



**Annual
Statement
of
Accounts**

2015 - 2016

Transmission Corporation of Andhra Pradesh Limited

An ISO 9001:2008 Certified Company)



Sri K.Vijayanand, IAS, CMD/ APTRANSCO, receiving prestigious award for meritorious performance from Hon'ble Union Minister, Sri Piyush Goyal.



Sri.Dinesh Paruchuri, JMD, HRD, Finance/ APTRANSCO receiving IPPAI Regulators and policy makers retreat 2016 award for best state Load Dispatch centre (SLDC) for Andhra Pradesh SLDC at Goa, Dt:24.09.2016



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 S. 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.BA, 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

Staturory Auditors : Jawahar & Associates
C-5, Skylark Apartments,
3-6-309, Basheerbagh, Hyderabad-500 029

Cost Auditors : M/s. Narasimha Murthy & Co., Cost Accountants
2nd Floor, Pavani Plaza, Himayathnagar
Hyderabad - 500 029.

Internal Auditors : 1. Sri V. Satyanarayana
(Chartered accountants) 2. Sri K. Ramachadra 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 18th audited Annual Statements of Accounts of the Company for the period ending 31st March 2016.

Financial performance of the Company:

The financial performance of the Company for the year ended 31st March 2016 is summarized below:

Particulars	Rs. in Crores	
	Current FY 2015-2016	Previous FY 2014-2015
INCOME:		
Transmission & SLDC Charges/ Revenue	842.60	1089.99
Other Income	124.99	73.96
TOTAL INCOME:	967.59	1163.95
EXPENDITURE:		
Repairs & Maintenance (net)	126.65	127.38
Employees Cost (net)	269.02	497.35
Administration & General Expenses (net)	34.05	30.74
Depreciation (net)	274.05	286.53
Interest and Finance Charges (net)	128.09	132.63
Other debits	0.47	1.28
Extra-ordinary items	2.91	20.31
Net Prior Period Charges/(Credits)	(1.60)	(0.34)
TOTAL EXPENDITURE:	833.64	1095.88
Profit before tax (PBT)	133.95	68.07
Current Tax	28.59	37.00
MAT Credit entitlement	(28.59)	0
Deferred Tax (Liability)/Asset	(48.51)	19.12
Profit after tax (PAT)	85.45	50.19



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 realization of the revenue show under income.

The highlights of Revenue Account for the FY 2015-2016 are:

- i. The main reason for decrease in revenue is due to adjustment of Rs.271.34 crore as per APERC orders dated 07.11.2015 towards true down amount of transmission charges to the two distribution companies i.e. APSPDCL and APEPDCL for 2nd control period (FY 2009-10 to 2013-14). The true down amounts are to be in the form of adjustment of the transmission charges that become payable by APDISCOMS during the FY 2016-17 at 50% of the transmission charges that become payable each month, till such liability is totally discharged. However, the other income increased is mainly on account of receipt of additional Supervision charges of Rs.34.84 crs and fines and penalties of Rs.16.50 crs.
- ii. The increase/decrease in operating expenses is, mainly on account of:
 - A. Decrease in employee cost in the current year is mainly due to charging of Rs.200.62 crore reduced Terminal Benefits in FY 2015-16 compared to FY 2014-15. Because in FY 2014-15 the huge liability due to the impact of pay revision w.e.f. 1.4.2014 was charged to the P&L account.
 - B. Increase in outsourced employee wages to the extent of Rs.2.75 crs over previous year.
 - C. The increase in interest of Rs.42.30 crore on capex loans is on account of additional borrowings for capex of Rs.1435.94 crores during the Current year to meet the heavy Capex programmes.

The Company had earned a net surplus/profit (after tax/ deferred tax provision/Mat credit) of Rs.85.45 Crores from its operations (Transmission and SLDC business) on a total turnover of Rs.967.59 crores (including other income).

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 2015-2016.

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 Vidyut 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, Committee should 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.3.08 crs provision is made in the current year towards CSR responsibility by your company.

