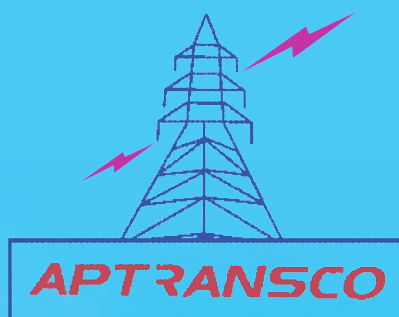


Transmission Corporation of Andhra Pradesh Limited

(An ISO 9001:2008 Certified Company)



**Annual Statement of Accounts
2014-15**

**BOARD OF DIRECTORS**

1. **Sri K. Vijayanand, IAS** : Chairman & Managing Director (FAC)
2. **Sri P. Umapathi, IPS (Retd)** : Joint Managing Director (Vigilance & Security)
3. **Sri Dinesh Paruchuri, IRS** : Joint Managing Director
(Finance, Commercial, IPC, HRD & IT)
4. **Sri Subrahmanyam** : Director (Projects)
5. **Sri R. Nagaraja Swamy** : Director (Grid & Transmission Management)
6. **Sri Ajay Jain, IAS** : Director (Non-Whole time)
Principal Secretary to Govt.,
Energy, Infrastructure &
Inv. Dept., GoA.P.
7. **Sri M. Ravi Chandra, IAS** : Director (Non-Whole time)
Secretary to Govt.,
Finance Dept., (R&E), GoA.P.

Company Secretary	:	Sri M. Karunakar Reddy, B.Sc., M.B.A, ACS
Bankers	:	State Bank of Hyderabad, Andhra Bank, Indian Overseas Bank UCO Bank, Corporation Bank, Bank of India Allahabad Bank, Indian Bank, Dena Bank Karnataka Bank, Bank of Maharashtra, Federal Bank, Karur Vysya Bank, ICICI Bank and HDFC Bank.
Auditors Statutory Auditors	:	S. Daga & Co., Chartered Accountants 403, Paigah Plaza. Basheerbagh, Hyderabad - 500 063,
Cost Auditors	:	M/s. Narasimha Murthy & Co., Cost Accountants 2nd Floor, Pavani Plaza, Himayathnagar Hyderabad - 500 029.
Internal Auditors (Chartered accountants)	:	1. Sri V. Satyanarayana 2. Sri K. Ramachandra Rao 3. Sri G. Subba Rao
Registered & Corporate Office	:	6-3-572, Vidyut Soudha, Somajiguda, Hyderabad - 500 082. Telangana.
Web	:	www.aptransco.co.in
PAN No.	:	AABCT0088P
TIN	:	37760127045



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Board of Directors' Report

To,
The Members,
APTRANSCO

Your Directors have pleasure in presenting the 17th audited Annual Statement of Accounts of the Company for the period ending 31st March 2015.

Financial performance of the Company:

The financial performance of the Company for the year ended 31st March 2015 is summarized below:

	Rs. in Crores	
Particulars	Current FY 2014-2015	Previous FY 2013-2014
INCOME:		
Transmission & SLDC Charges/Revenue	1089.99	1332.40
Other Income	73.96	123.76
TOTAL INCOME:	1163.95	1456.16
EXPENDITURE:		
Repairs & Maintenance (net)	127.38	179.34
Employees Cost (net)	497.35	304.69
Administration & General Expenses (net)	30.74	43.35
Depreciation (net)	286.53	463.13
Interest and Finance Charges (net)	132.63	271.65
Other debits	1.28	3.30
Extra-ordinary items	20.31	0.00
Net Prior Period Charges/(Credits)	(0.34)	0.06
TOTAL EXPENDITURE:	1095.88	1265.52
Profit before tax (PBT)	68.07	190.64
Current Tax	37.00	68.25
MAT Credit entitlement of earlier years	0	32.27
Provision for Deferred Tax	19.12	51.89
Profit after tax (PAT)	50.19	102.77

**Financial highlights of the Company:**

The Andhra Pradesh Electricity Regulatory Commission (APERC) notified the tariffs for the Transmission and SLDC business separately through Multi Year Tariff (MYT) Order from FY 2014-15 to FY 2018-2019 w.e.f. 17.5.14. Transmission and SLDC billing was done on the contracted capacities of the DISCOMs and other third party generators/open access customers for the period from 1.4.2014 to 1.6.2014 for the combined state and after bifurcation of the AP State i.e. from 2.6.2014 on APDISCOMS only along with the generators/open access customers operated in the residual State of AP. Against the combined state of AP income of Rs.1456.16 crs in the previous year your company has earned income of Rs.1163.95 crs in the current year.

2. The highlights of Revenue Account for the FY 2014-2015 are :

- i. The increase in Revenue over previous year is of Rs.336.89 crs from APDISCOMS over previous year. This is mainly due to increase in the Contracted Capacity on account of addition of two districts to AP to APSPDCL. Further there is increase in the rate of Transmission Charges by Rs.4.27 KW/Month (w.e.f 17.5.2014) over previous year.
- ii. The increase in operating expenses for the residual state is, mainly on account of increase in –
 - a) A) Employees Cost on account of contributions towards terminal benefits to the Trusts is of Rs.238.41 crs for the residual State is due to the effect of revision of pay scales w.e.f. 1.4.2014.
 - B) Repairs & Maintenance to the extent of Rs. 10.07 crores;
 - C) There is no increase in Depreciation due to the apportionment of assets of 52% of assets to the residual state of AP.
 - D) Increase in Interest expenses by Rs. 14.32 Crores due to increase in drawal of loans for capital investment of Rs. 528.52 crores for the residual state (including works-in-progress).
- (iii) The Company had earned a net surplus/profit (after tax/ deferred tax provision) of Rs. 50.19 Crores from its operations (Transmission and SLDC business) on a total turnover of Rs.1163.95 crores (including other income).

3. **Dividend:** As a measure of achieving/complying the self financing ratio of 20% of funding the ongoing and future capital expenditure for various transmission and SLDC projects of APTRANSCO, the Board had decided to retain the surplus amount as counterpart funding and therefore, not recommended any amount as dividend to its shareholders for the FY 2014-2015.

SHARE CAPITAL

The equity share capital in APTRANSCO as on 31.03.2013 (as per audited accounts) was apportioned by the GoAP vide G.O MS No. 26 Energy (CC) Department dt.29.05.2014 in the population ratio, while notifying the assests and liabilities of APTRANSCO and TSTRANSCO w.e.f 02.06.2014.

**Demerger of APTRANSCO:**

Keeping in view the provisions of the Andhra Pradesh Reorganization Act, 2014, read with Schedule IX, proposals were sent to the Energy Dept., GoAP, vide Letter No. APTRANSCO/CMD/Co.Secy. /045/2014, dt.28-04-2014, for formation of new entity for the State of Telangana. The Energy Dept., GoAP, vide Letter No. 1519 / CC / 2014-1, dt.09-05-2014, accepted the proposals relating to three alternative names for the new entity; named the first four Directors and seven Subscribers for formation of the new entity and approved the draft Memorandum and Articles of Association as sent by APTRANSCO. Form No. INC-1 was e-filed with the Registrar of Companies (RoC), Hyderabad, on 16-05-2014, along with the prescribed documents and fee, for reservation of name for the new entity proposed for the State of Telangana. The RoC, Hyderabad, vide letter dt. 21-05-2014, gave approval for the proposed entity name as – ‘Transmission Corporation of Telangana Limited’, the abbreviation of which was decided as ‘TS TRANSCO’. Consequently, Form No. INC-7 was e-filed with the RoC, Hyderabad, along with the prescribed documents and fee, for incorporation of TS TRANSCO. The RoC, Hyderabad, issued Certificate of Incorporation on 29-05-2014 evidencing formation of TS TRANSCO. Letter No. CMD/Peshi/ D.No.66/14, dt. 06-05-2014, was addressed to the Energy Dept., GoAP, enclosing therein the proposals for transfer of Functions, Assets, Liability, Posts and Staff to the new TRANSCO for the State of Telangana, as part of Demerger Plan. The Plan, as sent to the GoAP, was placed before the Board, at its 99th Meeting held on 16-05-2014, for consideration and approval. The Board, with certain modifications, approved the Plan and gave permission to place the same before the Shareholders in the Extraordinary General Meeting (EGM). Accordingly, the Plan was placed before the Shareholders in the EGM held on 16-05-2014 and the same was approved. Consequently the Plan was sent to the Energy Dept., GoAP, and the Government issued G.O. Ms. No. 26, Energy (CC) Dept., dt. 29-05-2014, for transfer of functions, assets, liabilities, posts and employees to the newly created Telangana TRANSCO. The prescribed e-form was filed with the Registrar of Companies (RoC) for registration of Resolution passed at the EGM on 22-05-2014 and the same was approved by the RoC on 04-07-2014, and Accordingly, Transmission Corporation of Telangana Limited (TS TRANSCO) has become operational and functional w.e.f. 02-06-2014 (i.e., the date of formation of the State of Telangana) with its Head Quarters at Viduyut Soudha, Khairtabad, Hyderabad – 500 082 on demerger of APTRANSCO.

Apportionment/allocation of Assets and Liabilities to AP and TS TRANSCO as on 02.06.2014

- a) As per AP Reorganization Act, 2014 the state of Andhra Pradesh has bifurcated in to Andhra Pradesh and state of Telangana from 02.06.2014. The APTRANSCO has bifurcated into APTRANSCO & TSTRANSCO with effect from 02.06.2014. As per section 53 of AP Reorganization Act, 2014 the assets and liabilities were divided between the two entities provisionally as per draft demerger plan as under:
- (i) the operational units between the two successor States on location basis; and
 - (ii) the headquarters between the two successor States pertaining to the region it belongs (in the cases of identified) and for others on the basis of population ratio.



- b) The Government of Andhra Pradesh has issued G.O.Ms.No.26 (Energy Dept.) dated 29.05.2014 for creation of Transco for Telangana State transferring of functions, assets, liabilities, posts and staff w.e.f 02.06.2014 to TS Transco, under AP Reorganization Act as per the methodology prescribed above. The draft demerger plan submitted to Expert Committee of Demerger of Government Corporations which is pending for final approval.
- c) Section 65 of AP Re-organization Act, 2014 also empowers the successor states of AP and Telangana to mutually agree upon the apportionment of Assets and Liabilities between themselves yet in a manner other than that provided in the Act, however, no such final agreement has been arrived at in so far as may be applicable to the affairs of APTRANSCO and TSTRANSCO.

Corporate Social Responsibility:

As envisaged under Section 135 of the Companies Act 2013, read with relevant Rules, steps were taken for constitution of Corporate Social Responsibility (CSR) Committee to formulate and recommend to the Board CSR Policy which shall indicate the activities to be undertaken by the Company as specified under Schedule VII of the Act. The Committee shall also recommend the amount of expenditure to be incurred on the activities and monitor the CSR Policy from time to time.

An amount of Rs.4.25 crs provision is made in the current year towards CSR responsibility by your company.

Contents of CSR Policy:

It is endeavour of the Company to focus on the following broad activities.

- (i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- (v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;



- (vii) training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- (viii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (x) rural development projects; and
- (xi) slum area development.

Cost Accounting Records:

Your company is preparing and maintaining the Cost Accounting Records and the same were audited; vide notification issued by the Ministry of Corporate Affairs. Accordingly, Cost accounting records for the FY 2014-15 were prepared, audited.

Auditors of the Company:**Statutory Auditors:**

M/s S. Daga & Co., Chartered Accountants, Hyderabad, were appointed by the Comptroller & Auditor General of India (C & AG) as the Statutory Auditors of the Company for the financial year 2014-15. The Auditors had conducted the statutory audit and furnished their Report on 30-12-2016.

The Accountant General, O/o the C & AG, Andhra Pradesh, Hyderabad, had conducted the Supplementary Audit u/s 143(6) of the Companies Act, 2013 and the final comments were received on 17-02-2017.

Cost Auditors:

With the consent of the Ministry of Corporate Affairs, M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad, were appointed as the Cost Auditors of your Company for the FY 2014-15.

Internal Auditors of the Company:

With a view to have a better control over the internal control system in vogue, the qualified Chartered Accountants were appointed as Internal Auditors by APTRANSCO to Sri K Ramachandra Rao, Sri V Satyanarayana and Sri G Subba Rao, to conduct internal audit, submit their report and give suggestions to the management relating to the FY 2014-2015. Accordingly, the Internal Auditors had conducted audit and furnished their monthly reports.

**Secretarial Audit Report**

Sri P. Vithal Kumar, Practicing Company Secretary was appointed as Secretarial Auditor under section 204 of the Companies Act, 2013 for the FY 2014-2015. The Secretarial Audit Report is annexed hereto and forms part of this report.

Replies to the comments of the Statutory Auditors and Comptroller and Auditor General of India

Replies of the Management to comments of the Statutory Auditors, Comptroller and Auditor General of India (C&AG) and financials review by C&AG of India on the accounts of the Company for the year ended 31st March, 2015 are annexed here to and forms part of this report.

Human Resource Development, Training and Industrial Relations:

During the Re-organization of the Andhra Pradesh State, Corporate Training Institute along with posts has been transferred to TS TRANSCO. However, 729 Employees were deputed to the various training programmes which were conducted at Corporate Training Institute, TS TRANSCO for the year 2014-15 for improving motivation skills, developing self-confidence, in sharing the technical skills between employees, to know the new / upcoming technology so as to improve the efficiency of the employees / organization.

Significant Achievements/Awards**Operational Achievements during the FY 2014-15**

- i) The peak demand of 6784 MW (For residual A.P) was met during March 2015, as against 13162MW (Combined A.P) during the same month of last year.
- ii) Highest demand of 153.94 MU/Day was met during March 2015.
- iii) The energy handled during the year 2014-15 stood at 48323 MU (Provisional) as against 88,823 MU (Combined A.P) during previous year.
- v) Transmission losses were 3.37% during 2014-15 as against 3.97% (Combined A.P) during 2013-14.
- v) Transmission system availability was 99.94% during FY 2014-15 as against 99.96% (Combined A.P) during the previous financial year.
- vi) 3Nos 132 KV Substations, 301.65 CKM of 400 KV line, 242.74 CKM of 220 KV line and 156.62 CKM of 132 KV line were added during FY 2014-15.

List of Awards won in by APTRANSCO

- 1) **APTRANSCO bags National Award of “Silver Shield” — In the category of ‘Transmission System Availability’.**

Recognizing the best efforts of APTRANSCO's performance in increasing the transmission availability, Central Electricity Authority(CEA), Ministry of Power (MoP), New Delhi has conferred the award of “**Comprehensive Award -Silver Shield**” to APTRANSCO in the category of “Transmission System Availability” for the year 2012-13.



On behalf of APTRANSCO, Sri Pallakonda Ramesh, Joint Managing Director/ APTRANSCO (HRD, IT& Comml) received the award from Shri Jyotiraditya M. Scindia, Hon'ble Minister of State for Power (Independent Charge) during the function held at New Delhi on 4th Feb, 2014.

2) APTRANSCO bags National Award from Ministry of Power for meritorious performance

APTRANSCO has achieved a record level of 99.966% of Transmission System availability for the Year 2013-14 and has been conferred "Silver Shield" in this regard.

Recognizing the best efforts of APTRANSCO's performance in increasing the transmission availability, Central Electricity Authority(CEA), Ministry of Power (MoP), New Delhi has conferred the award of "**Comprehensive Award -Silver Shield**" to APTRANSCO in the category of "Transmission System Availability" for the year 2013-14.

On behalf of APTRANSCO, Sri K. Vijayanand I.A.S, Chairman & Managing Director/ APTRANSCO received the award from Shri Piyush Goyal, Hon'ble Minister of State for Power, Coal & NRE (Independent Charge) during the function held at New Delhi on 3rd June 2015 at Vigyan Bhavan, Maulana Ajad Road, New Delhi.

List of Live IT Applications

1) Enterprise Resource Planning Application (ERP):

Developer: M/s IFS Solutions India Pvt. Ltd

Description: IFS ERP Application in APTRANSCO has been implemented by M/S Industrial Financial Solutions Pvt Ltd. The project covers the Business functionalities of Head quarters, all TL&SS/TLC wings (up to Division level) & all the Stores of APTRANSCO.

The ERP Application has been implemented in 2 Phases.

In First Phase (in 2007) the following Modules were implemented.

1. Material Management
2. Project Management
3. Maintenance Management
4. Financial & Controlling

In second Phase (i.e from July 2010 /October 2010) the following Modules were implemented and are in project completion stage.

5. Human Resources Module
6. Payroll Module

The Third Party Auditors have carried out a comprehensive information systems audit on ERP in the month of January 2008.

Extension of ERP upto Sub Division Level in respect of Maintenance TL&SS Sub Divisions is under progress.



Data Centre (DC) for ERP Servers was established in Vidyut Soudha in the year 2007 and Disaster Recovery (DR) centre at Database level was established in 2012 at CTI, Erragadda.

2) APTRANSCO Website www.aptransco.gov.in

Developer: Internal Team with the help of M/s CGG Professionals

Description: APTRANSCO website has been Developer M/s Smart IMS, it facilitate to view the organizational information by the public and employees. The information like about APTRANSCO, Tenders, TOOs, RTI Information etc.

i) **TOO Application** plug in is developed in house to facilitate the TOO wing to upload the TOOs as and when issued in secured manner.

3) Legal Case Monitoring System:

Developer: M/s KPMG

Description: It is Developer M/s KPMG for tracking the status of Legal Cases in APTransco and facilitates the management to review the cases and also the various functional heads to track their legal cases, hearing dates etc. This application is integrated with ERP for arranging payments to Legal Advisors.

4) APTRANSCO Mailing System.

Description: Exchange Mailing System has been implemented in 2007-08 for the use of ERP users, management, functional heads, etc

5) ERP Subsystem:

Developer: In house Development

Description: This application is planned and developed in house to facilitate the various employees other than ERP users to view their personal information and pay bills in secured manner. Any Employee can access the application through Intranet. The application is planned to go live in the month of July-13.

6) Load Monitoring Process Automation (LMCPA):

Developer: M/s GEO Information Systems Ltd

Description: Load Monitoring Cell Process Automation (LMPCA) is planned for the use by LMC (Laod Monitoring Cell) using for uploading, Generation, Distribution and other information collected from various Discoms and SLDC and to publish in APTransco website for viewing by Chief Minister, other higher officials and public. This application is under development by M/s GEO Information systems ltd.

7) Video Conference Facility:

Description: Planned to establish Video Conference facility at Vidyut Soudha, APTRANSCO, to connect to the A.P. Secretariat and to District Administrative Officers, Discoms, for coordinating various issues. Indents order has been placed on M/s. APTS for Supply and Establishing of Video Conference System and the same in progress.

**8) OPEN ACCESS APPLICATION**

Developer: In House development team

Description: Open access application is developed for use by SLDC wing to enable Open access users to register online and to issue Open access approvals by SLDC wing.

9) VENDOR REGISTRATION APPLICATION

Developer: In House development team

Description: Vendor registration application is developed for use by Vendor registration wing for registration of the material suppliers online by paying the specified fee.

10) PRAVAH APPLICATION:

Developer: M/s Vassar Labs

Description: Pravah application is developed to know the day today progress of the EHV lines and EHV substations construction status going on in APTRANSCO. Pravah application will be updated through daily progress SMS send by the Field engineers.

11) SLDC REPORTS

Developer: In House development team

Description: SLDC reports are developed for the purpose of online monitoring of the Power Demand fluctuations in the state. All generating stations will update their generating station demand and distributions will update their required demand, the both can be handled by SLDC wing through this portal.

Corporate Governance practice:

APTRANSCO, an unlisted wholly owned Andhra Pradesh State Government Company, is strictly adhering to the principles of Corporate Governance as envisaged in the Companies Act, 2013. Further, APTRANSCO continues to believe in observing the best corporate governance practices and benchmarking itself against each such practice on an ongoing basis.

Directors

The board of Directors of the Company are appointed/nominated by the Government of Andhra Pradesh. The Changes which have been occurred in the composition of Board of Directors of the Company are as follows:



Changes Occurred From 01.04.2014 to 31.03.2015

S. No	NAME	DESIGNATION	FROM	TO
1.	Sri Suresh Chanda, IAS	CMD	05-07-2013	03-06-2014
2.	Sri K. Vijayanand, IAS	CMD	05-06-2014	Till
3.	Sri P. Ramesh, IAS	JMD (Comml. & HR)	17-05-2011	03-06-2014
4.	Sri Y. Nagi Reddy, IPS	JMD(V & S)	29-05-2013	04-06-2014
5.	Sri G. Ramakrishna Reddy	Director(Finance)	01-07-2005	01-07-2014
6.	Sri S. Subramanyam	Director(Projects)	03-07-2013	Till
7.	Sri Mohd. Amwaruddin	Director(Grid Trans.& Management)	03-07-2013	Till
8.	Dr. Shailendra Kumar Josh, IAS	Director (Non-Whole time)	15-04-2014	21-07-2014
9.	Sri Ajay Jain, IAS	Director (Non-Whole time)	22-07-2014	Till
10.	Dr. P.V. Ramesh, IAS	Director (Non-Whole time)	04-11-2013	Till

Board Meetings held in 2014-15:

The Board held its meetings on 16.05.2014, 31.05.2014, 25.09.2014 and 22.01.2015 in the financial year 2014-15.

