue Date	Maturity date	Issued Amount (Rs. in lakhs)	Outstanding as on 31 st march 2026
INE0TLC07085	27-06-2025	07-05-2027	61,402	61,402
INE0TLC07093	27-06-2025	09-05-2028	61,402	61,402
INE0TLC07069	27-06-2025	08-05-2029	61,402	61,402
INE0TLC07077	27-06-2025	07-05-2030	61,402	61,402
INE0TLC07051	27-06-2025	09-05-2031	61,402	61,402
INE0TLC07101	27-06-2025	07-05-2032	61,402	61,402
INE0TLC07028	27-06-2025	09-05-2033	61,402	61,402
INE0TLC07044	27-06-2025	09-05-2034	61,402	61,402
INE0TLC07036	27-06-2025	08-05-2035	61,402	61,402

The above ISINs (Series 1 & Series 2) are repayable in quarterly instalments of Rs. 250 Crores each started from 07-08-2026 in accordance with the repayment schedule specified in the respective Information Memorandum and Trust Deed executed by the Company.



Security charge created on company

The Company has created a charge/security interest over its movable properties, including book debts and all other movable assets. The charge extends to all rights, title, interest, benefits, claims and demands in the Company's current assets, including cash in hand, investments, other current assets, book debts and stock-in-trade. The security further covers all rights, title, interest, benefits, claims and demands in respect of the Bond Servicing Account, the Contingency Reserve Account, the Debt Service Reserve Account, the Demat Account and the Revenue Collection Account. In addition, the charge includes all rights, title, interest, benefits, claims, demands and entitlements, together with all cash flows pertaining to the Identified Mines, including quarry lease rights, mining rights relating to the Identified Mines, and all rights under the Identified Mine Documents and the Identified Mine Contracts.

61. Mine Closure Costs – Sub-leased Mines

The Corporation holds certain mines that have been sub-leased to third parties. In accordance with the terms of the respective sub-lease agreements, the obligation for mine closure and restoration costs vests with the sub-lessees. Consequently, no provision for mine closure costs has been recognized in the financial statements, as there is no contingent or actual liability on the part of the Corporation as at the reporting date.

62. Adjusting Events after reporting period.

During the year ended 31 March 2026, the Company paid an upfront premium of Rs. 6,884 crore in respect of mining rights allotted by the Government as per G.O.Ms.No.69, Industries & Commerce (M.III) Department, dated 24.04.2025. Prior to 31 March 2026, the Company had represented to the Government seeking refund of the upfront premium, considering the significant tax and financial burden associated with the upfront payment, and requested that the premium be made payable as and when the mineral reserves are extracted. Subsequent to the reporting date, the Government, vide Memo dated 10 September 2026, directed the Department of Mines and Geology to refund the upfront premium paid and provided for the premium to be payable as and when the mineral reserves are extracted. Based on the Company's assessment of the circumstances and communications existing as at 31 March 2026, the subsequent Government Memo has been considered to provide further evidence regarding conditions existing at the reporting date and has accordingly been treated as an adjusting event in accordance with Ind AS 10. Consequently, the amount recognised as an Other Financial Asset representing the refund receivable from the Government. The accounting treatment involves management judgement in determining whether the subsequent Government action provides evidence of conditions existing at the reporting date.

The Security Cover Ratio disclosed along with the limited-reviewed financial results for the financial year ended 31 March 2026 was calculated based on the financial information available as on the said date.



Subsequently, pursuant to the subsequent event referred to above, the financial statements were finalised after incorporating the necessary adjustments. Accordingly, based on the revised financial figures, the Security Cover Ratio has been revised from 1.52 times to 2.27 times.

63. Disclosure of ageing of Trade Receivables and Payables

Pursuant to the amendments to Schedule III of the Companies Act, 2013, notified vide G.S.R. 207(E) dated 24th March, 2021, the Company is required to disclose ageing of trade receivables and trade payables, separately identifying dues to Micro, Small, and Medium Enterprises (MSMEs) and others.

The Corporation's ERP system is currently not fully configured to capture the detailed information required for such disclosures. Consequently, the ageing of trade receivables and trade payables, including amounts due to MSMEs, has not been provided in these financial statements. The Corporation is in the process of upgrading its ERP system and implementing necessary measures to enable preparation and disclosure of the required ageing information in future financial statements.

64. Note on Andhra Pradesh Sand Corporation Limited (APSCL)

The Government of Andhra Pradesh, vide G.O.dated 17.08.2020, incorporated Andhra Pradesh Sand Corporation Limited (APSCL) (CIN: U14100AP2020SGC115366) to undertake sand operations in the State with a paid-up capital of Rs. 2.00 crores. The Corporation has neither contributed to the capital nor advanced any funds to APSCL in any form. As there have been no transactions between the Corporation and APSCL, no investment has been recorded in the books of account as at the reporting date. At present, the Corporation has no obligations, commitments, or contingent liabilities in relation to APSCL.

65. Additional information

a. Particulars of consumption of stores & spares

(Rs.in. Lakhs)

Particulars	Figures as at the end of March 31, 2026		Figures as at the end of March 31, 2025	
	Value	Percentage	Value	Percentage
Imported	-	-	-	-
Indigenous	332	100.00	166	100.00
Total	332	100.00	166	100.00

b. Value of imports calculated on CIF basis and expenditure in foreign currency

(Rs.in. Lakhs)

Particulars	31-03-2026	31-03-2025
Components & spares	-	-
Capital goods	-	-
Expenditure in foreign currency	-	-
Total	-	-



66. Additional Regulatory Disclosures.

- a. There are no proceedings have been initiated or are pending against the corporation under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) or the rules framed thereunder. The Corporation does not hold any benami property and accordingly, no related disclosures or provisions are required in the financial statements.
- b. There are no charges created or satisfied which are pending registration with the Registrar of Companies (ROC) beyond the statutory period. All charges and satisfactions, as applicable, have been duly registered and updated with the ROC in accordance with the provisions of the Companies Act, 2013.
- c. The Corporation has not been declared a willful defaulter by any bank or financial institution. Corporation has complied with all terms of its borrowings and there are no defaults or related disclosures required in the financial statements.
- d. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :
 - i. 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
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- e. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
 - i. 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
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- f. During the current and previous financial years, no income has been surrendered or disclosed in any tax assessments under the Income Tax Act, 1961 that has not been recorded in the books of accounts. The Corporation maintains its accounting records in accordance with applicable accounting standards and statutory requirements. All amounts reported as income in the tax assessments have been duly recognized in the financial statements and there are no unrecorded or undisclosed income items that would require adjustments or disclosure in these financial statements.
- g. The Corporation has not availed any borrowings, loans, or credit facilities from banks or financial institutions against the security of its current assets. Accordingly, there are





no obligations or transactions that require the submission of stock statements or any other reporting in relation to secured borrowings.

- h. The Corporation maintains its books of account using a dedicated accounting software, which includes an in-built audit trail (edit log) functionality. This feature captures all modifications, additions and deletions made to the financial transactions recorded in the system, thereby ensuring traceability and accountability of all accounting entries. The audit trail facility has been operational throughout the financial year and has been applied to all relevant transactions recorded in the accounting software.
- i. The Corporation has not traded, invested, or engaged in any transactions involving crypto currency or virtual currency during the financial year. Consequently, no related disclosures, gains, losses, or contingent liabilities arise in the financial statements.

67. Revenue Recognition – Sale of Barytes

During the previous year (FY 2024-25), pursuant to Government directives, the Corporation continued sales of barytes at prevailing prices pending finalization of revised prices through a transparent tender process. In accordance with Ind AS 115 – Revenue from Contracts with Customers, revenue of Rs. 42.33 crores, being the portion of Price Security Deposit and advances collected from customers considered highly probable of not reversing, was recognized during FY 2024-25, while the balance was carried as a liability pending finalization of tender prices.

During the current year, the tender process was completed and the final selling prices were determined. Accordingly, invoices amounting to Rs. 56.95 crores relating to FY 2024-25 were raised based on the finalized prices. After adjusting the revenue of Rs. 42.33 crores recognized in the previous year, the differential amount of Rs. 14.62 crores has been recognized as revenue in the Statement of Profit and Loss for the current year.

68. GST Input Tax

Input Tax Credit (ITC) on GST paid for input materials and services related to coal and barytes, particularly on royalty under the Reverse Charge Mechanism at 18%, continues to accumulate as recovery is restricted to 5%, creating an inverted tax structure. The 56th GST Council recommended withdrawal of the Compensation Cess on coal and an increase in GST to 18%, which is expected to facilitate utilization of accumulated ITC in Madhya Pradesh and release blocked liquidity.

Further, with the Corporation planning 436 new mine leases in Andhra Pradesh and expanding into the heavy beach sand mineral sector, certain projects may be executed on a service contract basis, allowing accumulated ITC to be set off against output GST, further releasing liquidity. Furthermore, the accumulated ITC may also be available for future revisions in the tax structure and potential increases in sales, as there is no time limit for its utilization.



69. RAKIA Arbitration Proceedings

With respect to the RAKIA arbitration proceedings and litigations initiated by ANRAK Aluminium Limited, the Management has assessed the legal and factual position as at 31 March 2026 and concluded that there was no present obligation or probable outflow of economic resources for the Company. The RAKIA arbitration is against the Republic of India and not against APMDC, and APMDC is neither a party to the relevant Bilateral Investment Treaty nor a respondent to the arbitration. The related domestic litigations are also pending before the competent judicial fora and no liability has been crystallised against APMDC.

Based on internal legal team and Management's assessment, the possibility of any outflow of resources was considered remote as at the reporting date. Accordingly, in terms of Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, no provision or contingent liability disclosure was considered necessary in the Financial Statements for FY 2025-26.

The matters continue to be monitored by the Management and will be appropriately accounted for and/or disclosed in subsequent periods, if the circumstances and assessment of the likelihood of outflow change.

70. Capitalisation of Borrowing Costs

During the year, the Company raised bonds for the purpose of meeting the upfront premium payable in respect of the mining projects allotted by the Government of Andhra Pradesh and for repayment of existing term loan. After meeting bond Issuance expenses and repayment of term loan, the balance borrowing proceeds were utilised for the respective 436 mining projects which are allotted by the GOAP as per G.O.Ms.No.69, Industries & Commerce (M.III) Department, dated 24.04.2025.

The underlying mining projects necessarily require a substantial period of time to be brought to the condition necessary for their intended use, involving exploration and evaluation activities, obtaining Environmental Clearance and other statutory approvals and undertaking other activities necessary for commencement of commercial extraction. Accordingly, borrowing costs directly attributable to such qualifying mining projects have been capitalised in accordance with Ind AS 23 – Borrowing Costs, from the date on which the conditions for capitalisation were satisfied.

Borrowing costs of Rs.665.47 crores have been capitalised during the year ended 31 March 2026. In determining the amount eligible for capitalisation, the Company has considered the borrowing costs incurred on specific borrowings and the Interest income earned, in accordance with Ind AS 23.

Subsequent to the reporting date, pursuant to the Company's representation made to the Government prior to 31 March 2026, the Government, vide Memo dated 10 September 2026, directed refund of the upfront premium paid and provided that the premium would be payable as and when the mineral reserves are extracted. The Company has assessed the subsequent Government action in accordance with Ind AS 10 – Events after the Reporting Period and has considered the same while finalising the financial statements.



The subsequent refund of the upfront premium does not, in the Company's assessment, alter the purpose for which the specific borrowings were raised or the conditions existing during the year under which the borrowing costs satisfied the capitalisation criteria prescribed under Ind AS 23. Accordingly, the borrowing costs capitalised up to 31 March 2026 continue to form part of the cost of the respective qualifying mining projects.

71. Status of Mining Projects Allotted by the Government of Andhra Pradesh

During the financial year, the Corporation was allotted mining projects by the Government of Andhra Pradesh pursuant to G.O.Ms.No.69, Industries & Commerce (M.III) Department, dated 24 April 2025. The allocation of these mining projects forms part of the Corporation's strategic initiatives to undertake and develop mining activities in the State of Andhra Pradesh. Pursuant to the said Government Order, the Corporation has received the feasibility reports, mining plans and other relevant technical and project-related documents majority of the mines allotted to it.

The Corporation is also in the process of identifying and finalising suitable lease holders for the aforesaid mines, in accordance with the applicable statutory requirements, Government guidelines and the terms and conditions governing the allotment.

The development and commencement of mining operations in respect of the allotted mines will be undertaken progressively, subject to completion of the requisite statutory, regulatory and administrative formalities, execution of necessary agreements, obtaining applicable approvals and clearances, and fulfilment of other conditions prescribed by the Government and the concerned authorities.

Further, as the aforesaid mines are proposed to be operated through lease arrangements, the Corporation does not have a present obligation towards restoration or closure of the mines at this stage. Accordingly, no provision towards decommissioning, restoration or rehabilitation liability has been recognised in the financial statements as at the reporting date.

Accordingly, as at the end of the financial year, the allotted mining projects are at various stages of evaluation, planning and preparatory activities, and the Corporation is taking necessary steps towards their phased implementation and commencement of mining operations.

72. General

- a. Some of the balances appearing under trade receivables, trade payables, advances, security deposits, unknown receipts, other payables and deposits with various Government Authorities are subject to confirmations, subsequent reconciliations and consequential adjustment required if any.
- b. Amounts incurred towards power, fuel charges and excavation and transportation charges for run of mine and overburden have been reported separately in respective note no's 33 and 34 for better presentation purposes.



- c. Figures of the previous year have been regrouped/rearranged wherever considered necessary, so as to confirm to the classification of the current year.
- d. All amounts have been reported in Rs. In lakhs unless otherwise stated/mentioned, except for the share data and earnings per share (EPS). Further, Rs. (0) mentioned in the financial statements represents value less than Rs.0.50 lakhs.

For M N RAO & ASSOCIATES LLP

for and on behalf of the board of directors

Chartered Accountants

Firm Regn No.005386S/S000195



D.S.S. Srikanth

Partner

Mem No.250883





Pravin Kumar, IAS

Managing Director

DIN:07106418



V.V.V. Phani Kumar

Chief Financial Officer





S.Hanumantha Rao

Director

DIN:11336430



S. Siva Rama Krishna

Company Secretary &

Compliance Officer

M No: A60677

Place: Vijayawada

Date: September 30,2026.

UDIN : 26250883PYRGFE8616

S. No	Details of the party (listed entity/subsidiary) entering into the transaction	Details of the counterparty			Type of related party transaction	Date of approval of the audit committee	Tenure of the related party transaction as approved by the audit committee	Value of the transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments		Details of the loans, inter-corporate deposits, advances or investments					Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
		Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	(e.g. own funds/borrowings)	Nature of indebtedness (loan/issuance of debt/any other etc.)	Cost	Tenure	Nature (loan/advance/inter-corporate deposit/investment)	Interest Rate (%)	Tenure	Secured/unsecured
1	The A. P. Mineral Development Corporation Limited	AAACT7391N	ANDHRA PRADESH GRANITE MIDWEST PRIVATE LIMITED			Sale proceeds (consideration)	Joint Venture	NA	Not Applicable	832.38	764.63								
2	The A. P. Mineral Development Corporation Limited	AAACT7391N	SHAMBHAVI STONES AP PRIVATE LIMITED			Sale proceeds (consideration)	Joint Venture	NA	Not Applicable	-	42.81								
3	The A. P. Mineral Development Corporation Limited	AAACT7391N	Nandhi grinites Private limited	India	AAHCN7984Q	Sale proceeds (consideration)	Joint Venture	NA	Not Applicable	336.14	544.36								
4	The A. P. Mineral Development Corporation Limited	AAACT7391N	Sri Pravin Kumar, IAS		AOPPK8594L	Remuneration	KMP	NA	Not Applicable	-	-								
5	The A. P. Mineral Development Corporation Limited	AAACT7391N	V.V.V Phani Kumar		AENPV3297H	Remuneration	KMP	NA	Not Applicable	-	-								
6	The A. P. Mineral Development Corporation Limited	AAACT7391N	V.V.V Phani Kumar		BXVP8838M	Remuneration	KMP	NA	Not Applicable	-	-								
Total									4,029.63	1,168.52	1,351.80								

As per our report of even date

For M N RAO & ASSOCIATES LLP
Chartered Accountants
Firm Regn No: 0093865/5000195

(Signature)
D.S.S. Srikanth
Partner
M.No. 250883



For and on behalf of the Board of Directors

(Signature)
Pravin Kumar, IAS
Director
DIN: 11336430

(Signature)
S. Hanumantha Rao
Director
DIN: 11336430

(Signature)
V.V.V Phani Kumar
Chief Financial Officer
M.No. 250883

(Signature)
S. Hanumantha Rao
Director
DIN: 11336430

Place: Vijayawada
Date: September 25, 2026

UDIN : 26250883PYRGSE8616



Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results-Standalone)

Statement of Impact of Audit Qualifications for the Financial Year ended 31 March 2026

(Rupees in Lakhs)

S. No	Particulars	Audited figures (as reported before adjusting qualification)	Adjusted figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	3,30,772	3,30,772
2	Total Expenditure	2,27,462	2,38,645
3	Net Profit / (Loss)	74,096	65,412
4	Earnings Per Share in Rs.	1,17,497.69	103,726.21
5	Total Assets	14,26,869	14,16,942
6	Total Liabilities	9,95,678	9,94,636
7	Net Worth	4,31,191	4,22,507
8	Any Other Financial Items (as felt appropriate by the Management)	Nil	Nil

1	a.	Details of Audit Qualification	Refer Note 48 of the accompanying Standalone Financial Statements, where the company has passed entries for bifurcation as per AP Reorganisation Act, 2014 in the past years except with respect to share capital based on recommendations of the Committee and as per GO issued by Govt of Andhra Pradesh. We are informed that such an exception is based on agreement between both the companies for which no written document was produced for our verification. Consequent to bifurcation, the Company has transferred certain amounts to M/s Telangana State Mineral Development Corporation Limited ("TSMDC") account ledgers which are subject to acceptance and confirmation by TSMDC. The Company has passed entries pertaining to TSMDC which no supporting document was produced. Further, during the years after bifurcation, Income tax of the erstwhile entity was recovered from APMDC Income Tax Refund, but no entries were passed in the books, as the complete recovery details are not available. In the absence of information, we are not able to ascertain the impact of the following amounts: <table><tr><th>S.No</th><th>Name of the ledger</th><th>Note no</th><th>Classification</th><th>Rs. in lakhs</th><th>Dr/Cr</th></tr><tr><td>1</td><td>APMDC Telangana Region Advance (Cr)</td><td>18</td><td>Other Financial liability (Non-Current)</td><td>2,733.95</td><td>Cr</td></tr><tr><td>2</td><td>Vijayawada (bank)</td><td>6</td><td>Other Financial Assets (Non-Current)</td><td>208.70</td><td>Dr</td></tr></table>	S.No	Name of the ledger	Note no	Classification	Rs. in lakhs	Dr/Cr	1	APMDC Telangana Region Advance (Cr)	18	Other Financial liability (Non-Current)	2,733.95	Cr	2	Vijayawada (bank)	6	Other Financial Assets (Non-Current)	208.70	Dr
S.No	Name of the ledger	Note no	Classification	Rs. in lakhs	Dr/Cr																
1	APMDC Telangana Region Advance (Cr)	18	Other Financial liability (Non-Current)	2,733.95	Cr																
2	Vijayawada (bank)	6	Other Financial Assets (Non-Current)	208.70	Dr																



	b. Type of Audit Qualification:	Qualified Opinion
	c. Frequency of Qualification:	Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
	I. Management's estimation on the impact of audit qualification:	Not quantified by management
	II. If management is unable to estimate the impact, reasons for the same:	The balances relating to TSMDC as recorded in books have arisen pursuant to the demerger plan. Since the said demerger plan has not yet been implemented by TSMDC, confirmations of these balances have not been received from their end. The balances reflected in books are, however, duly supported by accounting records, underlying transactions and relevant documentation available with the Company. Management believes that the balances are fairly stated to the best of their knowledge and judgment, pending confirmation and reconciliation from TSMDC.
	III. Auditors' Comments on (i) or (ii) above:	N.A
2.	a. Details of Audit Qualification	Loss Allowance for Expected Credit Losses / impairment as required under Ind AS 109: a) Corporation has stated in Note 10 of the accompanying Standalone Financial Statements that a total amount of Rs.591.94 Cr is outstanding towards unsecured trade receivable being considered good by the Management. In our opinion, the assessment of expected credit losses under Ind AS 109 requires consideration of the credit risk associated with the respective receivables, including relevant historical, current and forward-looking information and other available evidence. Ageing of receivables is one of the relevant factors in such assessment and should not, by itself, be considered determinative of the requirement or quantum of loss allowance. Based on the information available, certain receivables, including those which are significantly overdue and/or disputed, indicate heightened credit risk and require an appropriate assessment for expected credit losses. The Corporation has not adequately assessed and/or recognised the consequential loss allowance in respect of such receivables, resulting in overstatement of trade receivables and profit. b) Of the Rs. 591.94 Cr trade receivables disclosed in Note 10, Rs. 426 Cr is due from the Survey Settlements & Land Records (SS&LR) Department, Government of Andhra Pradesh.



Pradesh, towards supply of survey stones by APMDC. These receivables are unsecured and no guarantee has been provided by the Government. As per Sl. No. 4(d) of G.O.Ms.No.33 dated 30-May-2023, payment was to be made through adjustment bill to APMDC's PD account; however, no funds were received during FY 2022-23, FY 2023-24, FY 2024-25 or FY 2025-26. Further, the survey stone operations were discontinued by APMDC from FY 2023-24 onwards. Management has not recognised any loss allowance for expected credit losses in respect of these receivables. In our opinion, the credit-risk indicators and other available evidence require an appropriate assessment of the recoverability of these balances and the related ECL.

- c) Further, out of the Rs. 591.94 Cr trade receivables disclosed in Note 10, Rs. 152.40 Cr is due from the Department of Mines and Geology, Andhra Pradesh, towards sand operations carried on by the Corporation as an agent up to FY 2022-23. These receivables are unsecured and no guarantee has been provided by the Government. Management has not recognised any loss allowance for expected credit losses in respect of these balances. Further, the sand operations were discontinued by APMDC from FY 2022-23 onwards. In our opinion, the above circumstances require an appropriate assessment of recoverability and expected credit losses in accordance with Ind AS 109.
- d) Refer Note 39, wherein the Company has recognised an additional amount of Rs. 61.84 Cr towards expected credit losses, representing 100% of receivables outstanding for more than 12 months as at 31-Mar-2026. However, no loss allowance has been recognised merely on the basis of ageing for receivables outstanding for less than 12 months. In our opinion, the determination of expected credit losses should be based on the credit-risk characteristics and expected cash shortfalls of the respective receivables, together with relevant historical, current and forward-looking information, rather than solely on an ageing cut-off of 12 months. Further, no ECL has been recognised in respect of the Survey Stones and Sand Operations receivables referred to in paragraphs (b) and (c) above, notwithstanding that these balances have remained outstanding for prolonged periods.
- e) Balance confirmations have not been obtained for the trade receivables disclosed in Note 10 of the accompanying Standalone Financial Statements, and the



			balances remain unreconciled. Further, the Corporation does not have a regular system for maintaining ageing analysis of trade receivables. Considering the absence of confirmations and reconciliation, and the limitations in the ageing information available, we are unable to determine the correctness and recoverability of the outstanding balances and the consequential impact, if any, on the Standalone Financial Statements.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		I. Management's estimation on the impact of audit qualification:	Not Quantified by management
		II. If management is unable to estimate the impact, reasons for the same:	It is submitted that the outstanding trade receivables amounting to Rs.591.94 Crores pertain primarily to amounts recoverable from the SSLR Department and Department of Mines Geology. These receivables are considered realizable, as continuous follow-ups are being made at various levels with the concerned department for recovery. Considering the fact that the counterparty is a Government Department, the likelihood of default is assessed as remote. Accordingly, these receivables are not subjected to significant increase in credit risk or credit impairment under Ind AS 109. Further, as per the Corporation's assessment of the recoverability and based on the past experience of realizations from Government departments, no Expected Credit Loss (ECL) provision has been recognized on receivables from Government departments. With reference to the audit observation 2 (d) on Note No. 39, the Corporation has recognised an additional provision of Rs.61.84 crore towards Expected Credit Loss (ECL), representing 100% of the trade receivables outstanding for more than 12 months as at 31 March 2026. In respect of trade receivables outstanding for less than 12 months, the Corporation has carried out an assessment of their recoverability, taking into consideration the available information, past payment patterns and other relevant factors. Based on such assessment, no material ECL provision has been considered necessary, as the estimated credit losses in respect of these receivables are not considered material.



		III. Auditors' Comments on (i) or (ii) above:	N.A
3.	a.	Details of Audit Qualification	There exists long outstanding credit balances towards advances received from customers, trade payables, security deposits payable, EMD Payable, Penalty Suspense, Statutory Dues Payable and Other deposits payable which are disclosed in Note No.18, 20, 23, 24, and 25 of the accompanying Standalone Financial Statements and remain unpaid and unreconciled. Party wise Ledger has not been maintained. Further, confirmations from Parties are also not available. Even though, Corporation has disclosed an accounting policy for de-recognition of financial liabilities which were discharged, expired or cancelled in accordance with Ind AS 109 in Note 2(x), the same is not being followed / implemented. The precise effect of consequential adjustments upon such confirmations/ reconciliations, if any, on the accounts is not ascertainable but considered to have significant impact on the profit.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	There are long outstanding balances under advances from customers, trade payables, security deposits, EMD payable, penalty suspense, statutory dues and other deposits. Due to ERP limitations, complete party-wise ledgers and confirmations were not available. The Corporation has initiated the process of obtaining confirmations from concerned parties and responses are awaited. Simultaneously, the ERP system is being upgraded to capture detailed party-wise information and ageing in line with Ind AS 109. Reconciliations and necessary adjustments will be made on receipt of confirmations.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
4.	a.	Details of Audit Qualification	There exist long outstanding advances given to Govt. Departments, Deposits with Collectors, Security Deposits, amounts recoverable from vendors & customers, which are disclosed in Note No. 6, 8, 10, 12 & 14 of the accompanying Standalone Financial Statements and remain outstanding and unreconciled. Further, confirmations / Utilization Certificate from Parties are also not available. Even though the corporation has disclosed an accounting policy for de-recognition of financial assets in accordance with Ind AS 109 in Note 2(x), & an accounting policy for impairment as per Ind AS 36 in Note 2(i),



			the same is not being followed / implemented. The precise effect of consequential adjustments upon such Utilization Certificate / confirmations/ reconciliations, if any, on the accounts is not ascertainable but considered to have significant impact on the profit.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	The Corporation has initiated the process of obtaining balance confirmations from the respective parties, with formal requests sent and follow-ups in progress. Confirmations are currently awaited and will be reconciled with the books upon receipt, with any necessary adjustments made to ensure accuracy and completeness of the financial statements.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
5.	a.	Details of Audit Qualification	Refer Note 38, where the company has disclosed Classification of Financial Instruments as per Ind AS 109 at Amortized Cost & FVTPL. However, Loans and advances given to staff at concessional rate of interest, Upfront Premium Refundable from Govt. of AP – (Note 62), Other Financial Assets & Other Financial Liabilities are not accounted at fair value / amortized cost and required disclosures have not been made as per Ind AS 109.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	With regard to staff loans provided at concessional interest rates, as per the Company accounting policy Interest income from loans and advances to employees has been recognised on realisation basis.



			For short-term financial assets and liabilities, these are recognized at their transaction value without discounting, as any fair value adjustment is considered immaterial.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
6.	a.	Details of Audit Qualification	The Company has been generally filing Income Tax Returns based on Provisional Financials without fully complying with the provisions of the Income Tax Act. Note 8 (C) includes Corporate Tax Receivable of Rs. 190.31 Cr which are pending on account of various disputes at different forums & Refer Note 26, where the company has stated Provision for Income Tax Payable amounting to Rs.191.89 Cr for previous years. The balances are subject to reconciliation and consequential adjustments on outcomes, the impact of which is not ascertainable. Any consequential effect on account of actual tax liability based on the audited financial statements of previous years on Income Tax and Deferred Tax has not been provided for in the books, due to which we are unable to ascertain the resultant impact on the standalone financial statements. Further, APMDC has recognized Current Tax & Deferred Tax for the FY: 2025-26 in the statement of profit & Loss based on internal assessment. The estimate of Provision for Current Tax & Deferred Tax is subject to change on completion of Tax Audit u/s 44AB of Income Tax Act. The precise effect of consequential adjustments upon such allowances / disallowances on completion of Tax Audit, if any, on the Standalone Financial Statements is not ascertainable.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	The Company has filed Income Tax Returns based on provisional financials and may not have fully complied with all provisions of the Income Tax Act, 1961. As per Note 8, Corporate Tax Receivable of Rs. 190.31 Cr is pending due to various disputes and Note 26 records a provision of Rs. 191.89 Cr for prior years' Income Tax. These balances are subject to reconciliation, and the impact of any consequential adjustments cannot be determined at this stage. Accordingly, any effect on Income Tax and Deferred Tax arising from prior years' audited financials has not been recognized and the resultant impact on the Standalone Financial Statements is presently unascertainable.



			It is clarified that the estimates of Current Tax and Deferred Tax are provisional and may be subject to adjustment upon completion of the Tax Audit under Section 44AB of the Income Tax Act. Accordingly, the precise impact of any consequential allowances or disallowances arising from the Tax Audit on the Standalone Financial Statements cannot be determined at this stage.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
7.	a.	Details of Audit Qualification	Interest amounting to Rs. 12.56 Cr u/s 124(3) of the Companies Act, 2013 for delay in transferring unpaid dividend for the FY 2023-24 to separate bank account has neither been paid nor been accounted for.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Second Year
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Delay in transfer of dividend amounting to Rs.100 Crores and the applicability of interest thereon, the following is submitted for kind consideration. APMDC is a wholly Government-owned Company and the Government of Andhra Pradesh is the sole shareholder. The entire dividend declared by the Company is payable exclusively to the State Government and there are no minority or public shareholders involved. The dividend amount of Rs.100 Crores pertains to amounts payable to the Government of Andhra Pradesh, and at the time of original dividend payment, substantial balances exceeding Rs.100 Crores were already lying in the Government PD Account. Accordingly, the funds representing the dividend amount were at all times available within the Government financial system and were not utilized for operational or any other purposes of the Company. The amount remained identifiable and effectively segregated and was not deployed in the business activities of the Company. The Government of Andhra Pradesh, being the sole shareholder as well as the administrative authority, was fully aware of the status of the dividend amount. The transaction represents an intra-governmental arrangement and not a case of withholding payment from any external or public stakeholder. The intent and objective of Section 124 of the Companies Act, 2013 is to safeguard the interests of shareholders by ensuring that unpaid dividend amounts are kept in a separate account and are not utilized by the Company. In the present case, the substantive objective of the provision stood fulfilled, as the amount was effectively safeguarded within the Government financial system and no diversion or misutilization has occurred. While Section 124(3) provides for payment of interest in case of delay in transfer to the Unpaid Dividend Account, it is respectfully submitted that the beneficiary of such interest would be the Government itself, which has neither raised any claim nor issued any direction for payment of interest. The delay occurred due to



			administrative and procedural reasons without any mala fide intention, and no prejudice has been caused to any stakeholder.
	e.	For Audit Qualification(s) where the impact is quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Understatement of Expenses & Overstatement of Profit by 12.56 Cr.
		ii. If management is unable to estimate the impact, reasons for the same:	N.A.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
8.	a.	Details of Audit Qualification	Refer Note 37 to the Standalone Financial Statements, the Company's disclosure of contingent liabilities as at March 31, 2026 is incomplete in material respects. Complete litigation files were not made available to us for our verification, and the Note omits the current status of disputes, management's estimate of outcome, accrued interest, and amounts involved. We further note that legal fees and related expenses incurred during the year and preceding year indicate the existence of additional disputes, including matters involving JP Power Ventures, Adani, Bauxite Supply, Fisheries Workers Forum etc., which have not been included in Note 37. Supporting documentation for these matters was also not provided to us. In the absence of complete information, we are unable to confirm whether the contingent liabilities disclosed in Note 37 are complete and adequate in all material respects, or whether any of these matters meet the recognition criteria for a provision under Ind AS 37. Further, the disputed income tax demands as disclosed as at 31-Mar-2026 in Note 37 of the accompanying Standalone Financial Statements is not matching with latest demand outstanding notice for which reconciliation and current status of dispute is not provided. Certain demands are found to be adjusted with income tax refund due, which are stated as receivable under Note 8 (Others – Balance with Statutory Authorities).
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate	The Corporation has reviewed the matters referred to by the Auditors and has undertaken reconciliation of the pending



		the impact, reasons for the same: litigations, including income-tax matters, based on the information and records available with the concerned departments and legal counsel. In respect of the litigations referred to in Note 37, the Corporation has considered the nature and status of the respective matters, the legal opinions and the probability of outflow, and has accounted for provisions, wherever the recognition criteria under Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets are met. Matters for which an outflow of economic resources is not considered probable have been disclosed as contingent liabilities, to the extent determinable. It is respectfully submitted that the arbitration proceedings initiated by Ras Al Khaimah Investment Authority (RAKIA) are against the Republic of India under the Bilateral Investment Treaty (BIT) and APMDC is not a direct party to the said arbitration proceedings. Further, the writ petitions filed by ANRAK Aluminium Limited pertain to challenges against Government Orders and related matters concerning termination of the Bauxite Supply Agreement. The matters are presently sub judice before the appropriate forums and no liability has been determined or crystallised against APMDC as at the reporting date. Based on the legal position and facts presently available, management is of the considered view that there is no present obligation requiring recognition or disclosure under Ind AS 37 in the Standalone Financial Statements. With regard to disputed income-tax demands, the amounts disclosed in Note 37 have been reconciled with the latest information available on the Income-tax Department's portal. Differences between the amounts disclosed and the latest outstanding demand position primarily relate to subsequent adjustments of demands against refunds, rectifications, appeals and other movements in the demand records. The Corporation is in the process of completing the reconciliation of such differences and updating the current status of the respective disputes. Amounts adjusted by the Income-tax Department against refunds due to the Corporation have been considered in determining the balance receivable from statutory authorities under Note 8, as applicable. The Corporation will ensure appropriate disclosure in the financial statements based on the reconciled position. Accordingly, the relevant disclosures will be suitably updated, wherever required, based on the final reconciliation and the assessment of the matters in accordance with Ind AS 37 and other applicable Ind AS requirements.
		iii. Auditors' Comments on (i) or (ii) above: N.A
9	a.	Details of Audit Qualification The company has recognized closing stock of 1,68,290 MT of coal at Suliaryi Coal Mine as at 31-Mar-2026. However, third party survey report evidencing the physical stock quantity of coal as on



			31-Mar-2026 was not made available. Consequently, we are unable to verify the existence, completeness and accuracy of quantity of the inventory as at 31-Mar-2026.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	First Time
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		Management's estimation on the impact of audit qualification:	Not Quantified by management
		If management is unable to estimate the impact, reasons for the same:	The closing stock quantity of coal at Suliyari Coal Mine as at 31 March 2026 has been accounted for based on internal records, production/dispatch data and management verification controls maintained by APMDC. The third-party survey report confirming the physical stock quantity is awaited and could not be made available due to time constraints associated with finalisation and submission of the financial statements within the prescribed timelines. In the circumstances, it is requested to kindly consider and rely upon the stock data/workings made available by APMDC for the purpose of finalisation of accounts and reconsider the proposed observation in this regard.
10.	a.	Details of Audit Qualification	Refer Note 2(I) & Note 53, where company has recognized closing stock for C+D+W Grade of Barytes only for a quantity of 17.56 lakh MTs as against the actual quantities of 79.89 Lakh MTs and considering no value for the remaining stock of 62.33 Lakh MTs, as management expects this grade to not fetch any value in the market. However, 21.13 MT has been sold @ Rs. 1,710/- per MT during the year. Therefore, the estimate of the management that the C+D+W grade material has no market value and not to apportion any cost to this grade is not appropriate and not in line with Ind AS 2. The precise effect of consequential adjustments upon such valuation, if any, on the financial statements is not ascertainable but considered to have significant impact.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified	Not Quantified by auditor



		by the auditor, Management's Views:	
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	A closing stock of 17.56 lakh MTs of barytes has been considered for the stock produced during the current financial year. The remaining quantity of 62.33 lakh MTs has not been assigned any value, as it has not been valued since inception due non marketability in the past. Although the present market demand exceeds the current year's production, the valuation has been restricted in line with past practices. Specifically, valuation has been applied only to Opening stock 15.00 lakh MTs and current year production of 18.62 lakhs Mts with dispatches deducted from the production to arrive at the closing stock considered for valuation.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
11.	a.	Details of Audit Qualification	Refer Note 34, where company has disclosed Excavation of Coal & Overburden of Suliyari Mine of Rs. 642.68 Cr for the FY 2025-26. Adjustments to the Mining Fees on account of Short / Excess OB removal & Annual Reconciliations as per terms of the agreement are yet to be carried out for FY: 2021-22, FY: 2022-23, FY: 2023-24, FY 2024-25 & for FY 2025-26. Further, APMDC has not recognized the Shortfall / excess Overburden removal of Coal from Suliyari Mine as compared the Overburden Removal as per the Stripping Ratio of the Mining Plan, which is not in line with Para 10, 11 & 12 of Ind AS 8 & Note 2(p) of the accounting policy. Further, the payments for Excavation of Coal & Overburden Charges are being made based on the effective Mining Fee applicable on date of sale to customers by APMDC instead of Mining Fee applicable on the date of Production of Coal by MDO, which is not in line with the agreement terms. The precise effect of these adjustments on the Excavation Charges disclosed in Note 34 of the Financial Statements could not be ascertained, in the absence of information.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management



		ii. If management is unable to estimate the impact, reasons for the same:	Reconciliations are in progress and necessary adjustments will be made post completion of reconciliation.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
12.	a.	Details of Audit Qualification	Refer Note 34, where the company expensed Rs.370.24 Cr towards overburden (OB) removal in Barytes, achieving a stripping ratio of 2.65 against 1.77 as per the Mining Plan. Management has explained that the increase relates to OB removed in the adjacent Dolomite Mine, which is excluded from the stripping ratio in the Barytes Mining Plan. As per Note 2(aa) and Appendix-B of Ind AS 16, OB removal in the Dolomite Mine should be treated as development expenditure and capitalized. However, the Company has not apportioned the Rs.370.24 Cr between Barytes and Dolomite, but expensed the full amount to revenue for FY 2025-26. Accordingly, the policy adopted is not in line with Appendix-B of Ind AS 16. In the absence of bifurcation, the impact on Excavation Charges, Intangible Assets under Development, and profit cannot be ascertained. Further, even considering management's view of a combined stripping ratio of 3, the actual ratio achieved (2.65) results in a shortfall. No provision has been made for this difference.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	During operations, the operational team observed that the original bench design had become steep and unstable over time, requiring adjustment to extract 100% of barytes reserves. Considering ground conditions, rock strength, ore body geometry and existing slope design and adhering to statutory safety guidelines, APMDC mined deeper into the barytes leads to ensure safe and efficient extraction in line with DGMS regulations. To facilitate this, certain overburden (OB) from the adjacent dolomite lease had to be removed to access the high-value barytes mineral. Since both leases are operated as an integrated project and the OB removal is necessary for barytes extraction.



			The company is in the process of adoption of an accounting policy in respect of accounting for Overburden (OB) Removal for Integrated Projects. Pending the policy adoption, the associated costs are treated as operating expenses for barytes mining.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
13.	a.	Details of Audit Qualification	<u>Suliyari Coal project, Madhya Pradesh:</u> a) The company outsourced the entire Mine Development & Operations of Suliyari Coal Mine, Madhya Pradesh to "Adani Enterprises Limited" (MDO) & around 72% of coal produced during the FY 2025-26 is sold to "Adani Power Limited" (APL) vide a coal supply agreement. During the FY 2025-26, the average sale rate of coal to APL is significantly lower compared to the avg. sale rate to other parties, resulting in forgone potential revenue of Rs. 261.43 Cr. The documentation along with justification of awarding the Mine Production & Sale agreements to parties related to each other are not on record. b) Further, Liquidated Damages / Compensation / Penalties for delay in commencement of Coal production as per the terms of the MDO agreement are not levied on AEL by APMDC. c) Additionally, mutual penalties for Short Delivery of Coal, Short Lifting of Coal & Short Offtake of Coal leviable on AEL, APL & APMDC as per the terms of MDO & Sale agreements for the FY: 2021-22, FY: 2022-23, FY: 2023-24, FY: 2024-25 & FY: 2025-26 have not been levied. In the absence of adequate supporting information and necessary assessment, the consequential impact, if any, on the Financial Statements could not be ascertained. In the absence of complete information and any effective documented Risk Management Policy by the company, we are unable to ascertain the corresponding effect on the Standalone Financial Statements and operations of the Suliyari Mine, due to potential Risks (if any) involved in the aforesaid matters.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified	Not Quantified by auditor



		by the auditor, Management's Views:	
	e.	For Audit Qualification(s)	where the impact is not quantified by the auditor:
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	a. Both the entities are distinct and contracts are awarded through open tender process. b. Due to local agitations, court cases on land acquisition, delays in power supply and other hindrances beyond the control of both APMDC and the MDO, mining operations could not commence as scheduled. These issues were consistently communicated by the MDO through letters and monthly progress reports and reviewed in regular project meetings. Accordingly, no liquidated damages were imposed on the MDO. c. As discussions are ongoing for possible waiver of mutual penalties, given operational challenges in the initial mining phase, including rehabilitation activities and short excavation/lifting of coal, the penalty already levied was reversed due to uncertainty.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
14.	a.	Details of Audit Qualification	Corporation has not obtained confirmation of MSME classification from vendors and hence, bifurcation of trade payables to MSME and others is not disclosed as required under Schedule III of Companies Act. Further, the ageing of Trade Payables, Trade Receivables & Capital Work in Progress (incl. Intangibles under Development) in respect of Cost & Time Overrun is not disclosed as required under Schedule III of Companies Act, 2013.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s)	where the impact is not quantified by the auditor:
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	Pursuant to the amendments to Schedule III of the Companies Act, 2013, notified vide G.S.R. 207(E) dated 24th March, 2021, the Company is required to disclose ageing of trade receivables and trade payables, separately identifying dues to Micro, Small and Medium Enterprises (MSMEs) and others.



			The Corporation's ERP system is currently not fully configured to capture the detailed information required for such disclosures. Consequently, the ageing of trade receivables and trade payables, including amounts due to MSMEs, has not been provided in these financial statements. The Corporation is in the process of upgrading its ERP system and implementing necessary measures to enable preparation and disclosure of the required ageing information in future financial statements.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
15.	a.	Details of Audit Qualification	<u>Interest Free Loan to Andhra Pradesh State Fiber Net Limited (APSFL):</u> The Company has released an interest free unsecured loan of Rs. 100 Cr during the financial year 2017-18 and 2018-19 to M/s Andhra Pradesh State Fiber Net Limited ("APSFL"). The loan is repayable in 4 yearly instalments starting from FY: 2018-19 and ending in FY: 2021-22. APSFL has not repaid the instalments due in FY 2018-19, FY 2019-20, FY 2020-21 & FY 2021-22 as per terms of the agreement till date. The said loan is unsecured and not backed up by any government guarantee. The management has not provided for impairment on the loan amount as it is confident of the recovery of the loan. In the absence of Audited Financial Statements of APSFL from FY 2017-18 and subsequent years and other supportive audit evidence substantiating the credit worthiness/Repayment capability of APSFL, we are unable to comment upon its impairment/recoverability and consequential impact on the Standalone Financial statements. Further, the difference between fair value of the instrument and transaction price on initial recognition of the instrument has not been recognized in the books as the loan agreement was not clear on purpose of issuance of interest free unsecured loan.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	i.	Management's estimation on the impact of audit qualification:	Not Quantified by management
	ii.	If management is unable to estimate the impact, reasons for the same:	APSFL has not repaid the due instalments as per terms of the agreement. However, continuous follow ups are being made for repayment and confirmation of balance has been obtained and management is confident of recovery of this advance and considered this advance as good.



			Further, the difference between fair value of the instrument and transaction price on initial recognition of the instrument has not been recognised in the books as the loan agreement was not clear on purpose of issuance of interest free unsecured loan.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
16.	a.	Details of Audit Qualification	<u>Loan to Machilipatnam Urban Development Authority (MUDA):</u> The Company has released unsecured loan of Rs. 200 Cr. to M/s Machilipatnam Urban Development Authority ("MUDA") on 01-Nov-2018 bearing interest at 8% per annum and repayable in 45 days. Despite multiple requests for repayment by APMDC, both the principal and the outstanding interest remain unpaid as on date. The said loan is an unsecured loan and is not backed by any government guarantee. Additionally, APMDC received G.O.Ms. No. 32 dated 14-Mar-2024 to Waive off Rs.7.07 Cr of principal amount and corresponding interest that is recognised in the books of account. The Company has not written off / impaired the Loan. Further, in the absence of Audited Financial Statements of MUDA from FY 2018-19 and subsequent years and other supportive audit evidence substantiating the credit worthiness/Repayment capability of MUDA, we are unable to comment upon its impairment/recoverability and consequential impact on the Standalone Financial statements. Further, the management has not provided for impairment on the loan amount as it is confident of the recovery of the loan, but on the other hand management has not recognized Interest Income amounting to Rs. 116.69 Cr for the period of 2662 days from 16.12.2018 to 31.03.2026 (excl. penal interest leviable under Clause 4 of loan agreement), on the basis of the accounting policy stating that Interest Income on irregular / overdue advances are recognized on realization basis. Thus, the practice of the Company to defer the recognition of interest accrued on loan referring to its accounting policy disclosed at 2(f)(iv) to recognise interest income on irregular / overdue advances on realisation basis is not justified and appropriate to that extent since neither uncertainty in realisation of the said loan was justified nor carrying amount of loan was impaired. As, inappropriate accounting policy cannot be rectified by disclosure. Deviation from accrual basis of accounting results in understatement of Other Income and Loans by Rs. 116.69 Cr each with understatement of Profit by the same amount. Further, the difference between fair value of the instrument and transaction price on initial recognition of the instrument has not been recognized in the books.



	b. Type of Audit Qualification:	Qualified Opinion
	c. Frequency of Qualification:	Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
	i. Management's estimation on the impact of audit qualification:	Not Quantified by management
	ii. If management is unable to estimate the impact, reasons for the same:	Continuous follow-ups are being made for repayment, and management is confident of recovery since the advance was made based on a GO issued by the Government of Andhra Pradesh. Balance confirmation has been obtained from MUDA. Further, interest on overdue advances and loans are recognised on realisation basis as per the company accounting policy. Considering the backing of the Government Order and the confirmation received, no impairment has been considered necessary. Revenue has been recognized as per the Corporation's accounting policy.
	iii. Auditors' Comments on (i) or (ii) above:	N.A
17.	a. Details of Audit Qualification	<u>Inter-Corporate Deposits with Andhra Pradesh State Financial Services Corporation (APSFSCCL)</u> We draw attention to Note 13 to the accompanying Financial Statements, which includes investment of Rs. 555 Cr made during FY 2021-22 in Inter-Corporate Deposits (ICDs) with Andhra Pradesh State Financial Services Corporation (APSFSCCL). The company has not provided for any impairment on the basis that, interest payments on the deposits have been received regularly and that it is confident of full recovery. Further, we note that APMDC has issued bonds during May-2025 at an interest rate of 9.3% p.a. which is significantly higher than the return on these ICDs. This raises concerns about the liquidity of the ICDs, as the company opted to raise debt at a much higher interest rate rather than utilizing the outstanding deposits with APSFSCCL. In the absence of sufficient appropriate audit evidence to corroborate management's assessment, we are unable to comment on whether any impairment provision is required in respect of these deposits, and consequently, on the impact, if any, on the Standalone Financial Statements as at 31-Mar-2026.
	b. Type of Audit Qualification:	Qualified Opinion
	c. Frequency of Qualification:	Repetitive



	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	i.	Management's estimation on the impact of audit qualification:	Not Quantified by management
	ii.	If management is unable to estimate the impact, reasons for the same:	Though redemption has been delayed, interest payments are being received regularly, and management is in continuous follow-up with APSFCL for realization. Based on such regular servicing of interest and the expectation that the principal will be realized within a reasonable period, no impairment has been considered necessary, and the present classification is viewed as appropriate. Further, it is submitted that both APMDC and APSFCL are Government undertakings, and the deposits placed with APSFCL were made with the approval of the shareholder of APMDC, i.e., the Government of Andhra Pradesh.
	iii.	Auditors' Comments on (i) or (ii) above:	N.A
18.	a.	Details of Audit Qualification	The company has not complied with the applicable Corporate governance requirements under the SEBI LODR (Listing Obligations and Disclosures Requirements) Regulations, 2015 including Director Composition, Establishment of Vigil Mechanism / Whistle blower Mechanism, Related party Transactions and formation of mandatory committees (i.e., Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee), as applicable to High Value Debt Listed Entity (HVDLE). Further, there were delays in the transfer of interest remaining unpaid/unclaimed for the prescribed period to the designated escrow account within the stipulated timeline prescribed under the applicable provisions of the SEBI LODR Regulations.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	First time
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	i.	Management's estimation on the impact of audit qualification:	Not Quantified by management



		ii. If management is unable to estimate the impact, reasons for the same: The Company, being a High Value Debt Listed Entity (HVDLE), is required to comply with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the corporate governance requirements relating to Board composition, constitution of mandatory committees, Vigil Mechanism/Whistle Blower Mechanism, Related Party Transactions, Risk Management and other applicable governance requirements, subject to the exemptions/relaxations, if any, available to Government Companies under the applicable regulatory framework. In this regard, the Company has initiated necessary steps to ensure compliance with the applicable HVDLE corporate governance requirements. The requisite agenda items relating to appointment/proposal of Independent Directors, constitution/reconstitution of the mandatory Board Committees, including the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee, and adoption/approval of the applicable policies and governance frameworks are being placed before the Board for consideration and necessary action. The Company is also reviewing and strengthening the existing governing policies and mechanisms relating to Vigil Mechanism/Whistle Blower Mechanism, Related Party Transactions, Risk Management, Code of Conduct, preservation of documents and other applicable requirements under SEBI LODR. The Company continues to comply with the applicable debt-listed entity disclosure, reporting and other operational requirements under SEBI LODR and is taking necessary measures to achieve compliance with the applicable HVDLE corporate governance framework. Further, the applicability of specific exemptions/relaxations available to Government Companies under the applicable provisions of SEBI LODR and other relevant regulatory framework is also being examined and shall be duly considered while implementing the applicable requirements. The Company is committed to completing the requisite measures and ensuring compliance with the applicable regulatory requirements within the prescribed framework.
		iii. Auditors' Comments on (i) or (ii) above: N.A
19.	a.	Details of Audit Qualification As disclosed in Note 3.4.1 (Intangibles under Development) and Note 8 (Capital Advances) to the financial statements, the Company has capitalised Rs.89 crore towards the Brahmadaha Coal Project and has also carried an Advance Royalty of Rs.10.27 crore for over 3 years. The project has not progressed to commercial development. The Company's internal assessment and an independent geological study conducted by CMPDI indicate that the project is economically non-viable, and the Company has communicated its intention to surrender the mine in April-2026. These conditions indicate impairment under Ind AS 36, <i>Impairment of Assets</i>. However, the Company



			has not recognised any impairment loss in respect of these balances. Consequently, the carrying amount of assets and the profit for the year are overstated by Rs.99.27 crore.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	First time
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	The project is presently under evaluation with regard to the future course of action and the matter has not attained finality as at the reporting date. The expenditure incurred under Intangible Assets under Development and Advance Royalty represents costs incurred towards acquisition/development rights and related project activities undertaken based on approvals and technical assessments available at the relevant point of time. Management has assessed the project status, regulatory position and recoverability indicators as at the reporting date. Further, management is of the considered view that the technical/geological assessments indicating economic challenges may not, by themselves, conclusively establish the requirement for full impairment recognition as at 31 March 2026, particularly when the future course of action and consequential financial implications are yet to attain finality. Accordingly, pending further evaluation and determination of the ultimate recoverable amount based on the information presently available, no impairment provision has been considered necessary as at the reporting date. The asset continues to be monitored and appropriate accounting treatment/action, wherever considered necessary, shall be undertaken based on future developments and evaluation of recoverability indicators.
	e.	For Audit Qualification(s) where the impact is quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Understatement of Expenses (Impairment Provision) & overstatement of Profit by Rs.99.27 Cr.
		ii. If management is unable to estimate the impact, reasons for the same:	N.A.
		iii. Auditors' Comments on (i) or (ii) above:	N.A.
20.	a.	Details of Audit Qualification	The bond issue proceeds were transferred to the Government's Personal Deposit (PD) Account in June-July 2025, whereas the demand notice for lease premium in respect of the 436 mines was raised by the Government only on 27-Mar-2026, with the corresponding debit from the PD Account effected on the same date. Consequently, the funds aggregating Rs. 6,884 Crores remained parked in the PD Account for approximately nine months, without earning any interest, while the Company simultaneously serviced bond



		obligations at a coupon rate of 9.3% p.a.. The resultant notional loss of interest income on account of this deployment of funds is ~Rs.260 Cr (Assuming 5% Interest on Fixed Deposits).
	b. Type of Audit Qualification:	Qualified Opinion
	c. Frequency of Qualification:	First time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
	Management's estimation on the impact of audit qualification:	Not Quantified by management
	If management is unable to estimate the impact, reasons for the same:	The bond proceeds were transferred to the Government's PD Account in June-July 2025 in accordance with Government directions for payment of lease premium in respect of the 436 mines. However, the demand was raised only on 27.03.2026, and the corresponding debit was effected on the same date. The intervening period was attributable to the Government's administrative and procedural delay, which was beyond the Corporation's control. Further this is notional loss and not an actual loss.
	iv. Auditors' Comments on (i) or (ii) above:	N.A

For M N RAO & ASSOCIATES LLP

Chartered Accountants

Firm Regn No: 005386S/S000195



D.S.S. Srikanth

Partner

M.No 250883



For The APMDC LTD



Pravin Kumar ,IAS

Managing Director

DIN: 07106418



V.V.V. Phani Kumar

Chief Financial Officer




S.Hanumantha Rao

Director

DIN: 11336430



S. Siva Rama Krishna

Company Secretary &

Compliance Officer

M No: A60677

Place: Vijayawada

Date: September 30, 2026

INDEPENDENT AUDITOR'S REPORT

To
The Members of
The Andhra Pradesh Mineral Development Corporation Limited

Report on the Audit of Consolidated Financial Statements:

Qualified Opinion:

We have audited the accompanying Consolidated Financial Statements of **The Andhra Pradesh Mineral Development Corporation Limited** (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, which comprise the Consolidated Balance Sheet as at 31st March 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement, for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects and possible effects of the matters described in the *Basis for Qualified Opinion* section of our Report, the aforesaid Consolidated 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 prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India.

- a) In case of accompanying Consolidated Balance Sheet, of state of affairs of the Group as at 31st March 2026,
- b) In case of accompanying Consolidated Statement of Profit and Loss (including Other Comprehensive Income), of profit of the Group for the year ended on that date,
- c) In case of accompanying Consolidated Statement of Changes in Equity, and
- d) In case of accompanying Consolidated Statement of Cash Flows, of cash flows for the year ended on that date.

Basis for Qualified Opinion:

1. We draw attention to Note No 46 of the Consolidated Financial Statements where in the Group has stated the reasons for not consolidating the Subsidiaries, Associates and joint ventures as tabulated below. In the absence of Audited Financial Statements and management certified accounts for the year ended March 31, 2026 and further reasons as detailed in Note No 46, the transactions of subsidiaries and share in profit/losses of joint ventures and associates of the below mentioned entities are not incorporated in these consolidated financial statements. The list of such entities are as tabulated below:



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Sl.no	Name of the Company	Nature of Holding	% of Holding
1	Ongole iron ore mining company pvt ltd	Subsidiary	51.00%
2	Andhra phosphate private limited	Subsidiary	50.00%
3	APMDC SCCL Suliari coal company Ltd	Subsidiary	51.00%
4	Nuagon coal company Ltd	Subsidiary	50.00%
5	Andhra Baryte Corporation Private Limited	Joint Venture	11.00%
6	Andhra Pradesh Iron Ore Company Ltd	Joint Venture	11.00%
7	Gimpex AP Barytes Beneficiation Private Limited	Joint Venture	11.00%
8	Trimex Baryte Private Limited	Joint Venture	11.00%
9	V.V Minerals Private Limited	Joint Venture	12.36%
10	Alliance Andhra Pradesh Black Granites Pvt Ltd	Joint Venture	11.00%
11	Pallava Red Granite Private Limited	Joint Venture	11.00%
12	Aswani Mineral Development Private Ltd	Associate	26.00%
13	Arham Minerals Exports (P) Ltd	Associate	26.00%
14	Isra Minerals Exports (P) Ltd	Associate	26.00%
15	Margasree Granites (P) Ltd	Associate	26.00%
16	Ongole Minerals Exports (P) Ltd	Associate	26.00%
17	RLP Granites (P) Ltd	Associate	26.00%
18	SRAP Minerals Private Limited	Associate	26.00%
19	A.P.Coastal Sand & Metals Pvt Ltd	Associate	26.00%
20	Andhra Pradesh Tribal Mining (P) Ltd	Associate	26.00%
21	Samyuktha Granite Private Limited	Associate	26.00%

In the absence of information, we are unable to quantify the impact on the Group's financials. Further, in respect of all the above entities, the carrying value of the investment (net of impairment/ provision) in Holding Company's books is NIL.

We draw attention to the Holding Company's Basis for Qualified Opinion (As stated in the Independent Audit Report on the Standalone Financial Statements of the Holding Company):

- Refer Note 49 of the accompanying Consolidated Financial Statements, where the company has passed entries for bifurcation as per AP Reorganisation Act, 2014 in the past years except with respect to share capital based on recommendations of the Committee and as per GO issued by Govt of Andhra Pradesh. We are informed that such an exception is based on agreement between both the companies for which no written document was produced for our verification. Consequent to bifurcation, the Company has transferred certain amounts to M/s Telangana State Mineral Development Corporation Limited ("TSMDC") account ledgers which are subject to acceptance and confirmation by TSMDC.

The Company has passed entries pertaining to TSMDC which no supporting document was produced. Further, during the years after bifurcation, Income tax of the erstwhile entity was recovered from APMDC Income Tax Refund, but no entries were passed in the books, as the complete recovery details are not available. In the absence of information, we are not able to ascertain the impact of the following amounts:



Sl. No	Name of the ledger	Note no	Classification	Rs. in lakhs	Dr/Cr
1	APMDC Telangana Region Advance (Cr)	18	Other Financial liability (Non-Current)	2,733.95	Cr
2	Vijayawada (bank)	6	Other Financial Assets (Non-Current)	74.28	Dr

3. Loss Allowance for Expected Credit Losses / impairment as required under Ind AS 109:

- a) Corporation has stated in Note 10 of the accompanying Consolidated Financial Statements that a total amount of **Rs.591.94 Cr** is outstanding towards unsecured trade receivable being considered good by the Management. In our opinion, the assessment of expected credit losses under Ind AS 109 requires consideration of the credit risk associated with the respective receivables, including relevant historical, current and forward-looking information and other available evidence. Ageing of receivables is one of the relevant factors in such assessment and should not, by itself, be considered determinative of the requirement or quantum of loss allowance. Based on the information available, certain receivables, including those which are significantly overdue and/or disputed, indicate heightened credit risk and require an appropriate assessment for expected credit losses. The Corporation has not adequately assessed and/or recognised the consequential loss allowance in respect of such receivables, resulting in overstatement of trade receivables and profit.
- b) b) Of the Rs. 591.94 Cr trade receivables disclosed in Note 10, Rs. 426 Cr is due from the Survey Settlements & Land Records (SS&LR) Department, Government of Andhra Pradesh, towards supply of survey stones by APMDC. These receivables are unsecured and no guarantee has been provided by the Government. As per Sl. No. 4(d) of G.O.Ms.No.33 dated 30-May-2023, payment was to be made through adjustment bill to APMDC's PD account; however, no funds were received during FY 2022-23, FY 2023-24, FY 2024-25 or FY 2025-26. Further, the survey stone operations were discontinued by APMDC from FY 2023-24 onwards. Management has not recognised any loss allowance for expected credit losses in respect of these receivables. In our opinion, the credit-risk indicators and other available evidence require an appropriate assessment of the recoverability of these balances and the related ECL.
- c) Further, out of the Rs. 591.94 Cr trade receivables disclosed in Note 10, Rs. 152.40 Cr is due from the Department of Mines and Geology, Andhra Pradesh, towards sand operations carried on by the Corporation as an agent up to FY 2022-23. These receivables are unsecured and no guarantee has been provided by the Government. Management has not recognised any loss allowance for expected credit losses in respect of these balances. Further, the sand operations were discontinued by APMDC from FY 2022-23 onwards. In our opinion, the above circumstances require an appropriate assessment of recoverability and expected credit losses in accordance with Ind AS 109.
- d) Refer Note 39, wherein the Company has recognised an additional amount of Rs. 61.84 Cr towards expected credit losses, representing 100% of receivables outstanding for more than 12 months as at 31-Mar-2026. However, no loss allowance has been recognised merely on the basis of ageing for receivables outstanding for less than 12 months. In our opinion, the determination of expected credit losses should be based on the credit-risk characteristics and expected cash shortfalls of the respective receivables, together with relevant historical, current and forward-looking information, rather than solely on an ageing cut-off of 12 months. Further, no ECL has been recognised in respect of the Survey Stones and Sand Operations receivables referred to in paragraphs (b) and (c) above, notwithstanding that these balances have remained outstanding for prolonged periods.



- e) Balance confirmations have not been obtained for the trade receivables disclosed in Note 10 of the accompanying Consolidated Financial Statements, and the balances remain unreconciled. Further, the Corporation does not have a regular system for maintaining ageing analysis of trade receivables. Considering the absence of confirmations and reconciliation, and the limitations in the ageing information available, we are unable to determine the correctness and recoverability of the outstanding balances and the consequential impact, if any, on the Consolidated Financial Statements.
4. There exist long outstanding credit balances towards advances received from customers, trade payables, security deposits payable, EMD Payable, Penalty Suspense, Statutory Dues Payable and Other deposits payable which are disclosed in Note No.18, 20, 23, 24, and 25 of the accompanying Consolidated Financial Statements and remain unpaid and unreconciled. Party wise Ledger has not been maintained. Further, confirmations from Parties are also not available. Even though, Corporation has disclosed an accounting policy for de-recognition of financial liabilities which were discharged, expired or cancelled in accordance with Ind AS 109 in Note 2(x), the same is not being followed / implemented. The precise effect of consequential adjustments upon such confirmations/ reconciliations, if any, on the accounts is not ascertainable but considered to have significant impact on the profit.
5. There exist long outstanding advances given to Govt. Departments, Deposits with Collectors, Security Deposits, amounts recoverable from vendors & customers, which are disclosed in Note No. 6, 8, 10, 12 & 14 of the accompanying Consolidated Financial Statements and remain outstanding and unreconciled. Further, confirmations / Utilization Certificate from Parties are also not available. Even though the corporation has disclosed an accounting policy for de-recognition of financial assets in accordance with Ind AS 109 in Note 2(x), & an accounting policy for impairment as per Ind AS 36 in Note 2(i), the same is not being followed / implemented. The precise effect of consequential adjustments upon such Utilization Certificate / confirmations/ reconciliations, if any, on the accounts is not ascertainable but considered to have significant impact on the profit.
6. Refer Note 38, where the company has disclosed Classification of Financial Instruments as per Ind AS 109 at Amortized Cost & FVTPL. However, Loans and advances given to staff at concessional rate of interest, Upfront Premium Refundable from Govt. of AP – (Note 63), Other Financial Assets & Other Financial Liabilities are not accounted at fair value / amortized cost and required disclosures have not been made as per Ind AS 109.
7. The Company has been generally filing Income Tax Returns based on Provisional Financials without fully complying with the provisions of the Income Tax Act. Note 8 (C) includes Corporate Tax Receivable of Rs. 190.31 Cr which are pending on account of various disputes at different forums & Refer Note 26, where the company has stated Provision for Income Tax Payable amounting to Rs.191.89 Cr for previous years. The balances are subject to reconciliation and consequential adjustments on outcomes, the impact of which is not ascertainable. Any consequential effect on account of actual tax liability based on the audited financial statements of previous years on Income Tax and Deferred Tax has not been provided for in the books, due to which we are unable to ascertain the resultant impact on the Consolidated financial statements.

Further, APMDC has recognized Current Tax & Deferred Tax for the FY: 2025-26 in the statement of profit & Loss based on internal assessment. The estimate of Provision for Current Tax & Deferred Tax is subject to change on completion of Tax Audit u/s 44AB of Income Tax Act. The precise effect of consequential adjustments upon such allowances / disallowances on completion of Tax Audit, if any, on the Consolidated Financial Statements is not ascertainable.



8. Interest amounting to Rs. 12.56 Cr u/s 124(3) of the Companies Act, 2013 for delay in transferring unpaid dividend for the FY 2023-24 to separate bank account has neither been paid nor been accounted for.
9. Refer Note 37 to the Consolidated Financial Statements, the Company's disclosure of contingent liabilities as at March 31, 2026 is incomplete in material respects. Complete litigation files were not made available to us for our verification, and the Note omits the current status of disputes, management's estimate of outcome, accrued interest, and amounts involved. We further note that legal fees and related expenses incurred during the year and preceding year indicate the existence of additional disputes, including matters involving JP Power Ventures, Adani, Bauxite Supply, Fisheries Workers Forum etc., which have not been included in Note 37. Supporting documentation for these matters was also not provided to us. In the absence of complete information, we are unable to confirm whether the contingent liabilities disclosed in Note 37 are complete and adequate in all material respects, or whether any of these matters meet the recognition criteria for a provision under Ind AS 37.
- Further, the disputed income tax demands as disclosed as at 31-Mar-2026 in Note 37 of the accompanying Consolidated Financial Statements is not matching with latest demand outstanding notice for which reconciliation and current status of dispute is not provided. Certain demands are found to be adjusted with income tax refund due, which are stated as receivable under Note 8 (Others – Balance with Statutory Authorities).
10. The company has recognized closing stock of 1,68,290 MT of coal at Suliari Coal Mine as at 31-Mar-2026. However, third party survey report evidencing the physical stock quantity of coal as on 31-Mar-2026 was not made available. Consequently, we are unable to verify the existence, completeness and accuracy of quantity of the inventory as at 31-Mar-2026.
11. Refer Note 2(l) & Note 54, where company has recognized closing stock for C+D+W Grade of Barytes only for a quantity of 17.56 lakh MTs as against the actual quantities of 79.89 Lakh MTs and considering no value for the remaining stock of 62.33 Lakh MTs, as management expects this grade to not fetch any value in the market. However, 21.13 MT has been sold @ Rs. 1,710/- per MT during the year. Therefore, the estimate of the management that the C+D+W grade material has no market value and not to apportion any cost to this grade is not appropriate and not in line with Ind AS 2. The precise effect of consequential adjustments upon such valuation, if any, on the financial statements is not ascertainable but considered to have significant impact.
12. Refer Note 34, where company has disclosed Excavation of Coal & Overburden of Suliari Mine of Rs. 642.68 Cr for the FY 2025-26. Adjustments to the Mining Fees on account of Short / Excess OB removal & Annual Reconciliations as per terms of the agreement are yet to be carried out for FY: 2021-22, FY: 2022-23, FY: 2023-24, FY 2024-25 & for FY 2025-26. Further, APMDC has not recognized the Shortfall / excess Overburden removal of Coal from Suliari Mine as compared the Overburden Removal as per the Stripping Ratio of the Mining Plan, which is not in line with Para 10, 11 & 12 of Ind AS 8 & Note 2(p) of the accounting policy. Further, the payments for Excavation of Coal & Overburden Charges are being made based on the effective Mining Fee applicable on date of sale to customers by APMDC instead of Mining Fee applicable on the date of Production of Coal by MDQ, which is not in line with the agreement terms. The precise effect of these adjustments on the Excavation Charges disclosed in Note 34 of the Financial Statements could not be ascertained, in the absence of information.



13. Refer Note 34, where the company expensed Rs.370.24 Cr towards overburden (OB) removal in Barytes, achieving a stripping ratio of 2.65 against 1.77 as per the Mining Plan. Management has explained that the increase relates to OB removed in the adjacent Dolomite Mine, which is excluded from the stripping ratio in the Barytes Mining Plan. As per Note 2(aa) and Appendix-B of Ind AS 16, OB removal in the Dolomite Mine should be treated as development expenditure and capitalized. However, the Company has not apportioned the Rs.370.24 Cr between Barytes and Dolomite, but expensed the full amount to revenue for FY 2025-26. Accordingly, the policy adopted is not in line with Appendix-B of Ind AS 16. In the absence of bifurcation, the impact on Excavation Charges, Intangible Assets under Development, and profit cannot be ascertained.