Audit Committee

In Compliance with the provisions of Section 177 of the Companies Act, 2013, during the year under review, the Audit Committee has met on 31.05.2014 and 25.09.2014. The Composition of the Audit Committee as on 31.03.2015 is as follows:

S.No	NAME	DESIGNATION	FROM	TO
1.	Dr. Shailendra Kumar Joshi, IAS	Director (Non-Whole time)	15-04-2014	21-07-2014
2.	Dr. P.V. Ramesh, IAS	Director (Non-Whole time)	04-11-2013	Till
3.	Sri Y. Nagi Reddy, IPS	JMD(V & S)	29-05-2013	04-06-2014
4.	Sri Ajay Jain, IAS	Director (Non-Whole time)	22-07-2014	Till

**Details of Subsidiary/Joint Ventures/Associate Companies**

Your company had no subsidiaries, Joint Ventures and associate companies during the financial year under review.

Deposits

During the year under review, the Company has not accepted any public deposits as per the Companies Act 2013.

Extract of the annual return

As provided under Section 92 (3) of the Companies Act, 2013, the Extract of Annual Return is given in the Annexure in the prescribed Form MGT-9, which forms part of this report.

Particulars of Employees

There were no employees drawing remuneration in excess of the prescribed limits whose details are required to be disclosed under Act and the top ten list of Officers remuneration / salary particulars are given in the Annexure to this report.

Disclosure under the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013

During the period under review, no complaints regarding sexual harassment were received by Committee from women employees of APTRANSCO.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

During the year under review that energy efficiency activities has not been carried out by APTRANSCO.

Foreign exchange earnings and outgo – Nil during the year.

Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis; and



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

Acknowledgements

Your Directors express their gratitude to all stakeholders, bankers, Regulatory Authorities, Government, customers, suppliers, business associates from India, staff and workers for their continued support at all times and look forward to have the same in our future endeavours. Directors are pleased to record their appreciation of the sincere and dedicated services of the employees and workmen at all levels.

For and on behalf of Board of Directors

Sd/-

CHAIRMAN & MANAGING DIRECTOR

DIN: 02138144

**Form No. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2015

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

To
The Members,
Transmission Corporation of Andhra Pradesh Limited
APTRANSCO, Vidyut Soudha,
Khairatabad, Hyderabad – 500 082.

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

Based on my verification of the Transmission Corporation of Andhra Pradesh Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31.03.2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Transmission Corporation of Andhra Pradesh Limited ("the Company") for the financial year ended on 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA'), Securities and Exchange Board of India Act, 1992 (SEBI) and SEBI Guidelines and Regulations to the extent they are applicable; and
- (iii) The Electricity Act, 2003 read with the Electricity Rules, 2005 and Regulations of the appropriate Commission issued from time to time.

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

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



1. The Company is yet to comply with the provisions of Section 149(4) of the Companies Act, 2013 relating to appointment of Independent Directors on its Board.
2. The Company is yet to comply with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 relating to appointment of Woman Director on its Board.
3. The Company convened its Annual General Meeting for the Financial Year 2014-2015 on 31.12.2015, but adjourned the same pending receipt of comments from the Statutory Auditors and Comptroller and Auditor General of India. Accordingly, the Audited Annual Accounts were not adopted at the duly convened Annual General Meeting of the Company within the time prescribed in the Companies Act, 2013 and the extended time provided by the Registrar of Companies, as per the provisions of Section 96 read with Section 129 of the Companies Act, 2013.

I further report that:

Subject to Para Nos. 1 & 2 above, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that in view of the size and operations of the company, the systems and processes adopted in the company are inadequate to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company is advised to put in place an integrated Legal Compliance Management System with periodical reporting to the Board.

I further report that during the audit period the company has come under the purview of the AP Re-organisation Act, 2014 and subject to the provisions of the said Act in relation to bifurcation of assets and liabilities of Power Transmission Companies.

Place: Visakhapatnam

Date: 21.02.2017

Signature:

Name: P. VITHAL KUMAR

ACS No. 14440

CP No. 8224

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

**'Annexure A'**

To
The Members,
Transmission Corporation of Andhra Pradesh Limited
APTRANSCO, Vidyut Soudha,
Khairatabad, Hyderabad – 500 082.
My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the content of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management representation about compliance with laws, rules and regulations, happening of events, etc.
5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Visakhapatnam
Date: 21.02.2017

Signature:
Name: P. VITHAL KUMAR
ACS No. 14440
CP No. 8224



ANNEXURE -1
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- (i) CIN : U31909AP1998SGC030805
- (ii) Registration Date : 29/12/1998
- (iii) Name of the Company: Transmission Corporation of Andhra Pradesh Limited
- (iv) Category / Sub-Category of the Company: Limited by Shares/State Govt Company
- (v) Address of the Registered office and contact details: 6-3-572, Vidyut Soudha, Khairatabad, Hyderabad AP 000000 IN
co_secy.aptransco@yahoo.in
- (vi) Whether listed company : No
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: Nil

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

S.No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	TRANSMISSION	35107	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of sharesheld	Applicable Section
	NIL				



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding: Equity

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% Total Shares	Demat	Physical	Total	% Total Shares	
A.Promoters									
(1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	779217584	779217584	100	0	454439695	454439695	100	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other..	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	0	779217584	779217584	100	0	454439695	454439695	100	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A) (2)	0	779217584	779217584	100	0	454439695	454439695	100	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% Total Shares	Demat	Physical	Total	% Total Shares	
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):- Total Public Shareholding (B) = (B)(1) + (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	779217584	779217584	100	0	454439695	454439695	100	0



(ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	Governor of Andhra Pradesh	779217584	100.00	0	454439695	100.00	0	0

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

The Equity Share Capital of the Company is apportioned by the GoAP vide G.O.Ms. No.26, Energy(CC) Department, dated 29-05-2014. There are changes in Nominees of Governor of Andhra Pradesh which will not be considered as change in promoters.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NIL

(v) Shareholding of Directors and Key Managerial Personnel:

The Company is a State Government Company and 100% Shareholding held by Governor of Andhra Pradesh. There are changes in Nominees of Governor of Andhra Pradesh which will not be considered as change in promoters.



V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans GoAP	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	29357465940	6865980977	-	36223446917
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)		-	-	
Change in Indebtedness during the financial year				
Addition	7582511872	258510827	-	7841022699
Reduction	2175729655	60045282	-	2235774937
Apportioned to TSTRANSCO	17259618020	6959162586		24218780606
Net Change		-	-	
Indebtedness at the end of the financial year				
i) Principal Amount	17504630137	105283936	-	17609914073
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	50820557	-	-	50820557
Total (i+ii+iii)	17555450694	105283936	-	17660734630



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. No.	Name of the MD/WTD and Manager	Remuneration (Amount in Rs.)						Ceiling as per Act
		Total Amount	Stock option	Sweat Equity	Commission	Others	Total	
1	Sri. Suresh Chanda, IAS	721707	-	-	-	-	721707	Not applicable
2	Sri. Pallakonda Ramesh, IAS	489208	-	-	-	-	489208	Not applicable
3	Sri. Yaram Nagi Reddy, IPS	522041	-	-	-	-	522041	Not applicable
4	Sri. Paradesi Umapathi, IPS	175542	-	-	-	-	175542	Not applicable
5	Sri. Rama Krishna Reddy Garisa	430572	-	-	-	-	430572	Not applicable
6	Sri. Mohammad Anwaruddin	1179730	-	-	-	-	1179730	Not applicable
7	Sri. Sistu Subrahmnayam	1187200	-	-	-	-	1187200	Not applicable
	Total	4706000	-	-	-	-	4706000	

B. Remuneration to other Directors:

Sl No.	Name of the Director	Remuneration (Amount in Rs.)			
		Fee for attending board/committee meetings	Commission	Others	Total
1	Dr. Shailendra Kumar Joshi, IAS	750	Nil	Nil	750
2	Dr. P.V. Ramesh, IAS	1000	Nil	Nil	1000
4	Sri Ajay Jain, IAS	500	Nil	Nil	500
	TOTAL				2250



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

SI No.	Name of the MD/WTD and Manager	Remuneration (Amount in Rs.)					
		Gross Total	Stock option	Sweat Equity	Commis-ssion	Others	Total
1	Company Secretary	1733940	-	-	-	-	1733940
TOTAL							1733940

I. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of Board of Directors

Sd/-
CHAIRMAN & MANAGING DIRECTOR
 DIN: 02138144



ANNEXURE – I

Management’s replies to the comments of the Statutory Auditors

Statutory Auditors comments	Management Replies
<p>1. The Equity of the company has been apportioned to TSTRANSCO however the Share scripts are not physically transferred pending at the close of the year amounting to Rs.32477.79 lakhs.</p>	<p>The Physical transfer of share scripts will be done after the issuance of Final orders for the De-merger of assets and liabilities between APTRANSCO and TSTRANSCO by Government</p>
<p>2. The Company has allocated to TSTRANSCO Surplus of Rs.166.87 crores in addition share of 41.68% amounting to Rs.35600.19 lakhs being balancing figure of the assets and liability. The aforesaid amount of Rs.166.87 crores is receivable from TS TRANSCO by the Company and consequently assets has been understated and resulting Surplus is also understated by Rs.166.87 crores.</p>	<p>The resulting balancing figure of the assets and liabilities on Final De-merger will be accounted under ‘AP Reorganisation adjustment Account’.</p>
<p>3. The following amounts as stated in Note No. 4(e) of Notes to Accounts have been claimed by the company as subsequent events after the draft demerger plan submitted to “Expert Committee and accounted in books for which specific confirmation/acceptance from TSTRANSCO has not been furnished to us :</p> <p>(i) In respect of accumulated depreciation, amount of Rs.734.71 lakhs was less apportioned to TS TRANSCO as per Draft Demerger Plan submitted to Expert Committee, which has since been rectified during the year by adjusting the Surplus account allocated to TSTRANSCO.</p> <p>(ii) In respect of Current assets amounting to Rs.163.57 lakhs was excess allocated to TS TRANSCO in the draft demerger plan and the same amount has been adjusted in the accounts during the year affecting the Surplus account.</p>	<p>These adjustments are intimated to TSTRANSCO and finalisation of the same will be done in Final De-merger Plan.</p>
<p>4. In case of following Assets and Liabilities as disclosed in Note No.5 of Notes to Accounts with regard to methodology adopted by company there is deviation in allocation as required by Section 53 of the AP Reorganisation Act, 2014, the details are as under:</p>	



Statutory Auditors comments				Management Replies
Assets	Amount	Methodology	Deviation	
Fixed Assets (Gross)	1658.48 Crores	Allocated as per Population Ratio	To be Allocated on Location basis.	The region wise unidentified balances are allocated on population ratio.
Depreciation			To be allocated based on location to the extent of Assets allocated on population ratio as stated above	
Capital Work in Progress	29.87 Crores	Allocated as per Population Ratio	To be Allocated on Location basis.	
Deferred Cost	299.43 Crores	Allocated on Location Basis	Subject to final Adjustment on final allocation of employees	After finalisation of the employee allocation to AP & TS , balances will be ascertained and apportioned.
Consumer Contribution	772.95 crores	Allocated as per Population Ratio	To be Allocated on Location basis.	The region wise unidentified balances are allocated on population ratio.
Income Tax and TDS	21.25 crores	Allocated as per Population Ratio	To be Allocated on Location basis.	In the Final De-merger this will be taken by AP.
Current Liabilities	239.57 Crores	Allocated as per Population Ratio	To be Allocated on Location basis.	The region wise unidentified balances are allocated on population ratio.
Surplus	166.87 Crores	Allocated Rs. 166.87 crores in addition to Population ratio being balancing figure of the assets and liability	To be allocated on Population ratio	The additional allocation of surplus will be accounted under "AP Reorganisation adjustment account" in the Final Demerger Plan.
<p>Consequently, there is impact on assets and liabilities and allocation of Surplus and amount receivable, the amounts remained unascertained.</p> <p>Further pending acceptance by TS TRANSCO, and approval and notification by the Governments of the State of Andhra Pradesh and Telangana, as stated in Note No. 4 of Notes to Accounts, the finality of the above numbers and the apportionment of the assets and liabilities (including contingent liabilities, contingent assets, claims etc.) cannot be determined/confirmed at the date of our report, and hence it is not possible for us to express our opinion on such finality at this stage.</p>				



ANNEXURE -II

Management’s replies to the comments of the C&AG on the Annual Accounts for FY 2014-15

C & AG Comments	Management Replies
<p>A. COMMENTS ON PROFITABILITY: Revenue Account Extra-ordinary items (Schedule - 16) Extraordinary debits - Rs. 20.31 crore</p> <p>1. The above includes the expenditure amounting to Rs. 20.27 crore incurred on account of the damage and losses to transmission network caused by Hudhud cyclone in the month of October 2014. The company preferred a claim on 7.11.2014 on the State Government for reimbursement of the above expenditure, which is under consideration. Further Andhra Pradesh Electricity Regulatory Commission (APERC) gave (November 2014) permission to utilise the contingency reserve fund of the company to meet the cyclone expenditure. Contrary to the permission of APERC and pending claim from the Government, the company treated the spent amount as its expenditure, resulting in overstatement of Extraordinary debits and understatement of Sundry Receivables to the extent of Rs. 20.27 crore. This has also resulted in understatement of Profit for the year to the same extent.</p>	<p>The losses and damage by Hudhud Cyclone amounting to Rs.20.27 Crores are charged to Expenditure for the year, to arrive at true profit for the year. Contingency reserve had been created from the appropriation account in the earlier years i.e. without giving effect to the respective years’ Profit & loss account. The adjusting of the of losses of Hudhud Cyclone under Contingency Reserve, the contingency reserve would have been reduced by Rs.20.27 Crores and resulting in the ‘Reserve and Reserve funds’ at the same amount in the Balance sheet.</p> <p>Further charging of Extra-ordinary item to revenue account is appropriate as per Accounting Standard.</p>
<p>B) COMMENTS ON DISCLOSURE: Notes to Accounts (Statement 5)</p> <p>2. After completion of the Second Control Period (SCP) i.e. from 2009-10 to 2012-13, the company filed (April 2015) a true up petition before the APERC. After considering the views of the company, discoms and other parties, APERC vide its order dated 7.11.2015 directed the company to refund Rs. 271.34 crore to the discoms (APSPDCL and APEPDCL) by way of adjustment towards transmission charges receivable from them. As the company did not make provision for the above refundable amount of Rs. 271.34 crore, it should have been disclosed in the Notes to Accounts.</p>	<p>The true down orders dt.07.11.2015 are issued by APERC in the FY 2015-16, accordingly the provision will be made in the FY 2015-16 along with disclosure.</p>

**A. STATUTORY AUDITOR'S REPORT**

To

The Members,
Transmission Corporation of Andhra Pradesh Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Transmission Corporation of Andhra Pradesh Limited, which comprise the Balance Sheet as at March 31, 2015, and the Revenue Account and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with



ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Basis for Qualified Opinion

8. Section 53 of The Andhra Pradesh Reorganisation Act 2014, required the Company to apportion its assets and liabilities as at the commencement of business hours on 2nd June 2014, in the manner specified therein, between itself and TSTRANSCO. The manner in which the said apportionment has been carried out as at the date of the financial statements under report was as stated in Note No. 4 & 5 of Notes to Accounts in the financial statements.
 1. The Equity of the company has been apportioned to TSTRANSCO however the Share scripts are not physically transferred pending at the close of the year amounting to Rs.32477.79 lakhs.
 2. The Company has allocated to TSTRANSCO Surplus of Rs.166.87 crores in addition share of 41.68% amounting to Rs.35600.19 lakhs being balancing figure of the assets and liability. The aforesaid amount of Rs.166.87 crores is receivable from TS TRANSCO by the Company and consequently assets has been understated and resulting Surplus is also understated by Rs.166.87 crores.
 3. The following amounts as stated in Note No. 4(e) of Notes to Accounts have been claimed by the company as subsequent events after the draft demerger plan submitted to "Expert Committee and accounted in books for which specific confirmation/acceptance from TSTRANSCO has not been furnished to us :



- (i) In respect of accumulated depreciation, amount of Rs.734.71 lakhs was less apportioned to TS TRANSCO as per Draft Demerger Plan submitted to Expert Committee, which has since been rectified during the year by adjusting the Surplus account allocated to TSTRANSCO.
- (ii) In respect of Current assets amounting to Rs.163.57 lakhs was excess allocated to TS TRANSCO in the draft demerger plan and the same amount has been adjusted in the accounts during the year affecting the Surplus account.

4. In case of following Assets and Liabilities as disclosed in Note No.5 of Notes to Accounts with regard to methodology adopted by company there is deviation in allocation as required by Section 53 of the AP Reorganisation Act, 2014, the details are as under:

Assets	Amount	Methodology	Deviation
Fixed Assets (Gross)	1658.48 Crores	Allocated as per Population Ratio	To be Allocated on Location basis.
Depreciation			To be allocated based on location to the extent of Assets allocated on population ratio as stated above
Capital Work in Progress	29.87 Crores	Allocated as per Population Ratio	To be Allocated on Location basis.
Deferred Cost	299.43 Crores	Allocated on Location Basis	Subject to final Adjustment on final allocation of employees
Consumer Contribution	772.95 crores	Allocated as per Population Ratio	To be Allocated on Location basis.
Income Tax and TDS	21.25 crores	Allocated as per Population Ratio	To be Allocated on Location basis.



Current Liabilities	239.57 Crores	Allocated as per Population Ratio	To be Allocated on Location basis.
Surplus	166.87 Crores	Allocated Rs.166.87 crores in addition to Population ratio being balancing figure of the assets and liability	To be allocated on Population ratio

Consequently, there is impact on assets and liabilities and allocation of Surplus and amount receivable, the amounts remained unascertained.

Further pending acceptance by TS TRANSCO, and approval and notification by the Governments of the State of Andhra Pradesh and Telangana, as stated in Note No. 4 of Notes to Accounts, the finality of the above numbers and the apportionment of the assets and liabilities (including contingent liabilities, contingent assets, claims etc.,) cannot be determined/confirmed at the date of our report, and hence it is not possible for us to express our opinion on such finality at this stage.

Qualified Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters stated in our Basis of Qualified Paragraph above, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) in the case of the Revenue Account, of the surplus of the company for the year ended on that date;
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters:

- 10. Without qualifying our opinion, attention is drawn to the following;
 - i) Note no.7 of Notes to Accounts with regard to change in accounting policy:-



During the period, the company has changed its Accounting policy for Employees Benefits in respect of Pension & Gratuity, Gratuity and Earned Leave Encashment and has adopted a new policy as specified, vide the management's note approved dated 02.05.2015.

For the reporting period as on 01.06.2014, the huge liability of terminal benefits as determined by actuarial valuation were arisen due to pay/wage revision effect w.e.f.01.04.2014 and increase in yester years terminal benefits, on account of pay/wage revision and would have impact on future contributions also w.e.f.01.04.2014. Hence, in order to ensure 'periodic matching of cost and revenue concept' the same was provided under Deferred Cost and it was decided to amortized over a period of 4 years i.e., prior to next pay/wage revision.

The effect of past year implication of terminal benefits on account of revision of pay scales w.e.f.01.04.2014 was determined to the extent of Rs.312.71 crores (Rs.334.13 crores less Rs.21.42 crores) and accounted as Deferred Cost and the same would be amortized over a period of four years i.e., @Rs.78.17 crores per annum.

The aforesaid Deferred Cost has been apportioned/allocated to APTRANSCO and TSTRANSCO as on 02.06.2014 on the basis of employees working in the respective locations. The company subsequently during the year, after demerger plan has again changed its policy relating to its "deferred cost" towards terminal benefits and dispensed with the amortization method and consequently there is no impact on financials for the year. The Company as such, in compliance with Accounting Standard 15, has continued its accounting policy in respect of defined benefit plans, being Pension & Gratuity, Gratuity, and Leave Encashment to determine the liability based on an actuarial valuation using the projected unit credit method."

- ii) Note no.4(h) with regards to:-
Assets continuing charge on some of the assets apportioned to TS TRANSCO and vice-versa pending completion of documents for release/modification of such charge.
- iii) Note No. 12 with regard to –
Non accounting of Revenue of Rs.177.95 crores for which company raised demand on TS DISCOMS during the period 02.06.2014 to 31.03.2015 due to non-finalisation of LTTA (Long Term Transmission Agreement) with TS Discoms.
- iv) Note No. 14 with regard to –
TS TRANSCO raised bills towards share of common expenditure for the year amounting to Rs.2.06 crores not accepted by the company pending review and finalization.



- v) Note No.26 with regard to –
The loans existing on 01.06.2014 from REC,PFC and other banks continue to be in the name of the company, however debt service of loans apportioned are met by TSTRANSCO.
- vi) Schedule 25 of financials with regard to-
Investment where in the contingency reserve, Income is proportionate but Investments are not yet transferred to TS TRANSCO.
- vii) The direct confirmation of Loans & Advances, Sundry debtors and creditors have not been obtained and produced for verification, which are subject to reconciliation and review thereof. The confirmations of balances received from APDISCOMS shows a difference of Rs 44.37 crores, as less payable by them in compare to amount accounted in the books of company, which is subject to review, reconciliation and adjustments thereof.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order") and 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, we give in the Annexure-1, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
11. The accounts of the company have been maintained and compiled its Annual Statement of Accounts in accordance with the related provisions of the Electricity (Supply) Act, 1948 and the Rules made there under in consonance with Section 129 (1) and (1)(d) of the Companies Act, 2013. Further Section 185 (2) (d) of The Electricity Act 2003 specifies that ESAAR were not repealed. The Electricity (Supply) (Annual Accounts) Rules 1985 are followed consistently to present a true and fair view on the financial position and operation results of the company.
12. We are enclosing our report in terms of Section 143(5) of the Act, 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, in the Annexure 2 on the directions and sub-directions issued by Comptroller and Auditor General of India.
13. As required by section 143(3) of the Act, we report that:
- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;



- c. the Balance Sheet, Revenue account and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as on March 31, 2015 on its financial position in its financial statements;
 - ii. The Company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts. The Company neither entered into any derivative contract during the year nor have any outstanding derivative contract at the end of the year;
 - iii. There was no requirement to transfer any amount to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

For S.DAGA & CO.
Chartered Accountants,
(F.No.000669S)

Sd/-
(Shantilal Daga)
Partner
M. No. 011617

Place: Hyderabad
Date: 30.12.2016



Annexure-1 to the Auditor's Report

(Transmission Corporation of Andhra Pradesh Limited)

(Annexure referred to in point 10 of Report of Other Legal and Regulatory Requirements of the Report of the Auditors)

1. (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(ii) The fixed assets have been physically verified by the management during the year as per a programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets.
(iii) The discrepancies noticed on physical verification of fixed assets as compared to the book records were not material and have been properly dealt with in the books of account.
2. (i) As per the information and explanation given to us, physical verification of inventory has been conducted by the management at reasonable intervals.
(ii) The procedure of physical verification followed by the management was reasonable and adequate in relation to the size of the company and the nature of the business.
(iii) The company is maintaining proper records of inventory and there are no material discrepancies on such verifications.
3. (i) According to the information and explanation given to us the Company has not granted loans to parties covered in the register required to be maintained under section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchase of inventories, fixed assets and sale of goods/services. During the course of audit, we have not observed any major weaknesses in internal control.
5. The Company has not accepted any deposits from the public and hence complying with the provisions of Section 58A and Section 58AA or any other relevant provisions of the Act is not applicable.



6. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records u/s 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
7. (i) According to the information and explanation given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including, provident fund, Income Tax, VAT, Service Tax and other statutory dues. No undisputed amounts payable were in arrears as on 31.03.2015 for a period of 6 months or more from the date they become payable.
- (ii) According to the information and explanations given to us, the details of dues of Sales Tax, Entry Tax and ESI which have not been deposited on account of disputes are given below:-

Disputed claims of Sales Tax, Entry Tax, etc. as on 31st March 2015

Name of the Statute	Financial year to which the matter pertains	Forum where dispute is pending	(Rs. in Lakhs)		
			Total amount Disputed	Amount paid as per Court Directions	Balance
Interest on APGST	1994-95 to 1996-97	High Court of AP	6584.28		6584.28
	1996-97 & 1997-98		2304.74		2304.74
VAT	2005-06	High Court of AP	3.89	3.17	0.72
CST	2005-06	High Court of AP	15.01	7.50	7.51
Entry Tax	2002-03	Supreme Court of India	1235.09		1235.09
	2003-04		342.83	171.42	171.41
	2004-05		963.43	481.71	481.72
	2005-06		672.27	87.89	584.38
	2005-06		359.02	63.60	295.42
	2006-07	High Court of AP	1405.18	702.59	702.59
ESI	2006-07	ESI Company	79.93	19.98	59.95
Income Tax Act	2012-13	Commissioner of Income Tax – Appeals	14567.00	1776.00	12791.00
Total			28532.67	3313.86	25218.81



- (iii) There was no requirement to transfer any amount to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and the Rules made there under, by the Company during the year ended March 31, 2015.
8. The Company does not have accumulated losses at end of Financial Year. The Company has not incurred any cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
9. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institutions or Banks.
10. The Company did not give any guarantee for loans taken by others from the Banks or Financial Institutions.
11. In our opinion, the term loans have been applied for the purpose for which they were raised.
12. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have been informed of such case by the management.

For S. Daga & Co.,
Chartered Accountants
(FRN 00669S)

Sd/-
(Shantilal Daga)
Partner
M. No. 011617

Place: Hyderabad
Date: 30.12.2016



Annexure-2 to the Auditors' Report
(Transmission Corporation of Andhra Pradesh Limited)

(Annexure referred to in point 12 of Report of Other Legal and Regulatory Requirements of the Report of the Auditors)

Sl. No.	Directions/ Sub-Directions	Action Taken	Impact on financial statement
A. Directions			
1	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed and General Reserves) may be examined including the mode and present stage of disinvestment process.	The Company has not been selected for disinvestment during the financial year 2014-15	Not applicable
2	Please report whether there are any cases of waiver/ write off of debts/loans/ interest etc. If yes, the reasons therefor and the amount involved	According to information and explanations given to us, there are no cases of waiver/ write off of debts/loans/ interest etc.	Nil
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities?	(a) According to information and explanations given to us, there are no inventories lying with third parties. (b) Proper records are maintained for assets received as gifts from Government or other authorities.	Nil
4	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given	(a) Details of age-wise analysis of the pending cases and amounts are reported under Point No. 7 (ii) of the Annexure 1 of Auditors Report. (b) As per information and records produced before us, there is existence of effective monitoring mechanism for expenditure on all legal cases.	Nil



B. Sub-Directions			
1	Adequacy of steps to prevent encroachment of idle land owned by Company may be examined. In case land of the Company is encroached, under litigation, not to put to use or declared surplus, details may be provided	All the lands of Sub-stations are protected with boundary walls and fencing. There is no encroachment of land of APTRANSCO and as per the information obtained from field units and there are no litigations and surplus of land and all the lands are put to use.	Nil
2	Whether the Company has an effective system for recovery of revenue as per contractual terms and the revenue is properly accounted for in the books of accounts in compliance with the applicable Accounting Standards?	<p>A. Receivable from DISCOMS are monitored by a committee i.e. AP Power Co-ordination Committee (APPCC). For third party generators, open access consumers two months deposit is collected before giving corridor permission.</p> <p>B. All the revenue of transmission and SLDC charges to APDISCOMS is billed as per the capacity determined by the APERC. For open access and third party is billed as per the permissions accorded for corridor availability.</p> <p>C. The Company has effective system of recovery of revenue.</p> <p>D. The applicable Accounting Standards are followed in this regard.</p>	Nil
3	How much cost has been incurred on abandoned projects and out of this how much cost has been write off?	There are no abandoned projects in the FY 2014-15	Nil
4	How much transmission loss in excess of prescribed norms has been incurred during the year and whether the same been properly accounted for in the books of accounts?	Transmission losses for the FY 2014-15 is 3.37% for residual AP which is lesser than approved by APERC.	Nil



5	Whether the assets constructed and completed on behalf of other agencies and handed over to them has been properly accounted for in the financial statements.	As per ESSAR Rules 1985 all DC work are accounted for as per Paragraph 2.34 of Annexure-III, against the Consumer Contribution received from other agencies.	Nil
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For S. Daga & Co.,
Chartered Accountants
(FRN 00669S)

Place: Hyderabad
Date: 30.12.2016

Sd/-
(Shantilal Daga)
Partner
M. No. 011617



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED, HYDERABAD FOR THE YEAR ENDED 31 MARCH 2015

The preparation of Financial statements of Transmission Corporation of Andhra Pradesh Limited, Hyderabad for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the Financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 December 2016.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) of the Act of the financial statements of Transmission Corporation of Andhra Pradesh Limited, Hyderabad for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling better understanding of the financial statements and the related audit report:

A. COMMENTS ON PROFITABILITY:

Revenue Account

Extra-ordinary items (Schedule -16)

Extra-ordinary debits – Rs.20.31 crore

1. The above includes the expenditure amounting to Rs.20.27 crore incurred on account of the damage and losses to transmission network caused by Hudhud cyclone in the month of October 2014. The company preferred a claim on 7/11/2014 on the State Government for reimbursement of the above expenditure, which is under consideration. Further Andhra Pradesh Electricity Regulatory Commission (APERC) gave (November 2014) permission to utilize the contingency reserve fund of the company to meet the cyclone expenditure. Contrary to the permission of APERC and pending claim from the Government, the company treated the spent amount as its expenditure, resulting in overstatement of Extraordinary debits and understatement of Sundry Receivables to the extent of Rs.20.27 crore. This has also resulted in understatement of Profit for the year to the same extent.

**B. COMMENTS ON DISCLOSURE:**

Notes to Accounts (Statement 5)

2. After completion of the Second Control Period (SCP) i.e., from 2009-10 to 2012-13, the company filed (April 2015) a true up petition before the APERC. After considering the views of the company, discoms and other parties, APERC vide its order dated 7.11.2015 directed the company to refund Rs.271.34 crore to the discoms (APSPDCL and APEPDCL) by way of adjustment towards transmission charges receivable from them. As the company did not make provision for the above refundable amount of Rs. 271.34 crore, it should have been disclosed in the Notes to Accounts.

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

Sd/-

(LATA MALLIKARJUNA)

ACCOUNTANT GENERAL (E&RSA)

Place: Hyderabad
DATE: 17.02.2017



REVENUE ACCOUNT		STATEMENT-1 (Contd.1)	
ఆదాయము అకౌంట్		వివరణ - 1	
		(Rs. in Lakhs)	
		(అక్షర రూపాయలలో)	
Sl. No.	Schedule Note అనుసూచిక	This year 2014-15 ఈ సంవత్సరము	Previous year 2013-14 క్రిందటి సంవత్సరము
INCOME			
ఆదాయము			
1	Revenue from Transmission & SLDC Charges విద్యుత్ వితరణ మరియు రాష్ట్రీయ విద్యుత్ పంపిణీ కేంద్ర చార్జీలు	108999.32	133239.77
4	Revenue Subsidies and grants ఆదాయము పద్దు క్రింద ప్రభుత్వ సహాయములు. గ్రాంట్లు	0.00	0.00
5	Other Income ఇతర ఆదాయము	7396.11	12376.45
TOTAL		116395.42	145616.22
EXPENDITURE			
మొత్తము			
EXPENDITURE			
ఖర్చులు			
8	Repairs & Maintenance మరమ్మత్తులు మరియు నిర్వహణ	12766.48	17965.00
9	Employee Costs ఉద్యోగుల జీతభత్యాలు	57779.74	39157.49
10	Administration & General Expenses పరిపాలన మరియు సాధారణ ఖర్చులు	3901.03	5725.56
11	Depreciation and Related expenses (Net) తరుగుదల మరియు సంబంధిత ఖర్చులు (నికరము)	28653.60	46313.58
12	Interest and Finance charges వడ్డీ మరియు ఆర్థిక ఖర్చులు	21063.42	38718.69
SUB-TOTAL		124164.27	147880.32
Less: Expenses Capitalised			
13	Interest and Finance charges capitalised తగ్గింపు పెట్టుబడి ఖాతాకు మార్చిన ఖర్చులు	7800.00	11553.00
14	Expenses capitalised పెట్టుబడి ఖాతాకు మార్చిన వడ్డీ మరియు ఆర్థిక ఖర్చులు	8901.02	10111.94
Sub-Total		16701.02	21664.94



REVENUE ACCOUNT		STATEMENT-1 (Contd.1)	
ఆదాయము అకౌంట్		వివరణ - 1	
		(Rs. in Lakhs)	
		(అక్షర రూపాయలలో)	
Sl. No.	Schedule Note అనుసూచిక	This year 2014-15 ఈ సంవత్సరము	Previous year 2013-14 క్రిందటి సంవత్సరము
15	Other Debits ఇతర ఖర్చులు	128.78	330.48
16	Extra-ordinary items అసాధారణ బాపతులు	2030.63	0.00
18	Net prior period Credits / Charges నికర వెనుకటి సంవత్సరపు ఖర్చులు / (జమ)	(34.17)	6.40
Sub-Total		2125.24	336.88
TOTAL EXPENDITURE		109588.49	126552.26
మొత్తం ఖర్చు PROFIT / (LOSS) BEFORE TAX		6806.93	19063.96
లాభము / (నష్టము) పన్ను ముందు			
17	Current Tax ప్రస్తుత పన్ను	3699.73	6825.38
Mat Credit Entitlement of earlier years		0.00	3227.25
Deferred tax - (Liability)/Asset		1912.13	(5188.85)
భవిష్యత్తు పన్ను కేటాయింపు			
Profit/(Loss) After Tax carried over to Appropriation account		5019.33	10276.98
లాభము పన్ను తరువాత వినియోగపు లెక్కకు తరలింపు			
Statement 4 & 5 are integral part of Statment of Accounts			
Vide our Report of even date for S. Daga & Co. Chartered Accountants FRN : 000669S		For and on behalf of the Board of Transmission Corporation of A.P. Ltd.	
Sd/- (Shantilal Daga) Partner M.No. 011617	Sd/- (K. Vijayanand) Chairman & Managing Director	Sd/- (Dinesh Paruchuri) Joint Managing Director (Fin., Comm., IPC, HRD &IT) & Chief Financial Officer (CFO)	
Place : Hyderabad	Sd/- (S. Subrahmayam) Director (Projects)	Sd/- (V.B.S. Kumar Gupta) Financial Adviser & Chief Controller of Accounts (Accounts) (FAC)	
Date : 30-12-2016			



NET REVENUE AND APPROPRIATION ACCOUNT

నిఖర ఆదాయము మరియు వినియోగపు లెక్క

STATEMENT-2

వివరణ - 2

(Rs.in lakhs)

(లక్షల రూపాయలలో)

Particulars అనుసూచిక	This Year 2014-15 ఈ సంవత్సరము	Previous Year 2013-14 క్రిందటి సంవత్సరము
Balance brought forward from last year క్రిందటి సంవత్సరము నుండి తీసుకురాబడిన మొత్తము	80932.09	114032.49
Deduct:		
Provision for Terminal Benefits:		
a) Pension & Gratuity		54056.63
b) Gratuity		799.97
c) EL Encashment		10225.81
Total		65082.41
d) Less: Deferred Tax Asset @33.99% on above		22121.51
		42960.90
Appropriations:		
Contingency Reserve	283.47	416.48
Surplus transfer to TSTRANSCO	53053.09	
Add:		
Transfer from General Reserve	0.00	0.00
Surplus from Revenue Account	5019.33	10276.98
Balance carried forward ముందు సంవత్సరమునకు తీసుకుపోబడిన మొత్తం	32614.86	80932.09

Statement 4 & 5 are integral part of Statement of Accounts

Vide our Report of even date
for S. Daga & Co.
Chartered Accountants
FRN : 000669S

Sd/-
(Shantilal Daga)
Partner
M.No. 011617

Place : Hyderabad

Date : 30-12-2016

For and on behalf of the Board of
Transmission Corporation of A.P. Ltd.

Sd/-
(K.Vijayanand)
Chairman &
Managing Director,

Sd/-
(S. Subramayam)
Director (Projects)

Sd/-
(Dinesh Paruchuri)
Joint Managing Director
(Fin., Comm., IPC, HRD &IT) &
Chief Financial Officer (CFO)

Sd/-
(V.B.S. Kumar Gupta)
Financial Adviser & Chief
Controller of Accounts (Accounts) (FAC)



BALANCE SHEET

ఆస్తి అప్పుల పట్టిక

STATEMENT-3

వివరణ - 3
(Rs.in lakhs)
(అక్షల రూపాయలలో)

Sch. No.	Schedule Note అనుసూచిక	This year 2014-15 ఈ సంవత్సరము	Previous Year 2013-14 క్రిందటి సంవత్సరము
NET ASSETS :			
	నికర ఆస్తులు		
19	Gross Block స్థూల మూల్యము	564776.57	987814.35
	Less: Accumulated Depreciation తగ్గింపు: తరుగుదల నిధికి కేటాయింపుల మొత్తము	259678.35	448921.56
	Net Fixed Assets నికర స్థిరాస్తులు	305098.21	538892.80
21	Capital Expenditure in progress జరుగుతున్న పనులపై పెట్టుబడి ఖర్చులు	129391.64	232982.91
22	Assets not in use వినియోగంలో లేని ఆస్తులు	0.00	0.00
23	Deferred Costs భవిష్యత్తులో సర్దుబాటు చేయవలసిన ఖర్చులు	0.00	0.00
24	Intangible Assets రూపొందని ఆస్తులు	0.00	0.00
25	Investments పెట్టుబడులు	30706.33	70054.83
	Net Current Assets నిఖర చరాస్తులు	(74111.31)	(58418.96)
26	Total Current Assets చరాస్తుల మొత్తము	156006.17	257724.58



BALANCE SHEET ఆస్తి అప్పుల పట్టిక		STATEMENT-3 వివరణ - 3 (Rs.in lakhs) (లక్షల రూపాయలలో)	
Sch. No.	Schedule Note అనుసూచిక	This year 2014-15 ఈ సంవత్సరము	Previous Year 2013-14 క్రిందటి సంవత్సరము
	Less: Total Current Liabilities తగ్గింపు : ప్రస్తుత అప్పుల మొత్తము	0.00	0.00
27	Security Deposits from Consumers వినియోగదారుల నుండి ధరావతులు	0.00	0.00
28	Other Current Liabilities ఇతర ప్రస్తుత అప్పుల మొత్తము	230117.48	316143.54
	Total Current Liabilities ప్రస్తుత అప్పుల మొత్తము	230117.48	316143.54
29	Subsidy Receivable from Government ప్రభుత్వము నుండి రావలసిన సహాయము	0.00	0.00
	NET ASSETS నికర ఆస్తులు	391084.87	783511.59
	FINANCED BY: ఆర్థిక వనరులు సమకూర్చబడిన విధము		
30	Borrowings for working capital నిర్వహణ ఖర్చుల నిమిత్తం అప్పులు	0.00	744.64
31	Payments due on Capital Liabilities పెట్టుబడుల బాకీల క్రింద ఇవ్వవలసిన మొత్తము	0.00	0.00
32	Capital Liabilities పెట్టుబడుల బాకీలు	175046.30	293574.66
	Deferred Tax Liability భవిష్యత్తు పన్ను నిధి	6836.75	14023.51
28 (a)	Liability for Pension & Gratuity and Leave Encashment	31716.49	65082.41



BALANCE SHEET ఆస్తి అప్పుల పట్టిక		STATEMENT-3 వివరణ - 3 (Rs.in lakhs) (అక్షల రూపాయలలో)	
Sch. No.	Schedule Note అనుసూచిక	This year 2014-15 ఈ సంవత్సరము	Previous Year 2013-14 క్రిందటి సంవత్సరము
33	Funds from State Government ప్రభుత్వము నుండి తీసుకున్న నిధులు	1052.84	68659.81
	Equity వాటా మూలధనము	45443.97	77921.76
34	Contributions, Grants and Subsidies towards cost of Capital Assets పెట్టుబడి ఆస్తుల విలువ కొరకు వచ్చిన విరాళములు, గ్రాంట్లు మరియు సహాయము	74054.11	141005.90
35	Reserve and Reserve Funds నిధి మరియు నిధుల మొత్తము	24319.55	41566.81
	Surplus మిగులు	32614.85	80932.09
	TOTAL FUNDS మొత్తము నిధులు	391084.87	783511.59

Statement 4 & 5 are integral part of Statement of Accounts

Vide our Report of even date
for S. Daga & Co.
Chartered Accountants
FRN : 000669S

Sd/-
(Shantilal Daga)
Partner
M.No. 011617

Place : Hyderabad

Date : 30-12-2016

For and on behalf of the Board of
Transmission Corporation of A.P. Ltd.