Further, even considering management's view of a combined stripping ratio of 3, the actual ratio achieved (2.65) results in a shortfall. No provision has been made for this shortfall.

14. Suliari Coal project, Madhya Pradesh:

- a) The company has outsourced the entire Mine Development & Operations of Suliari Coal Mine, Madhya Pradesh to "Adani Enterprises Limited" (MDO) & around 72% of coal produced during the FY 2025-26 is sold to "Adani Power Limited" (APL) vide a coal supply agreement. During the FY 2025-26, the average sale rate of coal to APL is significantly lower compared to the avg. sale rate to other parties, resulting in forgone potential revenue of Rs. 261.43 Cr. The documentation along with justification of awarding the Mine Production & Sale agreements to parties related to each other are not on record.
- b) Further, Liquidated Damages / Compensation / Penalties for delay in commencement of Coal production as per the terms of the MDO agreement are not levied on AEL by APMDC.
- c) Additionally, mutual penalties for Short Delivery of Coal, Short Lifting of Coal & Short Offtake of Coal leviable on AEL, APL & APMDC as per the terms of MDO & Sale agreements for the FY: 2021-22, FY: 2022-23, FY: 2023-24, FY: 2024-25 & FY: 2025-26 have not been levied. In the absence of adequate supporting information and necessary assessment, the consequential impact, if any, on the Financial Statements could not be ascertained.

In the absence of complete information and any effective documented Risk Management Policy by the company, we are unable to ascertain the corresponding effect on the Consolidated Financial Statements and operations of the Suliari Mine, due to potential Risks (if any) involved in the aforesaid matters.

15. Corporation has not obtained confirmation of MSME classification from vendors and hence, bifurcation of trade payables to MSME and others is not disclosed as required under Schedule III of Companies Act. Further, the ageing of Trade Payables, Trade Receivables & Capital Work in Progress (incl. Intangibles under Development) in respect of Cost & Time Overrun is not disclosed as required under Schedule III of Companies Act, 2013.

16. Interest Free Loan to Andhra Pradesh State Fiber Net Limited (APSFL):

The Company has released an interest free unsecured loan of Rs. 100 Cr during the financial year 2017-18 and 2018-19 to M/s Andhra Pradesh State Fiber Net Limited ("APSFL"). The loan is repayable in 4 yearly instalments starting from FY: 2018-19 and ending in FY: 2021-22. APSFL has not repaid the instalments due in FY 2018-19, FY 2019-20, FY 2020-21 & FY 2021-22 as per terms of the agreement till date. The said loan is unsecured and not backed up by any government guarantee.



The management has not provided for impairment on the loan amount as it is confident of the recovery of the loan. In the absence of Audited Financial Statements of APSFL from FY 2017-18 and subsequent years and other supportive audit evidence substantiating the credit worthiness/Repayment capability of APSFL, we are unable to comment upon its impairment/recoverability and consequential impact on the Consolidated Financial statements. Further, the difference between fair value of the instrument and transaction price on initial recognition of the instrument has not been recognized in the books as the loan agreement was not clear on purpose of issuance of interest free unsecured loan.

17. Loan to Machilipatnam Urban Development Authority (MUDA):

The Company has released unsecured loan of Rs. 200 Cr. to M/s Machilipatnam Urban Development Authority ("MUDA") on 01-Nov-2018 bearing interest at 8% per annum and repayable in 45 days. Despite multiple requests for repayment by APMDC, both the principal and the outstanding interest remain unpaid as on date. The said loan is an unsecured loan and is not backed by any government guarantee.

Additionally, APMDC received G.O.Ms. No. 32 dated 14-Mar-2024 to Waive off Rs.7.07 Cr of principal amount and corresponding interest that is recognised in the books of account. The Company has not written off / impaired the Loan. Further, in the absence of Audited Financial Statements of MUDA from FY 2018-19 and subsequent years and other supportive audit evidence substantiating the credit worthiness/Repayment capability of MUDA, we are unable to comment upon its impairment/recoverability and consequential impact on the Consolidated Financial statements.

Further, the management has not provided for impairment on the loan amount as it is confident of the recovery of the loan, but on the other hand management has not recognized Interest Income amounting to Rs. 116.69 Cr for the period of 2662 days from 16.12.2018 to 31.03.2026 (excl. penal interest leviable under Clause 4 of loan agreement), on the basis of the accounting policy stating that Interest Income on irregular / overdue advances are recognized on realization basis. Thus, the practice of the Company to defer the recognition of interest accrued on loan referring to its accounting policy disclosed at 2(f)(iv) to recognise interest income on irregular / overdue advances on realisation basis is not justified and appropriate to that extent since neither uncertainty in realisation of the said loan was justified nor carrying amount of loan was impaired. As, inappropriate accounting policy cannot be rectified by disclosure. Deviation from accrual basis of accounting results in understatement of Other Income and Loans by Rs. 116.69 Cr each with understatement of Profit by the same amount. Further, the difference between fair value of the instrument and transaction price on initial recognition of the instrument has not been recognized in the books.

18. Inter-Corporate Deposits with Andhra Pradesh State Financial Services Corporation (APSFSCCL)

We draw attention to Note 13 to the accompanying Consolidated Financial Statements, which includes investment of Rs. 555 Cr made during FY 2021-22 in Inter-Corporate Deposits (ICDs) with Andhra Pradesh State Financial Services Corporation (APSFSCCL). The company has not provided for any impairment on the basis that, interest payments on the deposits have been received regularly and that it is confident of full recovery.

Further, we note that APMDC has issued bonds during May-2025 at an interest rate of 9.3% p.a. which is significantly higher than the return on these ICDs. This raises concerns about the liquidity of the ICDs, as the company opted to raise debt at a much higher interest rate rather than utilizing the outstanding deposits with APSFSCCL. In the absence of sufficient appropriate audit evidence to corroborate management's assessment, we are unable to comment on whether any impairment provision is required in respect of these deposits, and consequently, on the impact, if any, on the Consolidated Financial Statements as at 31-Mar-2026.



19. The company has not complied with the applicable Corporate governance requirements under the SEBI LODR (Listing Obligations and Disclosures Requirements) Regulations, 2015 including Director Composition, Establishment of Vigil Mechanism / Whistle blower Mechanism, Related party Transactions and formation of mandatory committees (i.e., Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee), as applicable to High Value Debt Listed Entity (HVDLE). Further, there were delays in the transfer of interest remaining unpaid/unclaimed for the prescribed period to the designated escrow account within the stipulated timeline prescribed under the applicable provisions of the SEBI LODR Regulations.
20. As disclosed in Note 3.4.1 (Intangibles under Development) and Note 8 (Capital Advances) to the financial statements, the Company has capitalised Rs.89 crore towards the Brahmadaha Coal Project and has also carried an Advance Royalty of Rs.10.27 crore for over 3 years. The project has not progressed to commercial development. The Company's internal assessment and an independent geological study conducted by CMPDI indicate that the project is economically non-viable, and the Company has communicated its intention to surrender the mine in April-2026. These conditions indicate impairment under Ind AS 36, *Impairment of Assets*. However, the Company has not recognised any impairment loss in respect of these balances. Consequently, the carrying amount of assets and the profit for the year are overstated by Rs.99.27 crore.
21. The bond issue proceeds were transferred to the Government's Personal Deposit (PD) Account in June-July 2025, whereas the demand notice for lease premium in respect of the 436 mines was raised by the Government only on 27-Mar-2026, with the corresponding debit from the PD Account effected on the same date. Consequently, the funds aggregating Rs. 6,884 Crores remained parked in the PD Account for approximately nine months, without earning any interest, while the Company simultaneously serviced bond obligations at a coupon rate of 9.3% p.a.. The resultant notional loss of interest income on account of this deployment of funds is ~Rs.260 Cr (Assuming 5% Interest on Fixed Deposits).

We conducted our audit in accordance with 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 Consolidated Financial Statements section of our report. We are independent of the Holding 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 Consolidated financial statements under the provisions of the Companies Act, 2013 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 and audit evidence obtained by the other auditors in terms of their reports referred to in para 1 of 'Other Matters' section below, is sufficient and appropriate to provide a basis for our qualified opinion on the Consolidated Financial Statements.



Emphasis of matter Paragraph:

Without qualifying our opinion, we draw attention to the following matters in the Consolidated Financial Statements:

1. Refer Note 63 to the financial statements regarding the upfront premium of Rs.6,884 Cr paid for mining rights and the subsequent Government Memo dated 10-Sep-2026 directing refund of the premium paid and providing for payment of premium as and when mineral reserves are extracted. As described in the said Note, the Company has considered the subsequent Government action as an adjusting event under Ind AS 10 and accordingly recognised the refund receivable as an Other Financial Asset. Our opinion is not modified in respect of this matter.
2. Refer Note 72 to the Financial Statements regarding capitalisation of borrowing costs of Rs.665.47 Cr in respect of the 436 mining projects and the subsequent Government Memo dated 10-Sep-2026 directing refund of the upfront premium. As stated in the said Note, the Company has capitalised such borrowing costs under Ind AS 23. Our opinion is not modified in respect of this matter.
3. Refer Note 71 to the Financial Statements, which describes the RAKIA arbitration proceedings and related litigations initiated by ANRAK Aluminium Limited and the Management's assessment thereof, including the basis for not recognising any provision or disclosing any contingent liability in respect of these matters. Our opinion is not modified in respect of this matter.
4. Refer to Note 27 to the accompanying Consolidated Financial Statements read with Note 2(f) of the Significant Accounting Policies, wherein the Company has disclosed its policy of presenting statutory levies such as royalty, excluding GST, within Revenue from Operations. The amount of such statutory levies included in Revenue from Operations for the year ended 31-Mar-2026 is Rs. 686.55 Cr, with corresponding amounts presented under Rates & Taxes in Note 35. Management has represented that the presentation is consistent with the prevailing industry practice. The matter has no impact on the profit for the year.
5. Refer Note 69 to the accompanying Consolidated financial statements, wherein the Management has disclosed that the variable consideration recognised in the previous year in respect of sale of barytes, based on Management's estimate and judgement that significant reversal was not probable, has been finalised during the current year pursuant to completion of the tender process. Accordingly, the differential amount of Rs.14.62 Cr has been recognised as revenue in the current year. Our opinion is not modified in respect of this matter.
6. Refer Note 70 of the accompanying consolidated financial statements, where the management has disclosed that, the accumulated GST ITC as on 31-Mar-2026 is due to inverted duty structure & RCM applicable on royalty. Management expects to utilize this ITC in future for payment of Output GST by taking into consideration the GST rate revision on Coal from 5% to 18% (effective from 22-Sep-2025) & its diversification into new mines.



7. Refer Note 68, which states that the unaudited financial statements of Naandhi Granites India Private Limited, an associate Company, have been prepared in accordance with Indian GAAP and the applicable Accounting Standards, as prescribed under Section 133 of the Companies Act, 2013. The management has assessed the differences between Indian GAAP and Ind AS and concluded that the impact of such differences is not material to the consolidated financial statements. Accordingly, the consolidated financial statements include the Company's share of loss of Rs. 32.79 lakhs in respect of the said associate.

Our opinion is not modified in respect of this matter(s).

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the following matters to be the Key audit matters to be communicated in our report. The description of how our audit addressed the Key audit matter is provided in that context.

Sl. No.	Key Audit Matter	How the matter was addressed in our Audit
1	Inventory Valuation Refer Note 10 to the Consolidated Financial Statements, the Company had inventories amounting to Rs.46,166 lakhs, comprising coal, barytes and other inventories as at 31-Mar-2026. Inventories are required to be measured at the lower of cost and net realisable value in accordance with Ind AS 2, <i>Inventories</i>. The cost of inventories is determined using the weighted average cost formula. The determination of the net realisable value of inventories involves significant judgement, including consideration of the expected selling prices, estimated costs to complete and sell the inventories and the prevailing market conditions. The matter was significant to our audit due to the magnitude of the inventory balance and the judgement and estimation involved in determining the net realisable value. Accordingly, the valuation of inventories was considered to be a Key Audit Matter.	Our audit procedures included, amongst others, the following: • We evaluated the design and implementation of relevant internal controls over the physical verification, recording and valuation of inventories. • We tested, on a sample basis, the cost of inventories with reference to underlying records and supporting documents. • We assessed the methodology adopted by the Company for determination of the cost and net realisable value of inventories with reference to the requirements of Ind AS 2. • We compared the estimated selling prices with subsequent sales and other relevant supporting information, where applicable. • We considered the appropriateness of the disclosures relating to inventories in the Consolidated Financial Statements. • We also considered the adequacy of the related disclosures made by the Company in the Financial Statements. Based on the audit procedures performed, we considered the Company's accounting treatment and the related disclosures in the Consolidated Financial Statements in forming our opinion on the financial statements as a whole. Refer to Para 10 & 11. of the Basis for Qualified Opinion section of our Report.



2	Revenue from Operations Revenue from Operations constitute revenue from sale of coal and barytes. The recognition of revenue is dependent upon determination of transfer of control of goods to customers in accordance with the terms and conditions of underlying contracts, dispatch documentation, weigh men records, quality parameters, grade-wise pricing, royalty adjustments and other statutory levies. Further, in respect of mining entities, revenue transactions close to the year-end require specific audit focus to ensure that revenue is recognized in the correct accounting period. Accordingly, considering the materiality of revenue from operations, complexity involved in determination of quantity, grade and timing of revenue recognition, and the risk of inappropriate recognition of revenue, the same has been considered as a Key Audit Matter.	Our audit procedures included, amongst others, the following: - Assessing the appropriateness of the Company's revenue recognition accounting policies in line with IND AS 115. The matter is also described in the Para 4 & 5 of the Emphasis of Matter Section of this report. - Understanding and testing of design and operating effectiveness of Internal controls in place relating to recognition and measurement of revenue, royalty and sales taxes payable - Testing of relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue. - Performed Cut off procedures as on year end with respect to revenue, royalty and other sales taxes paid based on quantity dispatched - Assessing and testing adequacy and completeness of the company's disclosures in Consolidated Financial Statements. Based on the audit procedures performed, we considered the Company's accounting treatment and the related disclosures in the Consolidated Financial Statements in forming our opinion on the financial statements as a whole.
3	Evaluation of Decommissioning Provision The company provided for Decommissioning costs at the Present Value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of PPE. Progressive mine closure expenses are accounted for as and when incurred. The estimation of such provision is dependent upon significant management judgement in estimation relating to expected mine life, estimated closure costs, etc. Considering the materiality of the provision, and significant degree of judgement involved in determining the underlying assumptions, the matter was considered to be a Key Audit Matter.	Our audit procedures included, amongst others, the following: - Evaluated the recognition of the decommissioning / mine closure obligation with reference to applicable statutory, contractual and accounting requirements. - Assessed the valuation and measurement of the provision by evaluating key assumptions relating to estimated restoration costs, timing of cash outflows, inflation and discount rates and verified the mathematical accuracy of the computation, including unwinding of discount, wherever applicable. - Examined supporting documents including mine closure plans and technical reports supporting the estimates used by management.



		Assessing and testing adequacy and completeness of the company's disclosures in Consolidated Financial Statements. Based on the audit procedures performed, we considered the Company's accounting treatment and the related disclosures in the Consolidated Financial Statements in forming our opinion on the financial statements as a whole.
4	Upfront Premium paid to Government and Related Borrowing Costs Refer to Note 63 & 73 to the financial statements. The Company has accounted for the upfront premium of Rs. 6,884 Cr paid to the Government in respect of mining leases and the related borrowing costs of Rs.665.47 Cr in accordance with the accounting policies described in the Consolidated Financial Statements. Subsequent to the reporting date, the Government issued a Memorandum dated 10-Sep-2026 directing refund of the upfront premium and providing for its payment as and when the minerals are extracted. The Company has considered the subsequent development and its accounting implications under Ind AS 10 and has recognised the amount refundable as an Other Financial Asset. The Company has also continued to capitalise borrowing costs in accordance with Ind AS 23. The matter required significant auditor attention due to the magnitude of the amounts involved, the nature and timing of the subsequent Government communication, and the significant judgement involved in determining the appropriate accounting treatment under the applicable Ind AS requirements	Our audit procedures included, amongst others, the following: - Obtaining and examining the relevant agreements, Government orders, memoranda and other supporting documentation relating to the upfront premium and the subsequent Government communication; - Evaluating the Company's assessment of the subsequent event and the related accounting treatment with reference to the requirements of Ind AS 10 and other applicable Ind AS requirements; - Evaluating the recognition and measurement of the amount refundable as an Other Financial Asset; - Evaluating the Company's accounting treatment for borrowing costs with reference to the requirements of Ind AS 23; - Assessing the adequacy of the related disclosures in the Consolidated Financial Statements; and - Considering the consistency of the accounting treatment with the information and explanations obtained from management and the underlying supporting records. Based on the audit procedures performed, we considered the Company's accounting treatment and the related disclosures in the Consolidated Financial Statements in forming our opinion on the financial statements as a whole. This matter was also considered in the context of the related disclosures in Note 63 and Note 73 and the Emphasis of Matter paragraphs 1 and 2 of our report.



5	Accounting for bonds and related transaction costs Refer to Note 61 to the financial statements, to the financial statements, During the year, the Company issued bonds aggregating to approx. Rs.9,000 Cr. The accounting for these financial liabilities involved consideration of the applicable requirements of Ind AS 109, including classification and measurement, the effective interest rate method and the accounting for directly attributable transaction costs. The matter required significant auditor attention due to the materiality of the amounts involved, the nature and terms of the financing arrangements, and the accounting judgements and calculations involved in determining the carrying amount and finance cost of the bonds in accordance with Ind AS 109.	Our audit procedures included, amongst others, the following: • obtaining and examining the relevant bond documents, agreements and other supporting records; • evaluating the classification and measurement of the bonds with reference to the requirements of Ind AS 109; • evaluating the Company's determination of the effective interest rate and independently checking the related calculations; • testing the transaction costs associated with the issue of the bonds and evaluating their accounting treatment; • performing substantive procedures over the proceeds received and the utilisation/recording of the related transactions; • evaluating the finance cost recognised during the year; and • assessing the adequacy and appropriateness of the related disclosures in the Consolidated Financial Statements. Based on the audit procedures performed, we considered the Company's accounting for the bonds and the related disclosures in the Consolidated Financial Statements in forming our opinion on the financial statements as a whole.
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Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Annual Report (collectively called as "Other Information"), but does not include the Consolidated Financial Statements and our auditor's report thereon. The Other information as above is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations, if required.



Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements:

The Holding Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated cash flows and Consolidated changes in equity of the Group in accordance 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, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibility for the Audit of Consolidated Financial Statements:

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatements, 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 Standards on Auditing 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 Consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated 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 explaining our opinion on whether the Holding 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 estimate and related disclosures made by management.
- Conclude on the appropriateness of management of the Holding company'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 Holding 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 Consolidated 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 Holding Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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.

Other Matters:

1. We did not audit the financial statements of one Joint Venture and three Associate Companies included in the Consolidated Financial Statements of the Group. The Consolidated Financial Statements include the Group's share of total net profit after tax of Rs. 2.10 Crores and total comprehensive income of Rs. (0.02) Crores for the year ended March 31, 2026, in respect of these entities.



The financial statements and other financial information of Andhra Pradesh Granite (Midwest) Private Limited (Joint Venture) and AP Midwest Galaxy Private Limited (Associate) have been audited by other auditors, whose reports have been furnished to us by the management, and our opinion, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such other auditors and the procedures performed by us as stated above, in accordance with the requirements of SA 600, Using the Work of Another Auditor, including consideration of materiality.

In respect of Shambhavi Stones AP Private Limited and Naandhi Granites India Private Limited (Associates), unaudited financial statements and other financial information have been furnished to us by the management and have been considered in the preparation of the Consolidated Financial Statements. The financial statements and other financial information of these entities have not been audited, and accordingly, we have not independently verified the financial information relating to these entities.

Our opinion on the Consolidated Financial Statements and our report on Other Legal and Regulatory Requirements is not modified in respect of the above matters with respect to our reliance on the work of the other auditors and the financial statements and other financial information furnished by the Management.

Report on Other Legal and Regulatory Requirements:

1. As required under Section 143(5) of the Companies Act 2013, we give in "**Annexure A**" a statement on the directions and sub-directions issued by the Comptroller and Auditor General of India, action taken thereon and the impact on the accounts and Consolidated financial statements of the Holding Company, on the basis of such checks of the books and records of the Holding company as we considered appropriate and according to the information and explanations given to us.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and jointly controlled entities, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:
 - a) We have sought, except for the effects/ possible effects of the matter described in the Basis for Qualified Opinion paragraph and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far by the Holding Company as it appears from our examination of those books and the reports of other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of Consolidated financial statements.
 - d) Except for the effects/ possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.



- e) Being a Government Company, pursuant to Notification No. GSR 463(E) dated 05-Jun-2015 issued by Government of India, Provisions of clause (g) of sub-section (3) of section 143 of the Companies Act 2013 are not applicable to the Company.
- f) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning and cash flows of the Group.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses disclaimer of opinion on the adequacy and operating effectiveness of the Holding Company's internal financial controls over financial reporting.
- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. Due to qualification stated at para- No.9 of the Basis of Qualified Opinion, we are unable to comment on whether the Holding Company has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements.
 - ii. In our opinion and as per the information and explanations provided to us, the Holding Company did not have any long-term contracts, requiring provisions under applicable laws or accounting standards, for material foreseeable losses.
 - iii. There has been no amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.
 - iv. (a) The management of the Holding company has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the Holding company to or in any other person 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 person or entities identified in any manner whatsoever by or on behalf of the Holding company ("Ultimate Beneficiaries") or provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 (b) The Management of the Holding company has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding 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 from or on behalf of the Ultimate Beneficiaries; and
 (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that representations under sub clause [a] and [b] above, contain any material mis-statement.
 - v. The Holding company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
 Reference is invited to Para 8 of the Basis of Qualified Opinion section of this Audit report; the Holding company has not remitted the Interest on delayed payment of dividend declared for the FY: 2023-24 which is in contravention to Sec 124 of the Companies Act, 2013



- vi. Based on our examination, which included test checks, and based on the audit reports submitted by us, the Holding Company used accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has been in operation throughout the year for all relevant transactions recorded. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Further, as per reports submitted by the independent statutory auditors of the One Joint Venture and one Associate Companies namely Andhra Pradesh Granite (Midwest) Private Limited & AP Midwest Galaxy Private Limited, the components have used an accounting software for maintaining its books of account has feature of recording audit trail except that this feature was not enabled in the accounting software throughout the year. In respect of other two Associate Companies which are incorporated in the Financial Statements, the statutory auditor's reports were not made available to us and as such we are not able to comment on the same.

With respect to reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014, the audit trail has been preserved by the Holding company as per the statutory requirements for record retention.

3. In our opinion and according to the information and explanations given to us, the qualifications or adverse remarks, if any, made by the respective auditors in their reports on the matters specified in paragraphs 3 and 4 of the Companies (Auditors' Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, to the extent applicable ("the Order"), in respect of the companies included in the Consolidated Financial Statements, are reported below as required under Clause 3(xxi) of the Order:

Sl. No.	Name	Corporate Identification Number (CIN)	Holding Company/ Subsidiary/ Step down subsidiary	Clause number of the CARO report which is qualified or adverse
1	The Andhra Pradesh Mineral Development Corporation Limited	U13209TG1961SGC000871	Holding Company	3(ii)(a), 3(iii), 3(v), 3(vii)(a), 3(vii)(b), 3(viii), 3(ix)(c) & 3(x)(a)
2	Andhra Pradesh Granite (Midwest) Private Limited	U14102TG2007PTC054390	Joint Venture	3(vii)(b)
3	AP Midwest Galaxy Private Limited	U14299AP2022PTC123536	Associate	3(xvii)

In respect of the other two Associate Companies, namely Shambhavi Stones AP Private Limited and Naandhi Granites India Private Limited, which are included in the Consolidated Financial Statements, the respective statutory auditors' reports, including the CARO reports, wherever applicable, have not been made available to us by the Management. Accordingly, we are unable to determine whether there are any qualifications or adverse remarks in respect of the matters specified in paragraphs 3 and 4 of the Order in the CARO reports of these entities, wherever applicable.



In respect of the following entities the CARO reports relating to them has not been made available for our verification by the management:

Sl. No.	Name	Corporate Identification Number (CIN)
1	APMDC - SCCL Suliari coal company limited	U10300TG2013SGC088684
2	Nuagaon Coal Company Limited	U10100OR2011SGC013609
3	Andhra Phosphate (P)Ltd.	U14212AP1974PTC001819
4	Ongole Iron Ore Mining Company Private Limited	U13100TG2009SGC063631
5	Aswani Mineral Development Private Limited	U14102TG2001PTC036434
6	Srap Mineral Private Limited	U10200TG2001PTC036234
7	Arham Mineral Exports Private Limited	U08109CT2025PTC017368
8	Isra Mineral Exports Private Limited	U14109TG2001PTC036677
9	Margasri Granites Private Limited	U14102AP2001PTC036698
10	Ongole Mineral Exports Private Limited	U14102TG2001PTC037947
11	R L P Granite Private Limited	U14102TG2001PTC037946
12	A.P.Coastal Sands & Metals Private Limited	U14200TG2007PTC055391
13	Andhra Pradesh Tribal Mining Private Limited	U14299TG2001PTC036789
14	Alliance A.P. Black galaxy granites private limited	U14102TN2007PTC063962
15	Pallavared Granite Private Limited	U05001AP1983PTC004312
16	Gimpex AP Barytes Benficiation Private Limited	U14215TN2008PTC069736
17	Andhra Baryte Corporation Private Limited	U14215AP2008PTC059892
18	Andhra Pradesh Iron Ore Company Private Limited	U13100TN2005PTC057689
19	Trimex Barite Private Limited	U13100TN2008PTC068747
20	V.V Minerals Private Limited	U13209TN2001PTC046645
21	Samyuktha Granite Private Limited	U14290AP2021PTC119423

4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Act, are not applicable to the Holding company.

For M. N. Rao & Associates LLP
Chartered Accountants
Firm Reg. No: 005386S/S000195



(D.S.S. Srikanth)
Designated Partner

Membership No.: 250883



Place: Vijayawada

Date: 30-Sep-2026

UDIN: 26250883NWJGCGA141

Enclosed: Annexure A and B to the Audit Report

Annexure-A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Reports on Other Legal and Regulatory Requirements' section of our report of even date to the members of The Andhra Pradesh Mineral Development Corporation Limited {"The Holding Company"} on the consolidated financial statements for the year ended March 31, 2026)

Report on Directions & Sub-Directions issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013

Sl.no	Directions/Sub-directions	Observations/Findings
A. Directions		
1.	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	The Holding Company measures all its investments, whether quoted or unquoted, including those made directly or through trusts for post-retirement employee benefit schemes, at fair value, with changes recognized through Other Comprehensive Income (OCI). Actuarial Valuation Report in respect of post-retirement benefits under IND AS has been obtained from an Actuary registered under Institute of Actuaries of India and the same is reasonable and in line with the applicable regulations and the accounting policy adopted by the holding company.
2.	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been done by Information Security Auditing Organisations empaneled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported.	The Holding Company has system in place to process all the accounting transactions through IT System i.e., Microsoft Dynamics ERP. However, many areas have not been covered under the ERP such as Accounting of Inventory, Payroll, Stores Consumption, Depreciation etc. which are manually maintained. We draw attention to Annexure B of our Audit Report, wherein we have disclaimed our opinion in respect of internal financial controls over financial reporting of the company with reference to these Consolidated financial statements. In respect of Cyber Security, no audit has been carried out during the year
3.	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	No such Funds have been received / receivable for specific schemes from central / state agencies.

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4.	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	We draw attention to Annexure B of our Audit Report, wherein we have disclaimed our opinion. As stated therein, the Holding Company has not identified Key Risk Areas and has also not formulated a Risk Management Policy.
5.	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	We draw attention to Para 19 of the Basis of Qualified Opinion Section of our Audit Report in respect of non-compliance with Corporate Governance requirements and delays in transferred unpaid/unclaimed interest on Bonds to the designated account under the SEBI LODR Regulations 2015. We draw attention to Para 8 of the Basis of Qualified Opinion Section of our Audit Report in respect of non-compliance with Sec 124 (Interest on delayed payment of dividend) of the Companies Act, 2013. According to the information and explanations given to us and on the basis of our examination of the records of the company, except for the effects of the matters specified above, the company is in compliance with all the applicable regulations.

B. Sub-Directions

1.	In case of works executed with the funds of Central or State government(s)/ other user department(s) or their agencies, whether there is conclusive evidence that the assets created will be the assets of the PSU? If not, the accounting treatment of the funds received, utilized, returned, assets created up to and during the year (work-in-progress or completed), assets handed over to the fund-giving agency up to and during the year, assets impaired, if any, and the revenue/ commission/ centage realized on these works, with full quantitative details may be detailed.	According to the information and explanations given to us and on the basis of our examination of the records of the holding company, there are no works executed with the funds of Central or State government(s)/ other user department(s) or their agencies.
2.	Where Grants are received from Central or State government(s)/ other user department(s) or their agencies: a) Where grants are taken as revenue for the year, whether the concerned orders are clear that the funds can be utilised for revenue expenditure; b) Where guarantee commission is to be paid, the quantitative details viz., amount guaranteed, rate of guarantee commission, whether the commission was paid or payable along with the details of the purpose of raising the funds with guarantee and whether the funds were utilised for the stated purpose;	According to the information and explanations given to us and on the basis of our examination of the records of the holding company, there are no grants received by the corporation from Central or State government(s)/ other user department(s) or their agencies.



3.	Where any long-term liability is undertaken against an asset of finite lifetime, whether there is a clear accounting policy thereon (for instance, land obtained on lease for a specific period (whether renewable or non-renewable) but shares issued in lieu of the land lease).	According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no long-term liabilities in respect of asset with finite life time except for mines in respect of which Provision for Decommissioning of Mine has been provided in line with the provisions of Ind AS. Attention is also invited to Note 61 & 73 of the accompanying financial statements where the company has raised bonds to fund the upfront premium of the new minor mineral mines.
4.	Whether the corresponding expenditure on which the taxes paid/ payable are accounted in the financial statements is also included appropriately	According to the information and explanations given to us and on the basis of our examination of the records of the holding company, the holding Company has accounted Taxes on Expenditure appropriately, wherever applicable.
5.	Whether there is a Personal Deposit account in the name of the PSU? If yes, a) Funds debited from the PD account erroneously/ lapsed by the treasury, but claimed by the Company as receivable / its own funds; b) If any funds given by any Government or agencies other than the State Government were lapsed, the details of the same may be detailed; c) Details of the funds raised through loans (with or without government guarantee) and deposited in PD Account; Purpose of the loans and whether the purpose is initiated/completed;	The holding Company has been maintaining Personal Deposit Account vide PD DDO Code: 27002403004. a) Based on our verification, we have not found any such transactions during the year covered under our audit. b) No funds have been received by the holding company during the year. c) During the year company has raised funds of ~Rs.9000 Cr. through issue of Non-Convertible Redeemable Bonds backed by Government Guarantee for development of 436 minor minerals and other corporate purposes and deposited the funds (net of DSRA & Issue proceeds) in PD A/c. Technical feasibility and Statutory approvals for these minor minerals are in progress. (Refer Note 61 & 73 to the Financial Statements). Attention is also invited to Para 21 of the Basis of Qualified Opinion Section & Para 1 of the Emphasis of Matter Section our Audit Report. Subsequent to the reporting date, the Government, vide Memo dated 10-Sep-2026, directed the DMG to refund of the upfront premium paid and to collect the premium as and when the mineral reserves are extracted. However, Refund Orders from DMG and credit in the PD account were not received up the date of Audit Report.



	d) Whether suitable disclosure on the restrictions or additional permissions required on withdrawing the funds in PD Accounts is included or not; e) The quantitative details of the bills sent for clearing against the PD account balances but not cleared/ returned unpaid as on the reporting date along with age-wise analysis;	d) According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no restrictions or additional permissions required for withdrawing the funds from this account. e) According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no returned/ unpaid bills as on 31-Mar-2026
6.	Where funds are raised by the Company and the payment of Principal or Interest or both are met by the State Government or its agencies, directly or indirectly, the details and the purpose of these loans may be stated along with the fact whether the funds were utilised for the stated purpose	According to the information and explanations given to us and on the basis of our examination of the records of the holding company, there are no funds which have been raised by the holding company for which payment of principal or interest or both are met by the State Government or its agencies, directly or indirectly.
7.	Whether the land owned by the Company is encroached, under litigation, not put to use or declared surplus. Details may be provided.	As per the information and explanations provided by the management, there are no such instances taken place and reported during the year.
8.	Whether the inventory has been taken on the basis of physical verification after adjustment of shortage/ excess found and whether due consideration has been given for deterioration/ obsolescence in the quality which may result into overvaluation of stock?	Reference is invited to Para 10 & 11 of the Basis of Qualified Opinion Section of the Audit Report.
9.	Whether the cost incurred on abandoned projects has been written off?	The Company's internal assessment and an independent geological study conducted by CMPDI indicate that the Brahmadiha Coal Project is economically non-viable, and the Company has communicated its intention to surrender the mine in April-2026. However, the cumulative cost incurred till date of Rs.99.27 Cr is not written off. Reference is Invited to Para 20 of the of the Basis of Qualified Opinion Section of the Audit Report. Except for the matters stated above, according to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not incurred any cost on abandoned projects.



10.	Cases of wrong accounting of interest earned on account of non-utilization of amounts received for certain projects/schemes may be reported.	According to the information and explanations given to us and on the basis of our examination of the records of the holding company, the holding company has not received any amounts for projects/schemes.
11.	Whether the bifurcation plan (between Andhra Pradesh & Telangana States), if any, for the Company is finalized and approved; Whether the accounting treatment as per the plan and the suitable detailed disclosures are given. Deviations may be stated.	We have Qualified our report for want of information and records. Accordingly on account of the reasons as stated in Basis for Qualified Opinion para 2, we are unable to comment upon the same. We also draw attention to Note 49 in the accompanying consolidated financial Statements.
C. Sub Directions – Mining sector		
12.	Whether the company has taken adequate measures to reduce the adverse effect on environment as per established norms and taken up adequate measures for the relief and rehabilitation of displaced people.	According to the information and explanations given to us by the management the holding company has taken adequate measures to reduce the adverse effect on environment as per established norms and taken up adequate measures for the relief and rehabilitation of displaced people.
13.	Whether the Company had obtained the requisite statutory compliances that was required under mining and environmental rules and regulations?	According to the information and explanations given to us and on the basis of our examination of the records of the holding company, the holding Company has obtained the requisite statutory compliances that was required under mining and environmental rules and regulations.
14.	Whether overburden removal from mines and backfilling of mines are commensurate with the mining activity?	Reference is invited to Para 12 & 13 of the Basis of Qualified Opinion in the Audit Report.
15.	Whether the Company has disbanded and discontinued mines, if so, the payment of corresponding dead rent there against may be verified.	According to the information and explanations given to us and on perusal of the mining plans submitted to us, the holding company is regular in payment of dead rent in respect of disbanded or discontinued mines.



16.	Whether the Company's financial statements had properly accounted for the effect of Rehabilitation Activity and Mine Closure Plan?	According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has properly accounted for the effect of the Rehabilitation Activity and Mine Closure Plan in with the accounting policy adopted by the company.
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For M. N. Rao & Associates LLP

Chartered Accountants

Firm Reg. No: 005386S/S000195

D.S.S. Srikanth

(D.S.S. Srikanth)

Designated Partner

Membership No.: 250883



Place: Vijayawada

Date: 30-Sep-2026

UDIN: 26250883NWJGCG241

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2(g) under 'Reports on Other Legal and Regulatory Requirements' section of our report of even date to the members of The Andhra Pradesh Mineral Development Corporation Limited ("The Holding Company") on the Consolidated Financial Statements for the year ended March 31, 2026)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We were engaged to audit the internal financial controls over financial reporting of The Andhra Pradesh Mineral Development Corporation Limited ("the Holding Company") and its subsidiaries (the Holding company and its subsidiaries referred to as "The Group"), its associates and jointly controlled entities as of March 31, 2026 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the group are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control over financial reporting criteria established by the Holding Company, considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls over financial reporting with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

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

Because of the matter described in the disclaimer of opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the internal financial controls over financial reporting of the company with reference to these Consolidated financial statements.



Meaning of Internal Financial Controls over Financial Reporting

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

1. Pertain to the maintenance of records, that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 with reference to Consolidated Financial Statements

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

Disclaimer of Opinion:

According to the information and explanations given to us, the Holding Company has not established its internal control over financial reporting on criteria based on the internal control over financial reporting criteria established by the Holding 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. As a result, we are unable to obtain sufficient and appropriate audit evidence to provide a basis for our opinion whether the company had adequate internal control over financial reporting and whether such internal control was operating effectively as on 31st March, 2026.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of Consolidated Financial Statements of the company, and the disclaimer does not affect our opinion on the Consolidated Financial Statements of the Company.

For M. N. Rao & Associates LLP

Chartered Accountants

Firm Reg. No: 005386S/S000195


(D.S.S. Srikanth)

Designated Partner

Membership No.: 250883



Place: Vijayawada

Date: 30-Sep-2026

UDIN: 26250883NWJECG2141

The Andhra Pradesh Mineral Development Corporation Limited
Consolidated balance sheet as at March 31, 2026
All amounts are in Rs. Lakhs, unless otherwise stated

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	3	1,749	1,621
(b) Right of-use assets	3.1	403	506
(c) Capital work in progress	3.2	301	519
(d) Intangible assets	3.3	1,58,741	1,76,707
(e) Intangible assets under development	3.4	75,467	8,851
(f) Financial assets			
(i) Investments	4	1,964	1,626
(ii) Loans	5	410	441
(iii) Other financial assets	6	1,10,619	14,254
(g) Other non-current assets	8	55,690	64,514
Total non-current assets		4,05,343	2,69,039
2) Current assets			
(a) Inventories	9	46,166	39,761
(b) Financial assets			
(i) Trade receivables	10	59,194	74,592
(ii) Cash and cash equivalents	11	75,917	48,952
(iii) Other bank balances	11	14,272	1,084
(iv) Loans	12	30,060	30,112
(v) Other financial assets	13	7,45,272	56,169
(c) Other current assets	14	51,978	45,499
Total current assets		10,22,860	2,96,168
TOTAL ASSETS		14,28,203	5,65,207
EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	15	631	631
(b) Other equity	16	4,31,894	3,57,458
Total equity		4,32,525	3,58,088
Liabilities			
2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	7,73,939	45,143
(ia) Lease Liability	17a	310	390
(ii) Other financial liabilities	18	6,594	6,377
(b) Provisions	19	3,508	3,540
(c) Deferred tax liability (net)	7	16,716	13,160
(d) Other non-current liabilities	20	254	254
Total non-current liabilities		8,01,321	68,865
3) Current liabilities			
(a) Financial liabilities			
(i) Short Term Borrowings	21	74,999	10,800
(ia) Lease Liability	22	124	118
(ii) Trade payables	23	8,705	25,479
(iii) Other financial liabilities	24	31,216	10,068
(b) Other current liabilities	25	60,123	77,335
(c) Current tax liabilities	26	19,189	14,453
Total current liabilities		1,94,356	1,38,253
TOTAL EQUITY AND LIABILITIES		14,28,203	5,65,207
Notes to financial statements	1-74		

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date

For M N RAO & ASSOCIATES LLP
Chartered Accountants
Firm Regn No: 0053865/S000195

D.S.S. Srikanth
Partner
M.No. 250883



Place : Vijayawada
Date: September 30, 2026.

UDIN : 26250883NLWJGCG2141

For and on behalf of the Board of Directors


Pravin Kumar, IAS
Managing Director
DIN: 07106418


V.V.V. Phani Kumar
Chief Financial Officer


S. Hanumantha Rao
Director
DIN: 11336430


S. Siva Rama Krishna
Company Secretary &
Compliance Officer
M No: A60677



The Andhra Pradesh Mineral Development Corporation Limited
Consolidated statement of profit and loss for the year ended March 31, 2026
All amounts are in Rs. Lakhs, unless otherwise stated

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
I Revenue from operations	27	3,22,579	3,00,103
II Other income	28	8,193	7,386
III Total income (I+II)		3,30,772	3,07,489
IV Expenses			
Change in inventories of finished goods	29	(6,395)	(19,006)
Employee benefits expense	30	4,501	4,921
Finance costs	31	9,276	6,388
Depreciation and amortization expense	32	20,859	20,450
Power and fuel	33	890	820
Excavation and transport charges	34	1,07,651	1,21,246
Other expenses	35	90,679	74,892
Total expenses (IV)		2,27,462	2,09,710
V Profit before tax (III-IV)		1,03,310	97,779
VI Share of Profit/(Losses) of joint ventures and associates		210	433
VII Tax expense/(benefit)			
Current tax	36	25,658	23,784
Deferred tax	36	3,556	1,140
Total tax expense/ (benefit) (VII)		29,214	24,924
VIII Profit for the year from continuing operations (V+VI-VII)		74,306	73,289
IX Other comprehensive income			
(i) Items that will not be reclassified to profit or loss (Re-measurement of post-employment benefit obligations)		2	(42)
(ii) Items that will not be reclassified to profit or loss of JV		(2)	(1)
(iii) Income tax on above items		-	-
Total other comprehensive income for the year (IX)		0	(43)
X Total comprehensive income for the year (Comprising Profit and Other Comprehensive Income for the reporting period) (VIII+IX)		74,306	73,246
Earnings per equity share (EPS) (Face Value of Rs. 1000)			
- Basic (Rs.)	42	1,17,830.26	1,16,216.66
- Diluted (Rs.)		1,17,830.26	1,16,216.66
Notes to financial statements	1-74		

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date

For **M N RAO & ASSOCIATES LLP**
Chartered Accountants
Firm Regn No: 0053865/S000195


D.S.S. Srikanth
Partner
M.No. 250883

Place : Vijayawada
Date: September 30, 2026.

UDIN: 26250883NWJGCG2141



For and on behalf of the Board of Directors


Pravin Kumar, IAS
Managing Director
DIN: 07106418


V.V.V. Phani Kumar
Chief Financial Officer


S. Hanumantha Rao
Director
DIN: 11336430


S. Siva Rama Krishna
Company Secretary &
Compliance Officer
M No: A60677



The Andhra Pradesh Mineral Development Corporation Limited
Consolidated cash flow statement for the year ended March 31, 2026
All amounts are in Rs. Lakhs, unless otherwise stated

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flow from operating activities		
Profit before tax from continuing operations	1,03,520	98,212
Adjustments for		
Interest expense	8,893	6,111
Unwinding of discounting on provisions	907	277
Interest income	(7,745)	(6,630)
Depreciation and amortization expense	20,859	20,450
Provision for bad & doubtful advances	6,184	364
Liabilities no longer required written back	(379)	(145)
Operating profit before working capital changes	1,32,239	1,18,640
Adjustments for:		
Increase/(decrease) in trade payables	(16,494)	6,042
Increase/(decrease) in provisions	9	(6,451)
Increase/(decrease) in other financial liabilities	21,409	(12,181)
Increase/(decrease) in other liabilities	(17,212)	19,392
Decrease/(increase) in trade receivables	9,214	(28)
Decrease/(increase) in inventories	(6,406)	(19,030)
Decrease/(increase) in other assets	2,344	(37,070)
Decrease/(increase) in other financial assets	(7,85,468)	(7,220)
Cash generated from operations	(6,60,365)	62,095
Direct taxes paid [net of refunds]	21,769	23,784
Net cash flow from/(used in) operating activities (A)	(6,82,134)	38,311
Cash flow from investing activities		
Purchase of property, plant and equipment, intangible assets, including intangible assets under development, CWIP and capital advances	(62,702)	(3,160)
Movements in other bank balances	(13,188)	10,149
Loans to staff	83	(93)
Interest received	7,745	6,630
Net cash flow from/(used in) investing activities (B)	(68,061)	13,525
Cash flow from financing activities		
Proceeds from borrowings	8,41,966	(15,529)
Repayment of Borrowings	(56,109)	-
Interest paid	(8,370)	(6,111)
Payment of lease liability	(118)	(142)
Dividends paid including Interim dividend	-	(10,000)
Net cash flow from/(used in) financing activities (C)	7,77,370	(31,782)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	26,964	20,053
Cash and cash equivalents at the beginning of the year/period	48,952	28,899
Cash and cash equivalents at the end of the year /period	75,917	48,952
Components of cash and cash equivalents		
Cash on hand	1	1
Balances with scheduled banks		
With current accounts	75,916	48,951
Total cash and cash equivalents (Note 11)	75,917	48,952

a. Figures in brackets indicates outflow

b. The cash flow statement has been prepared using the indirect method as setout in Ind As -7

As per our report of even date

For M N RAO & ASSOCIATES LLP
Chartered Accountants
Firm Regn No: 005386S/S000195


D.S.S. Srikanth
Partner
M.No. 250883



Place : Vijayawada

Date: September 30, 2026.

UDIN: 26250883NWJGCG2141

For and on behalf of the Board of Directors


Pravin Kumar, IAS
Managing Director
DIN: 07106418


S.Hanumantha Rao
Director
DIN: 11336430


V.V.V. Phani Kumar
Chief Financial Officer


S.Siva Rama Krishna
Company Secretary &
Compliance Officer
M No: A60677



The Andhra Pradesh Mineral Development Corporation Limited

Statement of changes in equity for the year ended March 31, 2026

A. Equity share capital

Particulars	(Rs.in Lakhs)	
	No of Shares	Amount
Balance as at April 1, 2024	63,062	631
Changes in equity share capital during 2024-25	-	-
Balance as at April 1, 2025	63,062	631
Changes in equity share capital during 2025-26	-	-
Balance as at March 31, 2026	63,062	631

B. Other equity

Particulars	Reserves and surplus				Other comprehensive income			Total
	Capital reserve	Reserve for bad and doubtful debts	Other reserves (General reserve)	Retained earnings	Equity instruments through other comprehensive income	Acturial gains/losses reserve	Deferred tax on OCI items	
Balance as at March 31, 2024	500	4,889	17,216	2,72,045	(57)	(352)	(30)	2,94,212
Profit for the year	-	-	-	73,289	-	-	-	73,289
Other comprehensive income for the year	-	-	-	-	-	(42)	-	(42)
Total comprehensive Income for the year	-	-	-	73,289	-	(42)	-	73,246
Interim Dividend (FY 2023-24)	-	-	-	(10,000)	-	-	-	(10,000)
Transfer to reserve for bad and doubtful debts	-	(615)	-	615	-	-	-	-
Balance as at March 31, 2025	500	4,274	17,216	3,35,948	(57)	(394)	(30)	3,57,458
Profit for the year	-	-	-	74,306	-	-	-	74,306
Other comprehensive income for the year	-	-	-	-	-	2	-	2
Total comprehensive Income for the year	-	-	-	74,306	-	2	-	74,307
Free ride equity shares in Joint Ventures	130	-	-	-	-	-	-	130
Transfer to reserve for bad and doubtful debts	-	(882)	-	882	-	-	-	-
Balance as at March 31, 2026	630	3,392	17,216	4,11,137	(57)	(392)	(30)	4,31,894

As per our report of even date

For M N RAO & ASSOCIATES LLP
Chartered Accountants
Firm Regn No: 0053865/S000195


D.S.S. Srikanth
Partner
M.No. 250883



For and on behalf of the Board of Directors


Pravin Kumar, IAS
Director
DIN: 11336430

V.V.V. Phani Kumar
Chief Financial Officer


S. Hanumantha Rao
Director
DIN: 11336430


S. Siva Rama Krishna
Company Secretary &
Compliance Officer
M No: A60677



Place : Vijayawada
Date: September 30, 2026.

UDIN : 26250883N6JGCG 2141

Notes to the consolidated financial statements

1. Corporate information

The Andhra Pradesh Mineral Development Corporation Ltd ("The Company") and its subsidiaries (collectively referred to as "The Group") are principally engaged in development of mineral resources and promotion of mineral-based industries in India including exploration, exploitation, conservation, processing, beneficiation and conversion into value added products.

2. Significant accounting policies

a. Statement of compliance

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair values/ amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

b. Basis of consolidation

The consolidated financial statements ("CFS") relate to Andhra Pradesh Mineral Development Corporation ("the Company") and its subsidiary companies (the Company and its subsidiaries collectively referred to as "the Group"). The consolidated financial statements have been prepared on the following basis:

- I. The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in un realised profits or losses, in accordance with Indian accounting standard 110 - "Consolidated Financial Statements".
- II. In the case of investment in subsidiaries, where the Company's shareholding is less than 100%, non-controlling Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and equity of the Company's shareholders.
- III. An associate is an entity over which the group is in a position to exercise significant influence over operating and financial policies.
- IV. A Joint arrangement is an arrangement of which two or more parties have joint control. Joint control is considered when there is contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.



Investments in joint arrangements are classified as either joint operations or joint venture. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

- V. Investment in associates/joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.
- VI. The difference between the cost of investment in the subsidiaries, joint ventures, and associates and the Company's share of net assets at the time of acquisition of shares in the subsidiaries, joint ventures and associates is recognized in the financial statements as goodwill or capital reserve as the case may be.

c. Functional and presentation currency

The consolidated financial statements are presented in Indian rupees, which is also the functional currency for all its operations. All financial information presented in Indian rupees has been rounded to the nearest lakhs, unless stated otherwise.

d. Use of Judgements, estimates and assumptions

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period.

Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

Judgements

In the process of applying the group accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:



Formulation of accounting policies

Accounting policies are formulated in a manner that result in consolidated financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial. In the absence of an Ind As that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

- a. relevant to the economic decision-making needs of users and
- b. reliable in that financial statements:
 - i. represent faithfully the financial position, financial performance and cash flows of the group;
 - ii. reflect the economic substance of transactions, other events and conditions, and not merely the legal form;
 - iii. are neutral, i.e. free from bias;
 - iv. are prudent; and
 - v. are complete in all material respects on a consistent basis.

In making the judgement, management considers the most recent pronouncements of the Institute of Chartered Accountants of India and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The group operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geo mining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. The key areas involving critical estimates or judgements are in respect of useful lives of Property, Plant and Equipment, valuation of deferred tax assets, provisions and contingent liabilities etc.

e. Current and non-current classification

The group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current, when it satisfies any of the following criteria:

- It is expected to be realized in or is intended for sale or consumption in the group's normal operating cycle;
- It is held primarily for the purpose of being traded
- It is expected to be realised within twelve months after the reporting date; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after reporting date.



All other assets are classified as non-current.

A liability is classified as current, when it satisfies any of the following criteria:

- it is expected to be settled in the group's normal operating cycle
- it is held primarily for the purpose of being traded;
- it is expected to be settled within twelve months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The group has deemed its operating cycle as twelve months for the purpose of current/non-current classification.

f. Revenue recognition

Revenue from contracts with customers is recognized when control of goods or services is transferred to the customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

i. Revenue from Sale of Goods

Revenue from the sale of goods is recognized at a point in time, when control of the goods is transferred to the customer. This generally occurs upon delivery of goods as per the terms of contract. The timing of transfer of control is assessed based on the terms of each contract, which may vary from one contract to another.

Revenue is measured at the price which company expects to be received in exchange for those goods or service, which may include a fixed or variable component. If the consideration in a contract includes a variable component, the company estimate the amount using the most likely method, based on the historical experience and contractual terms. Variable consideration is recognised only to the extent that it is highly probable that a significant reversal will not occur when the uncertainty is resolved.

The sale value includes amounts related to Royalty, District Mineral Foundation (DMF), MERIT, cess, and other statutory charges, but excludes Goods and Services Tax (GST).

ii. Revenue from Raising-cum-sale contracts

Revenue from raising-cum-sale contracts is recognized over time, based on the terms of the contract and in proportion to the performance completed to date. Recognition is subject to the minimum consideration specified in the contract and is accounted for only to the extent that it is highly probable that a significant reversal of revenue will not occur in the future.

iii. Dividend

Dividend income is recognized in the statement of profit and loss only when the right to receive dividend is established.



iv. Interest Income

Interest Income from debt instruments is accrued on a time basis, by reference to the principal outstanding using the effective interest rate method. Interest income from loans and advances to employees has been recognised on realisation basis.

Interest income on irregular/overdue advances has been recognised on realisation basis.

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation and can be measured reliably.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying value of a financial asset. While calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

g. Property, plant and equipment

Property, plant and equipment other than freehold land are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset until the property, plant and equipment are ready for use, as intended by the management. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is de-recognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and carrying amount of the property, plant and equipment and is recognised in the statement of profit and loss.

Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives as prescribed in schedule II of the Companies Act, 2013 on written down value basis. except for certain assets where the useful life is determined by technical assessment / Group's past experiences. Assets acquired



under finance lease and lease hold improvements are depreciated over the lower of estimated useful life and lease term. Fixed assets costing five thousand or less are fully depreciated in the year of purchase.

Decommissioning assets is depreciated on a unit of production method over the expected useful life of the identified component of the ore body. The estimated useful lives and residual values are reviewed at end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Assets in the course of construction are capitalized in capital work in progress account.

At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs (net of income) associated with the commissioning of an asset are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.

Mining properties and other assets in the course of development or construction and freehold land are not depreciated.

h. Intangible assets

Intangible assets are measured on initial recognition at cost including all directly attributable cost (net of recoverable taxes, if any). They are amortised on Written Down Value method (WDV) based on the useful lives determined based on technical evaluation done by the management except mining exploration and evaluation and development assets, which are amortised using a unit-of-production method based on the data available with the group as regards extraction of the minerals as compared to the technical estimation of gross geological mineral reserves as mentioned in the mining plan submitted/approved to the mining authorities. Capitalised mining rights are amortised once commercial production commences. The intangible assets are assessed for impairment whenever there is an indication that the item of intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date.

i. Impairment

Assets are tested for impairment when carrying cost exceeds its recoverable value. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. An impairment loss is charged to statement of profit and loss in the year in which an asset is identified as impaired.

j. Foreign currency transactions and balances

Transactions in foreign currency are translated to the functional currency of the group at the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in



the statement of profit and loss and reported within foreign exchange gains / (losses).

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statements of profit and loss. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

k. Investment in subsidiaries, associates and joint ventures

A subsidiary is an entity controlled by the Company. Investment in subsidiaries is measured at cost less impairment. The cost comprises price paid to acquire investment and directly attributable cost.

Investments in subsidiary, associates and joint ventures are measured at cost as per Ind AS 27 – Separate financial statements.

l. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories is determined on the 'weighted average' basis and comprises expenditure incurred in the normal course of business for bringing such inventories to their present location and condition and includes, wherever applicable, appropriate overheads. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

For Barytes of grades C, D, and W, a closing stock of 18.75 lakh MTs has been considered for the production during the current financial year. The remaining quantity of 62.33 lakh MTs has not been assigned any value, as it has remained unvalued since inception. While the current market demand exceeds the production of the year, valuation has been restricted in accordance with historical practice. Specifically, valuation has been applied only to the opening stock of 15.00 lakh MTs and the current year's production of 18.62 lakh MTs, after deducting dispatches, to arrive at the closing stock recognized for valuation purposes.

m. Employee benefits

Short term employee benefit obligations

Liabilities for wages, salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related



service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method.

The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Other comprehensive income.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligation

The Group operates the following post-employment schemes:

- Defined benefit plans such as gratuity for its eligible employees,
- Defined contribution plans such as provident fund

Defined benefit plan

The liability or asset recognized in the balance sheet in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the Government Bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (net-off deferred tax).

They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined Contribution Plan

Employee benefits in the form of Provident Fund, Pension Fund, Superannuation Fund and Employees State Insurance are defined contribution plans. The Group recognises contribution payable to a defined contribution plan as an expense, when an employee renders the related service.



n. Taxes on income

Income Tax expense comprises of current tax and deferred tax.

The current income tax is the amount of income taxes payable in respect of the taxable income for a period, determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred income tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

o. Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in non-financial liabilities as deferred income and are recognised in Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in statement of profit and loss in the period in which they become receivable.



p. Provisions, contingent liabilities and contingent assets

Provisions

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

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in profit or loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of PPE. Progressive mine closure expenses are accounted for as and when incurred.

In accordance with the Mine Closure Guidelines issued by the Department of Mines and Geology, Government of Andhra Pradesh, dated 27th February 2017, the Corporation provides for annual mine closure costs for the Barytes project. The provision is recognized at Rs. 3 lakh per hectare for Category A mines and Rs. 2 lakh per hectare for Category B mines, reflecting the estimated expenditures required for land reclamation, environmental restoration, and other closure activities.

In respect of coal operations, mine closure costs attributable to the Corporation's share, as per the approved mining plan, are recognized as a provision. These costs represent the estimated expenditures required for land reclamation, environmental restoration, and dismantling of infrastructure upon cessation of mining activities.

The provisions are measured in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets and are reviewed periodically to reflect changes in estimates, regulatory requirements, or mining plans.

These annual costs are required to be modified with reference to WPI as mentioned and considered in the mine closure plan submitted / approved for the respective mines. The mine closure provisions are required to be provided in line with the approved / submitted / prepared mine closure plans. In case the mine closure plan has not been submitted / approved / prepared, the annual cost is estimated based on the above referred guidelines.

The company has to maintain stripping ratio as per the mining plan every year. Accordingly, provision has to be made for the shortfall in the quantity of overburden not removed as per the ratio of the mining plan.

In the case of Barytes, mining plans are generally prepared every 5 years or such shorter intervals as prescribed by mining authorities and the stripping ratio estimate keeps changing based on the situation as on the date of preparation of the plan. The provision for shortfall in the quantity of overburden is restated in line with the



updated mining plan and the previous provision, if any shall be reversed. Excess quantity of overburden removed over and above the stripping ratio as per mining plan is adjusted to the extent of provision available in the books. Any further excess quantity which is in the nature of an asset is not recognised in the books.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because:-

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets

Contingent assets are not recognised in the financial statements. However, the same is disclosed, where an inflow of economic benefit is probable.

q. Segment reporting

Operating segments are defined as components of our entity for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.

Accordingly, the board of directors of the Company is CODM for the purpose of segment reporting. Refer note no. 43 for segment information presented.

r. Leases

The group lease assets consist of lease for buildings. The company assesses whether a contract is or contain a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assess whether:

- i. The contract involves the use of identified asset.
- ii. The company has substantially all of the economic benefits from use of the asset through the period of lease and
- iii. The company has right to direct the use of the asset.

At the date of commencement of the lease, the group recognised a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term lease) and leases of low value assets up to one lakh per month.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the



commencement date on straight line basis over the shorter of the lease term and useful life of the asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as change in lease term or change in an index or rate used to determine lease payments. The remeasurement normally also adjust the leased assets.

s. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

t. Cash flow statement

Cash flows are reported using the indirect method, whereby the profit before tax for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

u. Borrowing costs

Borrowing costs attributable to acquisition, construction or production of qualifying assets are capitalized as part of cost of the assets until such time as the assets are substantially ready for their intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use or sale. Borrowing cost also includes foreign exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

v. Earnings per share (EPS)

Basic EPS is calculated by dividing profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The Group does not have any dilutive securities in any of the years presented.



w. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In measuring fair value of an asset or liability, the group takes into account those characteristics of the assets or liability that market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

x. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised in the balance sheet when the Group becomes party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets - subsequent measurement

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

i. Financial assets measured at amortised cost

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise, on specified dates, to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.



ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and the asset's contractual cash flows represents solely payments of principal and interest.

The group has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity instruments not held for trading. If the group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income (OCI). On sale of investments, cumulative gain or loss is recognised in OCI and the amount is not reclassified to profit or loss.

iii. Financial assets at fair value through profit or loss (FVTPL)

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the group may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency Debt instruments that do not meet the amortized cost criteria are measured at FVTPL.

iv. De-recognition of financial assets

The group de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities – subsequent measurement

All financial liabilities are subsequently measured at amortized cost using the effective interest method except for financial liabilities at FVTPL.

i. Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when it is held for trading or it is designated as at FVTPL upon initial recognition.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

ii. Financial liabilities measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method.



iii. De-recognition of financial liabilities

The group de-recognizes financial liabilities when and only when, the group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred and the consideration paid and payable is recognized in Statement of profit and loss as other income or finance costs.

y. Reserve for bad and doubtful debts

Reserve for bad and doubtful debts is maintained @ 5.73% of net trade receivables.

z. Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the group is such that its disclosure improves the understanding of the performance of the group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

aa. Exploration and Evaluation

Exploration and evaluation expenditure comprises costs that are directly attributable to:

- Researching and analysing existing exploration data;
- Conducting geological studies, exploratory drilling and sampling;
- Examining and testing extraction and treatment methods; and/or
- Compiling pre-feasibility and feasibility studies.

Exploration expenditure relates to the initial search for deposits with economic potential. Evaluation expenditure relates to a detailed assessment of deposits or other projects that have been identified as having economic potential. All evaluation and exploration expenses till high degree of confidence is achieved are expensed. Evaluation expenditures are capitalised as Intangible assets when there is a high degree of confidence that the group will determine that a project is commercially viable, that is the project will provide a satisfactory return relative to its perceived risks, and therefore it is considered probable that future economic benefits will flow to the group.

The carrying values of capitalized evaluation expenditure are reviewed for impairment every year by management. Amortization of exploration intangible assets commences in the year when commercial operations begin. The amortization expense is then calculated using the unit of production method, which allocates the cost of the exploration intangible assets based on the ratio of the current period's production to the total estimated reserves as per the approved mining plan.



ab. Restatement of earliest prior period financials on material error/omissions

The value of error and omissions is construed to be material for restating the opening balance of assets and liabilities and equity for the earliest prior period presented if the amount in each case of earlier period income/expense exceeds 2.00% of the previous year turnover of the group.

ac. Events occurring after the Balance Sheet Date

Adjusting events (that provides evidence of condition that existed at the Balance Sheet date) occurring after the Balance Sheet date are recognised in the Standalone Financial Statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the Balance Sheet date) occurring after the Balance Sheet date that represent material change and commitments affecting the financial position are disclosed in the Board's Report. Material non adjusting events (that are inductive of conditions that arose subsequent to the Balance Sheet date) occurring after the Balance Sheet date that represent material change and commitments affecting the financial position are disclosed in the Board's Report.



Property, Plant and Equipment, Capital work in progress, Intangible assets, Intangible assets under development, Right of use asset for the year ended March 31, 2026

(Rs. in Lakhs)

Particulars	Gross Block					Depreciation Block				Net Block	
	Cost as at April 1, 2025	Additions	Disposals/ adjustments/ transfer	Cost as at March 31, 2026	Accumulated Depreciation as at April 1, 2025	Depreciation For the Year	Impairment Loss	Disposal / Adjustments/ Transfer	Accumulated Depreciation as at March 31, 2026	Net block as at March 31, 2026	Net block as at March 31, 2025
Land	429	109	-	538	-	-	-	-	-	538	429
Quarters & Pucca Constructions	522	8	-	530	343	42	-	-	386	144	179
Mining Equipment	722	6	-	728	666	8	-	-	674	54	56
Furniture & Fixtures	329	0	-	329	219	28	-	-	247	82	109
Office Equipment	280	1	-	282	252	7	-	-	259	23	29
Data Processing Equipment	397	25	-	422	350	24	-	-	374	49	47
Vehicles	327	-	-	327	263	19	-	-	281	45	64
Tents & Huts	163	485	-	648	142	304	-	-	446	202	21
Plant & Machinery	3,736	57	-	3,793	3,060	133	-	-	3,193	600	675
Leasehold building	255	-	-	255	242	0	-	-	242	13	13
Total	7,159	692	-	7,851	5,537	565	-	-	6,102	1,749	1,621
Less: Depreciation capitalised during the year	-	-	-	-	-	0	-	-	-	-	-
Total	7,159	692	-	7,851	5,538	564	-	-	6,102	1,749	1,621
Previous year - 2024-25	8,070	168	1,079	7,159	5,019	379	139	-	5,537	1,621	3,050

Note 3.1

LEASED ASSETS - RIGHT OF USE	Cost as at April 1, 2025	Additions	Disposals/ adjustments/ transfer	Cost as at March 31, 2026	Accumulated Depreciation as at April 1, 2025	Depreciation For the Year	Disposal / Adjustments / Transfer	Accumulated Depreciation as at March 31, 2026	Net block as at March 31, 2026	Net block as at March 31, 2025
Right of use asset - Buildings	514	-	-	514	9	103	-	111	403	506
Total	514	-	-	514	9	103	-	111	403	506
Previous year - 2024-25	169	514	169	514	37	133	161	9	506	133



Note 3.2 Capital work in progress					
Particulars		As at March 31, 2026		As at March 31, 2025	
Gross carrying amount at beginning		1,232		1,261	
Add: Additions during the year		266		-	
Less: Transferred to Property, Plant & Equipment		484		29	
Closing Gross Carrying Value		1,014		1,232	
Accumulated Impairment Allowance					
Balance at the Beginning of the year		712		705	
Add: Additions during the year		-		8	
Closing Accumulated Impairment Allowance		712		712	
Closing net carrying value		301		519	
Capital work in progress ageing schedule as at 31.03.2026					
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	266	35	-	-	301
Projects temporarily suspended			130	582	712
Capital work in progress ageing schedule as at 31.03.2025					
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	135	211	173	-	519
Projects temporarily suspended	-	130	373	209	712
3.3 Intangible Assets					
Particulars		As at March 31, 2026		As at March 31, 2025	
Computer software		136		222	
Decommissioning assets		157		357	
Mining Infrastructure assets		1,46,511		1,54,035	
Mining Infrastructure assets - R&R -Mpet		11,937		22,092	
Total		1,58,741		1,76,707	
A.Computer Software					
Particulars		As at March 31, 2026		As at March 31, 2025	
Gross carrying amount at beginning		437		423	
Add: Additions during the year		1		14	
Less: Disposals/ adjustments/transfer		-		-	
Closing Gross Carrying Value		438		437	
Accumulated Amortisation & Impairment					
Balance at the beginning of the year		215		78	
Add: Additions during the year		88		137	
Less: Deletions / Adjustments		-		-	
Closing Accumulated Impairment Allowance		302		215	
Net carrying value		136		222	
B.Decommissioning Assets					
Particulars		As at March 31, 2026		As at March 31, 2025	
Gross carrying amount at beginning		533		7,184	
Add: Additions during the year		-		-	
Less: Disposals/ adjustments/transfer		178		6,650	
Closing Gross Carrying Value		356		533	
Accumulated Amortisation & Impairment					
Balance at the beginning of the year		177		614	
Add: Additions during the year		22		35	
Less: Deletions / Adjustments		-		472	
Closing Accumulated Impairment Allowance		199		177	
Net carrying value		157		357	
C.Mining Infrastructure Assets					
Particulars		As at March 31, 2026		As at March 31, 2025	
Gross carrying amount at beginning		1,73,962		1,65,112	
Add: Additions during the year		2,391		8,850	
Less: Disposals/ adjustments/transfer		-		-	
Closing Gross Carrying Value		1,76,353		1,73,962	
Accumulated Amortisation & Impairment					
Balance at the beginning of the year		19,927		10,470	
Add: Additions during the year		9,916		9,458	
Less: Deletions / Adjustments		-		-	
Closing Accumulated Impairment Allowance		29,843		19,927	
Net carrying value		1,46,511		1,54,035	
Corporation has incurred an amount of Rs.1,73,962 lakhs till the end of previous financial year on its Suliari coal mine project and same has been capitalised under mining infrastructure assets. Additionally, during the current reporting period an amount of Rs.2,391 lakhs has been capitalised and amortised based on the unit of production method.					