Sd/-
(K.Vijayanand)
Chairman &
Managing Director

Sd/-
(S. Subrahmayam)
Director (Projects)

Sd/-
(Dinesh Paruchuri)
Joint Managing Director
(Fin., Comm., IPC, HRD & IT) &
Chief Financial Officer (CFO)

Sd/-
(V.B.S. Kumar Gupta)
Financial Adviser & Chief
Controller of Accounts (Accounts) (FAC)



REVENUE FROM TRANSMISSION & SLDC BUSINESS

SCHEDULE 1
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
I. Transmission Charges:				
1	Transmission charges- EPDCL	61.401	274,89,89,175	172,86,70,679
2	Transmission charges- SPDCL	61.402	480,78,12,722	245,92,89,700
3	Transmission charges- CPDCL	61.403	119,19,79,679	492,59,25,254
4	Transmission charges- NPDCL	61.404	40,95,14,906	169,14,21,746
5	Intra State Open Access LTOA	61.410	4,62,56,634	2,92,05,082
6	Transmission charges - IEX/PX	61.413	17,84,94,747	33,53,82,172
7	Inter State Transmission charges (MTOA)	61.415	4,08,35,708	34,60,27,296
8	Inter State Open Access charges	61.430	43,25,76,431	49,51,24,292
9	Inter Regional Open access charges	61.490 to 494	56,41,83,858	67,83,17,210
	Sub-Total (I)		1042,06,43,860	1268,93,63,431
II. SLDC Charges:				
10	SLDC charges- EPDCL	61.425	9,64,64,989	5,45,24,969
11	SLDC charges- SPDCL	61.426	19,29,16,442	7,75,91,719
12	SLDC charges- CPDCL	61.427	3,24,18,490	15,51,80,615
13	SLDC charges- NPDCL	61.428	1,11,43,772	5,32,59,497
14	Intra State Open Access Charges - IEX/PX	61.414	5,02,97,246	14,66,44,000
15	Intra State SLDC Operating Charges (LTOA)	61.432	26,15,103	10,60,548
16	Inter State SLDC Operating Charges (MTOA)	61.435	10,08,938	84,42,110
17	Inter State Open Access SLDC Charges	61.440	1,89,44,942	1,42,84,085
18	SLDC Annual Fees	61.445	3,97,42,120	10,41,39,262
19	SLDC Charges from Open access generators	61.456 to 459	1,04,06,618	66,64,728
20	Inter Regional Open access charges	61.495 to 498	2,33,29,282	1,28,22,000
	Sub-Total (II)		47,92,87,942	63,46,13,533
	TOTAL (I + II)		1089,99,31,802	1332,39,76,964



ELEMENT-WISE ANALYSIS OF REVENUE

Schedule 2
(in Rupees)

Sl. No.	Particulars	This year 2014-15	Previous Year 2013-14
1	Transmission Charges	1042,06,43,860	1268,93,63,431
2	SLDC Charges	47,92,87,942	63,46,13,533
	TOTAL	1089,99,31,802	1332,39,76,964

REVENUE SUBSIDIES AND GRANTS

Schedule 4
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Revenue Subsidy as per Tariff Order	63.110	0	0
2	Subsidy Receivable from State Govt. of the year	63.115	0	0
3	Grant- in- aid	63.150	0	0
	TOTAL		0	0



OTHER INCOME

Schedule 5
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Interest on staff loans and advances	62.200 to 62.219	22,33,589	25,69,820
2	Income from Investments	62.220 to 62.239	9,94,13,803	11,49,74,876
3	Delayed payment charges from consumers	62.250 & 62.251	98,44,459	23,67,609
4	Interest on Investments under Contingency Reserve	62.271	4,29,43,945	6,30,94,579
5	Income from Sale of scrap, etc.,	62.300	79,85,893	2,25,17,904
6	Miscellaneous receipts	62.900	14,03,32,387	50,54,03,420
7	O&M/AMC Charges collected	62.925	62,13,001	3,08,79,426
8	Fines & Penalties Recovered	62.935	19,60,85,235	15,33,49,488
9	SLDC Registration Fees	62.919	61,000	34,000
10	Cash Rebate on payment of supplier bills, etc.	62.941	1,55,89,197	3,80,77,520
11	Contributions towards Depreciation of LIS Assets	62.975	21,89,08,178	30,43,76,328
	TOTAL		73,96,10,687	123,76,44,970

**PURCHASE OF POWER****Schedule 6**
(In Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14]
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This Schedule is not applicable**GENERATION OF POWER****Schedule 7**
(In Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14]
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This Schedule is not applicable



REPAIRS AND MAINTENANCE

Schedule 8

(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
Repairs and Maintenance to:				
1	Plant and Machinery	74.100	27,94,44,224	33,47,12,095
2	Transformers	74.101	2,38,06,514	3,12,10,646
3	Substation maintenance by Pvt.Agencies	74.150	77,80,89,355	1,10,36,55,457
4	Buildings	74.200	62,85,382	1,90,51,759
5	Civil Works	74.300	2,74,98,123	5,24,57,284
6	Hydraulic Works	74.400	0	0
7	Lines, Cable net work etc.	74.500	13,97,63,337	23,07,48,830
8	Vehicles	74.600	68,83,504	92,10,545
9	Furniture and Fixtures	74.700	0	17,220
10	Office equipment	74.800	1,48,77,236	1,54,35,897
TOTAL			127,66,47,675	179,64,99,733



EMPLOYEE COSTS

SCHEDULE 9
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Salaries	75.100	240,25,74,012	189,10,14,886
2	Paid Holiday	75.210	9,39,247	16,41,529
3	Dearness Allowance	75.300	9,27,40,286	75,78,10,970
4	Other allowances	75.400	36,98,12,067	36,66,88,155
5	Exgratia / Incentives	75.500	0	7,219
	Sub-Total		286,60,65,612	301,71,62,759
6	Medical expenses Reimbursement	75.611	3,12,12,617	2,11,46,683
7	Leave Travel Assistance	75.612	3,15,688	1,10,969
8	Earned Leave Encashment	75.617	81,47,42,822	22,03,97,351
9	Leave salary contributions	75.618	1,37,293	8,89,924
10	Payment under workmen's compensation Act	75.629	0	0
11	Medical Allowance	75.710	2,94,04,864	2,30,71,526
12	Other welfare expenses	75.711 to 75.760	57,02,712	1,53,21,249
13	GPF Booster scheme	75.761	1,70,000	2,97,897
14	Medical Allowance - Pensioners	75.765	1,40,95,827	1,09,67,493
15	Contribution to EPF - APTRANSCO share	75.810 to 75.812	9,08,74,964	9,38,05,761
16	EPF Administration Expenses	75.813	80,04,701	86,09,123
17	Contribution to EDLI	75.814	7,66,529	30,92,735
18	EDLI Administration charges	75.815	15,264	61,718
19	Pension & Gratuity (employees recruited before 1-2-1999)	75.830	186,06,17,481	48,19,57,611
20	Gratuity (employees recruited on or after 1-2-1999)	75.840	5,58,47,523	1,88,55,718
	TOTAL		577,79,73,897	391,57,48,517



ADMINISTRATION AND GENERAL EXPENSES

SCHEDULE 10
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Rent	76.101	23,61,405	30,03,459
2	Rates and Taxes	76.102	1,38,99,131	4,08,26,858
3	APERC Licence fees	76.103	1,78,38,500	2,12,22,000
4	Insurance	76.104	15,19,236	22,97,231
		to 76.107		
5	Telephone & Trunkcalls	76.111	1,12,51,750	1,64,50,200
6	Postage	76.112	12,53,805	17,65,169
7	Legal charges	76.121	27,94,436	34,66,992
8	Audit fees	76.122	11,30,785	8,75,846
9	Consultancy charges	76.123	17,49,086	7,02,257
10	Technical fees	76.124	0	0
11	Other Professional Charges	76.125	5,63,999	5,64,944
12	Honorarium	76.126	3,44,038	22,03,643
13	Commission	76.127	7,00,275	15,63,144
14	Remuneration to Internal Auditors	76.128	25,08,384	25,85,213
15	Conveyance expenses	76.131	6,78,556	16,42,636
16	Travelling expenses	76.132	3,31,71,133	4,48,23,102
17	Vehicle running exp.(Cars, Jeeps, Etc.)	76.136	1,19,02,061	2,17,11,644
18	Vehicle License & Regd.Fee	76.138	0	0
19	Vehicle hire charges	76.139	9,23,82,802	14,91,40,511
20	Employees/Staff Recruitment expenses	76.140	0	0
21	Training and participation	76.150	21,84,831	31,95,814
22	Fees & subscription	76.151	12,38,440	4,30,255
23	Books & Periodicals	76.152	3,39,088	8,71,075
24	Printing & Stationery	76.153	41,60,502	82,07,423
25	Advertisement	76.155	1,20,99,602	3,12,96,686
26	Police Guard Charges	76.156	15,527	18,451
27	Contributions	76.157	2,35,410	2,30,69,542
28	Electricity charges	76.158	71,79,736	1,92,81,849
29	Water charges	76.160	9,12,171	25,28,816
30	Entertainment	76.162	15,11,185	19,97,166
31	Misc. Expenses	76.190	5,88,02,987	1,78,26,776
32	Outsourced Staff Wages	76.192	10,15,63,041	14,39,27,857
33	Vehicle running exp.(Heavy vehicles)	76.240	26,74,835	29,23,076
34	Incidental Stores expenses	76.270	11,35,892	21,35,962
	TOTAL		39,01,02,629	57,25,55,597



DEPRECIATION AND RELATED DEBITS (NET)

SCHEDULE 11
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Depreciation	77.100	286,53,60,377	463,13,58,447
2	Assets Decommissioning cost	77.500		
3	Small & Low value items written off	77.600		
4	Written down value of assets scrapped	77.710		
5	Write-off of deficits of fixed assets observed upon physical verification	77.720		
6	Loss on sale of fixed assets	77.730		
	Sub-Total		286,53,60,377	463,13,58,447
7	Less: Gain on sale of Assets (Excluding Capital gains transferred to Capital Reserve)	62.400		
	TOTAL		286,53,60,377	463,13,58,447



INTEREST AND FIANCE CHARGES

SCHEDULE 12
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Interest on State Government loans	78.100	11,65,57,285	58,72,53,454
2	Interest on Loans from FI's/Banks:			
a)	R.E.C.	78.504	88,74,42,481	102,17,43,578
b)	P.F.C.	78.511	52,33,66,208	131,76,79,573
c)	Federal Bank	78.522	1,07,32,161	2,30,76,668
d)	Canara Bank	78.523	14,66,577	1,20,78,765
e)	NABARD	78.531	8,81,37,793	3,79,34,307
f)	Andhra Bank	78.545	2,91,72,259	4,58,57,501
g)	Syndicate Bank	78.546	2,89,45,645	3,89,65,426
h)	Indian Bank	78.549	67,06,191	
i)	Karur Vysya Bank	78.555	3,94,52,153	7,57,64,133
j)	Bank of Baroda	78.556	7,52,99,894	20,52,09,140
k)	Bank of Maharastra	78.557	1,46,66,545	249,16,596
l)	Oriental Bank of Commerce	78.564	4,19,34,128	608,66,606
m)	Punjab & Sind Bank	78.565	2,24,46,341	5,63,72,026
n)	Allahabad Bank	78.566	1,70,30,774	318,85,872
o)	Bank of Rajasthan	78.567	2,43,81,011	4,45,07,945
p)	Karnataka Bank	78.568	2,33,11,622	4,34,29,821
q)	Corporation Bank	78.569	26,11,408	91,06,383
r)	Union Bank of India	78.570	1,33,01,990	2,10,56,987
s)	UCO Bank	78.575	7,00,99,983	14,22,32,998
t)	South Indian Bank	78.576	3,95,81,445	5,47,51,763
u)	Tamilnadu Mercantile Bank	78.577	1,69,06,820	50,15,862
v)	Dena Bank	78.578	77,55,274	92,466
	Sub-Total (1 &2):		210,13,05,988	385,97,97,870
3	Interest on Borrowings for working capital	78.700	14,02,320	67,251
4	Other Interest (GIS-Savings Fund, GIS-Insurance Fund, FBF)	78.853		
		to 78.859	17,63,714	22,59,597
5	Cost of raising Finance - Service fee	78.864	10,00,000	4,00,000
6	Cost of raising Finance- Commitment charges	78.866	8,93,330	93,19,924
7	Other charges	78.880		
		to 78.883	(22,921)	24,747
	TOTAL		210,63,42,431	387,18,69,389



INTEREST AND FIANANCE CHARGES CAPITALISED

SCHEDULE 13

(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Interest Capitalised on Funds used during Construciton	78.900	78,00,00,000	115,53,00,000

PARTICULARS OF INTEREST CAPITALISED

(in Crores)

Sch. No.	Sl. No.	Particulars	This year 2014-15 (upto 1-6-2014)	This year 2014-15 (from 2-6-14 to 31-03-2015)	Previous Year 2013-14
21	1	Work-in-progress	2456.00	1291.34	2304.88
	2	Less: Unallocated IDC	24.25	53.75	115.53
	3	Assets at Construction Stage	2431.75	1237.59	2189.35
30	4	Borrowings for Working Capital	0.00	0.00	7.45
31	5	Payments due on Capital liabilities	0.00	0.00	0
34	6	Contributions & Grants	1407.35	740.54	1410.06
35	7	Reserve Funds	416.62	243.45	415.67
32	8	Capital liabilities	2947.89	1750.46	2935.75
33	9	Govt. loans	708.41	10.53	686.6
	10	Surplus	809.32	323.60	1140.32
	11	Total	6289.59	3068.59	6595.85
		Less:			
30	12	Borrowings for Working Capital	0.00	0.00	7.45
31	13	Payments due on Capital liabilities	0.00	0.00	0.00
	14	Total Net Assets	6289.59	3068.59	6588.4
	15	Balance net Assets (14-3)	3857.85	1831.00	4399.05
		OWN FUNDS			
	16	Surplus	809.32	323.60	1140.32
	17	Equity	779.22	454.44	779.22
	18	Contributions & Grants	1407.35	740.54	1410.06
	19	Reserve Funds	416.62	243.45	415.67
	20	Total own funds	3412.51	1762.04	3745.27
	21	Proportion of own funds utilised for ACS (20*(3/14))	1319.38	710.64	1244.57
	22	Proportion of own funds utilised for BNA (20*(15/14))	2093.13	1051.39	2500.70
	23	Interest bearing ACS (3-21))	1112.37	526.94	944.78
	24	Interest bearing BNA (15-22)	1764.74	779.61	1898.35
	25	Previous year interest bearing ACS	944.78	259.11	713.75
	26	Average interest bearing ACS ((25+23)/2)	1028.58	393.03	829.27
	27	Previous year interest bearing BNA	1898.34	520.87	1984.21
	28	Average interest bearing BNA ((27+24)/2)	1831.54	650.24	1941.28
	29	Interest Charges	67.44	142.69	385.98
	30	Interest chargeable to CAPEX (29*26/(26+28))	24.25	53.75	115.53
	31	Interest chargeable to BNA (29-30)	43.19	88.94	270.45



OTHER EXPENSES CAPITALISED

SCHEDULE 14
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	R&M Expenses capitalised	74.900	28,57,914	30,90,605
2	Employee costs capitalised	75.900	80,44,31,281	86,87,96,786
3	Adm & General Expenses capitalised	76.900	8,27,37,633	13,91,58,196
4	Depreciation capitalised	77.900	75,146	1,48,579
	TOTAL		89,01,01,974	101,11,94,166

OTHER DEBITS

SCHEDULE 15
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Materials cost variance	79.100	1,17,79,000	2,98,92,598
2	Research & Development Expenses	79.200	0	
3	Cost of Trading/ Manufacturing Activities	79.300	0	
4	Bad and Doubtful debts written off/ Provided	79.400	0	
5	a) Miscellaneous losses and write-offs	79.500	11,89,574	16,18,391
	b) Infructuous capex writtenoff	79.532	0	
	c) Stock shortages	79.510	0	14,360
	d) Loss of materials by pilferage	79.511	0	
	e) Loss on Obsolescence of stores etc. in stock	79.561	(90,945)	15,23,148
	f) Loss on sale of Stores	79.573	0	
6	Sundry Expenses	79.700	0	
	TOTAL		1,28,77,629	3,30,48,497



EXTRAORDINARY ITEMS

SCHEDULE 16
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Extraordinary credits (including subsidies against loss on account of Flood, Fire, Cyclone etc.)	63.200	0	0.00
2	Extraordinary debits (Losses on account of Flood, Fire, Cyclone etc.)*	79.800	20,30,63,325	0.00
3	Extraordinary items (NET)		20,30,63,325	0.00

* Extraordinary debits include loss of assets on account of HUDHUD Cyclone

PROVISION FOR INCOME TAX

SCHEDULE 17
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Income Tax for the year	81.100	36,99,73,244	68,25,37,701
	Total		36,99,73,244	68,25,37,701



NET PRIOR PERIOD (CREDITS) / CHARGES

SCHEDULE 18
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Income relating to previous year			
	Receipts-prior period	65.200		
	Interest income-prior period	65.400		
	Excess provision-Depreciation	65.600		
	Excess provision-Interest & Finance charges	65.700		
	Other excess provision	65.800		2,90,182
	Other income-prior period	65.900	34,69,286	
	TOTAL		34,69,286	2,90,182
2	Prior period expenses/losses			
	Short provision for power	83.100		
	Operating expenses	83.300	52,502	4,43,873
	Employees cost	83.500		
	Depreciation under provided	83.600		
	Interest & Other Fin. Charges	83.700		
	Other charges	83.800		4,86,225
	TOTAL		52,502	9,30,098
3	Net prior period(Credits) / Charges		(34,16,784)	6,39,916



FIXED ASSETS AND PROVISION FOR DEPRECIATION

GROSS BLOCK					
ASSET GROUP	Account Code	At the end of the previous year 2013-14	Additions	Apportioned Assets to TSTRANSCO	At the end of the March '15
Land and Land rights	10.100	306526925	186272967	175177817	317622075
Buildings	10.200	1511706487	2122717	855006856	658822348
Other civil works	10.400	165444670	27693092	34647871	158489891
Plant and Machinery	10.500	50804446791	1804023038	25947307835	26661161994
Lines and Cable Network	10.600	45446946931	3804380164	20899708345	28351618750
Vehicles	10.700	42125901	1524038	17018444	26631495
Furniture and Fixtures	10.800	37510066	3757322	17093286	24174102
Office equipment	10.900	466727583	52249450	239841125	279135908
Total for this Year 2014-15		98781435354	5882022788	48185801579	56477656563
Total for previous year 2013-14		91306589308	7486143431	11297385	98781435354

- 1) The Company was incorporated on 29-12-1998 and Commenced Business/operations with effect from 1-2-1999. As per GoAP's Power Sector Reform process under AP Reforms Act, 1998, the AP State Electricity Board was unbundled and the fixed assets (incl. Land) pertaining to Transmission Business were transferred and vested with the Company through 2nd Transfer Scheme (effective from 1-4-2000) notified vide G.O.Ms.No.109 Energy (Pr.III) Dept dt.29-9-2001. Most of the lands transferred to the company were got alienated/mutated in the name of the company and others are in the process of alienation and mutation.

FUNCTION-WISE BREAK-UP OF FIXED ASSETS

GROSS BLOCK				
Function	At the end of the previous year 2013-14	Additions	Apportioned Assets to TSTRANSCO	At the end of the 31st March 2015
Transmission	97262510163	5865669610	47550569202	55577610571
SLDC	1518925191	16353178	635232377	900045992
Total	98781435354	5882022788	48185801579	56477656563



SCHEDULE - 19

(in Rupees)

PROVISION FOR DEPRECIATION					NET BLOCK	
At the end of the previous year 2013-14	Additions	Apporioned to TS Trnasco	Adjustments on Deductions	At the end of the 31st March '15	At the end of the 31st March '15	At the end of the Previous 2013-14
				0	317622075	306526925
505252649	12822105	253299711	0	264775043	394047305	1006453838
28492891	4080522	5935239	0	26638174	131851717	136951779
26148712372	1539353548	13640402961	1587453	14046075506	12615086488	24655734419
17883863178	1281697775	7713795885	0	11451765068	16899853682	27563083753
37026863	1101175	13142324	124145	24861569	1769926	5099038
18450569	2269945	11144839	92520	9483155	14690947	19059497
270357211	24035309	150270224	(114665)	144236961	134898947	196370372
44892155733	2865360379	21787991183	1689453	25967835476	30509821087	53889279621
40270964932	4631358448		10167647	44892155733	53889279621	51035624376

- 2) Further, the lands acquired with effect from 1-4-2000 from the GoAP/individuals were on payment of cash through Revenue Dept. and got registered in the name of the company. The registered documents are available with the territorial administrative offices i.e. Circle offices concerned.
- 3) The substations which were erected in the consumers/clients premises are in the possession of the company are vested through Transfer Scheme up to 31st January 1999 and for the subsequent acquisitions of land which are in possession, the execution of documents in the name of company are in process.
- 4) The Value of land in gift subsequent to 01.04.2000 are in process of ascertainment and to be taken into books.

FUNCTION-WISE BREAK-UP OF FIXED ASSETS

SCHEDULE - 20

(in Rupees)

PROVISION FOR DEPRECIATION				NET BLOCK	
At the end of the previous Year 2013-14	Additions	Apporioned to TSTRANSCO	At the end of the 31st March '15	Apporioned Assets to TSTRANSCO	At the end of the 31st March 2015
43560320578	2855643576	21230060203	25185903951	30391706620	53702189585
1331835155	8027350	557930980	781931525	118114467	187090036
44892155733	2863670926	21787991183	25967835476	30509821087	53889279621



CAPITAL EXPENDITURE IN PROGRESS

SCHEDULE 21
(in Rupees)

Sl. No.	Particulars	Account Code	Previous Year 2013-14	Additions	Appportioned TSTRANSCO	This year 2014-15
1	Capital work-in-progress	14.000	2304,87,93,248	600,16,01,323	1613,70,36,130	1291,33,58,441
2	Contracts-in-progress	15.100				
3	Revenue Expenses pending allocation over capital works	15.200				
4	Provision for completed works	15.500				
5	Construction facilities (Less provision for depreciation) Assets at Construction Stage (1 to 5)	15.600	2304,87,93,248	600,16,01,323	1613,70,36,130	1291,33,58,441
6	Advances for Suppliers/ Contractors (Capital)	25.100 to 25.900	24,94,98,225	9,88,28,778	32,25,21,440	2,58,05,563
	TOTAL		2329,82,91,473	610,04,30,101	1645,95,57,570	1293,91,64,004



ASSETS NOT IN USE

SCHEDULE 22
(in Rupees)

Balance at the beginning of the previous year 2013-14	Additions during the Previous year	Deductions during the previous year	Balance at the end of the previous year 2013-14	Asset Group	Account Code	Additions during the Year 2014-15	Deductions during the year 2014-15	Balance at the end of the year 2014-15
				Written down value of Obsolete, Scrapped Assets				
				Land and rights	16.100			0
				Buildings	16.200			0
				Hydraulic works	16.300			0
				Other civil works	16.400			0
	1,00,00,000	1,00,00,000	0	Plant & Machinery	16.500	17,63,835	17,63,835	0
				Lines and Cable net work	16.600			0
	12,97,385	12,97,385	0	Vehicles	16.700	1,42,637	1,42,637	0
				Furniture & Fixtures	16.800			0
				Office equipment	16.900			0
0	1,12,97,385	1,12,97,385	0	TOTAL		19,06,472	19,06,472	0



DEFERRED COSTS

SCHEDULE 23
(in Rupees)

Balance at the beginning of the previous year 2013-14	Costs deferred during the previous year 2013-14	Costs charges to revenue during the previous year 2013-14	Particulars	Account Code	Additions during the Year 2014-15	Charged to Revenue during the year	Apportioned to TSTRANSCO	This year 2014-15
			Deferred Revenue Expenditure	17.230	312,71,44,636	155,71,66,146	156,99,78,490	0
			TOTAL		312,71,44,636	155,71,66,146	156,99,78,490	0



INTANGIBLE ASSETS

SCHEDULE 24
(in Rupees)

Balance at the beginning of the previous year 2013-14	Costs deferred during the previous year 2013-14	Costs charges to revenue during the previous year 2013-14	Intangible Assets	Account Code	Additions during the Year 2014-15	Charged to Revenue during the year	Apportioned to TSTRANSCO	This year 2014-15
			Payment to acquire right to receive power from other bodies	18.100				
			Expenses for forming and organising the company	18.200	2,60,02,920	0	2,60,02,920	0
			TOTAL		2,60,02,920	0	2,60,02,920	0



INVESTMENTS

Balance at the beginning of the previous year 2013-14	Further Investments during the previous year	Investments realised during the previous year	Investments	
84400000 281024090			Long Term Investments Investments in partnership/ Joint ventures Equity in GVK Power & Infrastructure Ltd., Share Capital in APGPCL	20.400 20.405
365424090	0	0	Sub-Total	
706339320	229588461	165868781	Contingency Reserve Investment	20.600
	316000000		Investment other than Fund investments	20.200
	446000000		9.95% APEPDCL Power Bonds - Series 1/2014	
	921000000		9.95% APSPDCL Power Bonds - Series 1/2014	
	317000000		9.95% APCPDCL Power Bonds - Series 1/2014	
	611500000		9.95% APNPDCL Power Bonds - Series 1/2014	
	861800000		10% APEPDCL Power Bonds - Series 3/2014	
	1782500000		10% APSPDCL Power Bonds - Series 3/2014	
	614200000		10% APCPDCL Power Bonds - Series 3/2014	
706339320	6099588461	165868781	Sub-Total	
1071763410	6099588461	165868781	TOTAL	

LIST OF CONTINGENCY RESERVE SECURITIES

Govt. of India Bonds
 7.70% AP Power Finance Corpn. Bonds
 8.15% AP Power Finance Corpn. Bonds
 8.74% AP Power Finance Corpn. Bonds
 9.60% AP Power Finance Corpn. Bonds
 8.95% APTRANSCO Vidyut Bonds I/2006
 8.69% APTRANSCO Vidyut Bonds II/2006
 8.55% APTRANSCO Vidyut Bonds I/2008
 8.55% IDBI Omni Bonds
 8.40% Tamilnadu Electricity Board Bonds
 8.64% Tamilnadu Electricity Board Bonds
 8.23% Karnataka State Financial Corp. Bonds
 8.45% Power Finance Corp. Bonds
 9.64% AP Power Finance Corp. Bonds
 9.67% TNPFDIC Bonds
 9.15% AP State Finance Corp. Bonds
 10.25% Rajasthan Rajya Vidyut Prasaran Nigam Limited Bonds
 10.25% Rajasthan State Road Transport Corporation Bonds
 8.69% Rajasthan Rajya Vidyut Prasaran Nigam Ltd Bonds
 8.62% Haryana Vidyut Prasaran Nigam Ltd Bonds
 Fixed Deposits in Scheduled Banks
 Transferred to TSTRANSCO

TOTAL



SCHEDULE -25
(in Rupees)

Balance at the end of previous year 2013-14	Further Investments during 2014-15	Investments realised during 2014-15	Apportioned to TSTRANSCO	Balance at the end of the year 2014-15	Details of Investment certificates pledged or given as a security deposit
84400000 281024090				84400000 281024090	
365424090				365424090	
770059000 0 316000000 446000000 921000000 317000000 611500000 861800000 1782500000 614200000	255665000	207512941	348302448 921000000 317000000 1782500000 614200000	469908611 0 316000000 446000000 0 0 611500000 861800000 0 0	
6640059000	255665000	207512941	3983002448	2705208611	
7005483090	255665000	207512941	3983002448	3070632701	

29050000	0	0	0	29050000
99000000	0	99000000	0	0
1000000	0	0	0	1000000
65000000	0	0	0	65000000
26000000	0	0	0	26000000
114000000	0	0	0	114000000
5000000	0	0	0	5000000
8000000	0	0	0	8000000
121000000	0	0	0	121000000
6000000	0	0	0	6000000
7000000	0	0	0	7000000
11000000	0	0	0	11000000
11000000	0	11000000	0	0
10000000	0	0	0	10000000
68000000	0	0	0	68000000
14000000	0	0	0	14000000
30000000	0	0	0	30000000
117000000	0	0	0	117000000
0	15000000	0	0	15000000
0	112000000	0	0	112000000
28009000	128665000	75911000	0	80763000
0	21601941	0	348302448	-369904389
770059000	277266941	185911000	348302448	469908611



TOTAL CURRENT ASSETS				
				SCHEDULE 26 (in Rupees)
Sl. No.	Current Assets	Account Code	This year 2014-15	Previous Year 2013-14
1	Stocks	26 (a)	424,26,58,294	435,16,97,038
2	Receivables-Transmission & SLDC charges	26 (b)	252,56,86,258	264,07,68,072
3	Cash and Bank Balances	26 (c)	57,27,25,289	72,03,84,404
4	Loans and Advances	26 (d)	800,56,57,002	17,36,45,16,850
5	Sundry Receivables	26 (e)	25,38,90,225	69,50,91,766
	TOTAL		15,60,06,17,068	25,77,24,58,130
STOCKS				
				SCHEDULE 26(a) (in Rupees)
Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Stock of materials at construction stores	22.600 to 22.610	418,62,80,242	437,32,39,476
2	Stock of materials at other stores	22.620 & 22.630	0	0
3	Materials at site	22.640 & 22.650	0	0
4	Materials pending inspection	22.660 & 22.670	6,71,15,256	5,84,33,149
5	Materials in transit	22.680 & 22.690	0	0
6	Other Materials Account	22.700	63,18,486	1,08,19,091
7	Materials stock excess/shortage pending investigation	22.800	10,79,310	9,00,322
8	Provision for recovery / write-off of cost of materials	22.900	(1,81,35,000)	(9,16,95,000)
	TOTAL		424,26,58,294	435,16,97,038



TRANSMISSION & SLDC CHARGES RECEIVABLE

SCHEDULE 26(b)
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Sundry Debtors-Transmission charges-EPDCL	23.131	69,37,74,732	36,80,87,318
2	Sundry Debtors-Transmission charges-SPDCL	23.132	132,50,48,863	52,56,44,859
3	Sundry Debtors-Transmission charges-CPDCL	23.133	0	103,54,86,606
4	Sundry Debtors-Transmission charges-NPDCL	23.134	0	35,58,15,034
5	Sundry Debtors for Intrastate Tr chrgs - LTOA	23.192	(13,55,458)	45,76,761
6	Sundry Debtors for Intrastate Tr chrgs - MTOA	23.632	4,81,55,829	16,42,85,538
7	Sundry Debtors-Inter state Tr chrgs-IEX/PX/RLDC	23.600	3,84,192	3,15,62,426
8	Sundry Debtors for Intrastate Tr chrgs - Others	23.670	11,69,80,607	6,78,82,210
9	Sundry Debtors for Intrastate Tr chrgs - Others	23.400	27,52,08,766	2,65,52,937
	Sub-total (1 to 9)		245,81,97,531	257,98,93,689
10	Sundry Debtors-SLDC charges-EPDCL	23.141	2,16,41,944	90,13,357
11	Sundry Debtors-SLDC charges-SPDCL	23.142	3,71,07,546	1,21,40,812
12	Sundry Debtors-SLDC charges-CPDCL	23.143	16,69,866	2,45,20,209
13	Sundry Debtors-SLDC charges-NPDCL	23.144	0	79,66,104
14	Sundry Debtors for Intrastate SLDC - LTOA	23.196	4,29,368	3,21,963
15	Sundry Debtors-Inter state SLDC chrgs-IEX/PX/RLDC	23.600	0	7,08,000
16	Sundry Debtors for Intra state SLDC - MTOA	23.661	15,36,907	41,53,461
17	Sundry Debtors for Intrastate SLDC - Others	23.660	51,03,096	20,50,477
	Sub-total (10 to 17)		6,74,88,727	6,08,74,383
	TOTAL		252,56,86,258	264,07,68,072



CASH AND BANK BALANCES

SCHEDULE 26(c)
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Cash on Hand	24.100	0	0
2	Cash Imprests with staff	24.200	(22,924)	0
3	Balances with Banks - Remittances	24.300	(4,77,60,522)	82,74,138
4	Balances with Banks - Drawing A/c.	24.400	61,36,26,928	65,86,97,320
5	Cash in Transit - Remittances	24.500	(7,25,823)	3,98,246
6	Cash in Transit - LOCs	24.600	76,07,630	5,30,14,700
7	Short term fixed deposits with Banks	24.700	0	0
TOTAL			57,27,25,289	72,03,84,404

LOANS AND ADVANCES

SCHEDULE 26(d)
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Advances for O&M supplies/works	26.100 to 26.700	3,14,32,646	1,32,95,458
2	Loans and Advances to Staff	27.100 & 27.200	25,62,79,969	48,11,25,228
3	Loans and Advances to Licensees	27.300	0	0
4	Advance Income Tax/Deduction at source	27.400	40,01,12,025	17,03,18,751
5	Minimum Alternative Tax	27.401	(0)	3,97,77,413
6	Loans and Advances - Discoms pool account	27.800	731,78,32,362	1666,00,00,000
TOTAL			800,56,57,002	1736,45,16,850



SUNDRY RECEIVABLES

SCHEDULE 26(e)
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
1	Sundry Debtors-Trading Account	28.100	3,15,20,320	4,99,34,966
2	Interest accrued and due - Govt. Loans	28.201	0	0
3	Income accrued and due (ICD)	28.200 & 28.290	14,11,84,208	17,88,88,764
4	Income accrued but not due (others)	28.390	5,19,79,003	5,11,27,618
5	Amount recoverable from employees/ Ex-employees	28.400	2,57,75,026	3,84,47,063
6	Other claims and Receivables	28.700 & 28.800	(26,70,44,809)	(10,76,91,732)
7	Other Receivables from Discoms	28.801 to 28.804	7,11,04,019	19,66,26,150
8	Deposits - Others	28.900	11,85,20,753	19,56,79,590
9	Deposits - Revenue Dept.- Land Acquisition	28.921	8,08,67,159	9,20,79,347
10	Inter unit account adjustment balance	30 to 39	(15,454)	0
TOTAL			25,38,90,225	69,50,91,766

SECURITY DEPOSITS FROM CUSTOMERS

SCHEDULE 27
(in Rupees)

Sl. No.	Particulars	Account Code	This year 2014-15	Previous Year 2013-14
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Nil



OTHER CURRENT LIABILITIES

SCHEDULE 28
(in Rupees)

Sl. No.	Particulars	Account Code	Previous Year 2013-14	Additions the Year 2014-15	Appor tioned to TSTRANSCO	This year 2014-15
1	Liability for purchase of power	41.000 to 41.250				
2	Sundry payables - Discoms	41.150 to 41.180				
3	Loan against Fixed Deposits	41.197				
4	Liability for capital supplies/works	42.100 to 42.300	139,82,43,592	183,10,21,258	92,70,09,687	230,22,55,163
5	Liability for O&M supplies/works	43.100 to 43.300	26,45,00,539	22,70,61,365	12,47,25,673	36,68,36,231
6	Staff related provisions	44.100 to 44.400	32,31,69,296	30,06,87,947	28,78,82,840	33,59,74,403
7	Provision for Gratuity	44.110	0	1,29,09,610	0	1,29,09,610
8	Provision for Pension	44.120	0	138,89,14,213	0	1,38,89,14,213
9	Provision for EL Encashment	44.150	8,17,59,367	60,24,37,079	7,31,13,263	61,10,83,183
10	Deposits and retentions from Suppliers & Contractors	46.100	506,31,26,551	152,75,99,004	135,87,37,848	5,23,19,87,707
11	Deposits - GoAP's Lift Irrigation Scheme	46.130	1650,01,89,956	(2,92,85,920)	983,72,11,880	663,36,92,156
12	Interest on Deposits - GoAP's Lift Irrigation Scheme	46.131	588,36,90,017	116,38,40,121	289,80,92,220	414,94,37,918
13	Security Deposits of Op.chrgs-SLDC	46.140	21,36,29,748	3,24,98,360	10,46,20,778	14,15,07,330
14	TSTRANSCO Pool A/c. (post Bifurcation transactions)	46.251	0	85,91,23,506	0	85,91,23,506
15	Transmission and SLDC clearing account	46.275	13,70,31,528	1,72,06,097	10,49,99,579	4,92,38,046
16	Liability for expenses	46.400	67,88,86,035	6,57,39,219	29,62,23,244	44,84,02,010
17	Accrued interest liability on borrowings	46.700	28,41,99,227	(2,21,90,702)	21,11,87,968	5,08,20,557
18	Provision for Income Tax	46.800	0	17,53,85,683	7,31,00,753	10,22,84,930
19	Other liabilities and provisions	46.900	77,05,07,264	4,37,16,790	49,71,32,718	31,70,91,336
20	Liability for Stale Cheques	46.910	1,54,21,214	4,05,823	56,37,709	1,01,89,328
	TOTAL		3161,43,54,334	819,70,69,453	1679,96,76,160	2301,17,47,627



Long term Liability for Pension & Gratuity and EL Encashment

SCHEDULE 28(a)
(in Rupees)

Sl. No.	Particulars	Account Code	Previous Year 2013-14	Additions the Year 2014-15	Appor tioned to TSTRANSCO	This year 2014-15
1	Amount payable -APTRANSCO Pension & Gratuity Trust	45.101	540,56,63,196	148,35,53,045	434,29,85,999	254,62,30,242
2	Amount payable -APTRANSCO Gratuity Trust	45.102	7,99,96,868	1,16,33,880	4,35,95,577	4,80,35,171
3	Amount payable -APTRANSCO EL Encashment	45.103	102,25,80,941	20,75,88,118	6527,85,011	57,73,84,048
	TOTAL		650,82,41,005	170,27,75,043	503,93,66,587	317,16,49,461

**SUBSIDY RECEIVABLE FROM GOVERNMENT****SCHEDULE 29**
(in Rupees)

Sl. No.	Particulars	Account Code	Previous Year 2013-14	Additions the Year 2014-15	Appor tioned to TSTRANSCO	This year 2014-15
1	Capital Subsidy/Grant Receivable	28.610	0	0	0	0
2	Revenue Subsidy/Grant Receivable	28.620	0	0	0	0
	TOTAL		0	0	0	0

**BORROWINGS FOR WORKING CAPITAL****SCHEDULE 30**
(in Rupees)

Sl. No.	Particulars	Account Code	Previous Year 2013-14	Additions the Year 2014-15	Appor tioned to TSTRANSCO	This year 2014-15
1	Cash Credit from Banks	50.100	7,44,63,839	(7,44,63,839)	0	0
2	Bank Overdraft	50.200		0	0	0
	TOTAL		7,44,63,839	(7,44,63,839)	0	0



PAMENT DUE ON CAPITAL LIABILITIES

Due at the beginning of the previous year 2013-14	Becoming due during the previous year	Payments made during the previous year	Particulars
0	1178193198	1178193198	Repayment of loans to REC Ltd.
0	1456451190	1456451190	Repayment of loans to P.F.C. Ltd.
0	380868001	380868001	Repayment of loans to Govt. of A.P
0	70811592	70811592	Repayment of loans to Federal Bank
0	99999996	99999996	Repayment of loans to Canara Bank
0	20014537	20014537	Repayment of loans to Oriental Bank of Commerce
0	89918626	89918626	Repayment of loans to Punjab & Sind Bank
0	144725803	144725803	Repayment of loans to Andhra Bank
0	38569856	38569856	Repayment of loans to Syndicate Bank
0	312157805	312157805	Repayment of loans to Bank of Baroda
0	82206549	82206549	Repayment of loans to Bank of Maharashtra
0	43815844	43815844	Repayment of loans to Allahabad Bank
0	62609783	62609783	Repayment of loans to Bank of Rajasthan
0	98281819	98281819	Repayment of loans to Karur Vysya Bank
0	66641847	66641847	Repayment of loans to Karnataka Bank
0	28480788	28480788	Repayment of loans to Union Bank of India
0	13807092	13807092	Repayment of loans to Corporation Bank
0	148674828	148674828	Repayment of loans to UCO Bank
0	4288893	4288893	Repayment of loans to South Indian Bank
0			Repayment of loans to Tamilnadu Mercantile Bank
0			Repayment of loans to NABARD
0			Repayment of loans to Dena Bank
0	4340518047	4340518047	Total Repayments Due



SCHEDULE - 31
(in Rupees)

Account Code	Due at the end of the previous year 2013-14	Becoming due during the year	Payments made during the year	Due at the end of the year 2014-15
51.102		518668992	518668992	0
51.104	0	849435512	849435512	0
51.120	0	60045282	60045282	0
51.122	0	32454242	32454242	0
51.123	0	41779522	41779522	0
51.158	0	31099630	31099630	0
51.141	0	41954157	41954157	0
51.145	0	128253370	128253370	0
51.146	0	29280559	29280559	0
51.156	0	125349192	125349192	0
51.157	0	70015456	70015456	0
51.160	0	27175090	27175090	0
51.161	0	40269121	40269121	0
51.155	0	55635284	55635284	0
51.162	0	42489766	42489766	0
51.164	0	20499318	20499318	0
51.163	0	4562212	4562212	0
51.175	0	79205699	79205699	0
51.176	0	36362017	36362017	0
51.177	0	1239980	1239980	0
51.131	0	0	0	0
		536	536	
	0	2235774937	2235774937	0



CAPITAL LIABILITIES

Balance at the beginning of the previous year 2013-14	Amounts received during the previous year	Repay-ments due during the previous	Particulars	Details of Interest rate, moratorium and rate applicable at the end of the year
8861065278	1741438004	1178193198	i. Loan from REC Ltd	8.0% -12.25%
52522587		52522587	ii. Loan from Consumers - VLC	
11346061202	1076627864	1456451190	iii. Loan from PFC Ltd.	9.00% -12.50%
244195262		70811592	iv. Loan from Federal Bank	10.75%
159727114		99999996	v. Loan from Canara Bank	10.25%
479552882	131461220	20014537	vi. Loan from Oriental Bank of Commerce	11.25%
478671332		144725803	vii. Loan from Andhra Bank	11.25%
385549873	21518909	38569856	viii. Loan from Syndicate Bank	10.25%
718398160		98281819	ix. Loan from Karur Vysya Bank	11.25%
1974046434	90628695	312157805	x. Loan from Bank of Baroda	10.50% -11.15%
265087961		82206549	xi. Loan from Bank of Maharashtra	11.00%
550820231	17737023	89918626	xii. Loan from Punjab & Sind Bank	10.75% -11.25%
306386176		43815844	xiii. Loan from Allahabad Bank	11.15%
427815012		62609783	xiv. Loan from Bank of Rajasthan	11.15%
421899942		66641847	xv. Loan from Karnataka Bank Ltd	11.15%
87362315		13807092	xvi. Loan from Corporation Bank	11.25%
199365539		28480788	xvii. Loan from Union Bank of India	11.15%
1375242204		148674828	xviii. Loan from UCO Bank	11.20%
200000000	1066836987		xix. Loan from NABARD	10.75%
465487053	48527385	4288893	xx. Loan from South Indian Bank	11.50%
24787621	50818308		xxi. Loan from Tamilnadu Mercantile Bank	11.75%
	100000000		xxii. Loan from Dena Bank	11.25%
			xxiii. Loan from Indian Bank	10.85%
29024044178	4345594395	4012172633	TOTAL	



SCHEDULE 32
(in Rupees)

Account Code	Balance at the end of the previous year 2013-14	Amount received during the year 2014-15	Repayments due during the year 2014-15	Apportioned to TSTRANSCO	Outstanding at the end 31st March'2015
53.301	9424310084	5718681065	518668992	3795657555	10828664602
53.710	10966237876	353278615	849435512	8947228371	1522852608
53.722	173383670	0	32454242	66583498	74345930
53.723	59727118	0	41779522	17947596	0
53.765	590999565	12678487	31099630	259293572	313284850
53.745	333945529	0	128253370	11267739	194424420
53.746	368498926	0	29280559	125537440	213680927
53.755	620116341	0	55635284	296703528	267777529
53.756	1752517324	11312116	125349192	1203068959	435411289
53.764	182881412	0	70015456	22978562	89887394
53.766	478638628	6818526	41954157	303618864	139884133
53.767	262570332	0	27175090	116106446	119288796
53.768	365205229	0	40269121	151906103	173030005
53.769	355258095	0	42489766	149582032	163186297
53.770	73555223	0	4562212	57239825	11753186
53.771	170884751	0	20499318	55870319	94515114
53.775	1226567376	0	79205699	674247666	473114011
53.531	1266836987	246367697	0	701628815	811575869
53.776	509725545	76315068	36362017	224692119	324986477
53.777	75605929	417060298	1239980	38535662	452890585
53.778	100000000	140000000	536	39923349	200076115
53.749	0	600000000	0	0	600000000
	29357465940	7582511872	2175729655	17259618020	17504630137



FUNDS FROM STATE GOVERNMENT

Outstanding at the beginning of the Previous year 2013-14	Amount Received during the Previous year	Repayments during the Previous year	Particulars	
148150737	0	21433401	1	Loans from Govt. of Andhra Pradesh
4980713061	1904797000*	359434600	2	a. Loans from Govt.of Andhra Pradesh - JICA (Govt. Orders received)
618914197	1499070983	1904797000*		b. Loans from Govt. of Andhra Pradesh - JICA (Govt. Orders yet to be received)
5747777995	3403867983	2285665001		Sub-Total
7792175840			3	Share capital from State Govt.**
13539953835	3403867983	2285665001		TOTAL (1+2+3)

**Authorised Share Capital (250,00,00,000 No. of Shares @ Rs.10/-) Rs. 2500,00,00,000
 Subscribed and issued Capital (45,44,39,695 No. of Shares @ Rs.10/- fully paid up) Rs. 454,43,96,950

CONTRIBUTIONS, GRANTS AND SUBSIDIES TOWARDS COST OF CAPITAL ASSETS

Balance at the beginning of the previous year 2013-14	Received during the previous year	Sl. No.	Particulars
12551855968	1274222679	1	Consumers' Contribution
12551855968	1274222679		Total Consumers' Contribution
274511648		2	Grants towards cost of Capital Assets
12826367616	1274222679		TOTAL