D.Mining Infrastructure - R&R -Mpet					
Particulars		As at March 31, 2026		As at March 31, 2025	
Gross carrying amount at beginning		53,363		52,401	
Add: Additions during the year		11		962	
Less: Disposals/ adjustments/transfer		-		-	
Closing Gross Carrying Value		53,374		53,363	
Accumulated Amortisation & Impairment					
Balance at the beginning of the year		31,270		21,109	
Add: Additions during the year		10,167		10,162	
Less: Deletions / Adjustments		-		-	
Closing Accumulated Impairment Allowance		41,437		31,270	
Net carrying value		11,937		22,092	
3.4 Intangible assets under development					
Particulars		As at March 31, 2026		As at March 31, 2025	
Intangible Assets under development - Brahmadhiha Coal Mine		8,873		8,851	
Intangible Assets under development - New Mine leases		66,594		-	
Total		75,467		8,851	
3.4.1 Intangible Assets under development - Brahmadhiha Coal Mine					
Particulars		As at March 31, 2026		As at March 31, 2025	
Gross carrying amount at beginning		8,851		8,906	
Add: Additions during the year		21		288	
Less: Adjustments/transfer		-		342	
Closing Gross Carrying Value		8,873		8,851	
Accumulated Amortisation & Impairment					
Balance at the beginning of the year		-		-	
Add: Additions during the year		-		-	
Less: Deletions / Adjustments		-		-	
Closing Accumulated Impairment Allowance		-		-	
Net carrying value		8,873		8,851	
Intangible assets under development Brahmadhiha Coal Mine Ageing schedule as at 31.03.2026					
Particulars	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	21	288	2,590	5,973	8,873
Projects temporarily suspended	-	-	-	-	-
Total					8,873
Intangible assets under development Brahmadhiha Coal Mine Ageing schedule as at 31.03.2025					
Particulars	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	288	2,590	1,942	4,031	8,851
Projects temporarily suspended	-	-	-	-	-
Total					8,851
The corporation has incurred and capitalized an amount of Rs. 8,873 lakhs towards the developemnt of Brahmadhiha Coal Mine till the end of the current financial year.					
3.4.2 Intangible assets under development - New Mine Leases					
Particulars		As at March 31, 2026		As at March 31, 2025	
Gross carrying amount at beginning		-		-	
Add: Additions during the year		66,594		-	
Less: Adjustments/transfer		-		-	
Closing Gross Carrying Value		66,594		-	
Accumulated Amortisation & Impairment					
Balance at the beginning of the year		-		-	
Add: Additions during the year		-		-	
Less: Deletions / Adjustments		-		-	
Closing Accumulated Impairment Allowance		-		-	
Net carrying value		66,594		-	
Intangible assets under development New Mine Leases Ageing schedule as at 31.03.2026					
Particulars	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	66,594	-	-	-	66,594
Projects temporarily suspended	-	-	-	-	-
Total Intangible assets under development					66,594
This includes 665.47 Cr borrowing cost capitalized during the year - Refer Note 72					



The Andhra Pradesh Mineral Development Corporation Limited
Notes to consolidated financial statements for the year ended March 31, 2026
All amounts are in Rs. Lakhs, unless otherwise stated

4	Non-current Investments	As at March 31, 2026	As at March 31, 2025
	Unquoted equity instruments - Investments measured at cost		
	Investment in subsidiary companies		
	i. M/s. APMDCL - SCCL suliyari coal company limited 5,100 equity shares (March 31, 2025: 5,100) of Rs.10/- each fully paid up	1	1
	Less: Provision made for diminution in the value of shares	(1)	(1)
	ii. M/s Nuagaon coal company limited 3,000 equity shares (March 31, 2025: 3,000) of Rs.100/- each fully paid up	60	60
	Less: Provision made for diminution in the value of shares	(60)	(60)
	iii. M/s. Andhra phosphate (P) Ltd. 1,110 equity shares (March 31, 2025: 1,100) of Rs.1,000/- each fully paid up	11	11
	Less: Provision made for diminution in the value of shares	(11)	(11)
	iv. M/s. Ongole iron ore mining company private limited 56,100 equity shares (March 31, 2025: 56,100) Rs.10/- each fully paid up	6	6
	Less: Provision made for diminution in the value of shares	(6)	(6)
	Investment in Associates		
	v. M/s. Aswani mineral development private limited. 65,000 equity shares (March 31, 2025: 65,000) of Rs.10/- each fully paid up	7	7
	Less: Provision made for diminution in the value of shares	(7)	(7)
	vi. M/s. SRAP mineral private limited 3,25,000 equity shares (March 31, 2025: 3,25,000) of Rs.10/- each fully paid up	33	33
	Less: Provision made for diminution in the value of shares	(33)	(33)
	vii. M/s. Arham mineral exports private limited 1,30,000 equity shares (March 31, 2025: 1,30,000) of Rs.10/- each fully paid up	13	13
	Less: Provision made for diminution in the value of shares	(13)	(13)
	viii. M/s. Isra mineral exports private limited 1,30,000 equity shares (March 31, 2025: 1,30,000) of Rs.10/- each fully paid up	13	13
	Less: Provision made for diminution in the value of shares	(13)	(13)
	ix. M/s. Margasree granites private limited 1,30,000 equity shares (March 31, 2025: 1,30,000) of Rs.10/- each fully paid up	13	13
	Less: Provision made for diminution in the value of shares	(13)	(13)
	x. M/s. Ongole mineral exports private limited 3,25,000 equity shares (March 31, 2025: 3,25,000) of Rs.10/- each fully paid up	33	33
	Less: Provision made for diminution in the value of shares	(33)	(33)
	xi. M/s. RLP granite private limited 3,25,000 equity shares (March 31, 2025: 3,25,000) of Rs.10/- each fully paid up	33	33
	Less: Provision made for diminution in the value of shares	(33)	(33)
	xii. M/s. A.P. coastal sands & metals private limited., 13,000 equity shares (March 31, 2025: 13,000) of Rs.10/- each fully paid up	1	1
	Less: Provision made for diminution in the value of shares	(1)	(1)
	xiii. M/s. Andhra Pradesh tribal mining private limited 28,600 equity shares (March 31, 2025: 28,600) of Rs.10/- each fully paid up	3	3
	Less: Provision made for diminution in the value of shares	(3)	(3)



xiv. Samyuktha Granite Private limited 13,00,000 equity shares (March 31, 2025: 13,00,000) of Rs.10/- each fully paid up	-	-
xv. Naandhi Granites India Private limited. 13,00,000 equity shares (March 31, 2025: 13,00,000) of Rs.10/- each fully paid up	81	114
xvi. Shambhavi stones AP Private limited. 13,00,000 equity shares (March 31, 2025: 13,00,000) of Rs.10/- each fully paid up	84	128
xvii. AP midwest galaxy Private limited. 13,00,000 equity shares (December 12, 2025: 13,00,000) of Rs.10/- each fully paid up	251	-
Investment in Joint Ventures		
xviii. M/s.A.P.granites (midwest) private limited 11,00,000 equity shares (March 31, 2025: 11,00,000) of Rs.10/- each fully paid up	1,548	1,384
xix. M/s.Alliance A.P.black galaxy granites private limited 11,00,000 equity shares (March 31, 2025: 11,00,000) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	110 (110)	110 (110)
xx. M/s.Pallavared granite private limited 11,00,000 equity shares (March 31, 2025: 11,00,000) of Rs.100/- each fully paid up Less: Provision made for diminution in the value of shares	110 (110)	110 (110)
xxi. M/s.Gimpex AP barytes beneficiation private limited 1,320 equity shares (March 31, 2025: 1,320) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	0 (0)	0 (0)
xxii. M/s.Andhra baryte corporation private limited 8,52,500 equity shares (March 31, 2025: 8,52,500) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	85 (85)	85 (85)
xxiii. M/s.Andhra Pradesh iron ore company limited 6,850 equity shares (March 31, 2025: 6,850) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	1 (1)	1 (1)
xxiv. M/s.Trimex baryte private limited 4,50,000 equity shares (March 31, 2025: 4,50,000) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	45 (45)	45 (45)
xxv M/s.V.V. minerals private limited 1,100 equity shares (March 31, 2025: 1,100) of Rs.100/- each fully paid up Less: Provision made for diminution in the value of shares	1 (1)	1 (1)
Investments measured at amortised cost		
Investment in Government Securities (unquoted)	71	71
Less: Provision made for doubtful investment	(71)	(71)
	1,964	1,626
Aggregate amount of quoted Investments - Market value		
Aggregate amount of quoted Investments - Book value	1,964	1,626
Aggregate amount of unquoted investments	576	576
Aggregate amount of impairment	71	71
Aggregate Provision made for doubtful investment		



5	Loans (Non-current)	As at March 31, 2026	As at March 31, 2025
	Loans and advances to employees		
	Unsecured, considered good	410	441
	Unsecured, considered doubtful	9	9
	Less: Allowance for bad and doubtful debts	(9)	(9)
	Total	410	441
6	Other financial assets (Non-current)	As at March 31, 2026	As at March 31, 2025
	Security Deposits		
	Unsecured, considered good	303	260
	Unsecured, considered doubtful	93	93
	Less: Provision for doubtful debts	(93)	(93)
	Total	303	260
	Balance in current accounts (Frozen)	74	209
	Fixed Deposits for Bank guarantees	15,693	11,152
	Deposit in Bank under Mine Closure plan *	2,724	2,633
	Fixed Deposits for under DSRA #	91,824	-
	Unsecured, considered doubtful		
	Balance in post office savings account	4	4
	Less: Provision for doubtful portion	(4)	(4)
	Total	1,10,619	14,254
* Following the guidelines from Ministry of Coal, Government of India for preparation of Mine Closure Plan, an Escrow Account has been opened and deposits are made as required.			
# Following the agreement with debenture trustee towards issue of debentures during the year company is required to maintain Debt Service Reserve Account (DSRA) till the full repayment of the debentures.			
7	Deferred tax liability (Net)	As at March 31, 2026	As at March 31, 2025
	Deferred tax asset		
	Property, Plant & Equipment	395	313
	Provision for decommissioning costs	868	873
	Provision for lease liability / assets	8	1
	Provision for bad & doubtful debts, investments & advances	5,041	3,529
	Total deferred tax asset	6,312	4,715
	Deferred tax liability		
	Investment	72	72
	Mining Infrastructure asset	14,139	12,244
	Mining Infrastructure Assets - R&R - Mpet	3,004	5,560
	Debentures	3,789	-
	Intangible assets under development	2,024	-
	Total deferred tax liability	23,027	17,875
	Net deferred tax (asset)/Liability	16,716	13,160
8	Other non-current assets	As at March 31, 2026	As at March 31, 2025
	A) Capital advances		
	Unsecured, considered good	10,199	23,666
	Unsecured, considered Doubtful	2,654	2,654
	Less: Provision for doubtful advances	(2,654)	(2,654)
	Total	10,199	23,666
	B) Advances to contractors and other Government departments		
	Unsecured, considered good	14,987	14,874
	Unsecured, considered Doubtful	5,397	5,574
	Less: Provision for doubtful advances	(5,397)	(5,574)
	Total	14,987	14,874
	C) Balance with Statutory Authorities		
	Unsecured, considered good	30,483	25,550
	Unsecured, considered Doubtful	1,882	1,882
	Less: Provision for doubtful advances	(1,882)	(1,882)
	Total	30,483	25,550
	D) Prepaid expenses	21	423
	Total (A+B+C+D)	55,690	64,514



9	Inventories	As at March 31, 2026	As at March 31, 2025
	Finished goods (Refer note. 53)		
	- Barytes	43,708	28,737
	- Coal	2,296	10,872
	Stores and spares	163	152
	Total	46,166	39,761
	Method of valuation: Refer Note no. 2(i) of significant accounting policies		
10	Trade receivables (Current)	As at March 31, 2026	As at March 31, 2025
	Unsecured, considered good	59,194	74,592
	Unsecured, considered credit impaired	9,601	3,417
	Less: Impairment allowance for doubtful debts	(9,601)	(3,417)
	Total	59,194	74,592
	Refer note no 64		
11	Cash and cash equivalents	As at March 31, 2026	As at March 31, 2025
	Cash and cash equivalents		
	Balances with banks:		
	In current accounts and sweep accounts	75,916	48,951
	Cash on hand	1	1
	(A)	75,917	48,952
	Other bank balances		
	Earmarked balances with banks		
	Unpaid interest account	12	-
	Deposits with banks - Bonds Servicing Account (BSA) *	13,117	-
	Deposits in banks with maturity >3 months and <12 months	1,144	1,084
	(B)	14,272	1,084
	Total	90,189	50,037
	* Pursuant to the terms of the financing arrangements for Non-Convertible Debentures, the Company is required to periodically transfer specified amounts into designated Bond Servicing Accounts (BSA) for servicing of interest and/or principal obligations to the debt holders. Accordingly, balances lying in the BSA as at the reporting date represent amounts earmarked exclusively for debt servicing obligations due in the subsequent period and are therefore subject to contractual restrictions on their use for any other purpose. Pending utilization towards payment to debt holders, the surplus balance in the BSA is temporarily deployed in fixed deposits with banks in accordance with the terms of the financing documents. Such balances, including related fixed deposits, are repayable/utilized during the subsequent financial year towards servicing of the related debt obligations.		
12	Loans (current)	As at March 31, 2026	As at March 31, 2025
	Vehicle loans to staff		
	Secured, considered good	21	27
	Unsecured, considered good		
	Loan to AP state fibernet Limited & Machilipatnam Urban Development Authority- Refer Note: 49 & 50	30,000	30,000
	Loans and advances to employees		
	Unsecured, considered good	39	84
	Total	30,060	30,112
13	Other financial assets (Current)	As at March 31, 2026	As at March 31, 2025
	Deposits with APSFSCL (Unsecured)	55,500	55,500
	Amount Receivable from DMG	6,88,400	
	Interest accrued on deposits		
	Unsecured, considered good	1,616	913
	Less: Provision for the doubtful portion	(244)	(244)
	Total	7,45,272	56,169
14	Other current assets	As at March 31, 2026	As at March 31, 2025
	A) Advances recoverable		
	Unsecured, considered good	274	242
		274	242
	B) Others - specified		
	Unsecured, considered good		
	Balance with statutory authorities	50,794	44,394
	Prepaid expenses	804	709
	Others	107	153
		51,705	45,257
	Total	51,978	45,499



15	Equity share capital	As at March 31, 2026	As at March 31, 2025
	Authorised share capital: 1,00,000 equity shares of Rs.1,000/- each (March 31, 2026 - 1,00,000 equity shares of Rs.1,000/- each)	1,000	1,000
		1,000	1,000
	Issued, subscribed and fully paid up share Capital: 63,062 equity shares of Rs.1,000/- each fully paid up (March 31, 2026 - 63,062 equity shares of Rs.1,000/- each)	631	631
		631	631
15.1	Additional notes		
	Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting period		
	Particulars	As at March 31, 2026	As at March 31, 2025
	Shares outstanding at the beginning of the year	63,062	63,062
	Shares issued during the year	-	-
	Shares outstanding at the end of the year	63,062	63,062
15.2	Rights, preferences and restrictions attached to equity shares		
	The company has one class of equity shares having a par value of Rs.1,000/- per share. Each equity shareholder is entitled to one vote per share. In the event of the liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.		
15.3	The details of shares in the Company held by each shareholder holding more than 5% shares		
	Name of the share holder	As at March 31, 2026	As at March 31, 2025
	Governor of the Andhra Pradesh- represented by assistant secretary to Government (Mines) Industries & Commerce department	63,059 (99.995%)	63,059 (99.995%)
15.4	Details of Shareholding of Promoters		
	Name of the share holder	As at March 31, 2026	As at March 31, 2025
	Governor of the Andhra Pradesh- represented by assistant secretary to Government (Mines) Industries & Commerce department	63,059 (99.995%)	63,059 (99.995%)
16	Other equity	As at March 31, 2026	As at March 31, 2025
	Capital reserves		
	Free ride equity shares for consideration other than cash allotted by		
	i. M/s. Aswani mineral development private limited. 65,000 equity shares (March 31, 2025: 65,000) of Rs.10/- each fully paid up	7	7
	Less: Provision made for diminution in the value of shares	(7)	(7)
	ii. M/s.SRAP mineral private limited 3,25,000 equity shares (March 31, 2025: 3,25,000) of Rs.10/- each fully paid up	33	33
	Less: Provision made for diminution in the value of shares	(33)	(33)
	iii. Arham mineral exports private limited 1,30,000 equity shares (March 31, 2025: 1,30,000) of Rs.10/- each fully paid up	13	13
	Less: Provision made for diminution in the value of shares	(13)	(13)
	iv. Isra mineral exports private limited 1,30,000 equity shares (March 31, 2025: 1,30,000) Rs.10/- each fully paid up	13	13
	Less: Provision made for diminution in the value of shares	(13)	(13)
	v. Margasree granites private limited 1,30,000 equity shares (March 31, 2025: 1,30,000) of Rs.10/- each fully paid up	13	13
	Less: Provision made for diminution in the value of shares	(13)	(13)
	vi. Ongole mineral exports private limited 3,25,000 equity shares (March 31, 2025: 3,25,000) of Rs. 10/- each fully paid up	33	33
	Less: Provision made for diminution in the value of shares	(33)	(33)



vii. RLP granite private limited 3,25,000 equity shares (March 31, 2025: 3,25,000) of Rs. 10/- each fully paid up Less: Provision made for diminution in the value of shares	33 (33)	33 (33)
viii. M/s.A.P.granites (Midwest) private limited 11,00,000 equity shares (March 31, 2025: 11,00,000) of Rs.10/- each fully paid up	110	110
ix. M/s.Alliance A.P.black galaxy granites private limited 11,00,000 equity shares (March 31, 2025: 11,00,000) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	110 (110)	110 (110)
x. M/s.Pallavared granites private limited 1,10,000 equity shares (March 31, 2025: 1,10,000) of Rs.100/- each fully paid up Less: Provision made for diminution in the value of shares	110 (110)	110 (110)
xi. M/s.A.P.coastal sands & metals private limited., 13,000 equity shares (March 31, 2025: 13,000) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	1 (1)	1 (1)
xii. M/s.Ongole iron ore mining company private limited 56,100 equity shares (March 31, 2025: 56,100) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	6 (6)	6 (6)
xiii. M/s.Gimpex AP barytes beneficiation private limited 1,320 equity shares (March 31, 2025: 1,320) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	0 (0)	0 (0)
xiv. M/s.Andhra baryte corporation private limited 8,52,500 equity shares (March 31, 2025: 8,52,500) Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	85 (85)	85 (85)
xv. M/s.Andhra Pradesh iron ore company limited 6,850 equity shares (March 31, 2025: 6,850) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	1 (1)	1 (1)
xvi. M/s.Trimex barite private limited 4,50,000 equity shares (March 31, 2025: 4,50,000) of Rs.10/- each fully paid up Less: Provision made for diminution in the value of shares	45 (45)	45 (45)
xvii. M/s.V.V. minerals private limited 1,100 equity shares (March 31, 2025: 1,100) of Rs.100/- each fully paid up Less: Provision made for diminution in the value of shares	1 (1)	1 (1)
xviii. Samyuktha Granite Private limited 13,00,000 equity shares (March 31, 2025: 13,00,000) of Rs.10/- each fully paid up	130	130
xix. Naandhi Granites India Private limited, 13,00,000 equity shares (March 31, 2025: 13,00,000) of Rs.10/- each fully paid up	130	130
xx. Shambhavi stones AP Private limited. 13,00,000 equity shares (March 31, 2025: 13,00,000) of Rs.10/- each fully paid up	130	130
xxi. AP midwest galaxy Private limited. 13,00,000 equity shares (December 12, 2025: 13,00,000) of Rs.10/- each fully paid up	130	-
	630	500
Other comprehensive income		
Opening balance	(481)	(438)
Other comprehensive income for the year/period	0	(43)
Add/(Less): Transferred from/(to) retained earnings		-
Closing balance	(481)	(481)
Reserve for bad and doubtful debts		
Opening balance	4,274	4,889
Add/(Less): Transferred from/ to profit and loss account	(882)	(615)
Closing balance	3,392	4,274



General reserve		
Opening balance	17,216	17,216
Closing balance	17,216	17,216
Retained earnings		
Opening balance	3,35,948	2,72,045
Add/(Less): Profit for the year/period	74,306	73,289
	4,10,254	3,45,334
Less: Appropriations		
Reserve for bad and doubtful debts	(882)	(615)
Interim Dividends (refer note no 60)	-	10,000
Total appropriations	(882)	9,385
Closing balance	4,11,137	3,35,948
Total	4,31,894	3,57,458

Nature and purpose of reserves

General reserve

General reserve is created by the company by appropriating the balance of Retained Earnings. It is a free reserve which can be used for meeting future contingencies, creating working capital for business operations, strengthening the financial position of the company.

Reserve for bad and doubtful debts

Reserve for bad and doubtful debts is created by appropriating the balance of retained earnings. It is a free reserve which can be used to meet the contingencies related to debtors.

Retained earnings

Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, reserve for bad and doubtful debts, dividends or other distributions paid to shareholders.

17	Borrowings	As at March 31, 2026	As at March 31, 2025
	Debentures (Secured)		
	9.3 % Non Convertible Debentures	8,48,938	-
	Less: Current Maturities of long-term bonds	(74,999)	-
	Total Non-current Borrowings	7,73,939	-
	Rupee Term Loan from Banks - Secured		
	From State Bank of India	-	45,143
	Total	7,73,939	45,143

Secured Listed Non-Convertible Debentures

During the year, the Company has issued Secured, Rated, Listed, Redeemable Non-Convertible Debentures ("NCDs") aggregating to Rs. 8,99,991 lakhs on private placement basis. The NCDs are listed on the Wholesale Debt Market Segment of the National Stock Exchange of India Limited ("NSE").

The NCDs are backed by an unconditional and irrevocable guarantee extended by the Government of Andhra Pradesh for servicing of interest and repayment of principal in accordance with the terms of the respective transaction documents and Government approvals.

The NCDs are secured by way of an exclusive charge on current assets of the Company and the mining rights pertaining to 436 mines/quarries allotted by GOAP on nomination basis as per G.O.Ms.No.69, Industries & Commerce (M.III) Department, dated 24.04.2025, together with escrow of Debenture Service Reserve Account (DSRA) and such other security interests as stipulated in the Debenture Trust Deed and related financing documents executed by the Company.

The principal amount of the NCDs is repayable in 36 equal quarterly instalments commencing from 07 August 2026 together with applicable interest. Interest on the NCDs is payable on quarterly basis from the date of issue/allotment.

During the year, the Company has fully repaid the outstanding term loan availed from State Bank of India ("SBI"), including accrued interest thereon, out of the proceeds received from the aforesaid debenture issue. Consequently, no amount remains outstanding under the said term loan as at 31 March 2026.

The borrowing has been classified into current and non-current portions based on the contractual repayment schedule and has been recognised at amortised cost using the Effective Interest Rate ("EIR") method in accordance with Ind AS 109 – Financial Instruments.

There has been no default in repayment of principal or interest in respect of the aforesaid NCDs as at the reporting date.

17a	Particulars	As at March 31, 2026	As at March 31, 2025
	Lease Liability (Refer note no 57)	310	390
	Total	310	390

18	Other financial liabilities (Non-current)	As at March 31, 2026	As at March 31, 2025
	Expenses payable against infrastructure development	1,839	1,664
	Deposits	173	173
	Others	4,582	4,541
	Total	6,594	6,377



19	Provisions (Non-current)	As at March 31, 2026	As at March 31, 2025
	Provision for employee benefits	58	71
	Provision for gratuity		
	Provision for others:		
	Provision for decommissioning cost *	3,450	3,469
	Total	3,508	3,540
* Refer Note no 59			
20	Other non-current liabilities	As at March 31, 2026	As at March 31, 2025
	Others		
	Statutory liabilities	254	254
	Total	254	254
21	Borrowings (Current)	As at March 31, 2026	As at March 31, 2025
	Secured		
	Current Maturities of long-term bonds	74,999	-
	Rupee Term Loan from Banks - Secured		
	From State Bank of India		10,800
	Current maturities term loan	-	
	Total	74,999	10,800
22	Particulars	As at March 31, 2026	As at March 31, 2025
	Lease Liability (Refer note no 58)	124	118
	Total	124	118
23	Trade payables (Current)	As at March 31, 2026	As at March 31, 2025
	Trade payables (Refer Note.64)		
	Dues of micro enterprises and small enterprises	-	-
	Dues of creditors other than micro enterprises and small enterprises	8,705	25,479
	Total	8,705	25,479
Micro and small enterprises under the micro and small enterprises development Act,2006 (MSMED Act), have been determined based on the information available with the company and the required disclosures are given below.			
	Particulars	As at March 31, 2026	As at March 31, 2025
	a) Principal amount and interest due thereon	-	-
	b) Interest paid in terms of section 16 of MSMED Act	-	-
	c) Interest due and payable for the period of delay excluding interest specified under MSMED Act	-	-
	d) Interest accrued and remaining unpaid at the end of the year	-	-
	e) Further interest due and payable in terms of section 23 of MSMED Act, 2006	-	-
Dues to the micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.			
24	Other financial liabilities (Current)	As at March 31, 2026	As at March 31, 2025
	Salaries & other benefits payable	199	163
	Earnest money and security deposits from customers	3,406	5,964
	Other Financial liabilities	27,611	3,941
	Total	31,216	10,068
25	Other current liabilities	As at March 31, 2026	As at March 31, 2025
	Advance from customers	42,883	63,197
	Statutory liabilities	17,240	14,139
	Total	60,123	77,335
26	Current tax liabilities	As at March 31, 2026	As at March 31, 2025
	Provision for income tax	19,189	14,453
	Total	19,189	14,453



The Andhra Pradesh Mineral Development Corporation Limited
Notes to consolidated financial statements for the year ended March 31, 2026
All amounts are in Rs. Lakhs, unless otherwise stated

27	Revenue from operations	For the year ended March 31, 2026	For the year ended March 31, 2025
	Sale of products		
	Barytes *	88,862	92,230
	Coal	2,29,696	2,03,952
	Sale of services		
	Consideration	4,021	3,920
	Total	3,22,579	3,00,103
* Refer note no 69			
28	Other income	For the year ended March 31, 2026	For the year ended March 31, 2025
	Interest income		
	Bank deposits	7,104	5,743
	Loans	10	7
	Others	98	197
	Other non operating income		
	Rent receipts	6	7
	Forfeiture of security deposit	25	570
	Other receipts	532	507
	Sale of tender documents	17	6
	Interest on delay in payment of minimum consideration	-	177
	Liabilities no longer required written back	379	145
	Other miscellaneous Income	21	29
	Total	8,193	7,386
29	Changes in inventories of finished goods	For the year ended March 31, 2026	For the year ended March 31, 2025
	a) Opening stock of finished goods	39,609	20,603
		39,609	20,603
	b) Closing stock of finished goods	46,004	39,609
		46,004	39,609
	Changes in inventories of finished goods	(6,395)	(19,006)
30	Employee benefit expenses	For the year ended March 31, 2026	For the year ended March 31, 2025
	Salaries and wages	3,366	3,796
	Contribution to provident fund and other funds	799	804
	Staff welfare expenses	335	321
	Total	4,501	4,921
31	Finance costs	For the year ended March 31, 2026	For the year ended March 31, 2025
	Interest expense on financial liabilities at amortised cost	72,698	5,629
	Unwinding of discount on provision	334	277
	Interest on lease liability	49	10
	Other Interests	2,789	-
	Less: Capitalisation of finance cost/borrowing cost	(66,594)	472
	Total	9,276	6,388



32	Depreciation and Amortization expense	For the year ended March 31, 2026	For the year ended March 31, 2025
	Depreciation of Property, Plant and Equipment	564	379
	Amortization of intangible assets	20,192	19,791
	Depreciation on right of use assets	103	133
	Impairment expenses	-	146
	Total	20,859	20,450
33	Power and fuel	For the year ended March 31, 2026	For the year ended March 31, 2025
	Power and fuel	890	820
	Total	890	820
34	Excavation and transport charges	For the year ended March 31, 2026	For the year ended March 31, 2025
	Excavation & transport charges for run of mine	6,359	6,129
	Excavation & transport charges for overburden	37,024	39,877
	Excavation of coal & OB removal	64,268	75,239
	Total	1,07,651	1,21,246
35	Other expenses	For the year ended March 31, 2026	For the year ended March 31, 2025
	Rents	15	21
	Repairs & maintenance	332	166
	Insurance	6	32
	Rates and taxes		
	Royalty	29,144	26,266
	DMF	4,377	3,986
	NMET	736	525
	Cess	548	469
	Reserve price	21,829	19,469
	MPGSVA Exp	7,796	6,953
	Forest tax coal exp	3,727	3,201
	Other rates and taxes	1,447	317
	Administrative and Selling Expenses		
	Operating expenses	312	297
	Transport and wagon loading charges	439	519
	Selling expenses	368	337
	Prospecting & Mining Lease expenses	898	36
	Office & General expenses	2,225	2,343
	Payment to auditors (refer note no 35.1)	13	22
	Audit fee for other auditors	46	20
	Printing & stationery	34	49
	Corporate Social Responsibility Expenses (Refer Note No.47)	1,198	1,102
	Remuneration to outsourced services	5,245	5,549
	Provision for doubtful debts	6,184	-
	Provision for doubtful advances	-	364
	Data processing charges	124	284
	Rehabilitation expenses	3,630	2,027
	Donations	-	500
	Miscellaneous expenditure	6	36
	Total	90,679	74,892



35.1	Payment to Auditors	For the year ended March 31, 2026	For the year ended March 31, 2025
	Statutory audit Fee	13	12
	Limited review or special audit	0	10
	Total	13	22
36	Income Tax		
	The major components of income tax expense for the year ended March 31, 2026 and March 31, 2025 are:		
	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Current Tax Expenses :		
	Current income tax charge	25,658	23,784
	Total (A)	25,658	23,784
	Deferred Tax Expenses:		
	In respect of current year origination and reversal of temporary differences	3,556	1,140
	Total (B)	3,556	1,140
	Total (A+B)	29,214	24,924
	Other Comprehensive Income		
	Items that will not be reclassified to P&L	For the year ended March 31, 2026	For the year ended March 31, 2025
	Remeasurement of defined benefit plan loss/gain		
	Gratuity	13	(19)
	Leave encashment	(11)	(23)
	Total	2	(42)
	The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Profit/(loss) before tax as per statement of profit and loss	1,03,310	97,779
	Applicable tax rate as enacted by the relevant finance Act	25.168%	25.168%
	computed tax expense	26,001	24,609
	Tax effect of :		
	i) Deferred tax related adjustment (including impact on deferred tax for the year due change in applicable tax rate)	3,556	1,140
	ii) Increase/Decrease in tax expense on account of		
	a) CSR expenditure	301	277
	b) Change in depreciation & Amortisation	723	(1,269)
	c) Finance cost as per Ind AS	248	0
	d) Provision for doubtful items	(46)	-
	e) Interest capitalised under Ind AS	(970)	-
	f) Issue expenses of debts	(2,265)	-
	f) Expected Credit Loss as per Ind AS	1,556	-
	g) Other items	109	167
	Total income tax expense for the year	29,214	24,924



37. Contingent liabilities and commitments

(To the extent not provided for)

All the amounts are in Rs. lakhs, unless otherwise stated

Sl.no	Particulars	As at 31.03.2026	As at 31.03.2025
A	Claims against the company not acknowledged as debts consisting of :		
I	Against the cases pending with money suits and arbitration.	15,937	10,802
II	Demand raised by Income tax authorities which has been disputed and pending before appellate authorities.	38,148	34,924
III	Capital commitment towards Chimakurthy black galaxy granite project- land towards consideration of landed measuring to 266.86 acres for patta land at Chimakurthy belonging to animal husbandry department, Govt. of Andhra Pradesh, for which final value has not yet been determined, pending at appropriate authorities.	622	622
IV	Dispute towards reimbursement of Service Tax, Collected from Barytes Buyers of Mangampet during the year 2007-08 & 2008-09 towards payment to excavation contractor on submission of proof of payment of service tax.	600	600
V	As per the Assessment order issued by the Sales tax / VAT authorities for the years 1998-99 to 2022-23, the total demand raised, deposits made and remining un paid amount. (Details given below)*	2,262	2,262

* Details of Assessment orders issued by the Sales tax / Vat authorities for the years 1998 1999 to 2025-2026, the total demand raised, deposits made and remaining unpaid are as follows.

Assessment year	Particulars	Demand as per the assessment order	Deposit made	Unpaid Amount
1998-99	Explosives	4	2	2
1999-00	Explosives	4	-	4
2000-01	Explosives	7	2	5
2002-03	Explosives	-	4	-
2004-05	Explosives	3	3	-
2005-06	Explosives	45	45	-



2006-07	Explosives	50	50	-
2007-08	Explosives	31	31	-
2007-08	Penalty	8	4	4
2008-09	Explosives & Consideration.	201	100	101
2008-09	Penalty	50	17	33
2008-09	Interest	6	-	6
2009-12	Consideration	669	436	233
2009-12	Penalty	167	84	84
Total – A		1,247	780	472
Less: Share of TSMDC		-	(311)	-
Share of APMDC		-	469	-
Deposits made after 31.03.2016				
2014-15		168	85	83
2014-15- Penalty		42	21	21
2020-21		532	66	466
2020-21		133	17	116
2021-22		374	94	280
2023-24		778	58	720
Total – B		2,027	341	1,686
Grand total		3,274	810	2,262

38. Classification of financial instrument

Financial assets and financial liabilities are classified in accordance with the accounting policies.

As at 31st March, 2026

AS at 31st March, 2020

Particulars	Carrying amount				Total
	Financial assets - FVTOCI	Financial assets - FVTPL	Financial assets- amortised cost	Financial liabilities- amortised cost	
Financial Assets:					
Investments	-	-	1,964	-	1,964
Loans	-	-	30,470	-	30,470
Trade receivables	-	-	59,194	-	59,194
Cash and Cash equivalents	-	-	75,917	-	75,917
Other bank balances	-	-	14,272	-	14,272
Other financial assets	-	-	8,55,891	-	8,55,891



Total	-	-	10,37,708	-	10,37,708
Financial liabilities:					
Borrowings	-	-	-	8,48,938	8,48,938
Lease Liability	-	-	-	434	434
Trade payables	-	-	-	8,705	8,705
Other financial liabilities	-	-	-	37,810	37,810
Total	-	-	-	8,95,887	8,95,887

As at 31st March, 2025

Particulars	Carrying amount				
	Financial assets - FVTOCI	Financial assets - FVTPL	Financial assets- amortised cost	Financial Liabilities- amortised cost	Total
Financial Assets:					
Investments	-	-	1,627	-	1,627
Loans	-	-	30,553	-	30,553
Trade receivables	-	-	74,592	-	74,592
Cash and Cash equivalents	-	-	48,952	-	48,952
Other Bank balances	-	-	56,584	-	56,584
Other Financial assets	-	-	14,923	-	14,923
Total	-	-	227,231	-	227,231
Financial Liabilities:					
Borrowings	-	-	-	55,943	55,943
Lease Liability	-	-	-	508	508
Trade payables	-	-	-	25,479	25,479
Other financial liabilities	-	-	-	16,445	16,445
Total	-	-	-	98,376	98,376

39. Financial Risk Management

A. Management of Credit Risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primary trade receivables) and from its investing activities, including deposits with banks and other financial instruments. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables is monitored on a continuous basis by the receivables team.



Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined / modified.

Expected credit loss for trade receivables under simplified approach is as under.

Particulars	2025-26	2024-25
Ageing	>12 Months	>12 Months
Gross carrying amount	67,440	61,256
Gross Carrying Amount other than Survey stones and Sand operations	9,601	3,417
Expected loss rate on receivables other than Survey stones and Sand operations	100.00%	100.00%
Expected credit loss (loss allowance provision)	9,601	3,417
Carrying amount of trade receivables (net of impairment)	57,839	57,839

Particulars	2025-26	2024-25
Ageing	<12 Months	<12 Months
Gross carrying amount	1,355	16,753
Expected loss rate	0.00%	0.00%
Expected credit loss (loss allowance provision)	-	-
Carrying amount of trade receivables (net of impairment)	1,355	16,753

B. Management of market risk

The above risks may affect income and expenses, or the value of its financial instruments of the Company. The objective of the management of the Company for market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company exposure to, and the management of these risks is explained below:

i. Commercial risk

a. Sale price risk

Particulars	Impact on profit	
	2025-26	2024-25
Selling price increase by 5%		
Barytes	4,443	4,612
Coal	11,485	10,198
Selling price decrease by 5%		
Barytes	(4,443)	(4,612)
Coal	(11,485)	(10,198)



b. Excavation & Transport Charges risk

Particulars	Impact on profit			
	2025-26		2024-25	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
Name of the expense:				
Excavation & transport charges for run of mine	(318)	318	(307)	307
Excavation & transport charges for overburden	(1,851)	1,851	(1,994)	1,994
Excavation of Coal & OB Removal	(3,213)	3,213	(3,762)	3,762

40. Management of liquidity risk

Liquidity risk is the risk that the company will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Company is exposed to this risk from its operating activities and financial activities. The Company's approach to managing liability is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity requirements are maintained within the credit facilities established and are available to the Company to meet its obligations. The table now provides details regarding the contractual maturities of significant financial liabilities as of the reporting date.

As at 31st March 2026

Particulars	Contractual cash flows			
	Carrying Amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities:				
Trade payables	8,705	8,705	8,705	-
Non-current financial liabilities	780,843	780,843	-	780,843
Current financial liabilities	1,06,339	1,06,339	1,06,339	-
Total	8,95,887	8,95,887	1,15,044	7,80,843

As at 31st March 2025

Particulars	Contractual cash flows			
	Carrying Amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities:				
Trade payables	25,479	25,479	25,479	-
Non-current financial liabilities	51,911	51,911	-	51,911
Current financial liabilities	20,986	20,986	20,986	-
Total	98,376	98,376	46,465	51,911



41. Employee Benefits

A. Defined Contribution Plan

Particulars	As at 31-03-2026	As at 31-03-2025
Employers' contribution to provident fund	198	187
Employers' contribution to pension fund	75	72

B. Defined benefit plans

i. The following table set out the funded status of the gratuity plans (funded), leave Encashment and the amounts recognized in the Company's financial statements as at 31st March, 2026 and 31st March 2025

Particulars	Gratuity		Leave encashment	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Change in present value of benefit obligations				
Benefit obligations at the beginning	673	684	686	681
Service cost	22	19	64	33
Interest expenses	43	46	42	46
Curtailment (gains)/losses	-	-	-	-
Transfer of obligation (net)	-	-	-	-
Benefits paid	(78)	(91)	(134)	(95)
Remeasurements - actuarial (gains)/losses	(13)	15	11	20
Benefit obligations at the end	647	673	669	686

Particulars	Gratuity		Leave encashment	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Change in fair value of plan Assets				
Fair value of plan assets at the beginning	602	619	815	845
Interest income	39	43	52	58
Employer contributions	26	36	15	9



Benefit payments from plan assets	(78)	(91)	(135)	(95)
Actuarial gain / (loss) on plan assets	(1)	(4)	(0)	(3)
Benefit obligations at the end	588	602	747	815

ii. Amount recognized in the Balance sheet

Particulars	Gratuity		Leave encashment	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
PV of obligations at the end of the year	647	673	669	686
Fair value of plan assets at the end of the year	588	602	747	815
Liability (+) / Asset (-) recognised in the balance sheet	59	71	(78)	(129)

iii. Amount recognized in the statement of Profit and Loss under employee benefit expenses

Particulars	Gratuity		Leave encashment	
	For the year ended		For the year ended	
	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Service cost	22	19	64	33
Interest expenses	4	3	(10)	(12)
Net expense recognised	26	22	54	21

iv. Amount for the year ended March 31, 2026 and March 31, 2025 recognized in the statement of other comprehensive income:

Particulars	Gratuity		Leave encashment	
	For the year ended		For the year ended	
	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Actuarial (gain)/losses on obligations for the period	(13)	15	11	20
Actuarial (gain)/losses on plan assets for the period	1	4	0	3
Net expense recognised	(12)	19	11	23

Assumptions	Gratuity		Leave encashment	
	For the year ended		For the year ended	
	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Rate of discounting	7.51%	6.84%	7.51%	6.84%
Rate of salary increase	7.00%	7.00%	7.00%	7.00%



v. Summary of demographic assumptions

Particulars	Gratuity		Leave encashment	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Mortality rate	100.00%	100.00%	100.00%	100.00%
Disability rate	0.00%	0.00%	0.00%	0.00%
Withdrawal rate	1.0% to 3.0%	1.0% to 3.0%	1.0% to 3.0%	1.0% to 3.0%
Normal retirement age	60 Years	60 Years	60 Years	60 Years
Adj. average future service	15.70%	16.36%	-	-
Leave encashment rate	-	-	10.00%	10.00%
Leave availment rate	-	-	2.00%	2.00%

vi. Maturity profile of defined benefit obligations:

Particulars	Gratuity		Leave encashment	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Expected cash flow in year 1	76	68	144	145
Expected cash flow in year 2	82	73	123	121
Expected cash flow in year 3	95	80	128	107
Expected cash flow in year 4	36	92	69	108
Expected cash flow in year 5	157	34	110	59
Expected cash flow in year 6	70	152	61	97
Expected cash flow in year 7	9	68	30	52
Expected cash flow in year 8	86	8	69	25
Expected cash flow in year 9	43	84	31	60
Expected cash flow in year 10	8	42	18	23
Expected cash flow in year 11+	538	495	143	131

vii. Significant estimates: Sensitivity analysis

Discount rate, salary escalation rate and withdrawal rate are significant actuarial assumptions. The change in Present value of defined benefit obligation for a change of 100 basis points from the assumed assumption is given below:

Effect on gratuity valuation

Particulars	Defined benefit obligation (Rs.in.Lakhs)		(% of change)	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Under base scenario	647	673	0.00%	0.00%
Salary escalation - up by 1%	664	691	2.72%	2.67%
Salary escalation - down by 1%	629	654	-2.79%	-2.90%
Withdrawal rates - up by 1%	654	680	1.11%	0.98%
Withdrawal rates - down by 1%	639	666	-1.26%	-1.10%



Discount rates - up by 1%	610	632	-5.67%	-6.05%
Discount rates - down by 1%	689	720	6.46%	6.91%
Mortality rates- up by 10%	647	674	0.06%	0.06%
Mortality rates- down by 10%	646	673	-0.06%	-0.06%

viii. Effect on leave encashment valuation

Particulars	Defined benefit obligation (Rs.in.Lakhs)		(% of change)	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Under base scenario	669	686	0.00%	0.00%
Salary escalation - up by 1%	698	716	4.30%	4.40%
Salary escalation - down by 1%	642	658	-4.00%	-4.10%
Attrition rates - up by 1%	669	686	0.00%	0.00%
Attrition rates - down by 1%	669	687	-0.10%	0.00%
Discount rates - up by 1%	647	662	-3.40%	-3.50%
Discount rates - down by 1%	694	712	3.70%	3.80%
Mortality rates- up by 10%	669	686	0.00%	0.00%
Mortality rates- down by 10%	669	686	0.00%	0.00%

ix. Risk exposure

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as company take on uncertain long-term obligations to make future benefit payments.

x. Liability risks

a. Discount rate risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

b. Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.



42. Earnings per share (EPS)

Particulars	As at 31-03-2026	As at 31-03-2025
Profit after tax before exceptional items	74,306	73,289
Add: exceptional items	-	-
Profit after tax after exceptional items	74,306	73,289
Profit available for equity shareholders	74,306	73,289
Weighted number of equity shares outstanding	63,062	63,062
Nominal Value of equity share in Rs.	1,000	1,000
Basic and diluted earnings per share (In Rupees) – before exceptional item	1,17,830.26	116,216.66
Basic and diluted earnings per share (In Rupees) – after exceptional item	1,17,830.26	116,216.66

43. Segment Information**i. Description of segment and principal activities**

The chief operational decision maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment, and accordingly, the Company has identified two reportable operating segments viz. mining and sand operations. Operating segments have been identified and reported in a manner consistent with the internal reporting provided to the CODM.

ii. Segment revenue and expense

Revenue and expenses have been identified to a segment on the basis of relationship to operating of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as un allocable.

iii. Segment assets and liabilities

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on a reasonable basis have been disclosed as unallocable.

iv. Secondary segment reporting

The Company does not have geographical distribution of revenue as the operations of the Company are carried out within the country and hence secondary segmental reporting based on geographical locations of its customers is not applicable to the Company.

v. Information about major customers

Revenue from Barytes & Minor Minerals (which exceeds 10% of total segment revenue) amounting to Rs.81,432 Lakhs is derived from three customers (P.Y 49,939 Lakhs from three customers).

Revenue from coal segment (which exceeds 10% of total segment revenue) amounting to Rs.98,486 Lakhs is derived from three customers (P.Y 1,02,393 Lakhs from four customers).



vi. Information about product and services

The company revenue from external customers for each product is same as that disclosed below under "segment revenue".

a. Segment reporting for the financial year 2025-26

Particulars	For the year ended 2025-26				
	Barytes & Minor Minerals	Coal-Projects	Sand operations	Unallocated	Total
Segment revenue					
External revenue *	92,883	2,29,696	-	-	3,22,579
Total segment revenue	92,883	2,29,696	-	-	3,22,579

* Segment Revenue includes other income which is directly attributable to each segment.

Particulars	For the year ended 2025-26				
	Barytes & Minor Minerals	Coal-Projects	Sand operations	Unallocated	Total
Segment Results					
Profit/(Loss)	15,451	82,480	-	-	97,930
Unallocated other income	-	-	-	6,578	6,578
Unallocated expense and finance cost	-	-	-	(1,198)	(1,198)
Profit before exceptional items and tax	15,451	82,480	-	5,380	1,03,310
Exceptional items					
Share of Profit/(Loss) of joint ventures	-	-	-	210	210
Profit before tax	15,451	82,480	-	5,590	1,03,521
Income tax-current	-	-	-	25,658	25,658
Deferred tax	-	-	-	3,556	3,556
Profit after tax	15,451	82,480	-	(23,834)	74,306

Particulars	For the year ended 2025-26				
	Barytes & Minor Minerals	Coal-Projects	Sand operations	Unallocated	Total



Other Information					
Segment Assets**	8,66,222	1,68,675	15,247	3,76,724	14,26,868
Segment Liabilities**	9,06,300	29,762	3,623	55,992	9,95,678
Capital work in progress	-	301	-	-	301
Depreciation and amortisation	10,244	10,345	-	270	20,859
Non-Cash expense other than depreciation and amortisation	7,471	180	-	49	7,700

** Segment assets and liabilities are measured in the same way as in the financial Statements. They are allocated based on the operations of the segment.

Note: Segment assets and liabilities are subject to reconciliation

a. Segment reporting for the Financial Year 2024-25

Particulars	For the year ended 2024-25				
	Barytes & Minor Minerals	Coal - Projects	Sand operation	Unallocated	Total
Segment revenue					
External revenue *	96,150	2,03,952	-	-	3,00,103
Total segment revenue	96,150	203,952	-	-	3,00,103

* Segment revenue includes other income which is directly attributable to each segment.

Particulars	For the year ended 2024-25				
	Barytes & Minor Minerals	Coal- Projects	Sand operations	Unallocated	Total
Segment Results					
Profit/(Loss)	34,532	58,178	-	-	92,711
Unallocated other income	-	-	-	6,670	6,670
Unallocated expense and finance cost	-	-	-	(1,602)	(1,602)



Profit before exceptional items and tax	34,532	58,178	-	5,068	97,779
Exceptional items					
Share of Profit/(Loss) of joint ventures	-	-	-	433	433
Profit before tax	34,532	58,178	-	5,502	98,212
Income tax-current	-	-	-	(23,784)	(23,784)
Deferred tax	-	-	-	(1,140)	(1,140)
Profit after tax	34,532	58,178	-	(19,421)	73,289

Particulars	For the year ended 2024-25				
	Barytes & Minor Minerals	Coal-Projects	Sand operations	Unallocated	Total
Other Information					
Segment Assets**	91,904	2,22,517	15,266	2,35,520	5,65,207
Segment Liabilities**	38,964	127,980	3,656	36,518	207,118
Capital work in progress	-	519	-	-	519
Depreciation and amortisation	10,510	9,633	-	307	20,450
Non-Cash expense other than depreciation and amortisation	-	-	-	277	277

** Segment assets and liabilities are measured in the same way as in the financial Statements. They are allocated based on the operations of the segment.

Note: Segment assets and liabilities are subject to reconciliation

44. Related party transactions

A. List of related parties

(% of holding)

Name of the related party	As at 31-03-2026	As at 31-03-2025
Subsidiaries		
Ongole iron ore mining company private limited	51.00%	51.00%
Andhra phosphate private limited	50.00%	50.00%
APMDC - SCCL Suliyari coal company limited	51.00%	51.00%
Nuagon coal company limited	50.00%	50.00%



Joint ventures		
Andhra baryte corporation private limited	11.00%	11.00%
Andhra Pradesh iron ore company limited	11.00%	11.00%
Gimpex AP barytes beneficiation private limited	11.00%	11.00%
Trimex baryte private limited	11.00%	11.00%
Andhra Pradesh granite (Midwest) private limited	11.00%	11.00%
Pallava redgranite private limited	11.00%	11.00%
V.V minerals private limited	12.36%	12.36%
Alliance Andhra Pradesh black granites private limited	11.00%	11.00%
Associates:		
Aswani mineral development private limited	26.00%	26.00%
Arham minerals exports private limited	26.00%	26.00%
Isra minerals exports private limited	26.00%	26.00%
Margasree granites private limited	26.00%	26.00%
Ongole minerals exports private limited	26.00%	26.00%
RLP granites private limited	26.00%	26.00%
SRAP minerals private limited	26.00%	26.00%
AP coastal sand & metals private limited	26.00%	26.00%
Andhra Pradesh tribal mining private limited	26.00%	26.00%
Samyuktha Granite private limited	26.00%	26.00%
Naandhi Granites India Private limited	26.00%	26.00%
Shambhavi Stones AP Private Limited	26.00%	26.00%
AP Midwest Galaxy Private Limited	26.00%	-

Key Management Personal:

Name of the related party	Relation
Sri Pravin Kumar, IAS (24-06-2024 onwards)	Managing Director
V.V.V.Phani Kumar (21-12-2021 onwards)	Chief Financial Officer
S. Siva Rama Krishna (26-04-2025 onwards)	Compliance Officer

Others

Name of the related party	Relation
AP state Fibernet limited – APSFL Machilipatnam urban development authority Rayalaseema steel corporation Limited AP high grade steel limited Andhra Pradesh State Financial Service Corporation Limited– APSFSL The Commissioner SS&LR Department	Fellow Government company / Authority



B. Related party transactions**i. Amounts of revenue from the related parties**

Name of the related party	Amount
Andhra Pradesh granite (Midwest) private limited	3,688
Naandhi Granites India Private limited	232
Shambhavi Stones Ap Private Limited	73

ii. Amount due (to)/from related parties

Name of the related party	As at 31-03-2026	As at 31-03-2025
Andhra Pradesh granite (Midwest) private limited	703	832
Naandhi Granites India Private limited	28	336
SRAP minerals private limited	45	45
Machilipatnam urban development authority	197	197
The Commissioner SS&LR Department	53,441	53,441
Samyuktha Granite private limited	9	9
Shambhavi Stones Ap Private Limited	43	-

iii. Provisions for doubtful debts due to related parties at the balance sheet date and accounts written off or written back of debts due from related Parties:

Name of the related party	As at 31-03-2026	As at 31-03-2025
SRAP minerals private limited	45	45
Machilipatnam urban development authority	197	197

iv. Balance during the year with related parties

Investment in subsidiaries	As at 31-03-2026	As at 31-03-2025
Ongole iron ore mining company private limited	5	5
Andhra phosphate private limited	11	11
APMDC- SCCL Suliyari coal company limited	1	1
Nuagon coal company limited	60	60
Total	77	77
Investment derated/provision	77	77
Investment in joint ventures	As at 31-03-2026	As at 31-03-2025
Andhra baryte corporation private limited	85	85
Andhra Pradesh iron ore company limited	1	1
Gimpex AP barytes beneficiation private limited	0	0
Trimex barite private limited	45	45
Andhra Pradesh granite (Midwest) private limited	110	110
Pallavared granite private limited	110	110
V.V minerals private limited	1	1
Alliance Andhra Pradesh black granites private limited	110	110
Total	462	462
Investment derated/provision	352	352



Investment in associates	As at 31-03-2026	As at 31-03-2025
Aswani mineral development private limited	7	7
Arham minerals exports private limited	13	13
Isra minerals exports private limited	13	13
Margasree granites private limited	13	13
Ongole minerals exports private limited	33	33
RLP granites private limited	33	33
SRAP minerals private limited	33	33
AP coastal sand & metals private limited	1	1
Andhra Pradesh tribal mining private limited	3	3
Samyuktha Granite private limited	130	130
Naandhi Granites India Private limited	130	130
Shambhavi Stones AP Private Limited	130	130
AP Midwest Galaxy Private Limited	130	-
Total	669	539
Investment derated/provision	149	149

v. Remuneration & Others to key management personal

Name of the key management personal	As at 31-03-2026	As at 31-03-2025
Sri VG.Venkata Reddy	-	-
Medical Expenses to VC & MD	-	2
Sri Pravin Kumar, IAS (24-06-2024 onwards)	-	-
V.V.V.Phani Kumar (21-12-2021 onwards)	27	25
S. Siva Rama Krish (26-04-2025 onwards)	10	-

vi. Loan/Deposit to related parties

Name of the related party	As at 31-03-2026	As at 31-03-2025
AP state Fibernet limited	10,000	10,000
Machilipatnam urban development authority	20,000	20,000
AP State Financial Services Corporation Limited	55,500	55,500

vii. Advance to related parties

Name of the related party	As at 31-03-2026	As at 31-03-2025
Rayalaseema steel corporation limited *	327	327
AP High Grade Steel Limited*	1,200	1,200
The Commissioner SS&LR Department	10,833	10,833

*Provision for the doubtful advance is created on the above advances given to the related parties.



45. Note on sand operations

- a. The Government of Andhra Pradesh had appointed the corporation as an agent vide G.O.Ms.No.70 dated 04.09.2019 and directed the company to carry out the following initial activities.
- Put in place an online system for registration of end consumers and transporters, receipt of orders directly from the end consumers, collection of payments and remittance to the treasury account of the State Government online and maintenance of stockyards, disposal of sand from the stockyards and real time tracking of Sand carrying vehicles.
 - Allot the work of sand extraction, loading and transportation of sand to stockyard, ramp maintenance, loading of sand into dispatch vehicles at the stockyard through a competitive reverse tendering process.
 - Install weighbridges at the stockyards and CCTV cameras at Sand reaches and Stockyards to monitor sand operations and vehicular movement.
- b. Accordingly, under the overall authorization provided under the above GO, company had executed the sand policy and had allotted various work orders for excavation, loading, and ramp maintenance at various locations across the state and performed the necessary activities. Additionally, the company has appointed several transporters for internal transport and sand door delivery across the state for the period from 05-09-2019 to 14-05-2021.
- c. Further government vide its G.O.MS.No.78 dated 12-11-2020 upgrading the sand policy and issuance of standard operating procedures for transition of sand operations from the corporation to the new agency appointed by the Government, the corporation has completed the following activities.
- Finalised the cut-off date for transition of sand operations to new agency
 - Cancelled all pending orders and refunded the amount of cancelled bookings.
 - Handed over sand reaches
 - Transferred balance sand stocks in depots
 - Sold its assets / infrastructure created for the sand operations

Additionally, to arrive at the physical sand quantities available at the stock yards at reaches/pattalands/de-siltation points and sand depots joint inspections were conducted at all stock yards at reaches/pattalands/de-siltation points and sand depots by representatives of corporation and along with the representatives of new agency. After completion of joint inspections, 14.33 lakhs MT's of sand was available at various stock yards at reaches / pattalands/de-siltation points and sand depots as on the cut-off date and same has been handed over to new agency during the previous year. Further, as per Government orders various assets were also transferred to the new agency as per the prescribed procedures laid down in the Government Order.



46. The following subsidiaries/associates/joint venture companies are not consolidated for the following reasons:

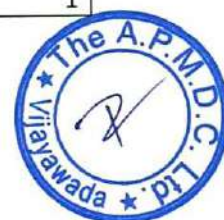
Subsidiaries	
Name of the subsidiary	Reason
Ongole iron ore mining company private limited	The company has not commenced operations due to cancellation of the agreement by GOAP, is unable to transfer funds to the investor, and has been struck off by the ROC
Andhra phosphate private limited	The company lease rights were expired and not renewed. Hence it is not carrying on any activity.
APMDC - SCCL Suliyari coal company limited	The license has been cancelled by the honourable supreme court. Hence business has not been commenced.
Nuagon coal company limited	The license has been cancelled by the honourable supreme court. Hence business has not been commenced.
Associates	
Name of the associate	Reason
Aswani mineral development private limited	Due to continuous defaults the company has been strike of by the ROC and no financial records are available. Hence same has not been considered in consolidation.
Arham minerals exports private limited	Due to continuous defaults the company has been strike of by the ROC and no financial records are available. Hence same has not been considered in consolidation.
Isra minerals exports private limited	Due to continuous defaults the company has been strike of by the ROC and no financial records are available. Hence same has not been considered in consolidation.
Margasree granites private limited	Due to continuous defaults the company has been strike of by the ROC and no financial records are available. Hence same has not been considered in consolidation.
Ongole minerals exports private limited	Due to continuous defaults the company has been strike of by the ROC and no financial records are available. Hence same has not been considered in consolidation.
RLP granites private limited	Due to continuous defaults the company has been strike of by the ROC and no financial records are available. Hence same has not been considered in consolidation.
SRAP minerals private limited	The company has not commenced the operations and became in operative.
AP coastal sand & metals private limited	The lease rights and MOU have been cancelled by the GOAP. Hence the company became in operative.



Andhra Pradesh tribal mining private limited	Due to continuous defaults the company has been strike of by the ROC and no financial records are available. Hence same has not been considered in consolidation.
Joint Ventures	
Name of the joint venture	Reason
Andhra baryte corporation private limited	The company has not commenced the operations and non-operative.
Andhra Pradesh iron ore company limited	The company has not commenced the operations and non-operative.
Gimpex AP barytes beneficiation private limited	The company has not commenced the operations and non-operative.
Trimex barite private limited	The company has not commenced the operations and non-operative.
V.V minerals private limited	The joint venture agreement was expired in the financial year 2013 and same has not been renewed by the government. In absence of joint venture agreement as on the date of preparation of CFS, same has not been considered for consolidation.
Alliance Andhra Pradesh black granites private limited	The joint venture agreement was cancelled by the GOAP. Hence the company became in operative.
Pallavared granite private limited	The company's share of losses in joint venture has exceeded its interest in the joint venture. Hence, we have discontinued recognising its share of further losses. The company's interest in the joint venture is the carrying amount of the investment determined using the equity method together with any long term interests that, in substance, form part of the company's net investment in the joint venture.
Samyuktha Granite private limited	The company's share of losses in joint venture has exceeded its interest in the joint venture. Hence, we have discontinued recognising its share of further losses. The company's interest in the joint venture is the carrying amount of the investment determined using the equity method together with any long term interests that, in substance, form part of the company's net investment in the joint venture.

47. Deferred tax asset /(liability)

Particulars	As at 31-03-2026	As at 31-03-2025
Tax effect of items constituting deferred tax assets		
Property, plant and equipment	395	313
Provision for decommissioning asset	868	873
Provision for lease liability	8	1



Other provisions for bad & doubtful debts, investments & advances	5,041	3,529
Total deferred tax asset	6,312	4,715
Tax effect of items constituting deferred tax liabilities		
Property, plant and equipment	-	-
Investments	72	71
Mining Infrastructure Assets	14,139	12,244
Bonds	3,789	-
Mining Infrastructure Assets - R&R –M'pet	3,004	5,560
Intangible assets under development	2,024	-
Total deferred tax liability	23,027	17,875
Deferred tax asset /(liability) – net	16,716	13,160

48.CSR Expenditure

- a. Gross amount required to be spent by the company during the year is Rs.2,154 Lakhs (Previous Year Rs.1,779 Lakhs).
- b. Amount spent during the year

Particulars	Year ended 31-03-2026	Year ended 31-03-2025
Construction/ acquisition of any assets	-	-
Purpose other than above	1,198	1,102

- c. Provision for unspent CSR : Nil
- d. Total of previous year shortfall : Nil
- e. Reason for shortfall : Not applicable
- f. Nature of CSR activities: The corporation undertakes impactful social projects which are in alignment with the areas specified under Schedule VII of the companies Act 2013 of the company takes up CSR projects largely in the projects related to Education, Health & Hygiene, Nutrition, Drinking water, Rural development, Skill Development and Income Generation, Promotion of Sports, Protection of Cultural and Heritage, Flood Relief and Natural Calamities, Environment & Others.
- g. Details of related party transaction: Contribution to a trust controlled by the company in relation to CSR expenditure amounting to Rs. 1,198 lakhs (PY Rs. 1,102 lakhs)
- h. Where a provision is made with respect to a liability incurred by entering a contractual obligation, the movement in the provision during the year should be shown separately: Nil.
- i. As per the provisions of Section 135 of the Companies Act, 2013 (as amended by the Companies (Amendment) Acts, 2019 and 2020) read with Rule 7(3) of the Companies (CSR Policy) Rules, 2014 (as amended in 2021), the Corporation was required to spend Rs.2,154



lakhs towards Corporate Social Responsibility (CSR) activities during the current financial year. Against the said requirement, the Corporation has incurred CSR expenditure of Rs.1,198 lakhs during the year, resulting in a shortfall of Rs.957 lakhs.

The aforesaid shortfall has been adjusted against the excess CSR expenditure available for set-off from the financial years 2022-23 and 2023-24, in accordance with the applicable provisions of the Companies Act, 2013 and the CSR Rules framed thereunder.

49. Treatment of demerger plan in the Books of accounts

- a. The AP Re-organization Act 2014 has bifurcated the combined Andhra Pradesh state into Andhra Pradesh & Telangana.
- b. Section 53 of the AP Re-organization Act 2014 provides the basis and procedure for distribution of Assets & Liabilities between both the states in respect of head office and location basis for other projects.
- c. In line with the provisions of the Act, the demerger plan for bifurcation of assets & liabilities of APMDC as on 01.06.2014 between APMDC and TSMDC was prepared.
- d. The then Principal Secretary (Ind & Comm.), and Chairman, APMDC (Combined State) addressed letters on 24.10.2014 to all the bank instructing them to freeze the accounts of APMDC as on 01.06.2014 and directed them not to permit any transactions.
- e. The demerger plan was discussed by the boards of APMDC and TSMDC. After detailed deliberations, consensus was arrived between APMDC and TSMDC and the formula for bifurcation was approved.
- f. The demerger plan was subsequently presented before the expert appraisal committee (EAC) constituted for this purpose. The EAC also approved the demerger plan and sent its recommendations to the respective Governments.
- g. As per the demerger plan, the assets & liabilities of APMDC (head office) are to be split between APMDC and TSMDC in the following ratio.
 - APMDC –58.32%
 - TSMDC –41.68%
- h. APMDC has sent demerger plan to the Andhra Pradesh state government and the same has been approved by GOAP vide G.O.Ms.No 19 dated 29.01.2019.
- i. The approval of the Telangana State Government is still pending. VC&MD, APMDC has addressed TSMDC vide Lr. No. APMDC/F&A/Demerger/2019-20/1959 dated 06.11.2019 to take up the issue with the Telangana State Government and complete the pending formalities.



Distribution of the assets & liabilities of common pool as on 01.06.2014 are given below:

Equity & liabilities	Common pool	AP	TS
Ratio		58.32%	41.68%
Shareholder's Funds			
Share capital	631	368	263
Reserve & surplus	104,281	60,817	43,464
Deferred Govt. grants	-	-	-
Current/ non-current liabilities			
Deferred tax liability	24	14	9
Trade payables	23,380	13,635	9,745
Other current liabilities	6,668	3,889	2,779
Provisions	1,072	625	447
Total	136,056	79,348	56,708

Assets	Common Pool	AP	TS
Non-Current Assets			
Property, Plant and Equipment	344	201	143
Non-Current Investment	499	291	208
Loans & Advances	36,600	21,345	15,255
Current Assets			
Inventories	14	8	6
Trade receivables	166	97	69
Cash & bank balances	4	2	2
Fixed deposits – BG	13,728	8,006	5,722
Other fixed deposits	81,621	47,602	34,020
Other current assets	4,255	2,481	1,773
Total	137,231	80,033	57,198

Interim division of funds in current accounts, fixed deposits, sweep accounts

During the financial year 2023-24 a Memorandum of Understanding (MOU) has been signed by both the corporations i.e. APMDCL and TSMDCCL on 29th January, 2024 and as per terms of the MOU, both APMDCL and TSMDCCL have decided to de freeze current accounts, fixed deposits and sweep accounts and distribute funds in the population ratio.

Accordingly, they have arrived balances in current accounts, fixed deposits and sweep accounts totalling to Rs.1,393.43 crores and same has been distributed in the population ratio i.e. APMDCL @58.32% and TSMDCCL @ 41.68%. As per MOU Rs.842.65 crores and Rs.550.78 crores was distributed to APMDCL and TSMDCCL respectively, vide Memo No.4354/M.I(1)/2018 dated 30-01-2024 issued by the Industries and commerce (Mines.I) Department, Government of Telangana.



50. Loan to Andhra Pradesh State Fiber Net limited (APSFL)

Corporation has received a Government order (GO) from Energy. Infrastructure & Investment (Airports) Department vide G.O.RT.No.161 dated 22-11-2016 to give an interest free loan of Rs.100.00 crores to AP State Fibernet Limited (APSFL) which is repayable within 5 years towards the margin money for the proposed procurement of 10 Lakh sets of CPE boxes. The board discussed the proposal in detail and accorded its approval to grant a inter corporate loan of Rs.100.00 crores to APSFL at an interest rate of 7.00% p.a. In compliance with the Board decision matter has been communicated to the secretary to Government (Mines), Industries & Commerce department and also on 08-02-2017 duly requesting to take further action on the matter.

In responses to the above correspondence, a letter reference Lr.No.Fin-21022/6/2017 -AS, II – Finance dated 28-03-2017 has been received and directed to remit the amount of Rs.100.00 crores transferable to the consolidated fund of the state and they have also confirmed that, this amount would be refunded in the next financial year and same has been refunded on 29-06-2017.

Further, a letter reference APSFL/APMDC Loan/226/2017 dated 04-07-2017 received from the CFO, APSFL requesting to sanction Rs.100.00 crores loan and also shared draft loan agreement to be entered. Accordingly, loan agreement between the corporation and APSFL has been executed and corporation has remitted the funds as per terms of the loan agreement entered.

Wherein the company has sanctioned an interest free loan to M/s Andhra Pradesh State Fibernet limited amounting to Rs.100.00 crores and disbursed an amount of Rs.60.00 crore during the financial year 2017-18 and the balance amount of Rs.40.00 crores has been released in the financial year 2018-19, However the difference between fair value of the instrument and transaction price on initial recognition of the instrument has not been recognised in the books as the loan agreement was silent on purpose of issuance of interest free loan.

Further, the disbursement schedule and repayment schedule has specified in the loan agreement dated 22nd July, 2017 has not been followed and no revised loan agreement was agreed upon with the party.

Out of the sanctioned amount of Rs.100.00 crores, an amount of Rs.60.00 crores have been released during the financial year 2017-18 and the balance amount of Rs.40.00 crores has been released in the financial year 2018-19 to be repayable in the period of 5 years as under:

(Rs.in Crores)

S.no	Year	Proposed repayment
1	2017-2018	Nil
2	2018-2019	20.00
3	2019-2020	25.00



4	2020-2021	25.00
5	2021-2022	30.00
Total		100.00

APSFL has not repaid the due instalments as per terms of the agreement. However, continuous follow ups are being made for repayment and confirmation of balance has been obtained and management is confident of recovery of this advance and considered this advance as good.

51. Loan to Machilipatnam Urban Development Authority (MUDA)

Company has received a Government order (GO) MS.No.127 dated 31-10-2018 to give loan of Rs.200.00 crores to Machilipatnam Urban Development Authority at an interest of 7.00% per annum and same shall be repaid within 45 days. Accordingly, Board of Directors in its 396th meeting held on 01-11-2018 approved the loan amount with interest of 8% and necessary loan agreement has been executed.

The company disbursed the loan amount of Rs.200.00 crores on 1st November 2018. As per terms of the Loan agreement in case of failure to repay by MUDA along with interest on due dates, penal interest at a rate charged by national banks will be paid. The stipulated time of 45 days was completed on 15th December, 2018, but the repayment has not been made by the MUDA. However, continuous follow ups are being made for repayment. Confirmation of balance has been obtained and management is confident of recovery of this advance and considered this advance as good.

The Government of Andhra Pradesh, through G.O. Ms. No.32 dated 14.03.2024, has communicated waiver of a loan amounting to Rs.9.91 crore out of the disbursed amount of Rs.200.00 crores. The said waiver is, however, subject to the approval of the Board of Directors. As the approval of the Board has not yet been obtained, the waiver has not been recognized in the books of account. Consequently, the outstanding loan liability of Rs.200.00 crores continues to be reflected under borrowings in the financial statements as at the reporting date.

52. Advance to Rayalaseema Steel Corporation limited

Company has paid an amount of Rs.3.27 crores to Rayalaseema Steel Corporation limited (RSCL) to meet the essential expenses relating to day-to-day operations of the company on reimbursement basis pursuant to G.O.MS No.131, 132 and 133 with the approval of the board of directors of the company. However, RSCL intimated that, Government of Andhra Pradesh has not infused any equity into the company and the company met the running expenses from the proceeds of loan sanctioned by the APMD. C.

It is further informed that company doesn't have any assets or shareholder funds to repay the loan to APMD. C. and all transactions of the company were closed. In view of the uncertainty in realising the advanced amount, an amount of Rs.3.27 crores has been provided towards provision for doubtful advance in the financial year 2019-20.