SCHEDULE 33

(in Rupees)

Details of Interest rate moratorium and rate applicable at the end of the year	Account Code	Balance at the end of the previous year 2013-14	Amount received during the year 2014-15	Repayments due during the year 2014-15	Apportioned to TS TRANSCO	Outstanding at the end 31st March' 2015
9.50%	54.200	126717336	0	21433400	0	105283936
9.5% - 10.25%	54.201	6526075461	0	38611882	6487463579	0
		213188180	258510827	0	471699007	0
		6865980977	258510827	60045282	6959162586	105283936
	54.600	7792175840	0	0	3247778890	4544396950
		14658156817	258510827	60045282	10206941476	4649680886

SCHEDULE 34

(in Rupees)

Account Code	Balance at the end of the previous year 2013-14	Additions during the year 2014-15	Apportioned to TSTRANSCO	Total at the end of 31st March'2015
55.100	13826078647	16757735	6597520696	7245315686
	13826078647	16757735	6597520696	7245315686
55.300	274511648	0	114416455	160095193
	14100590295	16757735	6711937151	7405410879



RESERVE AND RESERVE FUNDS

Balance at the beginning of the Previous year 2013-14	Additions during the previous year	Deductions during the previous year	Sl. No.	Particulars
0			1	Foreign Exchange variation Reserve
640330184	41648393		2	Contingency Reserve as per Schedule VI of Elec.(Supply) Act, 1948
3386231098	52522587	107268417	3	Restructuring Reserve
110446815			4	Capital Reserve
21238450	4484410	2000695	5	GIS - Savings Fund
7879050	1527288	358098	6	GIS - Insurance Fund
0	4786300	4786300	7	Self Medical Fund - Employees
0	4395718	4395718	8	Medical Fund -Pensioners/Family Pensioners
4166125597	109364696	118809228		
62384	1641352	1703736	9	General Provident Fund
21135984	368909890	390045874	10	Pension Paid - Master Trust (Prior to 1st Transfer Scheme)
64449824	834152607	898602431	11	Pension/Gratuity Paid - Master Trust (After 1st Transfer Scheme)
22332929	292260098	314593027	12	Pension/Gratuity Paid - APTRANSCO P&G Trust (After 1st Transfer Scheme)
(622369)	178882105	178259736	13	Contribution to APTRANSCO Gratuity Trust (Employees recruited after 1-2-1999)
6729188	1044745400	1051474588	14	Contribution to APTRANSCO Pension & Gratuity Trust
			15	Pensioners -HUDHUD Advance
114087940	2720591452	2834679392		Sub-total (9 to 15)
4280213537	2829956148	2953488620		TOTAL (1 to 15)



SCHEDULE 35
(in Rupees)

Account Code	Balance at the end of the previous year 2013-14	Additions during the year 2014-15	Deductions /Transfers during the year 2014-15	AppORTIONED to TSTRANSCO	Balance at the end of 31st March'2015
56.620					0
58.220	681978577	28347298	0	304258970	406066905
56.650	3331485268	0	0	1388563060	1942922208
56.670	110446815	0	0	46385297	64061518
57.153	23722165	2953290	1327654	10008081	15339720
57.154	9048240	1022993	230607	3685398	6155228
57.161	0	3057515	3057515	0	0
57.162	0	2537829	2537829	0	0
	4156681065	37918925	7153605	1752900806	2434545579
57.121 & 57.122	0	33752923	34933603	(1180680)	0
57.170	0	1629046483	1699313187	(70266704)	0
57.171	0	2900486612	3023468539	(122981927)	0
57.175	0	1024028952	1065642184	(41613234)	2
57.135	0	93787451	91649714	2137737	0
57.145	0	1672467554	1596364745	76102809	0
57.163		0	2590281	0	(2590281)
		7353569975	7513962253	(157801999)	(2590279)
	4156681065	7391488900	7521115858	1595098807	2431955300



STATEMENT OF ACCOUNTING POLICIES

STATEMENT – 4

1. The accounts of the Company have been maintained and compiled its Statement of Accounts in accordance with the related provisions of the Electricity (Supply) Act, 1948 and the rules made there under in consonance with Section 129(1) and (1)(d) of the Companies Act, 2013. Further, Section 185(2)(d) of the Electricity Act, 2003 specifies that the ESAAR were not repealed.
2. The Electricity (Supply) (Annual Accounts) Rules, 1985 are followed consistently to present a true and fair view of the financial position and operation results of the Company.
3. The financial statements have been prepared under the historical cost convention on accrual basis to comply in all material aspects and in accordance with generally accepted accounting principles in India and relevant provisions of the Companies Act, 2013. The accounting policies have been consistently applied by the company unless otherwise stated.
4. The financial statements require estimates and assumptions to be made that affect the reporting amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/materialized.

5. Fixed Assets

Tangible Assets:

- a) Fixed assets have been stated at cost less accumulated depreciation.

Intangible Assets:

- b) Intangible Assets are stated at cost less accumulated amortization. These are amortized over a period based on the expected future economic benefits following from such assets.
- (c) The Rates of Depreciation notified by Government of India through Gazette *Notifications from time to time were adopted/followed on the value of assets* at the beginning of the year as per the ESAAR, 1985 and in consonance with Section 129(1) and (1)(d) of the Companies Act, 2013.
- (d) The cost of lease hold land is amortized over the period of lease.
- (e) **Expenditure during construction period:**



- i) All expenses during construction period are capitalized up to date of completion of assets/project.
- ii) Administrative expenses are allocated to various projects depending upon their status during the year.

6. Inventories:

Inventories of stocks of construction materials and other stores are valued at cost or net realizable value whichever is lower at weighted average cost.

7. Investments:

Investments are classified into current and long term investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of long term investments.

8. Recognition of Revenue and Expenditure

Revenues/Incomes and Costs/Expenditures are accounted on accrual basis. Income from services rendered is accounted as per contractual terms with the parties concerned. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest except in case of staff loans where interest is recognized after recovery of principle. Dividend income is accounted for in the year in which it is received. Supervision charges from clients/customers (other than Lift Irrigation works) are recognized as income on cash basis.

9. Borrowing Costs

Borrowing costs attributable to the fixed assets during construction/renovation and modernization are capitalized. All other borrowing costs are charged to revenue. Borrowing cost consists of interest and other costs that the company incurs in connection with borrowing of funds.

10. Foreign exchange Transaction

Foreign exchange transactions are accounted at the exchange rate prevailing at the date of transaction. All monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the end of the year are translated at the year-end rate and the difference in translation and realized gain and losses on foreign exchange transactions are recognized in statement of profit and loss.

11. Employee benefits:

- a. Short term employee benefits: Undiscounted value of short term employees benefits such as salaries, wages, short term compensated absence, ex- gratia, etc.



are recognized as expense in the period in which the employees render the related service.

- b. **Defined Contribution Plan:** Contribution to defined contribution plans being Employee Provident Fund are recognized in the statement of profit and loss during the period in which the employees render the related services.
- c. **Defined Benefit Plans:** Liabilities in respect of defined benefit plans being Pension & Gratuity, Gratuity and Leave encashment are determined based on an actuarial valuation using the projected unit credit method. Actuarial gains or losses are recognised immediately in the statement of profit and loss.

- (i) **'Pension and Gratuity':** The Corporation provides for Pension and Gratuity, a defined benefit retirement plan covering eligible employees recruited before 01.02.1999. The Pension and Gratuity Plan provides a lump-sum payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Corporation. Liabilities with regard to the Pension and Gratuity Plan are determined by actuarial valuation at each Balance sheet date using the projected unit credit method. The Corporation contributes towards liabilities as per actuarial valuation to the AP Transco Pension and Gratuity Trust.

- (ii) **'Gratuity':** The Corporation provides for gratuity, a defined benefit retirement plan covering eligible employees who have been recruited on or after 01.02.1999. The Gratuity Plan provides a lump-sum payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Corporation. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance sheet date using the projected unit credit method. The Corporation contributes towards liabilities as per actuarial valuation to the AP Transco Gratuity Trust.

Trustees administer contributions made to the Trusts for above plans and contributions are invested in specific investments as permitted by the law.

The Corporation recognizes the net obligation of the 'Gratuity Plan' and 'Pension and Gratuity Plan' in the Balance Sheet as an asset or liability, respectively in accordance with Accounting Standard (AS) 15 (Revised), 'Employee Benefits'.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss in the period in which they arise.

- (iii) **Earned Leave Encashment:** The employees of the Corporation are entitled to earned leave which are both accumulating and non-accumulating in nature. The expected cost of accumulating earned leave is determined by actuarial valuation based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date.

**12. Grants**

Grants received from the State Government or other authorities towards capital expenditure as well as consumer's contribution to capital works are treated initially as capital reserve and subsequently adjusted as income in the same proportion of depreciation charged on the assets acquired out of the grants.

13. Taxes on Income

The current charge for taxes is calculated in accordance with the relevant tax regulations applicable to the Company on the estimated total income for the year. Deferred tax liabilities/(Asset) are recognized on timing difference between taxable income and accounting income, originating in one period and expected to reverse in subsequent periods. The Deferred Tax Assets are recognized to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which, such deferred tax assets can be realized. Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted on the date of Balance Sheet date.

14. Earnings per Share

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

15. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such an indication exists, then the carrying value is reduced to the higher of the net selling price or the value in use. The value in use is the present value of estimated future net income expected from use of the asset.

16. Provision/Contingent liabilities

Provisions are recognized, when the Company has a present legal or constructive obligation, as a result of past events, for which it is probable that an out flow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. The disclosure is made for all present or possible obligations that may but probably will not require outflow as contingent liability in the financial statements.



NOTES TO ACCOUNTS

STATEMENT – 5

REVENUE ACCOUNT

1. All expenses are reflected in Revenue Account under natural head of accounts. Accordingly Repairs and Maintenance, Employee Costs, Depreciation, Administration and General Expenses and Interest & Finance Charges are disclosed separately.
2. The assets have been insured to the extent required.
3. Depreciation has been provided in the books on the value of assets at the beginning of the year as per the Electricity (Supply) (Annual Accounts) Rules 1985 and as per the Rates notified in the Gazette Notifications issued by the Government of India from time to time.
4. Apportionment/allocation of Assets and Liabilities to AP and TS TRANSCO as on 02.06.2014
 - a) As per AP Reorganization Act, 2014 the state of Andhra Pradesh has bifurcated in to Andhra Pradesh and state of Telangana from 02.06.2014. The APTRANSCO has bifurcated into APTRANSCO & TSTRANSCO with effect from 02.06.2014. As per section 53 of AP Reorganization Act, 2014 the assets and liabilities were divided between the two entities provisionally as per draft demerger plan as under:
 - (i) the operational units between the two successor States on location basis; and
 - (ii) the headquarters between the two successor States pertaining to the region it belongs (in the cases of identified) and for others on the basis of population ratio.
 - b) The Government of Andhra Pradesh has issued G.O.Ms.No.26 (Energy Dept.) dated 29.05.2014 for creation of Transco for Telangana State transferring of functions, assets, liabilities, posts and staff w.e.f 02.06.2014 to TS Transco, under AP Reorganization Act and accordingly entries have been incorporated in the books on the methodology prescribed above, as per draft demerger plan submitted to Expert Committee of Demerger of Government Corporations which is pending for final approval.
 - c) Section 65 of AP Re-organization Act, 2014 also empowers the successor states of AP and Telangana to mutually agree upon the apportionment of Assets and Liabilities between themselves yet in a manner other than that provided in the Act, however, no such final agreement has been arrived at in so far as may be applicable to the affairs of APTRANSCO and TSTRANSCO.
 - d) The Summary of assets and liabilities transferred to the Resulting Company (TSTRANSCO) as on 02.06.2014 as given below:



(Rs. In lakhs)				
Sch. No.	Schedule Note	Total (Rs. in Lakhs)	APTRANSCO (Demerged Co.)	TSTRANSCO (Resulting Co.)
1	2	3	4	5
19	FIXED ASSETS :			
	Gross Block of Assets	1004429.71	522571.70	481858.02
	Less: Accumulated Depreciation	457273.22	238658.59	218614.62
	<u>Net Fixed Assets</u>	547156.50	283913.10	263243.40
21	Capital work-in progress	248979.80	84384.23	164595.58
23	Deferred Cost	29943.48	14243.70	15699.78
24	Intangible Asset	260.03	0.00	260.03
25	Investments	70261.93	30431.91	39830.02
26	Total Current Assets	262497.88	112243.74	150254.14
28	Less: Current Liabilities	338727.72	170730.94	167996.77
	Net Current Assets (Sch.26 - Sch.28)	<u>(76229.84)</u>	<u>(58487.20)</u>	<u>(17742.63)</u>
	Total Assets	820371.90	354485.74	465886.18
	Financed by :			
30	Borrowings for working capital	0.00	0.00	0.00
31	Payments due on Capital Liabilities	0.00	0.00	0.00
32	Capital Liabilities	294789.41	122193.23	172596.18
	Deferred Tax Liability (Net)	12655.01	7380.40	5274.61
28a	Liability for Pension & Gratuity, Gratuity and Leave Encashment Trusts	96353.86	45960.19	50393.67
33	Funds from State Government	70840.94	1249.31	69591.63
	Equity	77921.76	45443.97	32477.79
34	Contributions, Grants and Subsidies towards cost of Capital Assets	140735.42	73616.05	67119.37
35	Reserve and Reserve Funds	41662.39	25711.41	15950.99
	Surplus	85413.12	32931.18	52481.94
	TOTAL FUNDS (A+B)	820371.90	354485.74	465886.18



- e) Subsequent events after the Draft Demerger plan submitted to “Expert Committee” and accounted in books:
- i) During the preparation of draft Demerger Plan, the Accumulated Depreciation to the tune of Rs.218614.62 lakhs was allocated to TSTRANSCO (manually) based on the assets allocated. However, while splitting the assets in ERP pertaining to TSTRANSCO, an amount of Rs.217879.91 lakhs depreciation was arrived at and hence the difference of Rs.734.71 lakhs was rectified by duly affecting to the surplus. Further, an amount of Rs.163.57 lakhs was excess allocated to TSTRANSCO in the Current assets. Hence, the net amount of Rs.571.14 lakhs was allocated to TSTRANSCO as additional surplus in addition to the surplus of Rs.52481.94 lakhs and accounted during the year.
 - (ii) It is noticed that some of fixed assets are located in one region and accounted in another region or vice-versa the net gross value of such fixed assets amounting to Rs.64.80 crores and accumulated depreciation thereon are not yet effected in apportionment for demerger plan.
- f) Further, upon apportionment of the assets and liabilities w.e.f 02-06-2014 such assets and liabilities are to be transferred in physical form on mutual agreement or by making payment or adjustment through any other mode as may be agreed to by the successor states, which is pending at the close of the year.
- g) Any differences/deviations on finalization of Demerger Plan, the effects of the same will considered in to subsequent years.
- h) At the date of the Balance sheet, some of the assets continue to be under charge to the Financial Institutions against secured loan apportioned to TS TRANSCO and vice-versa pending completion of documents for release/ modification of such charge.
- i) Registration of transfer of title in the immovable properties apportioned to TSTRANSCO is pending on the date of Balance Sheet.
5. Methodology adopted for apportionment / allocation of Assets and Liabilities between APTRANSCO AND TSTRANSCO as on 2.6.2014:



a) Assets			
Particulars	Amount	Details	Methodology by company
Fixed Assets:	Rs.10044.30 Crores.	<p>There are three BLOCKS of Periodical Values of the ASSETS:</p> <ol style="list-style-type: none"> 1. Assets as on 1.4.2000 transferred through Second and Final Transfer Scheme by GOAP amounting to Rs. 1658.48 Crores and assets values are in the Headquarters books. 2. Assets capitalised in units from FY 2000-01 to 2005-06 of Rs.2828.87 Crores and assets values are in the Headquarters books. 3. a. Assets capitalised by the field units and assets values are available in the field units of Rs. 4985.23 Crores. b. IDC amount created in Headquarters from FY 2006-07 amounting to Rs. 571.73 crores 	<p>Allocated as per Population Ratio.</p> <p>Allocated as per location basis.</p> <p>Allocated as per location basis.</p> <p>Allocated as per location basis of the assets.</p>
Depreciation	Rs.4572.73 crores	Carrying Value of the Depreciation Reserve	In accordance to the values of the assets as allocated above.
Capital Work in Progress (CWIP):	Rs.2489.80 crores	As per the values available in the field units of the respective regions. Balances available in Headquarters while migrating to the ERP of Rs. 29.87 crs are allocated based on the Population Ratio.	Allocated as per location basis except amount of Rs.29.87 crores done on population ratio
Intangible Asset:	Rs.2.60 Crores.	Expenditure for formation of TSTRANSCO	Allocated to TSTRANSCO.
Deferred Costs:	Rs.299.43 crores	The deferred costs towards Pension & Gratuity, Gratuity and EL Encashment as per the actuary determined as on 1.6.2015 vide their report dt.15.1.2015.	Apportioned based on the employees working in the respective Transco's, subject to final adjustments on final allocation of employees. (Location basis)



Particulars	Amount	Details	Methodology by company
Investments:	Rs.702.62 crores	a. Shares in APGPCL AND GVK of Rs. 36.54 crores. Bonds Rs. 587.00 crores b. Contingency Reserve Rs.79.08 crores(earmarked funds)	Allocated to A P T R A N S C O . (Location basis) Allocated on the basis of assets of the respective regions. (Location basis)
<u>CURRENT ASSETS</u> Stocks	Rs.454.75 crores	---	Allocated based on the accounts of the respective units of the regions. (Location basis)
Transmission and SLDC charges receivables	Rs. 252.93 crores Rs.39.35 crores	i. Receivables from Discoms ii. MTOA/STOA/OA	Allocated as per the respective DISCOMS of the region. (Location basis) Allocated based on the region where the generator is located/ billing is done by the AP/ TS subsequent to 1.6.2014. (Location basis)
Bank Balances	Rs. 70.26 crores	Bank balance Rs.24.40 Cr Bank balance Rs.45.86 Cr	Balances of HQ are allocated on popul-ation ratio. Balances to the respective regions. (Location basis)
Loans and Advances:	Rs.1666.00 crores	Inter Corporate Deposit with Discoms.	Allocated based on the Lift irrigation Schemes Deposit balances of the schemes for the respective regions. (Location basis)



Particulars	Amount	Details	Methodology by company
	Rs.46.58 crores	Loans and Advances to the Staff	Allocated based on the employees base provisionally, subject to final adjustments on final allocation of employees. (Location basis)
	Rs.21.25 crores	Income Tax (TDS & Advance Tax)	Allocated on the Population ratio.
	Rs.72.25 crores	Sundry Receivables	Allocated as per ERP allocated based on the asset to which it belongs. (Location basis)
B. Liabilities			
Current Liabilities:	Rs. 2271.10 crores	LIS liabilities of GOAP	Allocated based on the Lift Irrigation Schemes balances of the respective regions (including interest) (Location basis) a) As per their unit balances. (Location basis) b) As per population ratio.
	Rs. 876.61 crores	Liabilities for Supplies, O&M, Staff related	
	Rs.239.57 Crores	Balance	
Capital Liabilities (FIs/Banks):	Rs.2947.89 crores	—	Allocated based on the location of the scheme for which loans are drawn. (Location basis)
Loans from GOAP:	Rs. 708.41 crores.	—	Allocated based on the location of the scheme. (Location basis)



Particulars	Amount	Details	Methodology by company
Consumer Contributions:	Rs.. 576.68 crores	Lift Irrigation Scheme works.	Allocated based on the net capitalisation of the Lift Irrigation Scheme assets of the respective regions. (Location basis)
	Rs. 57.72 crores	unit balances Balance	Allocated to respective regions as per their unit balances. (Location basis)
	Rs. 772.95 crores	consumer contribution	Allocated on the population ratio.
Contingency reserve:	Rs.69.07 crores	---	Allocated on the basis of assets of the respective regions. (Location basis)
Restructuring & other Reserves:	Rs. 347.55 crores	---	Allocated on the population ratio.
Net Deferred Tax Liability	Rs.126.55 crores	---	a. Deferred tax liability Allocated on the population ratio. b. Deferred tax asset on Employee ratio.
Payable to Trusts:	Rs.963.54 crores.	---	Apportioned based on the employees working in the respective Transco (location basis), subject to final adjustments on final allocation of employees.
Equity by GOAP:	Rs.779.22 crores	---	Allocated on population ratio.



Particulars	Amount	Details	Methodology by company
SURPLUS:	Rs.85413.12 lakhs	—	Allocated as per population ratio and an additional amount of Rs.16686.27 lakhs to TSTRANSCO to equalize total assets and total liabilities.

6. The current period figures are considered for the period from 01.04.2014 to 01.06.2014 for combined APTRANSCO and for the period from 02.06.2014 to 31.03.2015 for residual APTRANSCO as against the previous year figures which are for 12 months for combined APTRANSCO and hence these figures are not comparable.

7. Change in Accounting Policies:

i) Pension & Gratuity, Gratuity and Earned Leave Encashment – change in accounting policy:

During the period, the company has changed its Accounting policy for Employees Benefits in respect of Pension & Gratuity, Gratuity and Earned Leave Encashment and has adopted a new policy as specified, vide the management’s note approved dated 02.05.2015.

For the reporting period as on 01.06.2014, the huge liability of terminal benefits as determined by actuarial valuation were arisen due to pay/wage revision effect w.e.f.01.04.2014 and increase in yester years terminal benefits, on account of pay/wage revision and would have impact on future contributions also w.e.f.01.04.2014. Hence, in order to ensure ‘periodic matching of cost and revenue concept’ the same was provided under Deferred Cost and it was decided to amortized over a period of 4 years i.e., prior to next pay/wage revision.