53. Advance to AP High Grade Steel Limited

As per the endorsement of special chief secretary, Industries & Commerce department, Company has paid Rs.3.00 crores (Rs.2.00 crores to AP High Grade Steels Limited and Rs.1.00 crore to district collector, YSR Kadapa district) towards expenses incurred for laying of foundation and inaugural function for the integrated steel plant till 31st March, 2020 and same has been ratified by the board of directors in their 404th meeting held on 17-07-2020.

Further, loan agreement has been executed between the company and AP High Grade Steels Limited as on 15th September, 2020. During the year 2020-21 an additional amount of Rs.9.00 crores has been paid totalling to Rs.12.00 crores till 31-03-2021. However, management has uncertainty in realising the amount advanced to AP High Grade Steel Limited and district collector, YSR Kadapa district, hence, an amount totalling to Rs.12.00 crores have been provided towards provision for doubtful advance till 31-03-2021.

54. Non valuation of inventory

a. C+D+W Grade of barytes

Based on the past experience, sales statistics and considering slow moving nature of C+D+W Grade of Barytes, closing stock is recognised for a quantity of 5 lakhs MTs from financial year 2013-14 onwards.

Subsequently, considering increased demand in domestic and international markets, the recognized closing stock quantity was revised to 8 lakh MTs from FY 2018-19 onwards. Further, based on growth in demand and confirmed customer orders on hand, the recognized closing stock quantity was increased to 12 lakh MTs during FY 2022-23 and to 15 lakh MTs during FY 2023-24.

Further, based on the current orders in hand, a closing stock of 17.56 lakh MTs has been considered for the stock produced during the current financial year. The remaining quantity of 62.33 lakh MTs has not been assigned any value, as it has not been valued since inception. Although the present market demand exceeds the current year's production, the valuation has been restricted in line with past practices. Specifically, valuation has been applied only to Opening stock considered for valuation and current year production with dispatches deducted from the production to arrive at the closing stock considered for valuation for the current year.

b. Inventory of Ball clay at Dwaraka Tirumala

The company has awarded a contract for mining of ball clay at Dwaraka Tirumala on Raising-cum-sale basis to M/s. CNR Tiles & Sanitary (RCS contractor) on February 02, 2017 for a period of 5 years with a consideration of Rs.72 per MT of quantity sold by the contractor with a minimum consideration of 24,000 MT's every year.

As per the terms and conditions of the agreement with RCS contractor, the contractor shall lift the stock available within three months from the expiration of the contract, failing which,



stock available shall be the sole property of the company. During the financial year 2019-20, the company terminated the contract with the RCS contractor for violation of the mining rules, and the company has entered fresh agreement with M/s. Raghuram Hume Pipes Private Limited vide agreement dated 4th May, 2020 and The Closing stock as on 31.03.2026 is 1.55 lakh MT's which the company has not valued.

c. Inventory of survey stones

Production of survey stones at Ballikurava unit has been stopped during the year and O&M contract has not been renewed due to uncertainty on continuity of operations. Closing stock of survey stones of 9,458 are available as on 31.03.2026. However, in view of uncertainty in continuing future operations, management has decided to impair the plant and machinery. Further, there is no realisable value to the stock. Hence, no value has been considered for the closing stock of 9,458 stones as on 31-03-2026.

55. Leasehold Lands

The company has been allotted following lands on lease hold basis and has rights of conducting mining operations as per the respective lease rights granted by the government authorities. Fair value of these mining rights has not been incorporated in the value of plant, property and equipment.

S.no	Project	Area in Hectors
1	Mangampet	443.67
2	Chimakurthy	33.60
3	Dwaraka Tirumala	13.29
4	Visakapatnam	46.31
5	Srikakulam	8.04
6	Suliyari	1,298.00
7	Brahmadiha	105.15
Total		1,948.06

56. Deposit with Andhra Pradesh State Financial Services Corporation Limited (APSFSCCL)

The Company had received communications from Andhra Pradesh State Financial Services Corporation Limited (APSFSCCL) requesting placement of excess and/or unutilised funds in the form of Inter-Corporate Deposits (ICDs), carrying interest at a minimum rate of 5% per annum payable monthly and withdrawable upon giving 21 days' prior notice to the Vice Chairman and Managing Director of APSFSCCL. Accordingly, the Company had placed deposits aggregating to Rs. 555.00 crores with APSFSCCL up to 31.03.2023, for which deposit certificates were obtained.

The Company has been regularly receiving interest on the aforesaid deposits up to 31.03.2026 and no withdrawals were made during the current year. Balance confirmations in respect of the deposits have also been obtained from APSFSCCL.



Based on the nature of the instrument and considering that APSFSL is a Non-Banking Financial Company (NBFC) and the receipts issued are in the nature of Inter-Corporate Deposits, the balances, which were previously classified under "Other Bank Balances", have been reclassified during the current year under "Other Financial Assets – Deposits" in the financial statements.

57. Note on Survey Stones

Pursuant to Government Memo No. INC01-MG/10/2022-M-III dated 02.09.2022 and G.O.Ms.No.33 dated 30.05.2023 issued by the Government of Andhra Pradesh, the Corporation was entrusted with the responsibility of procurement, supply and transportation of survey stones for implementation of the prestigious programme "YSR Jagananna Shaswata Bhu Hakku Mariyu Bhu Raksha Pathakam" for the SS&LR Department.

During the previous years, the Corporation had undertaken procurement, supply and transportation activities in accordance with the Government orders and had recognized revenue including the prescribed service charge. No operational activity relating to the project was carried out during the current year.

As at the reporting date, an amount of Rs. 108.33 crores advanced to the SS&LR Department towards operational expenses for plantation of stones and an amount of Rs. 426.08 crores receivable from the SS&LR Department towards supply and transportation of survey stones continue to remain outstanding. Management is confident of recovery of the aforesaid amounts in due course.

58. Leases (Ind AS 116)

The following is the carrying amounts of Company's right of use assets and the movement in lease liabilities during the year ended March 31, 2026:

(i) Refer No.3.1 for carrying amounts of Company's right of use assets and the movement during the year ended March 31, 2026.

(ii) Movement in Lease liability with Current/Non-Current break-up:

Particulars	As at 31-03-2026	As at 31-03-2025
Balance at the beginning of the year	508	134
Additions during the year	-	514
Deletions during the year	-	(8)
Finance cost accrued during the period	44	10
Payment of lease liabilities	118	142
Balance at the closing of the year	434	508

Amounts recognised in profit or loss

Particulars	As at 31-03-2026	As at 31-03-2025
Interest expenses	44	10
Depreciation charge for right-of-use assets	103	133



Contractual maturity analysis of undiscounted lease liabilities is given below:

Maturity Analysis of lease liabilities (undiscounted):

Particulars	As at 31-03-2026	As at 31-03-2025
Less than one year	124	118

59. Note on provision for decommissioning

Name of the project	As at 31-03-2025	Provision made during the year	Provision reversed during the year	As at 31-03-2026
Mangampet-Barytes	734	78	20	792
Ballclay	34	3	4	33
Mangampet - Dolomite	637	74	17	694
Suliyari – Coal	2,064	180	312	1,931
Total	3,469	320	353	3,450

During the year 2025–26, the Company reassessed the Mine Closure Plan provision in respect of its coal mines based on the latest available estimates. Consequent to this reassessment, there has been an overall decrease in the Mine Closure Provision by Rs. 312 lakhs.

In accordance with Ind AS 16 Property, Plant and Equipment and Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, the impact of this change in estimate has been adjusted against the corresponding decommissioning (mine closure) asset in the books of account.

60. Analytical Ratios

The following are analytical ratios for the year ended 31st March, 2026.

S.no	Particulars	Numerators	Denominators	31-03-26	31-03-25	Variance (In %)
1	Current Ratio (*1)	Current Assets	Current Liabilities	5.26	2.14	145.67%
2	Debt -Equity Ratio(*2)	Total Debt	Shareholders' funds	1.81	0.16	1156.34%
3	Debt service (*3)coverage ratio	Earnings available for debt service	Debt services	1.57	6.12	(74.32%)
4	Return on equity	Profit after tax	Average shareholders fund	18.82%	20.47%	(8.06%)
5	Inventory turnover ratio	Cost of goods sold or sales	Average Inventory	7.51	9.97	(24.33%)
6	Trade receivables turnover ratio	Net credit sales	Average accounts receivables	4.82	4.02	19.90%



7	Net Capital Turnover Ratio(*4)	Net Sales	Working capital	0.39	0.53	(26.53%)
8	Net profit ratio	Net profit	Net sales	23.03%	24.42%	(5.68%)
9	Return on capital employed (*5)	Earnings before interest and taxes	Capital employed	9.12%	24.40%	(62.60%)
10	Interest service Coverage Ratio (*6)	EBIT and exceptional Items	Interest Expenses	1.59	17.07	(89.80%)
11	Long term debt to working capital ratio (*7)	Non-current borrowings	Working capital	1.02	0.33	209.02%
12	Current liability ratio (*8)	Total Current Liabilities	Total Liabilities	0.20	0.67	(70.76%)
13	Total Debts to Total Assets (*9)	Total Debt	Total Assets	0.70	0.37	90.25%
14	Operating Margin Ratio	EBIT Less other income	Revenue	32.36%	32.25%	0.35%

(*1,2,3,4,5,6,7,8,9) Due to raising of debentures and servicing/payment of interest thereon during the current year and amount receivable from DM&G as mentioned at no 63.

61. Issuance of Non-convertible debentures

During the year, the Company, for the first time, raised funds through private placement from certain identified investor(s) by issuing senior, secured, rated, listed, redeemable, taxable, non-convertible bonds in the nature of debentures under the scheme titled "APMDC Bonds 2025-26". The issue comprised nine sub-series ("A" to "I") with sequential tenures ranging from 2 (two) years to 10 (ten) years and carrying a face value of INR 1,00,000 (Indian Rupees One Lakh only) each. Under Series-I, the Company raised an aggregate amount of Rs. 3,474 Crores at an interest rate of 9.30% per annum.

The bonds issued during the year are senior, secured, rated, listed, redeemable, taxable, and non-convertible in nature, and are backed by an unconditional and irrevocable guarantee of the Government of Andhra Pradesh as a continuing obligation. The bonds are further secured by a charge over specified assets of the Company, in accordance with the terms and conditions stipulated in the respective financing agreements and the Trust Deed.

The details of Bonds outstanding as at the reporting date are as follows:

ISIN Details	Issue Date	Maturity date	Issued Amount (Rs. in lakhs)	Outstanding as on 31 st march 2026
INE0TLC07085	09-05-2025	07-05-2027	38,597	38,597
INE0TLC07093	09-05-2025	09-05-2028	38,597	38,597
INE0TLC07069	09-05-2025	08-05-2029	38,597	38,597



to the Identified Mines, including quarry lease rights, mining rights relating to the Identified Mines, and all rights under the Identified Mine Documents and the Identified Mine Contracts.

62. Mine Closure Costs – Sub-leased Mines

The Corporation holds certain mines that have been sub-leased to third parties. In accordance with the terms of the respective sub-lease agreements, the obligation for mine closure and restoration costs vests with the sub-lessees. Consequently, no provision for mine closure costs has been recognized in the financial statements, as there is no contingent or actual liability on the part of the Corporation as at the reporting date.

63. Adjusting Events after reporting period.

During the year ended 31 March 2026, the Company paid an upfront premium of Rs. 6,884 crore in respect of mining rights allotted by the Government as per G.O.Ms.No.69, Industries & Commerce (M.III) Department, dated 24.04.2025. Prior to 31 March 2026, the Company had represented to the Government seeking refund of the upfront premium, considering the significant tax and financial burden associated with the upfront payment, and requested that the premium be made payable as and when the mineral reserves are extracted.

Subsequent to the reporting date, the Government, vide Memo dated 10 September 2026, directed the Department of Mines and Geology to refund the upfront premium paid and provided for the premium to be payable as and when the mineral reserves are extracted.

Based on the Company's assessment of the circumstances and communications existing as at 31 March 2026, the subsequent Government Memo has been considered to provide further evidence regarding conditions existing at the reporting date and has accordingly been treated as an adjusting event in accordance with Ind AS 10. Consequently, the amount recognised as an Other Financial Asset representing the refund receivable from the Government. The accounting treatment involves management judgement in determining whether the subsequent Government action provides evidence of conditions existing at the reporting date.

The Security Cover Ratio disclosed along with the limited-reviewed financial results for the financial year ended 31 March 2026 was calculated based on the financial information available as on the said date.

Subsequently, pursuant to the subsequent event referred to above, the financial statements were finalised after incorporating the necessary adjustments. Accordingly, based on the revised financial figures, the Security Cover Ratio has been revised from 1.52 times to 2.27 times.

64. Disclosure of ageing of Trade Receivables and Payables

Pursuant to the amendments to Schedule III of the Companies Act, 2013, notified vide G.S.R. 207(E) dated 24th March, 2021, the Company is required to disclose ageing of trade receivables and trade payables, separately identifying dues to Micro, Small, and Medium Enterprises (MSMEs) and others.





satisfactions, as applicable, have been duly registered and updated with the ROC in accordance with the provisions of the Companies Act, 2013.

- c. The Corporation has not been declared a willful defaulter by any bank or financial institution. Corporation has complied with all terms of its borrowings and there are no defaults or related disclosures required in the financial statements.
- d. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :
 - i. 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
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- e. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
 - i. 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
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- f. During the current and previous financial years, no income has been surrendered or disclosed in any tax assessments under the Income Tax Act, 1961 that has not been recorded in the books of accounts. The Corporation maintains its accounting records in accordance with applicable accounting standards and statutory requirements. All amounts reported as income in the tax assessments have been duly recognized in the financial statements and there are no unrecorded or undisclosed income items that would require adjustments or disclosure in these financial statements.
- g. The Corporation has not availed any borrowings, loans, or credit facilities from banks or financial institutions against the security of its current assets. Accordingly, there are no obligations or transactions that require the submission of stock statements or any other reporting in relation to secured borrowings.
- h. The Corporation maintains its books of account using a dedicated accounting software, which includes an in-built audit trail (edit log) functionality. This feature captures all modifications, additions and deletions made to the financial transactions recorded in the system, thereby ensuring traceability and accountability of all accounting entries. The audit trail facility has been operational throughout the



financial year and has been applied to all relevant transactions recorded in the accounting software.

- i. The Corporation has not traded, invested, or engaged in any transactions involving crypto currency or virtual currency during the financial year. Consequently, no related disclosures, gains, losses, or contingent liabilities arise in the financial statements.

68. Note on consolidation of following joint ventures/associates

The financial statements of Naandhi Granites India Private Limited are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention and applicable accounting standards as prescribed under Section 133 of the Companies Act, 2023 ("Act"). These financial statements have been considered for consolidation, as the management has conducted an impact analysis of the differences between IGAAP and IND AS. Since the differences are immaterial, the holding company's management has incorporated the share of loss from the above joint venture is amounting to Rs. 32.79 Lakhs, into the consolidation.

69. Revenue Recognition – Sale of Barytes

During the previous year (FY 2024-25), pursuant to Government directives, the Corporation continued sales of barytes at prevailing prices pending finalization of revised prices through a transparent tender process. In accordance with Ind AS 115 – Revenue from Contracts with Customers, revenue of Rs. 42.33 crores, being the portion of Price Security Deposit and advances collected from customers considered highly probable of not reversing, was recognized during FY 2024-25, while the balance was carried as a liability pending finalization of tender prices.

During the current year, the tender process was completed and the final selling prices were determined. Accordingly, invoices amounting to Rs. 56.95 crores relating to FY 2024-25 were raised based on the finalized prices. After adjusting the revenue of Rs. 42.33 crores recognized in the previous year, the differential amount of Rs. 14.62 crores has been recognized as revenue in the Statement of Profit and Loss for the current year.

70. GST Input Tax

Input Tax Credit (ITC) on GST paid for input materials and services related to coal and barytes, particularly on royalty under the Reverse Charge Mechanism at 18%, continues to accumulate as recovery is restricted to 5%, creating an inverted tax structure. The 56th GST Council recommended withdrawal of the Compensation Cess on coal and an increase in GST to 18%, which is expected to facilitate utilization of accumulated ITC in Madhya Pradesh and release blocked liquidity.

Further, with the Corporation planning 436 new mine leases in Andhra Pradesh and expanding into the heavy beach sand mineral sector, certain projects may be executed on a service contract basis, allowing accumulated ITC to be set off against output GST, further releasing liquidity. Furthermore, the accumulated ITC may also be available for future revisions in the tax structure and potential increases in sales, as there is no time limit for its utilization.



71. RAKIA Arbitration Proceedings

With respect to the RAKIA arbitration proceedings and litigations initiated by ANRAK Aluminium Limited, the Management has assessed the legal and factual position as at 31 March 2026 and concluded that there was no present obligation or probable outflow of economic resources for the Company. The RAKIA arbitration is against the Republic of India and not against APMDC, and APMDC is neither a party to the relevant Bilateral Investment Treaty nor a respondent to the arbitration. The related domestic litigations are also pending before the competent judicial fora and no liability has been crystallised against APMDC.

Based on internal legal team and Management's assessment, the possibility of any outflow of resources was considered remote as at the reporting date. Accordingly, in terms of Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, no provision or contingent liability disclosure was considered necessary in the Financial Statements for FY 2025-26.

The matters continue to be monitored by the Management and will be appropriately accounted for and/or disclosed in subsequent periods, if the circumstances and assessment of the likelihood of outflow change.

72. Capitalisation of Borrowing Costs

During the year, the Company raised bonds for the purpose of meeting the upfront premium payable in respect of the mining projects allotted by the Government of Andhra Pradesh and for repayment of existing term loan. After meeting bond Issuance expenses and repayment of term loan, the balance borrowing proceeds were utilised for the respective 436 mining projects which are allotted by the GOAP as per G.O.Ms.No.69, Industries & Commerce (M.III) Department, dated 24.04.2025.

The underlying mining projects necessarily require a substantial period of time to be brought to the condition necessary for their intended use, involving exploration and evaluation activities, obtaining Environmental Clearance and other statutory approvals and undertaking other activities necessary for commencement of commercial extraction. Accordingly, borrowing costs directly attributable to such qualifying mining projects have been capitalised in accordance with Ind AS 23 – Borrowing Costs, from the date on which the conditions for capitalisation were satisfied.

Borrowing costs of Rs.665.47 crores have been capitalised during the year ended 31 March 2026. In determining the amount eligible for capitalisation, the Company has considered the borrowing costs incurred on specific borrowings and the Interest income earned, in accordance with Ind AS 23.

Subsequent to the reporting date, pursuant to the Company's representation made to the Government prior to 31 March 2026, the Government, vide Memo dated 10 September 2026, directed refund of the upfront premium paid and provided that the premium would be payable as and when the mineral reserves are extracted. The Company has assessed the



subsequent Government action in accordance with Ind AS 10 – Events after the Reporting Period and has considered the same while finalising the financial statements.

The subsequent refund of the upfront premium does not, in the Company's assessment, alter the purpose for which the specific borrowings were raised or the conditions existing during the year under which the borrowing costs satisfied the capitalisation criteria prescribed under Ind AS 23. Accordingly, the borrowing costs capitalised up to 31 March 2026 continue to form part of the cost of the respective qualifying mining projects.

73. Status of Mining Projects Allotted by the Government of Andhra Pradesh

During the financial year, the Corporation was allotted mining projects by the Government of Andhra Pradesh pursuant to G.O.Ms.No.69, Industries & Commerce (M.III) Department, dated 24 April 2025. The allocation of these mining projects forms part of the Corporation's strategic initiatives to undertake and develop mining activities in the State of Andhra Pradesh. Pursuant to the said Government Order, the Corporation has received the feasibility reports, mining plans and other relevant technical and project-related documents majority of the mines allotted to it.

The Corporation is also in the process of identifying and finalising suitable lease holders for the aforesaid mines, in accordance with the applicable statutory requirements, Government guidelines and the terms and conditions governing the allotment.

The development and commencement of mining operations in respect of the allotted mines will be undertaken progressively, subject to completion of the requisite statutory, regulatory and administrative formalities, execution of necessary agreements, obtaining applicable approvals and clearances, and fulfilment of other conditions prescribed by the Government and the concerned authorities.

Further, as the aforesaid mines are proposed to be operated through lease arrangements, the Corporation does not have a present obligation towards restoration or closure of the mines at this stage. Accordingly, no provision towards decommissioning, restoration or rehabilitation liability has been recognised in the financial statements as at the reporting date.

Accordingly, as at the end of the financial year, the allotted mining projects are at various stages of evaluation, planning and preparatory activities, and the Corporation is taking necessary steps towards their phased implementation and commencement of mining operations.

74. General

- a. Some of the balances appearing under trade receivables, trade payables, advances, security deposits, unknown receipts, other payables and deposits with various Government Authorities are subject to confirmations, subsequent reconciliations and consequential adjustment required if any.



- b. Amounts incurred towards power, fuel charges and excavation and transportation charges for run of mine and overburden have been reported separately in respective note no's 33 and 34 for better presentation purposes.
- c. Figures of the previous year have been regrouped/rearranged wherever considered necessary, so as to confirm to the classification of the current year.
- d. All amounts have been reported in Rs. In lakhs unless otherwise stated/mentioned, except for the share data and earnings per share (EPS). Further, Rs. (0) mentioned in the financial statements represents value less than Rs.0.50 lakhs.

For M N RAO & ASSOCIATES LLP
Chartered Accountants
Firm Regn No.005386S/S000195

for and on behalf of the board of directors


D.S.S. Srikanth
Partner
Mem No.250883




Pravin Kumar, IAS
Managing Director
DIN:07106418


S. Hanumantha Rao
Director
DIN:11336430


V.V.V. Phani Kumar
Chief Financial Officer


S. Siva Rama Krishna
Company Secretary &
Compliance Officer
M No: A60677

Place: Vijayawada
Date : September 30,2026

UDIN : 26250883NWJ9CG2141



**Statement of Impact of Audit Qualifications (for audit report with modified opinion)
submitted along with Annual Audited Financial Results-Consolidated)**

Statement of Impact of Audit Qualifications for the Financial Year ended 31 March 2026

(Rupees in Lakhs)

S. No	Particulars	Audited figures (as reported before adjusting qualification)	Adjusted figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	3,30,772	3,30,772
2	Total Expenditure	2,27,462	2,38,645
3	Net Profit / (Loss)	74,306	63,123
4	Earnings Per Share in Rs.	1,17,830.26	1,04,058.77
5	Total Assets	14,28,203	14,18,276
6	Total Liabilities	9,95,678	9,94,436
7	Net Worth	4,32,525	4,23,840
8	Any Other Financial Items (as felt appropriate by the Management)	Nil	Nil

1	a.	Details of Audit Qualification	We draw attention to Note No 46 of the Consolidated Financial Statements where in the Group has stated the reasons for not consolidating the Subsidiaries, Associates and joint ventures as tabulated below. In the absence of Audited Financial Statements and management certified accounts for the year ended March 31, 2026 and further reasons as detailed in Note No 46, the transactions of subsidiaries and share in profit/losses of joint ventures and associates of the below mentioned entities are not incorporated in these consolidated financial statements. The list of such entities are as tabulated below: <table><tr><th>Sl.no</th><th>Name of the Company</th><th>Nature of Holding</th><th>% of Holding</th></tr><tr><td>1</td><td>Ongole iron ore mining company pvt ltd</td><td>Subsidiary</td><td>51.00%</td></tr><tr><td>2</td><td>Andhra phosphate private limited</td><td>Subsidiary</td><td>50.00%</td></tr><tr><td>3</td><td>APMDC SCCL Suliari coal company ltd</td><td>Subsidiary</td><td>51.00%</td></tr><tr><td>4</td><td>Nuagon coal company ltd</td><td>Subsidiary</td><td>50.00%</td></tr><tr><td>5</td><td>Andhra Baryte Corporation Private Limited</td><td>Joint Venture</td><td>11.00%</td></tr><tr><td>6</td><td>Andhra Pradesh Iron Ore Company Ltd</td><td>Joint Venture</td><td>11.00%</td></tr><tr><td>7</td><td>Gimpex AP Barytes Beneficiation Private Limited</td><td>Joint Venture</td><td>11.00%</td></tr><tr><td>8</td><td>Trimex Baryte Private Limited</td><td>Joint Venture</td><td>11.00%</td></tr></table>	Sl.no	Name of the Company	Nature of Holding	% of Holding	1	Ongole iron ore mining company pvt ltd	Subsidiary	51.00%	2	Andhra phosphate private limited	Subsidiary	50.00%	3	APMDC SCCL Suliari coal company ltd	Subsidiary	51.00%	4	Nuagon coal company ltd	Subsidiary	50.00%	5	Andhra Baryte Corporation Private Limited	Joint Venture	11.00%	6	Andhra Pradesh Iron Ore Company Ltd	Joint Venture	11.00%	7	Gimpex AP Barytes Beneficiation Private Limited	Joint Venture	11.00%	8	Trimex Baryte Private Limited	Joint Venture	11.00%
Sl.no	Name of the Company	Nature of Holding	% of Holding																																				
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8	Trimex Baryte Private Limited	Joint Venture	11.00%																																				



			9	V.V Minerals Private Limited	Joint Venture	12.36%
			10	Alliance Andhra Pradesh Black Granites Pvt Ltd	Joint Venture	11.00%
			11	Pallava Red Granite Private Limited	Joint Venture	11.00%
			12	Aswani Mineral Development Private Ltd	Associate	26.00%
			13	Arham Minerals Exports (P) Ltd	Associate	26.00%
			14	Isra Minerals Exports (P) Ltd	Associate	26.00%
			15	Margasree Granites (P) Ltd	Associate	26.00%
			16	Ongole Minerals Exports (P) Ltd	Associate	26.00%
			17	RLP Granites (P) Ltd	Associate	26.00%
			18	SRAP Minerals Private Limited	Associate	26.00%
			19	A.P.Coastal Sand & Metals Pvt Ltd	Associate	26.00%
			20	Andhra Pradesh Tribal Mining (P) Ltd	Associate	26.00%
			21	Samyuktha Granite Private Limited	Associate	26.00%
			In the absence of information, we are unable to quantify the impact on the Group's financials. Further, in respect of all the above entities, the carrying value of the investment (net of impairment/ provision) in Holding Company's books is NIL.			
	b.	Type of Audit Qualification:	Qualified Opinion			
	c.	Frequency of Qualification:	Repetitive			
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor			
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:				
		I. Management's estimation on the impact of audit qualification:	Not quantified by management			
		II. If management is unable to estimate the impact, reasons for the same	All associates, and joint ventures referred to in Note No. 46 don't have any active operations. Hence the carrying value of such investments in the books of the Holding Company has already been impaired. Therefore, non-consolidation of these entities does not have any financial impact on the Group's Consolidated Financial Statements.			



			Further, reasons for not consolidation of subsidiaries, associates and joint ventures detailed in note no 46. For better understanding.																		
		III. Auditors' Comments on (i) or (ii) above:	N.A																		
2	a.	Details of Audit Qualification	Refer Note 49 of the accompanying consolidated Financial Statements, where the company has passed entries for bifurcation as per AP Reorganisation Act, 2014 in the past years except with respect to share capital based on recommendations of the Committee and as per GO issued by Govt of Andhra Pradesh. We are informed that such an exception is based on agreement between both the companies for which no written document was produced for our verification. Consequent to bifurcation, the Company has transferred certain amounts to M/s Telangana State Mineral Development Corporation Limited ("TSMDC") account ledgers which are subject to acceptance and confirmation by TSMDC. The Company has passed entries pertaining to TSMDC which no supporting document was produced. Further, during the years after bifurcation, Income tax of the erstwhile entity was recovered from APMDC Income Tax Refund, but no entries were passed in the books, as the complete recovery details are not available. In the absence of information, we are not able to ascertain the impact of the following amounts: <table><tr><th>S. No</th><th>Name of the ledger</th><th>Note no</th><th>Classification</th><th>Rs. in lakhs</th><th>Dr/Cr</th></tr><tr><td>1</td><td>APMDC Telangana Region Advance (Cr)</td><td>18</td><td>Other Financial liability (Non-Current)</td><td>2,733.95</td><td>Cr</td></tr><tr><td>2</td><td>Vijayawada (bank)</td><td>6</td><td>Other Financial Assets (Non-Current)</td><td>208.70</td><td>Dr</td></tr></table>	S. No	Name of the ledger	Note no	Classification	Rs. in lakhs	Dr/Cr	1	APMDC Telangana Region Advance (Cr)	18	Other Financial liability (Non-Current)	2,733.95	Cr	2	Vijayawada (bank)	6	Other Financial Assets (Non-Current)	208.70	Dr
S. No	Name of the ledger	Note no	Classification	Rs. in lakhs	Dr/Cr																
1	APMDC Telangana Region Advance (Cr)	18	Other Financial liability (Non-Current)	2,733.95	Cr																
2	Vijayawada (bank)	6	Other Financial Assets (Non-Current)	208.70	Dr																
	b.	Type of Audit Qualification:	Qualified Opinion																		
	c.	Frequency of Qualification:	Repetitive																		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor																		
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:																			
		I. Management's estimation on the	Not quantified by management																		



		impact of audit qualification:	
		II. If management is unable to estimate the impact, reasons for the same:	The balances relating to TSMDC as recorded in books have arisen pursuant to the demerger plan. Since the said demerger plan has not yet been implemented by TSMDC, confirmations of these balances have not been received from their end. The balances reflected in books are, however, duly supported by accounting records, underlying transactions and relevant documentation available with the Company. Management believes that the balances are fairly stated to the best of their knowledge and judgment, pending confirmation and reconciliation from TSMDC.
		III. Auditors' Comments on (i) or (ii) above:	N.A
3.	a.	Details of Audit Qualification	<u>Loss Allowance for Expected Credit Losses / impairment as required under Ind AS 109:</u> a) Corporation has stated in Note 10 of the accompanying Consolidated Financial Statements that a total amount of Rs.591.94 Cr is outstanding towards unsecured trade receivable being considered good by the Management. In our opinion, the assessment of expected credit losses under Ind AS 109 requires consideration of the credit risk associated with the respective receivables, including relevant historical, current and forward-looking information and other available evidence. Ageing of receivables is one of the relevant factors in such assessment and should not, by itself, be considered determinative of the requirement or quantum of loss allowance. Based on the information available, certain receivables, including those which are significantly overdue and/or disputed, indicate heightened credit risk and require an appropriate assessment for expected credit losses. The Corporation has not adequately assessed and/or recognised the consequential loss allowance in respect of such receivables, resulting in overstatement of trade receivables and profit. b) Of the Rs.591.94 Cr trade receivables disclosed in Note 10, Rs. 426 Cr is due from the Survey Settlements & Land Records (SS&LR) Department, Government of Andhra Pradesh, towards supply of survey stones by APMDC. These receivables are unsecured and no guarantee has been provided by the Government. As per Sl. No. 4(d) of G.O.Ms.No.33 dated 30-May-2023, payment was to be made through adjustment bill to APMDC's PD account; however, no funds were received during FY 2022-23, FY 2023-24, FY 2024-25 or FY 2025-26. Further, the survey stone operations were discontinued by APMDC from FY 2023-24 onwards. Management has not recognised any loss allowance for expected credit losses in respect of these receivables. In our opinion, the credit risk



		indicators and other available evidence require an appropriate assessment of the recoverability of these balances and the related ECL. c) Further, out of the Rs. 591.94 Cr trade receivables disclosed in Note 10, Rs. 152.40 Cr is due from the Department of Mines and Geology, Andhra Pradesh, towards sand operations carried on by the Corporation as an agent up to FY 2022-23. These receivables are unsecured and no guarantee has been provided by the Government. Management has not recognised any loss allowance for expected credit losses in respect of these balances. Further, the sand operations were discontinued by APMDC from FY 2022-23 onwards. In our opinion, the above circumstances require an appropriate assessment of recoverability and expected credit losses in accordance with Ind AS 109. d) Refer Note 39, wherein the Company has recognised an additional amount of Rs. 61.84 Cr towards expected credit losses, representing 100% of receivables outstanding for more than 12 months as at 31-Mar-2026. However, no loss allowance has been recognised merely on the basis of ageing for receivables outstanding for less than 12 months. In our opinion, the determination of expected credit losses should be based on the credit-risk characteristics and expected cash shortfalls of the respective receivables, together with relevant historical, current and forward-looking information, rather than solely on an ageing cut-off of 12 months. Further, no ECL has been recognised in respect of the Survey Stones and Sand Operations receivables referred to in paragraphs (b) and (c) above, notwithstanding that these balances have remained outstanding for prolonged periods. e) Balance confirmations have not been obtained for the trade receivables disclosed in Note 10 of the accompanying Consolidated Financial Statements, and the balances remain unreconciled. Further, the Corporation does not have a regular system for maintaining ageing analysis of trade receivables. Considering the absence of confirmations and reconciliation, and the limitations in the ageing information available, we are unable to determine the correctness and recoverability of the outstanding balances and the consequential impact, if any, on the Consolidated Financial Statements.
	b. Type of Audit Qualification:	Qualified Opinion