The effect of past year implication of terminal benefits on account of revision of pay scales w.e.f.01.04.2014 was determined to the extent of Rs.312.71 crores (Rs.334.13 crores less Rs.21.42 crores) and accounted as Deferred Cost and the same would be amortized over a period of four years i.e., @Rs.78.17 crores per annum.

The aforesaid Deferred Cost has been apportioned/allocated to APTRANSCO and TSTRANSCO as on 02.06.2014 on the basis of employees working in the respective locations. The company subsequently during the year, after demerger plan has again changed its policy relating to its “deferred cost” towards terminal benefits and dispensed with the amortization method and consequently there is no impact on financials for the year. The Company as such, in compliance with Accounting Standard 15, has continued its accounting policy in respect of defined benefit plans, being Pension & Gratuity, Gratuity,



and Leave Encashment to determine the liability based on an actuarial valuation using the projected unit credit method.

8. Disclosure pursuant to Accounting Standard -15 - Employee Benefits:

Details of Defined Benefit Plans:

The Assumptions and other disclosures relates to the Acturial Valuation of Pension & Gratuity, Gratuity and Earned Leave Encashment as on date of bifurcation and at close of year 31.03.2015 are as under:

(A) Defined Benefit Plan (01.04.2014 to 01.06.2014)
(Rupees)

Revised AS-15 (2005) Disclosures

i) Pension and Gratuity : (Employees appointed before 01.02.1999)

Valuation assumptions for Pension & Gratuity.

Rate of Interest/Discount	8.50% per annum
Rate of Salary growth	11% per annum
Rate of inflationary increase in pensions	5%
Mortality – Active member	IALM (2006-08)
Mortality – Pensioners	LIC 96-98A
Withdrawal – Age specific	Up to 30 years 1% 31 to 48 years 0.05% Above 48 years 2%
Rate of commutation of Pension	40%
Restoration of Commutation	15 years from retirement
Retirement age	58 or 60 years
Dependant benefits	As per provisions of the Scheme (APRP Rules 1980)



Amounts in Balance Sheet at Period-end	31-Mar-2014	1-Jun-2014
Projected Benefit Obligation (PBO)	83334259340	11130790518
Fair Value of Plan Assets	2928596144	2966967155
Funded Status -(Surplus)/Deficit	5405663196	8163823363
Unfunded Projected Benefit Obligation (PBO)		
Past Service Cost not yet recognised		
Unrecognised Asset due to Limit in Para 58 (B)		
(Asset)/Liability Recognised in the Balance Sheet	5405663196	8163823363
Amounts Recognised in Statement of Profit & Loss at Period -End	31-Mar-2013 to 31-Mar-2014	31-Mar-2014 to 01-Jun-2014
Current Service Cost		50143883
Interest Cost		127163782
Expected return on Plan Assets		-45125837
Past Service Cost		
Net Actuarial Lossess /(Gains) recognised in the period		2713390339
(gain) Loss due to settlements /Curtailments / Terminations/Divestitures	5890135196	
Unrecognised Asset due to Limit in Para 58(B)		
Total expense/(Income) included in "Employee Benefit Expense"	5890135196	2845572167



Change in Present value of Benefit Obligation during the period	31-Mar-2013 to 31-Mar-2014	31-Mar-2014 to 01-Jun-2014
Projected Benefit Obligation Beginning of Period		8334259340
Current Service Cost		50143883
Interest Cost		127163782
Actual plan participants Contributions		
Actual (gains)/Losses		2665025614
Changes in Foreign Currency Exchange rates		
Acquisition/ Business Combination /Divestiture	8334259340	
Benefits paid		-45802100
Past Service Cost		
Loss/ (gains) on Curtailments		
Liabilities Extinguished on Settlements		
Projected Benefit Obligation, End of Period	8334259340	11130790518
Change in Fair value of Plan Assets during the Period	31-Mar-2013 to 31-Mar-2014	31-Mar-2014 to 01-Jun-2014
Fair Value of Plan Assets, Beginning of Period		2928596144
Expected return on Plan Assets		45125837
Actual Company Contributions	484472000	87412000
Actual plan participants Contributions		
Changes in Foreign Currency Exchange rates		
Actuarial Gains/(Losses)		-48364726
Benefit payments		-45802100
Acquisition/ Business Combination /Divestiture	2444124144	
Liabilities Extinguished on Settlements		
Fair Value of Plan Assets, End of Period	2928596144	2966967155



Current / Non Current Benefit Obligation	31-Mar-2014	1-Jun-2014
Current	294408794	
Non Current	5111254402	8163823363
Total	5405663196	8163823363

* The Current/Non-current split is based on "Net Liability"

Asset Category	31-Mar-2014	1-Jun-2014
Government of India Securities (Central and State)	100.00%	100.00%
High quality corporate bonds (including Public Sector Bonds)	0.00%	0.00%
Equity Shares of Listed Companies	0.00%	0.00%
Real Estate /Property	0.00%	0.00%
Cash (including special Deposits)	0.00%	0.00%
Other (including assets under Schemes of Insurance)	0.00%	0.00%
Total	100.00%	100.00%

Reconciliation of Amounts recognised in Balance Sheet	31-Mar-2013 to 31-Mar-2014	31-Mar-2014 to 01-Jun-2014
Balance Sheet (Asset)/Liability, Beginning of Period		5405663196
Total Expense / (Income) Recognised in Profit & Loss	5890135196	2845572167
Acquisition / Business Combination / Divestiture		
Actual Employer Contributions	-484472000	-87412000
Balance Sheet (Asset)/Liability, End of Period	5405663196	8163823363



ii) Gratuity (Employees appointed on or after 01.02.1999)

Valuation assumptions for Gratuity

Rate of Interest/Discount	8.50% per annum
Rate of Salary growth	11% per annum
Mortality – Active member	LIC 2006-08 ULTIMATE
Mortality – Pensioners	LIC 96-98A
Withdrawal – Age specific	Up to 30 years 1% 31 to 48 years 0.05% Above 48 years 2%
Rate of commutation of Pension	40%
Restoration of Commutation	15 years from retirement
Retirement age	58 or 60 years
Dependant benefits	As per provisions of the Scheme (APRP Rules 1980)

Amounts in Balance Sheet at Period-end	31-Mar-2014	1-Jun-2014
Projected Benefit Obligation (PBO)	229475205	273743330
Fair Value of Plan Assets	149478337	152905508
Funded Status -(Surplus)/Deficit	79996868	120837822
Unfunded Projected Benefit Obligation (PBO)		
Past Service Cost not yet recognised		
Unrecognised Asset due to Limit in Para 58 (B)		
(Asset)/Liability Recognised in the Balance Sheet	79996868	120837822

Amounts Recognised in Statement of Profit & Loss at Period -End	31-Mar-2013 to 31-Mar-2014	31-Mar-2014 to 01-Jun-2014
Current Service Cost		11393407
Interest Cost		3510971
Expected return on Plan Assets		(2187316)
Past Service Cost		
Net Actuarial Lossess /(Gains) recognised in the period		31909892



Net (gain) Loss due to settlements /Curtailments / Terminations/Divestitures	98852586	
Unrecognised Asset due to Limit in Para 58(B)		
Total expense/(Income) included in "Employee Benefit Expense"	98852586	44626954

Change in Present value of Benefit Obligation during the period	31-Mar-2013 to 31-Mar-2014	31-Mar-2014 to 01-Jun-2014
Projected Benefit Obligation Beginning of Period		229475205
Current Service Cost		11393407
Interest Cost		3510971
Actual plan participants Contributions		
Actual (gains)/Losses		29363747
Changes in Foreign Currency Exchange rates		
Acquisition/ Business Combination /Divestiture	229475205	
Benefits paid		
Past Service Cost		
Loss/ (gains) on Curtailments		
Liabilities Extinguished on Settlements		
Projected Benefit Obligation, End of Period	229475205	273743330

Change in Fair value of Plan Assets during the Period	31-Mar-2013 to 31-Mar-2014	31-Mar-2014 to 01-Jun-2014
Fair Value of Plan Assets, Beginning of Period		149478337
Expected return on Plan Assets		2187316
Actual Company Contributions	18855718	3786000
Actual plan participants Contributions		
Changes in Foreign Currency Exchange rates		
Actuarial Gains/(Losses)		-2546145
Benefit payments		
Acquisition/ Business Combination /Divestiture	130622619	
Liabilities Extinguished on Settlements		
Fair Value of Plan Assets, End of Period	149478337	152905508



Current / Non Current Benefit Obligation	31-Mar-2014	1-Jun-2014
Current	2518482	
Non Current	77478386	120837822
Total	79996868	120837822

* The Current/Non-current split is based on "Net Liability"

Asset Category	31-Mar-2014	1-Jun-2014
Government of India Securities (Central and State)	100.00%	100.00%
High quality corporate bonds (including Public Sector Bonds)	0.00%	0.00%
Equity Shares of Listed Companies	0.00%	0.00%
Real Estate /Property	0.00%	0.00%
Cash (including special Deposits)	0.00%	0.00%
Other (including assets under Schemes of Insurance)	0.00%	0.00%
Total	100.00%	100.00%

Reconciliation of Amounts recognised in Balance Sheet	31-Mar-2013 to 31-Mar-2014	31-Mar-2014 to 01-Jun-2014
Balance Sheet (Asset)/Liability, Beginning of Period		79996868
Total Expense / (Income) Recognised in Profit & Loss	98852586	44626954
Acquisition / Business Combination / Divestiture		
Actual Employer Contributions	-18855718	-3786000
Balance Sheet (Asset)/Liability, End of Period	79996868	120837822



iii) Leave Encashment:

Assumptions:

1. Economic Assumptions

	31-Mar-2014	1-Jun-2014
Discount Rate	9.00%	8.50%
Basic salary increases allowing for regular increases / price inflation /promotional increases *	11.00%	11.00%
Expected rate of return on assets		

2. Demographic Assumptions

	31-Mar-2014	1-Jun-2014
Mortality	IALM(2006-08)	IALM(2006-08)
Disability	None	None
Employee Turnover*	Upto 30years - 1% 31-48 years - 0.5% above 48 years -1%	Upto 30years - 1% 31-48 years - 0.5% above 48 years -1%
Normal Retirement age	58 or 60 years	58 or 60 years

* Salary escalation rate & the Employee Turnover rate had been provided by the company

	31-Mar-2014	1-Jun-2014
Leave liability	2939171502	3342547557
Leave Encashment Fund	1696463211	1777537278
Net Liability*	1242708291	1565010279
Current Liability	143170481	99905066
Non -Current Liability	1099537810	1465105213

* The liability in the books of accounts needs to be as per the Net Liability basis shown above.



B) Defined Benefit Plan (02.06.2014 to 31.03.2015)
 i) **Pension and Gratuity:** (Employees appointed before 01-02-1999)
 (Rupees)

Valuation Assumption for Pension and Gratuity

Rate of interest/Discount	8% per annum
Rate of Salary growth	11% per annum
Rate of inflationary increase in pensions	7%
Mortality – Active member	IALM (2006-08)
Mortality – Pensioners	LIC 96-98A
Withdrawal – Age specific	Up to 30 years 1% 31 to 48 years 0.5% Above 48 years 2%
Rate of Commutation of Pension	40%
Restoration of Commutation	15 years from retirement
Retirement age	58 or 60 Years
Dependant benefits	As per provisions of the scheme (APRP Rules 1980)

Executive Summary

Amounts in Balance Sheet at Period – End		31-Mar-2015
Projected Benefit Obligation (PBO)		556,51,63,063
Fair Value of Plan Assets		163,00,18,608
Funded Status – (Surplus)/Deficit		393,51,44,455
Unfunded Projected Benefit Obligation (PBO)		–
Past service Cost not yet Recognised		–
Unrecognised Asset due to Limit in Para 58(B)		–
(Asset)/Liability Recognised in the Balance Sheet		393,51,44,455



Amounts Recognised in Statement of Profit & Loss at Period - End		02-Jun-14 to 31-Mar-15
Current Service Cost		13,63,43,861
Interest Cost		35,59,29,212
Expected Return on Plan Assets		(10,66,88,905)
Past Service Cost		-
Net Actuarial Losses/(Gains) recognised in the period		14,59,61,828
(Gain)/Loss due to Settlements/Curtailments/Terminations/Divestitures		-
Unrecognised Asset due to Limit in Para 58(B)		-
Total Expense/(Income) included in "Employee Benefit Expense"		53,15,45,996

Change in present value of Benefit Obligation during the period		02-Jun-14 to 31-Mar-15
Projected Benefit Obligation, Beginning of Period		505,65,09,423
Current Service Cost		13,63,43,861
Interest cost		35,59,29,212
Actual Plan Participants Contributions		-
Actuarial (Gains)/Losses		3,92,72,924
Changes in Foreign Currency Exchange Rates		-
Acquisition/Business Combination/Divestiture		-
Benefits Paid		(2,28,92,356)
Past Service Cost		-
Loss/ (Gains) on Curtailments		-
Liabilities Extinguished on Settlements		-
Projected Benefit Obligation, End of Period		556,51,63,063

Change in Fair value of Plan Assets during the Period		02-Jun-14 to 31-Mar-15
Fair Value on Plan Assets, Beginning of Period		139,44,71,964
Expected Return on Plan Assets		10,66,88,905
Actual Company Contributions		25,84,39,000
Actual Plan Participants', Contributions		-
Change in Foreign Currency Exchange Rates		-
Actuarial Gains/(Losses)		(10,66,88,905)



Benefit Payments		(2,28,92,356)
Acquisition/Business Combination/Divestiture		-
Liabilities Extinguished on Settlements		-
Fair Value of Plan Assets, End of Period		163,00,18,608

Current/Non Current Benefit Obligation *		31-Mar-15
Current		-
Non Current		393,51,44,455
Total		393,51,44,455

*The Current/non- current split is based on "Net liability"

Appendices

Asset Category		31-Mar-15
Government of India Securities (Central and State)		100.00%
High quality corporate bonds (including public sector Bonds)		0.00%
Equity shares of listed companies		0.00%
Real Estate/Property		0.00%
Cash (including Special Deposits)		0.00%
Other (including assets under scheme of Insurance)		0.00%
Total		100.00%

Reconciliation of Amounts recognised in Balance Sheet		02-Jun-14 to 31-Mar-15
Balance Sheet (Asset)/Liability, Beginning of Period		366,20,37,459
Total Expense/(Income) Recognised in Profit & Loss		53,15,45,996
Acquisition/Business Combination/Divestiture		-
Actual Employer Contributions		(25,84,39,000)
Balance Sheet (Asset)/Liability, End of Period		393,51,44,455



ii) Gratuity (Employees appointed on or after 01-02-1999)

Valuation Assumption for Gratuity

Rate of interest/Discount	8%
Rate of Salary growth	11% per annum
Mortality – Active members	Indian Assured Lives Mortality (2006-08) Ultimate
Withdrawal – Age specific	Up to 30 years 1% 31 to 48 years 0.5% Above 48 years 2%
Retirement age	58 to 60 years

Executive Summary

Amounts in Balance Sheet at Period - End	31-Mar-2015
Projected Benefit Obligation (PBO)	19,21,41,477
Fair Value of Plan Assets	13,11,96,696
Funded Status – (Surplus)/Deficit	6,09,44,781
Unfunded Projected Benefit Obligation (PBO)	-
Past service Cost not yet Recognised	-
Un recognised Asset due to Limit in Para 58(B)	-
(Asset)/Liability Recognised in the Balance Sheet	6,09,44,781

Amounts Recognised in Statement of Profit & Loss at Period - End	02-Jun-14 To 31-Mar-15
Current Service Cost	4,56,10,326
Interest Cost	1,50,29,393
Expected Return on Plan Assets	(72,82,221)
Past Service Cost	-
Net Actuarial Losses/(Gains) recognised in the period	(2,69,11,794)
Net (Gain)/Loss due to Settlements/Curtailments/Terminations/Divestitures*	-
Unrecognised Asset due to Limit in Para 58(B)	-
Total Expenses/(Income) included in “Employee Benefit Expense”	2,64,45,703



Actual Return on Plan Assets	31-Mar-15
Expected Return on Plan Assets	72,82,221
Actuarial Gains/(Losses) on Plan Assets	3,33,967
Actual Return on Plan Assets	76,16,188

Change in present value of Benefit Obligation during the period	02-Jun-14 To 31-Mar-15
Projected Benefit Obligation, Beginning of Period	15,80,79,586
Current Service Cost	4,56,10,326
Interest cost	1,50,29,393
Actual Plan Participants Contributions	-
Actuarial (Gains)/Losses	(2,65,77,828)
Change in Foreign Currency Exchange Rates	-
Acquisition/Business Combination/Divestiture	-
Benefits Paid	-
Past Service Cost	-
Loss/ (Gains) on Curtailments	-
Liabilities Extinguished on Settlements	-
Projected Benefit Obligation, End of Period	19,21,41,477

Change in Fair value of Plan Assets during the Period	02-Jun-14 to 31-Mar-15
Fair Value on Plan Assets, Beginning of Period	9,57,63,508
Expected Return on Plan Assets	72,82,221
Actual Company Contributions	2,78,17,000
Actual Plan Participants, Contributions	-
Change in Foreign Currency Exchange Rates	-
Actuarial Gains/(Losses)	3,33,967
Benefit Payments	-
Acquisition/Business Combination/Divestiture	-
Liabilities Extinguished on Settlements	-
Fair Value of Plan Assets, End of Period	13,11,96,696



Current/Non Current Benefit Obligation *	31-Mar-15
Current	–
Non Current	6,09,44,781
Total	6,09,44,781

*The Current/non- current split is based on “Net liability”

Appendices

Asset Category	31-Mar-15
Government of India Securities (Central and State)	100.00%
High quality corporate bonds (including public sector Bonds)	0.00%
Equity shares of listed companies	0.00%
Real Estate/Property	0.00%
Cash (including Special Deposits)	0.00%
Other (including assets under scheme of Insurance)	0.00%
Total	100.00%

Reconciliation of Amounts recognised in Balance Sheet	02-Jun-14 to 31-Mar-15
Balance Sheet (Asset)/Liability, Beginning of Period	6,23,16,078
Total Expense/(Income) Recognised in Profit & Loss	2,64,45,703
Acquisition/Business Combination/Divestiture	-
Actual Employer Contributions	(2,78,17,000)
Balance Sheet (Asset)/Liability, End of Period	6,09,44,781

iii) Leave Encashment

Assumptions:

1. Economic Assumptions

	2 June, 2014	31 March, 2015
Discount Rate	8.50%	8.00%
Basic salary increases allowing for regular increases/ price inflation/promotional increases	11.00%	11.00%
Expected rate of return on assets	NA	NA



Demographic Assumptions

	2 June, 2014	31 March, 2015
Mortality	IALM (2006-08)	IALM (2006-08)
Employee Turnover	Age Based: Up to 30 year - 1% 31 to 48 years -0.5% Above 48 years -2%	Age Based: Up to 30 years - 1% 31 to 48 years – 0.5% Above 48 years - 2%
Normal Retirement Age	58 or 60 years	58 to 60 years

Results, Comments & Certification

5.1 Results: I give below the results of the valuation as at 31 March, 2015

	2 June, 2014	31 March, 2015
Present Value of the Defined Benefit Obligation	181,30,02,330	229,39,06,862
Fair Value of Plan Assets	103,10,02,182	110,54,39,631
Net Liability/(Assets)*	78,20,00,148	118,84,67,231
Current Liability	5,07,97,985	5,61,42,802
Non – Current Liability	73,12,02,163	113,23,24,429

The liability in the books of accounts needs to be as per the Net Liability basis shown above.

9. Income from transmission charges in respect of third party generators wheeling capacity were not billed and accounted for as detailed below, since the matter is sub-judice.

Year	Capacity (MW)	Transmission Charges Rs./kW/per month)	Amount (Rs. Crs)
2005-06	462	55.98	31.03
2006-07	462	42.60	23.61
2007-08	475	44.62	25.43
2008-09	457	38.91	21.34
2009-10	440	47.79	25.23
2010-11	419	50.86	25.47
2011-12	389	63.47	29.67
2012-13	389	65.50	30.62
2013-14	384	61.03	28.09
2014-15 (2 months)	384	65.30	4.84
2014-15 (from 02.06.2014 to 31.03.2015)	372	65.30	24.22
TOTAL			269.55



10. Audit Fee includes:-

Rs.

	Particulars	2014-15	2013-14
a)	Statutory Auditors: M/s S. Daga & Co., Statutory Audit Fee	3,90,000	3,90,000
	Out of Pocket expenses	1,30,000	90,000
	Tax audit fee	97,500	97,500
	Certification Fee	2,00,000	15,000
b)	Cost Auditor: M/s Narasimha Murthy & Co.,	1,50,000	1,50,000
c)	Certificate Fee: M/s Satyanarayana Associates	-	35,955
d)	Ramakrishna CA(Trust & Accounts)	24,495	
e)	Service Tax	1,38,790	97,391
	Total	11,30,785	8,75,846

11. The Company has undertaken Deposit Contribution Works relating to extension of Electricity lines and substations connectivity to the GoAP's Lift Irrigation works/schemes. The details of LIS deposits received from GoAP and the utilization thereof after transferring of the LIS deposits to TSTRANSCO as per draft demerger plan are as follows:

Rs. Crores

Sl. No	Particulars	This year 2014-15 (for the period 01.04.14 to 01.06.2014)	This year 2014-15 (02.06.2014 to 31.03.2015)	Amounts apportioned to TSTRANSCO	Previous year 2013-14
1.	Deposits received from GoAP to end of	2516.91	1083.74	1433.17	2516.91
2.	Interest payable to GoAP on LIS deposits to end of	624.01	414.95	289.81	588.38
3.	Total (1+2)	3140.92	1498.69	1722.98	3105.29
4.	Value of Lift Irrigation Assets put to use transferred to "Consumer Contribution towards cost of Capital Assets" to end of	499.17	270.80	228.37	497.11
5.	Development Charges transferred to "Consumers Contribution towards cost of Capital Assets" to end of	173.67	38.14	135.54	173.35



6.	Supervision Charges transferred to P&L A/c to end of	138.42	71.95	66.47	137.87
7.	Amount paid to Discoms to end of	58.55	39.48	19.08	58.55
8.	Total expenditure (4 to 7)	869.81	420.37	449.46	866.88
9.	Balance Deposits at the end of the year (3-8)	2271.11	1078.32	1273.52	2238.41
10.	Less: Capital Works in progress to end of	36.02	99.94	1.80	33.91
11	Balance Deposits at the end of the year (9-10)	2235.09	978.38	1271.72	2204.50

- 12.** Consequent to bifurcation of APTRANSCO w.e.f. 02.06.2014, the Transmission & SLDC charges are determined based on the actual power scheduling to TS Discoms from AP Region to TS Region or vice versa (i.e., net of power scheduling) and accordingly the company raised a demand on TS Discoms (TSSPDCL & TSNPDCL) to the extent of Rs.177.95 crs (for the period from 02.06.2014 to 31.03.2015), the same has not been accounted and considered in books as Revenue due to non-finalization of LTTA (Long Term Transmission Agreement) with TS Discoms.
- 13.** An amount of Rs.21.89 crs {Rs.5.85 crs for the period 01.04.2014 to 01.06.2014 and Rs.16.04 crs from 02.06.2014 to 31.03.2014} (previous year Rs. 30.44 crs) has been credited to Other Income under schedule 5 towards capital contribution in proportion to the depreciation in respect of GoAP's Lift Irrigation assets.
- 14.** The TS Transco has raised bills towards share of common expenditure, for the year amounting to Rs.2.06 crores, which is not accepted by company, pending review and finalization.
- 15.**
- a) Maintenance charges from consumers are accounted on cash basis.
 - b) Supervision charges from clients/consumers (other than LIS works) are treated as income on cash basis.
 - c) The O&M maintenance charges from NCE Developers are treated as income on cash basis.
 - d) Surcharge on delayed payment of Transmission & SLDC charges are treated as income on cash basis.
- 16.** There are no assets, which attract impairment during the year in terms of AS-28.



17. a) Deferred Tax: (Rs. In Crs)				
Particulars	As at 31.03.2014	For the Year 2014-15	Transfer to TS TRANSCO	As at 31.03.2015
	1	2	3	(1+2-3)
Deferred Tax Liability On Depreciation	361.45	(19.87)	167.76	173.82
Deferred Tax Asset on provision of Pension & Gratuity, Gratuity and Leave Encashment	(221.21)	0.75	(115.01)	(105.45)
Net Deferred Tax Liability/(Asset)	140.24	(19.12)	52.75	68.37

b) Provision for Tax of Rs.37.00 crs is for the whole year including Rs.21.52 crs for the period from 01.04.2014 to 01.06.2014 is calculated as per rules prescribed under Income Tax Act.

18. Investment of Rs.8.44 crs in GVK Power & Infrastructure Limited (GVKPIL) of 6330000 shares of Re.1/- each (Quoted Share), the market value thereof is at Rs.6.05 crs at the close of the year (previous year Rs. 6.99 crs).

19. Investment of Rs.28.10 crs (previous year Rs.28.10 crs) in APGPCL (joint venture) of 15758400 shares of Rs.10/- each are unquoted.

20. Provision towards the value of scrap/unserviceable/obsolete materials has been retained/regulated/reviewed in the accounts and necessary provision is made.

21. As per para IV (1) of the Sixth Schedule of Electricity Supply Act 1948, the licensee shall appropriate to Contingency Reserve from the revenues of each year a sum not less than 1/4th of 1% (one) of gross block of fixed assets. As directed by APERC through tariff orders from time to time, funds relating to Contingency Reserve are invested in various Securities/Bonds, etc. from time to time. The funds are not at the disposal of the Company and as such the interest earned has been credited (net of tax) to Contingency Reserve Account under Schedule 35. The value of contingency Reserve Investments are bifurcated between APTRANSCO and TSTRANSCO as on 01-06-2014 but the whole contingency reserve investments are in the name of APTRANSCO due to non-finalization of the demerger plan. The contingency reserve are apportioned between APTRANSCO and TSTRANSCO. The interest of APTRANSCO share of Contingency Reserve earnings only has been accounted and are transferred to Contingency Reserve (net of tax). After finalization of the demerger plan the proportionate securities pertaining to the share of TSTRANSCO will be transferred.



22. Earning per share:

Particulars	Unit	2014-15	2013-14
Profit available for distribution to share holders after provision of taxes	Rs.	50,19,34,706	102,76,98,283
Total No of shares	No.	50,85,69,343 (Weighted Average)	77,92,17,584
Earning per share – (Basic and Diluted)	Rs.	0.99	1.32
Nominal value per share	Rs.	10.00	10.00

23. The company facilitating the long term loans and advances to the employees like House Building Advance, Motor Car Advance, Motor Cycle Advance, computer Advance etc. The interests on these loans are collected from the employees after the recovery of the principal amount.

24. The GoAP had taken decision to waive Agriculture dues outstanding as on 31-3-2004 and to compensate the DISCOMs for free power supplied to Agriculture consumers. Accordingly orders were issued vide G.O.Ms.No.30 dt.09-03-2006 permitting the Company to mobilise resources to the extent of Rs.975 crs during FY 2005-06 (Rs.200 crs), FY 2006-07 (Rs.300 crs), FY 2007-08 (Rs.125 crs) and FY 2008-09 (Rs.350 crs). The repayment of principal and interest is guaranteed by GoAP with Budgetary support. The Company had mobilised the funds by issuing APTRANSCO Vidyut Bonds in FY 2005-06 to FY 2007-08 amounting to Rs.975 crs on behalf of GoAP and the proceeds paid to DISCOMs. The GoAP is releasing the required funds to service these Bonds to the Company and the Company is discharging the liability. As these Bonds were floated by the Company on behalf of GoAP, the value of these Bonds and the interest thereon year on year were not shown in the financial statements of the Company. The apportioned liability as on 31-03-2015 of Vidyut Bonds to AP and TS is of Rs.350 Crs Rs.605.50 Crs respectively.

25. The Company had borrowed/drawn funds from REC on behalf of DISCOMs by executing loan documents up to FY 2004-05. The loans drawn on behalf of DISCOMs were allocated/ transferred to DISCOMs through 3rd Transfer Scheme vide G.O,Ms.No.58 dt.07-06-2005 and intimated the fact of transfer of these loans to DISCOMs was intimated to REC. Debt servicing of these loans are being met by the DISCOMs year on year regularly. However, since the loan documents were executed by the Company, the REC is still showing these loans outstanding in the name of the Company and issuing demand notices and confirmation of balances in the name of the Company. The loan outstanding on this



account is Rs.149.80 crs (Pr. Year Rs.246 crs) as at 31st March 2015 which are not shown in the financial statements of the Company.

26. All the Loans existing on 01.06.2014 from the REC,PFC and Banks are continue to be in the name of the Company. The loans outstanding as on 1.6.2014 were apportioned to TSTRANSCO of Rs.1725.96 Cr as per the draft de-merger plan. The debt service of loans apportioned to TSTRANSCO are being met by them regularly. However, since the loan documents were executed by the Company further loan drawls/repayment of loan by TSTRANSCO are accounted for by the lenders in the existing loan accounts, similarly the necessary demand notices and confirmation of balances are in the name of the Company. Accordingly, the loan outstanding of TSTRANSCO on this account as at 31st March 2015 which are not shown in the financial statements of the Company.
27. Expenses capitalized in the TLC units include Head Quarter charges (@1.5% (Pr. Yr 1.5%) on the CWIP of the year).
28. During the year 2014-15, theft of materials worth of Rs.91,765 is reported. The same was not provided considering the matter is under investigation.
29. CONTINGENT LIABILITIES:
- a) Disputed liabilities towards Sales Tax/VAT/CST/Entry Tax

(Rs. In Crores)

Particulars	2014-15	2013-14
Cases for disputed liabilities of Sales Tax/VAT/CST/Entry Tax are pending before the Sales Tax Tribunal, Hon'ble High Court of AP and Hon'ble Supreme Court of India.	138.86	138.86
Amount deposited as per Hon'ble Courts and Sales Tax Appellate Tribunal	15.18	15.18

- b) The EPF office, Kadapa has issued order u/s.7A of the EPF & MP Act 1952 to remit the EPF dues amounts of Rs.0.50 Crores out of which 50% of the amount, Rs.0.25 crores was deposited against the case. Further remaining balance amount of Rs 0.25 crores was recovered by EPF office on 19-08-2014.
- c) The Income Tax Returns are filed by the company, and the assessments are completed up to AY 2013-14 (FY 2012-13). The IT authorities have added back the interest income transferred to LIS deposits pertaining to GoAP for AY 2008-09 to 2013-14, against which the APTRANSCO had filed appeals and they are pending for disposal before the different CIT appeals, Hyderabad. The Company expects no further liability. However, the Assessing Officer (ACIT-Circle-2(2))



has raised a tax demand of Rs.145.67 crs for AY 2013-14 against which Rs.17.76 crs is paid for grant of stay petition before the appellate IT authorities.

- d) Legal cases are pending against APTRANSCO in AP Micro Small & Medium Enterprises Facilitating Council (AMSEFC) and AP High Court. However, an amount of Rs.0.94 crs (previous year Rs.0.81 crs for united AP) was deposited against the awarded amount.
- e) Demand raised by Municipal authorities towards Municipal Taxes are disputed to the extent of Rs.5.84 crs (previous year Rs.5.84 cr.)
30. The value of contracts placed but not executed and not provided for, as on 31-03-2015 is Rs.1704.96 crores (previous year – 4189.11 cr for the combined state)
31. Previous year's figures are grouped / re-grouped wherever necessary to confirm with the current year classification.

Vide our Report of even date
for S. Daga & Co.
Chartered Accountants
FRN : 000669S

Sd/-
(Shantilal Daga)
Partner
M.No. 011617

Place : Hyderabad

Date : 30-12-2016

For and on behalf of the Board of
Transmission Corporation of A.P. Ltd.

Sd/-
(K.Vijayanand)
Chairman &
Managing Director

Sd/-
(S. Subrahmayam)
Director (Projects)

Sd/-
(Dinesh Paruchuri)
Joint Managing Director
(Fin., Comm., IPC, HRD &IT) &
Chief Financial Officer (CFO)
Sd/-
(V.B.S. Kumar Gupta)
Financial Adviser & Chief
Controller of Accounts (Accounts) (FAC)



FUNCTION-WISE ANALYSIS OF REVENUE AND EXPENSES

STATEMENT - 6
Rs. in Lakhs

Sl. No.	Particulars	Total TLC units	Total TL&SS units	Total Head Office/ Common	Total (Trns)	Total SLDC	Total (Trns+SLDC)
	REVENUE:						
1	Transmission & SLDC charges	0.00	0.00	104206.44	104206.44	4792.88	108999.32
2	Revenue subsidies and grants	0.00	0.00	0.00	0.00	0.00	0.00
3	Other income	1920.98	477.66	4764.14	7162.78	233.33	7396.11
	Total Income	1920.98	477.66	108970.58	111369.22	5026.21	116395.42
	EXPENSES:						
1	Purchase of power	0.00	0.00	0.00	0.00	0.00	
2	Repairs & Maintenance	22.17	12095.64	174.58	12292.39	474.08	12766.48
3	Employee costs	6668.08	20291.94	26860.29	53820.30	3959.43	57779.74
4	Administration and General charges	827.78	1380.61	1371.53	3579.93	321.10	3901.03
5	Depreciation and related expenses	28613.89	0.00	0.00	28613.89	39.71	28653.60
6	Interest and Finance Charges	20993.56	0.00	0.00	20993.56	69.86	21063.42
	Total Expenditure	57125.48	33768.20	28406.40	119300.08	4864.19	124164.27
7	Less: Expenses						
	Capitalised	8901.02	0.00	0.00	8901.02	0.00	8901.02
	Interest Capitalised	7800.00	0.00	0.00	7800.00	0.00	7800.00
8	Add: Expenses reallocated						
	Other debits	128.78	0.00	0.00	128.78	0.00	128.78
	Extra-ordinary items	0.00	2030.63	0.00	2030.63	0.00	2030.63
	Prior Period items	0.00	0.00	(34.17)	(34.17)	0.00	(34.17)
	Net Expenses	40553.24	35798.83	28372.23	104724.30	4864.19	109588.49
	Profit before tax				6644.92	162.02	6806.94



FUNCTION-WISE BALANCE SHEET

Sch. No.	Schedule Note	2014-15			2013-14		
		Transmission	SLDC	AP TRANSCO	Transmission	SLDC	AP TRANSCO
19	ASSETS						
	Gross Block	555776.10	9000.47	564776.57	972625.10	15189.25	987814.35
	Less: Accumulated Depreciation	251842.03	7836.32	259678.35	435545.64	13375.92	448921.56
	Net Fixed Assets	303934.07	1164.14	305098.21	537079.46	1813.33	538892.79
21	Capital Expenditure in progress	129058.32	333.32	129391.64	232526.34	456.57	232982.91
22	Assets not in use	0.00	0.00	0.00	0.00		0.00
23	Deferred Costs	0.00	0.00	0.00	0.00		0.00
24	Intangible Assets	0.00	0.00	0.00	0.00		0.00
25	Investments	30706.33	0.00	30706.33	70054.83	0.00	70054.83
	Current Assets	154658.32	1347.85	156006.17	256364.61	1359.98	257724.59
26(a)	Stock	42426.58	0.00	42426.58	43516.97	0.00	43516.97
26(b)	Receivables	24581.97	674.89	25256.86	25798.94	608.74	26407.68
26(c)	Cash & Bank Balance	5223.50	503.75	5727.25	6485.62	718.23	7203.85
26(d)	Loans and Advances	80034.26	22.31	80056.57	173629.35	15.82	173645.17
26(e)	Other Receivables	2391.99	146.91	2538.90	6933.73	17.19	6950.92
28	Current Liabilities	228491.06	1626.42	230117.48	314272.85	1870.69	316143.54
	Net Current Assets	(73832.74)	(278.56)	(74111.31)	(57908.24)	(510.71)	(58418.95)
29	Subsidy Receivable from GoAP						
	TOTAL ASSETS	389865.98	1218.90	391084.87	781752.40	1759.20	783511.59
	LIABILITIES						
30	Borrowings for working capital	0.00	0.00	0.00	744.64		744.64
31	Payments due on Capital Liabilities	0.00	0.00	0.00	0.00		0.00
32	Capital Liabilities	174409.98	636.32	175046.30	292817.87	756.79	293574.66
	Deferred Tax Liabilities	6836.75	0.00	6836.75	14023.51		14023.51
28a	Liability for Pension & Gratuity and Leave Encashment Trusts	31716.49	0.00	31716.49	65082.41		65082.41
33	Funds from State Government	1052.84	0.00	1052.84	68659.81		68659.81
33	Equity	45443.97	0.00	45443.97	77921.76		77921.76
34	Contributions, Grants and Subsidies towards cost of Capital Assets	74054.11	0.00	74054.11	141005.90		141005.90
35	Reserve and Reserve Funds	24319.55	0.00	24319.55	41566.81		41566.81
	Surplus	32032.27	582.58	32614.85	79929.68	1002.40	80932.08
	TOTAL LIABILITIES	389865.98	1218.90	391084.87	781752.40	1759.20	783511.59



CASH FLOW STATEMENT FOR THE ENDED 31st MARCH

**STATEMENT - 7
Rs. in Lakhs**

Sl. No.	Particulars	2015	2014
	Cash flows from operating activities		
1	Net profit before Tax and Prior Period Items and MAT Credit	6806.93	22284.81
	Adjustments for:		
2	Depreciation & Deferred Cost	28653.60	46211.91
3	Interest & finance charges	13263.42	27165.69
4	Prior Period items	(34.17)	6.40
5	Amount transferred to contingency reserve & Pension & Gratuity Trust	(283.47)	(43377.38)
6	Interest received on investments	(994.14)	(1149.75)
7	Consumers contributions/Grants, etc.		12742.23
8	Profit on sale of fixed assets/Scrap	(79.86)	(225.18)
9	Operation profit before working capital changes (1 to 8)	47332.33	63658.73
	Adjustments for:		
10	Sundry debtors	1150.82	36402.89
11	Inventories	1090.39	3001.14
12	Other current assets	4412.02	(565.34)
13	Loans and advances	93588.60	36400.71
14	Sundry creditors and liabilities	(86026.07)	62675.70
15	Borrowings for working capital	(744.64)	
16	Deferred tax	(7186.76)	
17	Liability for Pension & Gratuity and Leave Encashment	(33365.92)	
18	Net flow before extra ordinary activities (9 to 17)	20250.76	201573.82
19	Income tax	3699.73	6825.38
20	Net Cash from operating activities (18 - 19)	16551.03	194748.44
	Cash flows from investing activities		
21	Acquisition of fixed assets, Intangible Assets & Deferred Cost	205304.62	(74748.46)
22	Capital works in progress	103591.27	(62548.76)
23	Profit on Sale of fixed assets/scrap	79.86	225.18
24	Interest received on investments	994.14	1149.75



Sl. No.	Particulars	2015		2014	
25	Investments	39348.50		(59337.20)	
26	Consumers contributions/Grants, etc.	(66951.79)			
27	Net cash from investing activities (21 to 26)		282366.60		(195259.49)
	Cash flows from financing activities				
28	Proceeds from borrowings	(186135.33)		59191.29	
29	Repayment of borrowings			(43930.41)	
30	Reserves & Reserve funds	(17247.26)		(94.45)	
31	Surplus	(48317.24)			
32	Employee related funds			(1140.88)	
33	Interest & Finance charges paid	(13263.42)		(27165.69)	
34	Change in Share capital	(32477.79)			
35	Net cash from financing activities (28 to 34)		(297441.04)		(13140.14)
36	Net increase/(decrease) in cash flows (20+27+35)		1476.59		(13651.19)
37	Cash and cash equivalents at the beginning of the year		7203.84		20855.03
38	Cash and cash equivalents at the end of the year		5727.25		7203.84
39	Net increase in cash and bank balance (37 -38)		1476.59		(13651.19)

Vide our Report of even date
for S. Daga & Co.
Chartered Accountants
FRN : 000669S

Sd/-
(Shantilal Daga)
Partner
M.No. 011617

Place : Hyderabad

Date : 30-12-2016

For and on behalf of the Board of
Transmission Corporation of A.P. Ltd.

Sd/-
(K.Vijayanand)
Chairman &
Managing Director

Sd/-
(S. Subrahmayam)
Director (Projects)

Sd/-
(Dinesh Paruchuri)
Joint Managing Director
(Fin., Comm., IPC, HRD &IT) &
Chief Financial Officer (CFO)
Sd/-
(V.B.S. Kumar Gupta)
Financial Adviser & Chief
Controller of Accounts (Accounts) (FAC)



STATEMENT OF CAPITAL BASE AND SURPLUS
(Under Section 59 of the Electricity (Supply) Act, 1948)

STATEMENT - 8
(Rs. In lakhs)

This Statement is not applicable

STATEMENT OF TECHNICAL PARTICULARS

STATEMENT - 9

Sl. No.	Particulars	Unit	This Year 2014-15 (provisional) (from 02.06.14 to 31.03.15)	Previous Year 2013-14
1	Input from State Generators including wheeling	MU	31230.85	58027.06
2	CGS (Ex-Bus)	MU	8649.57	24272.24
3	System input at 132 KV & above including Wheeled Energy (1+2)	MU	39880.42	82299.30
4	Energy delivered by Transco to Discoms including Wheeled Energy	MU	38215.18	77988.21
5	Transmission Losses (incl wheeling) (3-4) inclusive of PGCIL losses	MU	1665.24	4311.09
6	%Transmission Losses (Incl wheeling) on respective Inputs{(5/3*100)} inclusive of PGCIL losses	%	4.18	5.24
6a	%Transmission Losses (Incl wheeling) on respective Inputs {(5-11)/(3-11)*100} exclusive of PGCIL losses	%	3.37	3.97
7	Net wheeled Energy at 132 KV & above by Third Party Developers	MU	285.45	642.44
8	Energy delivered by Transco to Discoms Excluding Wheeled Energy at 132 KV & above (4-7)	MU	37929.73	77345.77
9	Drawls at 33 KV & 11 KV from TP developers	MU	869.38	925.47
10	Drawls at 33 KV & 11 KV from Genco	MU	21.83	66.40
11	External losses (PGCIL losses)	MU	332.94	1090.53
12	Input to Discoms (incl Wheeling Energy) (8+9+10)	%	38820.94	78337.64
13	Discoms sales of Energy (Excl Wheeling)	MU	35101.84	68307.17
14	Net Wheeled Energy at 33 KV & Below by Third party Developers	MU	156.51	332.08
15	Discoms sales of Energy (incl. Wheeling) (13+14)	MU	35258.35	68639.25
16	Distribution losses (incl. Wheeling) (12-15)	MU	3562.59	9698.39
17	% Distribution losses (incl.Wheeling) on respective inputs {(16/12)*100}	%	9.18	12.38
18	T&D Input (Ex-Bus Availability) (3+9+10)	MU	40771.63	83291.17
19	T & D Sales (incl. Wheeling) by Discoms (15+7)	%	35543.80	69281.69
20	T&D Losses (inc. Wheeling) (18-19)	MU	5227.83	14009.48
21	% T&D Losses (incl.wheeling) (20/18*100)	%	12.82	16.82



Electricity Saved is Electricity Generated