	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		I. Management's estimation on the impact of audit qualification:	Not Quantified by management
		II. If management is unable to estimate the impact, reasons for the same:	It is submitted that the outstanding trade receivables amounting to Rs.591.94 Crores pertain primarily to amounts recoverable from the SSLR Department and Department of Mines Geology. These receivables are considered realizable, as continuous follow-ups are being made at various levels with the concerned department for recovery. Considering the fact that the counterparty is a Government Department, the likelihood of default is assessed as remote. Accordingly, these receivables are not subjected to significant increase in credit risk or credit impairment under Ind AS 109. Further, as per the Corporation's assessment of the recoverability and based on the past experience of realizations from Government departments, no Expected Credit Loss (ECL) provision has been recognized on receivables from Government departments. With reference to the audit observation 2 (d) on Note No. 39, the Corporation has recognised an additional provision of Rs.61.84 crore towards Expected Credit Loss (ECL), representing 100% of the trade receivables outstanding for more than 12 months as at 31 March 2026. In respect of trade receivables outstanding for less than 12 months, the Corporation has carried out an assessment of their recoverability, taking into consideration the available information, past payment patterns and other relevant factors. Based on such assessment, no material ECL provision has been considered necessary, as the estimated credit losses in respect of these receivables are not considered material.
		III. Auditors' Comments on (i) or (ii) above:	N.A
4.	a.	Details of Audit Qualification	There exist long outstanding credit balances towards advances received from customers, trade payables, security deposits payable, EMD Payable, Penalty Suspense, Statutory Dues Payable and Other deposits payable which are disclosed in Note No.18, 20, 23, 24, and 25 of the accompanying Consolidated Financial Statements and remain unpaid and unreconciled. Party wise Ledger has not been maintained. Further, confirmations from Parties are also not available. Even though, Corporation has disclosed an accounting policy for de-recognition of financial liabilities which were discharged, expired or cancelled in



			accordance with Ind AS 109 in Note 2(x), the same is not being followed / implemented. The precise effect of consequential adjustments upon such confirmations/ reconciliations, if any, on the accounts is not ascertainable but considered to have significant impact on the profit.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	i.	Management's estimation on the impact of audit qualification:	Not Quantified by management
	ii.	If management is unable to estimate the impact, reasons for the same:	There are long outstanding balances under advances from customers, trade payables, security deposits, EMD payable, penalty suspense, statutory dues and other deposits. Due to ERP limitations, complete party-wise ledgers and confirmations were not available. The Corporation has initiated the process of obtaining confirmations from concerned parties and responses are awaited. Simultaneously, the ERP system is being upgraded to capture detailed party-wise information and ageing in line with Ind AS 109. Reconciliations and necessary adjustments will be made on receipt of confirmations.
	iii.	Auditors' Comments on (i) or (ii) above:	N.A
5.	a.	Details of Audit Qualification	There exist long outstanding advances given to Govt. Departments, Deposits with Collectors, Security Deposits, amounts recoverable from vendors & customers, which are disclosed in Note No. 6, 8, 10, 12 & 14 of the accompanying Consolidated Financial Statements and remain outstanding and unreconciled. Further, confirmations / Utilization Certificate from Parties are also not available. Even though the corporation has disclosed an accounting policy for de-recognition of financial assets in accordance with Ind AS 109 in Note 2(x), & an accounting policy for impairment as per Ind AS 36 in Note 2(i), the same is not being followed / implemented. The precise effect of consequential adjustments upon such Utilization Certificate / confirmations/ reconciliations, if any, on the accounts is not ascertainable but considered to have significant impact on the profit.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified	Not Quantified by auditor



		by the auditor, Management's Views:	
	e.	For Audit Qualification(s)	where the impact is not quantified by the auditor:
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	The Corporation has initiated the process of obtaining balance confirmations from the respective parties, with formal requests sent and follow-ups in progress. Confirmations are currently awaited and will be reconciled with the books upon receipt, with any necessary adjustments made to ensure accuracy and completeness of the financial statements.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
6.	a.	Details of Audit Qualification	Refer Note 38, where the company has disclosed Classification of Financial Instruments as per Ind AS 109 at Amortized Cost & FVTPL. However, Loans and advances given to staff at concessional rate of interest, Upfront Premium Refundable from Govt. of AP – (Note 63), Other Financial Assets & Other Financial Liabilities are not accounted at fair value / amortized cost and required disclosures have not been made as per Ind AS 109.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s)	where the impact is not quantified by the auditor:
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	With regard to staff loans provided at concessional interest rates, as per the Company accounting policy Interest income from loans and advances to employees has been recognised on realisation basis. For short-term financial assets and liabilities, these are recognized at their transaction value without discounting, as any fair value adjustment is considered immaterial.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
7.	a.	Details of Audit Qualification	The Company has been generally filing Income Tax Returns based on Provisional Financials without fully complying with the provisions of the Income Tax Act. Note 8 (C) includes Corporate Tax Receivable of Rs. 190.31 Cr which are pending on account of various disputes at different forums & Refer Note 26, where the company has stated Provision for Income Tax Payable amounting to Rs.191.89 Cr for previous years. The balances are subject to reconciliation and consequential adjustments on outcomes, the impact of which is not ascertainable. Any consequential effect on



			account of actual tax liability based on the audited financial statements of previous years on Income Tax and Deferred Tax has not been provided for in the books, due to which we are unable to ascertain the resultant impact on the Consolidated financial statements. Further, APMDC has recognized Current Tax & Deferred Tax for the FY: 2025-26 in the statement of profit & Loss based on internal assessment. The estimate of Provision for Current Tax & Deferred Tax is subject to change on completion of Tax Audit u/s 44AB of Income Tax Act. The precise effect of consequential adjustments upon such allowances / disallowances on completion of Tax Audit, if any, on the Consolidated Financial Statements is not ascertainable.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	The Company has filed Income Tax Returns based on provisional financials and may not have fully complied with all provisions of the Income Tax Act, 1961. As per Note 8, Corporate Tax Receivable of Rs. 190.31 Cr is pending due to various disputes and Note 26 records a provision of Rs. 191.89 Cr for prior years' Income Tax. These balances are subject to reconciliation, and the impact of any consequential adjustments cannot be determined at this stage. Accordingly, any effect on Income Tax and Deferred Tax arising from prior years' audited financials has not been recognized and the resultant impact on the consolidated Financial Statements is presently unascertainable. It is clarified that the estimates of Current Tax and Deferred Tax are provisional and may be subject to adjustment upon completion of the Tax Audit under Section 44AB of the Income Tax Act. Accordingly, the precise impact of any consequential allowances or disallowances arising from the Tax Audit on the Consolidated Financial Statements cannot be determined at this stage.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
8.	a.	Details of Audit Qualification	Interest amounting to Rs. 12.56 Cr u/s 124(3) of the Companies Act, 2013 for delay in transferring unpaid dividend for the FY 2023-24 to separate bank account has neither been paid nor been accounted for.
	b.	Type of Audit Qualification:	Qualified Opinion



c.	Frequency of Qualification:	Second Year
d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Delay in transfer of dividend amounting to Rs.100 Crores and the applicability of interest thereon, the following is submitted for kind consideration. APMDC is a wholly Government-owned Company and the Government of Andhra Pradesh is the sole shareholder. The entire dividend declared by the Company is payable exclusively to the State Government and there are no minority or public shareholders involved. The dividend amount of Rs.100 Crores pertains to amounts payable to the Government of Andhra Pradesh, and at the time of original dividend payment, substantial balances exceeding Rs.100 Crores were already lying in the Government PD Account. Accordingly, the funds representing the dividend amount were at all times available within the Government financial system and were not utilized for operational or any other purposes of the Company. The amount remained identifiable and effectively segregated and was not deployed in the business activities of the Company. The Government of Andhra Pradesh, being the sole shareholder as well as the administrative authority, was fully aware of the status of the dividend amount. The transaction represents an intra-governmental arrangement and not a case of withholding payment from any external or public stakeholder. The intent and objective of Section 124 of the Companies Act, 2013 is to safeguard the interests of shareholders by ensuring that unpaid dividend amounts are kept in a separate account and are not utilized by the Company. In the present case, the substantive objective of the provision stood fulfilled, as the amount was effectively safeguarded within the Government financial system and no diversion or misutilization has occurred. While Section 124(3) provides for payment of interest in case of delay in transfer to the Unpaid Dividend Account, it is respectfully submitted that the beneficiary of such interest would be the Government itself, which has neither raised any claim nor issued any direction for payment of interest. The delay occurred due to administrative and procedural reasons without any mala fide intention, and no prejudice has been caused to any stakeholder.
e.	For Audit Qualification(s) where the impact is quantified by the auditor:	
	i. Management's estimation on the impact of audit qualification:	Understatement of Expenses & Overstatement of Profit by 12.56 Cr.
	ii. If management is unable to estimate the impact, reasons for the same:	N.A.
	iii. Auditors' Comments on (i) or (ii) above:	N.A.



9.	a.	Details of Audit Qualification	Refer Note 37 to the Consolidated Financial Statements, the Company's disclosure of contingent liabilities as at March 31, 2026 is incomplete in material respects. Complete litigation files were not made available to us for our verification, and the Note omits the current status of disputes, management's estimate of outcome, accrued interest, and amounts involved. We further note that legal fees and related expenses incurred during the year and preceding year indicate the existence of additional disputes, including matters involving JP Power Ventures, Adani, Bauxite Supply, Fisheries Workers Forum etc., which have not been included in Note 37. Supporting documentation for these matters was also not provided to us. In the absence of complete information, we are unable to confirm whether the contingent liabilities disclosed in Note 37 are complete and adequate in all material respects, or whether any of these matters meet the recognition criteria for a provision under Ind AS 37. Further, the disputed income tax demands as disclosed as at 31-Mar-2026 in Note 37 of the accompanying Consolidated Financial Statements is not matching with latest demand outstanding notice for which reconciliation and current status of dispute is not provided. Certain demands are found to be adjusted with income tax refund due, which are stated as receivable under Note 8 (Others – Balance with Statutory Authorities).
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	i.	Management's estimation on the impact of audit qualification:	Not Quantified by management
	ii.	If management is unable to estimate the impact, reasons for the same:	The Corporation has reviewed the matters referred to by the Auditors and has undertaken reconciliation of the pending litigations, including income-tax matters, based on the information and records available with the concerned departments and legal counsel. In respect of the litigations referred to in Note 37, the Corporation has considered the nature and status of the respective matters, the legal opinions and the probability of outflow, and has accounted for provisions, wherever the recognition criteria under Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets are met. Matters for which an outflow of economic resources is not considered probable have been disclosed as contingent liabilities, to the extent determinable. It is respectfully submitted that the arbitration proceedings initiated by Ras Al Khaimah Investment Authority (RAKIA) are



		against the Republic of India under the Bilateral Investment Treaty (BIT) and APMDC is not a direct party to the said arbitration proceedings. Further, the writ petitions filed by ANRAK Aluminium Limited pertain to challenges against Government Orders and related matters concerning termination of the Bauxite Supply Agreement. The matters are presently sub judice before the appropriate forums and no liability has been determined or crystallised against APMDC as at the reporting date. Based on the legal position and facts presently available, management is of the considered view that there is no present obligation requiring recognition or disclosure under Ind AS 37 in the consolidated Financial Statements. With regard to disputed income-tax demands, the amounts disclosed in Note 37 have been reconciled with the latest information available on the Income-tax Department's portal. Differences between the amounts disclosed and the latest outstanding demand position primarily relate to subsequent adjustments of demands against refunds, rectifications, appeals and other movements in the demand records. The Corporation is in the process of completing the reconciliation of such differences and updating the current status of the respective disputes. Amounts adjusted by the Income-tax Department against refunds due to the Corporation have been considered in determining the balance receivable from statutory authorities under Note 8, as applicable. The Corporation will ensure appropriate disclosure in the financial statements based on the reconciled position. Accordingly, the relevant disclosures will be suitably updated, wherever required, based on the final reconciliation and the assessment of the matters in accordance with Ind AS 37 and other applicable Ind AS requirements.
	iii. Auditors' Comments on (i) or (ii) above:	N.A
10	a. Details of Audit Qualification	The company has recognized closing stock of 1,68,290 MT of coal at Suliyari Coal Mine as at 31-Mar-2026. However, third party survey report evidencing the physical stock quantity of coal as on 31-Mar-2026 was not made available. Consequently, we are unable to verify the existence, completeness and accuracy of quantity of the inventory as at 31-Mar-2026.
	b. Type of Audit Qualification:	Qualified Opinion
	c. Frequency of Qualification:	First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:	



		Management's estimation on the impact of audit qualification:	Not Quantified by management
		If management is unable to estimate the impact, reasons for the same:	The closing stock quantity of coal at Suliyari Coal Mine as at 31 March 2026 has been accounted for based on internal records, production/dispatch data and management verification controls maintained by APMDC. The third-party survey report confirming the physical stock quantity is awaited and could not be made available due to time constraints associated with finalisation and submission of the financial statements within the prescribed timelines. In the circumstances, it is requested to kindly consider and rely upon the stock data/workings made available by APMDC for the purpose of finalisation of accounts and reconsider the proposed observation in this regard.
11.	a.	Details of Audit Qualification	Refer Note 2(l) & Note 54, where company has recognized closing stock for C+D+W Grade of Barytes only for a quantity of 17.56 lakh MTs as against the actual quantities of 79.89 Lakh MTs and considering no value for the remaining stock of 62.33 Lakh MTs, as management expects this grade to not fetch any value in the market. However, 21.13 MT has been sold @ Rs. 1,710/- per MT during the year. Therefore, the estimate of the management that the C+D+W grade material has no market value and not to apportion any cost to this grade is not appropriate and not in line with Ind AS 2. The precise effect of consequential adjustments upon such valuation, if any, on the financial statements is not ascertainable but considered to have significant impact.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	i.	Management's estimation on the impact of audit qualification:	Not Quantified by management
	ii.	If management is unable to estimate the impact, reasons for the same:	A closing stock of 17.56 lakh MTs of barytes has been considered for the stock produced during the current financial year. The remaining quantity of 62.33 lakh MTs has not been assigned any value, as it has not been valued since inception due non marketability in the past. Although the present market demand exceeds the current year's production, the valuation has been restricted in line with past practices.



			Specifically, valuation has been applied only to Opening stock 15.00 lakh MTs and current year production of 18.62 lakhs Mts with dispatches deducted from the production to arrive at the closing stock considered for valuation.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
12.	a.	Details of Audit Qualification	Refer Note 34, where company has disclosed Excavation of Coal & Overburden of Suliyari Mine of Rs. 642.68 Cr for the FY 2025-26. Adjustments to the Mining Fees on account of Short / Excess OB removal & Annual Reconciliations as per terms of the agreement are yet to be carried out for FY: 2021-22, FY: 2022-23, FY: 2023-24, FY 2024-25 & for FY 2025-26. Further, APMDC has not recognized the Shortfall / excess Overburden removal of Coal from Suliyari Mine as compared the Overburden Removal as per the Stripping Ratio of the Mining Plan, which is not in line with Para 10, 11 & 12 of Ind AS 8 & Note 2(p) of the accounting policy. Further, the payments for Excavation of Coal & Overburden Charges are being made based on the effective Mining Fee applicable on date of sale to customers by APMDC instead of Mining Fee applicable on the date of Production of Coal by MDO, which is not in line with the agreement terms. The precise effect of these adjustments on the Excavation Charges disclosed in Note 34 of the Financial Statements could not be ascertained, in the absence of information.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	Reconciliations are in progress and necessary adjustments will be made post completion of reconciliation.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
13.	a.	Details of Audit Qualification	Refer Note 34, where the company expensed Rs.370.24 Cr towards overburden (OB) removal in Barytes, achieving a stripping ratio of 2.65 against 1.77 as per the Mining Plan. Management has explained that the increase relates to OB removed in the adjacent Dolomite Mine, which is excluded from the stripping ratio in the Barytes Mining Plan. As per Note 2(aa) and Appendix-B of Ind AS 16, OB removal in the Dolomite Mine should be treated as development expenditure and capitalized.



			However, the Company has not apportioned the Rs.370.24 Cr between Barytes and Dolomite, but expensed the full amount to revenue for FY 2025-26. Accordingly, the policy adopted is not in line with Appendix-B of Ind AS 16. In the absence of bifurcation, the impact on Excavation Charges, Intangible Assets under Development, and profit cannot be ascertained. Further, even considering management's view of a combined stripping ratio of 3, the actual ratio achieved (2.65) results in a shortfall. No provision has been made for this shortfall.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	During operations, the operational team observed that the original bench design had become steep and unstable over time, requiring adjustment to extract 100% of barytes reserves. Considering ground conditions, rock strength, ore body geometry and existing slope design and adhering to statutory safety guidelines, APMDC mined deeper into the barytes leads to ensure safe and efficient extraction in line with DGMS regulations. To facilitate this, certain overburden (OB) from the adjacent dolomite lease had to be removed to access the high-value barytes mineral. Since both leases are operated as an integrated project and the OB removal is necessary for barytes extraction. The company is in the process of adoption of an accounting policy in respect of accounting for Overburden (OB) Removal for Integrated Projects. Pending the policy adoption, the associated costs are treated as operating expenses for barytes mining.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
14.	a.	Details of Audit Qualification	Suliyari Coal project, Madhya Pradesh: a) The company has outsourced the entire Mine Development & Operations of Suliyari Coal Mine, Madhya Pradesh to "Adani Enterprises Limited" (MDO) & around 72% of coal produced during the FY 2025-26 is sold to "Adani Power Limited" (APL) vide a coal supply agreement. During the FY 2025-26, the average sale rate of coal to APL is significantly lower compared



			to the avg. sale rate to other parties, resulting in forgone potential revenue of Rs. 261.43 Cr. The documentation along with justification of awarding the Mine Production & Sale agreements to parties related to each other are not on record. b) Further, Liquidated Damages / Compensation / Penalties for delay in commencement of Coal production as per the terms of the MDO agreement are not levied on AEL by APMDC. c) Additionally, , mutual penalties for Short Delivery of Coal, Short Lifting of Coal & Short Offtake of Coal leviable on AEL, APL & APMDC as per the terms of MDO & Sale agreements for the FY: 2021-22, FY: 2022-23, FY: 2023-24, FY: 2024-25 & FY: 2025-26 have not been levied. In the absence of adequate supporting information and necessary assessment, the consequential impact, if any, on the Financial Statements could not be ascertained. In the absence of complete information and any effective documented Risk Management Policy by the company, we are unable to ascertain the corresponding effect on the Consolidated Financial Statements and operations of the Suliyari Mine, due to potential Risks (if any) involved in the aforesaid matters.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	a. Both the entities are distinct and contracts are awarded through open tender process. b. Due to local agitations, court cases on land acquisition, delays in power supply and other hindrances beyond the control of both APMDC and the MDO, mining operations could not commence as scheduled. These issues were consistently communicated by the MDO through letters and monthly progress reports and



			reviewed in regular project meetings. Accordingly, no liquidated damages were imposed on the MDO. c. As discussions are ongoing for possible waiver of mutual penalties, given operational challenges in the initial mining phase, including rehabilitation activities and short excavation/lifting of coal, the penalty already levied was reversed due to uncertainty.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
15.	a.	Details of Audit Qualification	Corporation has not obtained confirmation of MSME classification from vendors and hence, bifurcation of trade payables to MSME and others is not disclosed as required under Schedule III of Companies Act. Further, the ageing of Trade Payables, Trade Receivables & Capital Work in Progress (incl. Intangibles under Development) in respect of Cost & Time Overrun is not disclosed as required under Schedule III of Companies Act, 2013.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	Pursuant to the amendments to Schedule III of the Companies Act, 2013, notified vide G.S.R. 207(E) dated 24th March, 2021, the Company is required to disclose ageing of trade receivables and trade payables, separately identifying dues to Micro, Small and Medium Enterprises (MSMEs) and others. The Corporation's ERP system is currently not fully configured to capture the detailed information required for such disclosures. Consequently, the ageing of trade receivables and trade payables, including amounts due to MSMEs, has not been provided in these financial statements. The Corporation is in the process of upgrading its ERP system and implementing necessary measures to enable preparation and disclosure of the required ageing information in future financial statements.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
16.	a.	Details of Audit Qualification	Interest Free Loan to Andhra Pradesh State Fiber Net Limited (APSFL): The Company has released an interest free unsecured loan of Rs. 100 Cr during the financial year 2017-18 and 2018-19 to



			M/s Andhra Pradesh State Fiber Net Limited ("APSFL"). The loan is repayable in 4 yearly instalments starting from FY: 2018-19 and ending in FY: 2021-22. APSFL has not repaid the instalments due in FY 2018-19, FY 2019-20, FY 2020-21 & FY 2021-22 as per terms of the agreement till date. The said loan is unsecured and not backed up by any government guarantee. The management has not provided for impairment on the loan amount as it is confident of the recovery of the loan. In the absence of Audited Financial Statements of APSFL from FY 2017-18 and subsequent years and other supportive audit evidence substantiating the credit worthiness/Repayment capability of APSFL, we are unable to comment upon its impairment/recoverability and consequential impact on the Consolidated Financial statements. Further, the difference between fair value of the instrument and transaction price on initial recognition of the instrument has not been recognized in the books as the loan agreement was not clear on purpose of issuance of interest free unsecured loan.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	APSFL has not repaid the due instalments as per terms of the agreement. However, continuous follow ups are being made for repayment and confirmation of balance has been obtained and management is confident of recovery of this advance and considered this advance as good. Further, the difference between fair value of the instrument and transaction price on initial recognition of the instrument has not been recognised in the books as the loan agreement was not clear on purpose of issuance of interest free unsecured loan.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
17.	a.	Details of Audit Qualification	<u>Loan to Machilipatnam Urban Development Authority (MUDA):</u> The Company has released unsecured loan of Rs. 200 Cr. to M/s Machilipatnam Urban Development Authority ("MUDA") on 01-Nov-2018 bearing interest at 8% per annum and repayable in 45 days. Despite multiple requests for repayment by APMDC, both the principal and the outstanding interest



		remain unpaid as on date. The said loan is an unsecured loan and is not backed by any government guarantee. Additionally, APMDC received G.O.Ms. No. 32 dated 14-Mar-2024 to Waive off Rs.7.07 Cr of principal amount and corresponding interest that is recognised in the books of account. The Company has not written off / impaired the Loan. Further, in the absence of Audited Financial Statements of MUDA from FY 2018-19 and subsequent years and other supportive audit evidence substantiating the credit worthiness/Repayment capability of MUDA, we are unable to comment upon its impairment/recoverability and consequential impact on the Consolidated Financial statements. Further, the management has not provided for impairment on the loan amount as it is confident of the recovery of the loan, but on the other hand management has not recognized Interest Income amounting to Rs. 116.69 Cr for the period of 2662 days from 16.12.2018 to 31.03.2026 (excl. penal interest leviable under Clause 4 of loan agreement), on the basis of the accounting policy stating that Interest Income on irregular / overdue advances are recognized on realization basis. Thus, the practice of the Company to defer the recognition of interest accrued on loan referring to its accounting policy disclosed at 2(f)(iv) to recognise interest income on irregular / overdue advances on realisation basis is not justified and appropriate to that extent since neither uncertainty in realisation of the said loan was justified nor carrying amount of loan was impaired. As, inappropriate accounting policy cannot be rectified by disclosure. Deviation from accrual basis of accounting results in understatement of Other Income and Loans by Rs. 116.69 Cr each with understatement of Profit by the same amount. Further, the difference between fair value of the instrument and transaction price on initial recognition of the instrument has not been recognized in the books.
	b. Type of Audit Qualification:	Qualified Opinion
	c. Frequency of Qualification:	Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
	i. Management's estimation on the impact of audit qualification:	Not Quantified by management
	ii. If management is unable to estimate	Continuous follow-ups are being made for repayment, and management is confident of recovery since the advance was



		the impact, reasons for the same:	made based on a GO issued by the Government of Andhra Pradesh. Balance confirmation has been obtained from MUDA. Further, interest on overdue advances and loans are recognised on realisation basis as per the company accounting policy. Considering the backing of the Government Order and the confirmation received, no impairment has been considered necessary. Revenue has been recognized as per the Corporation's accounting policy.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
18.	a.	Details of Audit Qualification	<u>Inter-Corporate Deposits with Andhra Pradesh State Financial Services Corporation (APSFSCCL)</u> We draw attention to Note 13 to the accompanying Consolidated Financial Statements, which includes investment of Rs. 555 Cr made during FY 2021-22 in Inter-Corporate Deposits (ICDs) with Andhra Pradesh State Financial Services Corporation (APSFSCCL). The company has not provided for any impairment on the basis that, interest payments on the deposits have been received regularly and that it is confident of full recovery. Further, we note that APMDC has issued bonds during May-2025 at an interest rate of 9.3% p.a. which is significantly higher than the return on these ICDs. This raises concerns about the liquidity of the ICDs, as the company opted to raise debt at a much higher interest rate rather than utilizing the outstanding deposits with APSFSCCL. In the absence of sufficient appropriate audit evidence to corroborate management's assessment, we are unable to comment on whether any impairment provision is required in respect of these deposits, and consequently, on the impact, if any, on the Consolidated Financial Statements as at 31-Mar-2026.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	Repetitive
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	Though redemption has been delayed, interest payments are being received regularly, and management is in continuous follow-up with APSFSCCL for realization. Based on such regular servicing of interest and the expectation that the principal will be realized within a reasonable period, no impairment has been considered necessary, and the present classification is viewed as appropriate.



			Further, it is submitted that both APMDC and APSFCL are Government undertakings, and the deposits placed with APSFCL were made with the approval of the shareholder of APMDC, i.e., the Government of Andhra Pradesh.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
19.	a.	Details of Audit Qualification	The company has not complied with the applicable Corporate governance requirements under the SEBI LODR (Listing Obligations and Disclosures Requirements) Regulations, 2015 including Director Composition, Establishment of Vigil Mechanism / Whistle blower Mechanism, Related party Transactions and formation of mandatory committees (i.e., Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee), as applicable to High Value Debt Listed Entity (HVDLE). Further, there were delays in the transfer of interest remaining unpaid/unclaimed for the prescribed period to the designated escrow account within the stipulated timeline prescribed under the applicable provisions of the SEBI LODR Regulations.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	First time
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Quantified by auditor
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
		i. Management's estimation on the impact of audit qualification:	Not Quantified by management
		ii. If management is unable to estimate the impact, reasons for the same:	The Company, being a High Value Debt Listed Entity (HVDLE), is required to comply with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the corporate governance requirements relating to Board composition, constitution of mandatory committees, Vigil Mechanism/Whistle Blower Mechanism, Related Party Transactions, Risk Management and other applicable governance requirements, subject to the exemptions/relaxations, if any, available to Government Companies under the applicable regulatory framework. In this regard, the Company has initiated necessary steps to ensure compliance with the applicable HVDLE corporate governance requirements. The requisite agenda items relating to appointment/proposal of Independent Directors, constitution/reconstitution of the mandatory Board Committees, including the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship



			Committee and Risk Management Committee, and adoption/approval of the applicable policies and governance frameworks are being placed before the Board for consideration and necessary action. The Company is also reviewing and strengthening the existing governing policies and mechanisms relating to Vigil Mechanism/Whistle Blower Mechanism, Related Party Transactions, Risk Management, Code of Conduct, preservation of documents and other applicable requirements under SEBI LODR. The Company continues to comply with the applicable debt-listed entity disclosure, reporting and other operational requirements under SEBI LODR and is taking necessary measures to achieve compliance with the applicable HVDLE corporate governance framework. Further, the applicability of specific exemptions/relaxations available to Government Companies under the applicable provisions of SEBI LODR and other relevant regulatory framework is also being examined and shall be duly considered while implementing the applicable requirements. The Company is committed to completing the requisite measures and ensuring compliance with the applicable regulatory requirements within the prescribed framework.
		iii. Auditors' Comments on (i) or (ii) above:	N.A
20.	a.	Details of Audit Qualification	As disclosed in Note 3.4.1 (Intangibles under Development) and Note 8 (Capital Advances) to the financial statements, the Company has capitalised Rs.89 crore towards the Brahmadaha Coal Project and has also carried an Advance Royalty of Rs.10.27 crore for over 3 years. The project has not progressed to commercial development. The Company's internal assessment and an independent geological study conducted by CMPDI indicate that the project is economically non-viable, and the Company has communicated its intention to surrender the mine in April-2026. These conditions indicate impairment under Ind AS 36, Impairment of Assets. However, the Company has not recognised any impairment loss in respect of these balances. Consequently, the carrying amount of assets and the profit for the year are overstated by Rs.99.27 crore.
	b.	Type of Audit Qualification:	Qualified Opinion
	c.	Frequency of Qualification:	First time
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	The project is presently under evaluation with regard to the future course of action and the matter has not attained finality as at the reporting date. The expenditure incurred under Intangible Assets under Development and Advance Royalty represents costs incurred towards acquisition/development rights and related project activities undertaken based on approvals and technical assessments available at the relevant point of time.



	impact of audit qualification:	
	If management is unable to estimate the impact, reasons for the same:	The bond proceeds were transferred to the Government's PD Account in June and July 2025 in accordance with Government directions for payment of lease premium in respect of the 436 mines. However, the demand was raised only on 27.03.2026, and the corresponding debit was effected on the same date. The intervening period was attributable to the Government's administrative and procedural delay, which was beyond the Corporation's control. Further this is notional loss and not an actual loss.
	iv. Auditors' Comments on (i) or (ii) above:	N.A

For M N RAO & ASSOCIATES LLP
Chartered Accountants
Firm Regn No: 005386S/S000195



D.S.S. Srikanth
Partner
M.No 250883




Pravin Kumar ,IAS
Managing Director
DIN: 07106418



V.V.V. Phani Kumar
Chief Financial Officer





S.Hanumantha Rao
Director
DIN: 11336430


S. Siva Rama Krishna
Company Secretary &
Compliance Officer
M No: A60677

Place: Vijayawada
Date: September 30, 2026

Annexure I - Security Cover as at March 31, 2026

Rs. in Lakhs except ratio															
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	
Particulars	Description of asset for which this certificate relates	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not Offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this Certificate				Carrying / Book Value for pari-passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value (=K+L+M+N)
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by Pari-passu debt holder (includes debt for which this certificate being issued & other debt with pari-passu charge)	other assets on which there is pari-passu charge (excluding items covered in Column F)	Debt amount considered more than once (due to exclusive plus pari-passu cahrges)	Market value for charged assets on Exclusive Basis		Carrying / Book Value for Exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for pari-passu charge assets				
ASSETS		Book Value	Book Value	Yes/No	Book Value	Book Value									
Property, Plant & Equipment	Property, Plant & Equipment	-	-	No	NIL	NIL	1,749	NIL	1,749	NA	NA	NA	NA	NA	
Capital Work in Progress	Capital Work in Progress	-	-	No	NIL	NIL	301	NIL	301	NA	NA	NA	NA	NA	
Right of Use Assets		-	-	No	NIL	NIL	403	NIL	403	NA	NA	NA	NA	NA	
Goodwill		-	-	No	NIL	NIL	-	NIL	-	NA	NA	NA	NA	NA	
Intangible Assets		-	-	No	NIL	NIL	1,58,741	NIL	1,58,741	NA	NA	NA	NA	NA	
Intangible Assets under Developmnet		-	-	No	NIL	NIL	75,467	NIL	75,467	NA	NA	NA	NA	NA	
Investments		-	-	No	NIL	NIL	630	NIL	630	NA	NA	NA	NA	NA	
Loans		-	-	No	NIL	NIL	410	NIL	410	NA	NA	NA	NA	NA	
Other financial assets		-	-	No	NIL	NIL	1,10,619		1,10,619						
Other non-current assets		-	-	No	NIL	NIL	55,690		55,690						
Inventories		46,166	-	No	NIL	NIL	-	NIL	46,166	NA	46,166.34	NA	NA	46,166.34	
Trade Receivables		59,194	-	No	NIL	NIL	-	NIL	59,194	NA	59,193.81	NA	NA	59,193.81	
Cash & Cash Equivalents		75,917	-	No	NIL	NIL		NIL	75,917	NA	75,916.97	NA	NA	75,916.97	
Bank Balances other than Cash & Cash Equivalents	Cash & Cash Equivalents	14,272	-	No	NIL	NIL	-	NIL	14,272	NA	14,272.11	NA	NA	14,272.11	
Others-Deferred Revenue Expenditure and Accrued Interest from Fixed Deposits & Other assets	Bank Balances other than Cash & Cash Equivalents														
	Deferred Revenue Expenditure and Accrued Interest from Fixed Deposits etc.,	8,27,311	-	No	NIL	NIL	-	NIL	8,27,311	NA	8,27,311.00	NA	NA	8,27,311.00	
Others *	Leasehold rights and Mining Rights	10,49,254	-						10,49,254		10,49,253.82			10,49,253.82	
Total		20,72,114.05	-				4,04,008.75		24,76,123					20,72,114.05	

For M/s Nirmal Jain & Co.
Chartered Accountants
FRN-0000606N



Manish Goel FCA (Partner)
M.No-094267
Place: New Delhi
Date: 30/09/2026
UDIN:26094267SFQIW18632

LIABILITIES													
Debt Securities for which this Certificate pertains	Secured, Rated, Listed, Redeemable, Taxable, NCDs (Including accrued interest)	9,11,685.95	-	No	NIL	NIL	NIL	NIL	9,11,686	NA	9,11,685.95	NA	9,11,685.95
Other debt sharing pari-passu charge with above debt	Secured, Rated, Listed, Redeemable, Taxable, NCDs (Including accrued interest)	not to be filed	-	No	NIL	NIL	NIL	NIL	-	NA	NA	NA	NA
Other Debt			-	No	NIL	NIL	NIL	NIL	-	NA	NA	NA	NA
Subordinated debt			-	No	NIL	NIL	NIL	NIL	-	NA	NA	NA	NA
Borrowings			-	No	NIL	NIL	NIL	NIL	-	NA	-	NA	NA
Bank			-	No	NIL	NIL	NIL	NIL	-	NA	NA	NA	NA
Debt Securities			-	No	NIL	NIL	NIL	NIL	-	NA	NA	NA	NA
Others			-	No	NIL	NIL	NIL	NIL	23,564	NA	NA	NA	NA
Trade Payables			-	No	NIL	NIL	NIL	NIL	8,705	NA	NA	NA	NA
Lease Liabilities			-	No	NIL	NIL	NIL	NIL	434	NA	NA	NA	NA
Provisions			-	No	NIL	NIL	NIL	NIL	3,508	NA	NA	NA	NA
Others			-	No	NIL	NIL	NIL	NIL	47,780	NA	NA	NA	NA
Total		9,11,685.95	-						95,677		9,11,685.95		9,11,685.95
Cover on Book Value		2.27	-										2.27
Cover on Market Value													
		Exclusive Security Cover Ratio											
			2.27										
		Pari-Passu Security Cover Ratio											
Note:-													
1. Debt securities comprise 8,99,991 Non-Convertible Debentures ('NCDs') of ₹1,00,000 each, aggregating to a face value of ₹8,99,991 lakhs, along with accrued interest payable amounting to ₹11,694.95 lakhs.													
2. *Other Asset includes the following													
2.1 - Valuation of Lease hold rights and mining rights arising out of Government Order dated 24.04.2025 and various memos issued therein as cash flows which is an off balance sheet value													
2.2 - The Value of the above asset in (2.1) mentioned in the book value column for representation purposes only, however the value tabulated is not part of the provisional balance sheet as the asset is off balance sheet item													
2.3 - Other Covenant (As per Reg. 56(1)(d) of SEBI LODR Regulations, 2015.) has been complied with as per Debenture Trust Deed													
3. Attention is drawn to the fact that the management of APMDCL ("the company") have not ascertained the market values for the asset offered as security as on 31 Mar 2026. However, the management of the company has given a justification stating that the market values are not ascertainable and hence the carrying value/book value are provided for the assets offered as security													

For M/s Nirmal Jain & Co.
Chartered Accountants
FRN-0000606N



Manish Goel FCA (Partner)
M.No-094267
Place: New Delhi
Date: 30/09/2026
UDIN:26094267SFQIW18632