The following are the CSR Committee Members as on 31.03.2016

1. Sri K. Vijayanand, IAS – CMD
2. Sri P Umapathi, IPS (Retd.) - JMD (Vig. & Security)
3. Sri Dinesh Paruchuri, IRS - JMD(Fin.,Comml.,IPC,HRD&IT)

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 2015-2016 were prepared, audited.

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

M/s. Jawahar and Associates, 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 2015-16. The Auditors had conducted the statutory audit and furnished their Report on 04-04-2017.

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 20-06-2017.

Cost Auditors:

The Company required getting its Cost records audited under Companies Act 2013 as per the orders issued by the Ministry of Corporate Affairs, the board of directors of the Company accorded approval for appointment of M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad, as the Cost Auditor of your Company for the FY 2015-16.

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 2015-16 were prepared, audited.

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 2015-2016. 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 2015-2016. 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, 2016 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

- 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.
- iv) 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 01.04.2015 to 31.03.2016

S.No	NAME	DESIGNATION	FROM	TO
1.	Sri K. Vijayanand, IAS	CMD	05-06-2014	Till
2.	Sri S. Subramanyam	Director(Projects)	03-07-2013	Till
3.	Sri Ajay Jain, IAS	Director(Non-Whole time)	22-07-2014	Till
4.	Dr. P.V. Ramesh, IAS	Director(Non-Whole time)	04-11-2013	Till
5.	Sri. Paradesi Umapathi, IPS (Retd.)	Director (Vig. & Security)	17/08/2015	Till
6.	Sri Mohd. Anwaruddin	Director (Grid & Transmission Management)	03-07-2013	—
7.	Sri.Nagaraja Swamy Rudra	Director (Grid & Transmission Management)	18/09/2015	Till
8.	Sri. Dinesh Paruchuri, IRS	Director (Finance)	08/10/2015	Till



Board Meetings held in 2015-16:

The Board held its meetings on 04.05.2015, 28.05.2015, 08.09.2015 and 31.12.2015 in the financial year 2015-16.

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 04.05.2015, 28.05.2015 and 31.12.2015 The Composition of the Audit Committee as on 31.03.2016 is as follows:

S.No	NAME	DESIGNATION	FROM	TO
1.	Dr. P.V. Ramesh, IAS	Director(Non-Whole time)	04-11-2013	Till
2.	Sri Ajay Jain, IAS	Director(Non-Whole time)	22-07-2014	Till
3.	Sri. Paradesi Umapathi, IPS (Retd.)	Director (Vig. & Security)	17/08/2015	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

Date: 29/08/2017



Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2016

[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 31.03.2016 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 2015- 2016 on 30.12.2016, 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: 29.06.2017

Signature: Sd/-
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: 29.06.2017

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



ANNEXURE -1
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2016
[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
cs.aptransco@gmail.com
- (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:

S.No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shareheld	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	454439695	454439695	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	454439695	454439695	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	454439695	454439695	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



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held a the end of the year				% Change during the year
	Demat	Physical	Total	% Total Shares	Demat	Physical	Total	% Total Shares	
g) Fills	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
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 up to Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 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) :	0	0	0	0	0	0	0	0	0
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	454439695	454439695	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	454439695	100.00	0	454439695	100.00	0	0

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

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.

(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	17504630137	105283936	-	17609914073
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	50820557	-	-	50820557
Total (i+ii+iii)	17554450694	105283936	-	17660734630
Change in Indebtedness during the financial year				
Addition	14359362882		-	14359362882
Reduction	1909794310	21433400	-	1931227710
Net Change	12449568572	- 21433400	-	12428135172
Indebtedness at the end of the financial year				
i) Principal Amount	29954198709	83850536	-	30038049245
ii) Interest due but not paid	-	-	-	-
lii) Interest accrued but not due	68423984	-	-	68423984
Total (i+ii+iii)	30022622693	83850536	-	30106473229


VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl.	Name of the MD/WTD and Manager	Remuneration (Amount in Rs.)					Total	Ceiling as per Act.
		Total Amount	Stock Option	Sweat Equity	Commission	Others		
1	Sri K. Vijayanand, IAS	127983	-	-	-	-	127983	Not applicable
2	Sri Mohd. Anwaruddin	281712	-	-	-	-	281712	Not applicable
3	Sri. Paradesi Umapathi, IPS (retd.)	1731890	-	-	-	-	1731890	Not applicable
4	Sri.Nagaraja Swamy Rudra	171220	-	-	-	-	171220	Not applicable
5	Sri. Dinesh Paruchuri, IRS	970581	-	-	-	-	970581	Not applicable
6	Sri. Sistu Subrahmnayam	682307	-	-	-	-	682307	Not applicable

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. P.V. Ramesh, IAS	1750	Nil	Nil	1750
2	Sri Ajay Jain, IAS	1750	Nil	Nil	1750
		TOTAL			3500



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

Sl. No	Name of the MD/WTD and Manager	Remuneration (Amount in Rs.)					
		Gross Total	Stock Option	Sweat Equity	Commission	Others	Total
1	Company Secretary	2295795	-	-	-	-	2295795
TOTAL							2295795

VII. 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, any Details)
A. COMPANY Penalty Punishment Compounding			NIL		
B. DIRECTORS Penalty Punishment Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding			NIL		

For and on behalf of Board of Directors

Sd/-
CHAIRMAN
&
MANAGING DIRECTOR
DIN: 02138144

Date : 29/06/2017



Annexure -I

**Management's replies to the comments of the Statutory Auditors on the
Annual Accounts for FY 2015-16**

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 AP TRANSCO and TS TRANSCO 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 Demerger will be accounted under "AP Reorganisation adjustment Account"</p>
<p>3. The following amounts as stated in Note No. 4(d) 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 TSTRANSCO 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 and finalisation of the same will be done in Final De-merger Plan.</p>
<p>4. In case of following Assets and Liabilities, there is a deviation in methodology adopted by company in allocation as required by Section 53 of the AP Reorganization 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 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 DemergerPlan.



Statutory Auditors comments	Management Replies
<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(b) 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>	
<p>5. The financial statements of the company do not include the information and disclosures as required by Accounting Standard (AS) 24- Discontinuing Operations. We are unable to quantify the deviation in the absence of the availability of the financial data of the operations of TS TRANSCO. The assets and Liabilities of the company are understated to that extent.</p>	<p>As per A.P.Reorganisation Act, 2014, the APTRANSCO had been bifurcated into APT R ANSCO and TSTRANSCO. TSTRANSCO formed as separate company and its operations are commenced from 02.06.2014. Hence, as per the Accounting Standard 24- initial disclosure event of Discontinuing Operations are made in the FY 2014-15. Therefore there is no need to disclose the discounting operations for the current year.</p>
<p>6. Vidyut Bonds amounting to Rs. 861.18 Crores are outstanding in the name of the company as on 31.3.2016. Out of the said amount, Rs 511 Crores has been apportioned in favour of TSTRANSCO. These bonds are not been shown in the books of the company. Consequently, the assets and liabilities of the company has been understated to the tune of Rs 350 Crores, excluding interest.</p>	<p>Disclosure regarding issue of behalf of Go bonds on AP from 2005-06 to 2008-09 is at Sl.No.21 of notes to accounts.</p>



Annexure - II

Management's replies to the comments of the C & AG on the Annual Accounts for
FY 2015-16

C & AGs' Comments	Management Replies
<p>A. Comments on Financial Position: Balance Sheet Non-Current Assets 1. Capital Expenditure in Progress (Schedule-21) - Rs.2318.37 crore</p> <p>The company issues material for capital works from its stores. On issue of the stores, the value of the same is accounted for as Capital Expenditure in Progress (CEIP) and the same is capitalized after completion of the work. In certain cases, left over/un-utilised stores are returned back or devoluted in subsequent years. Value of stores devoluted should be reduced from the capital cost of the asset. During the year 2015-16, stores valued at Rs.8.13 crore was devoluted and the same. was credited to CEIP instead of reducing from the cost of Assets already capitalized. This had resulted in understatement of CEIP and over-statement of Fixed Assets by Rs.8.13 crore.</p>	<p>The negative balances in CWIP consist of devolution of materials/negative bills due to price variations. Many of the negative balances, as observed by the audit, are the year end transactions against the work orders, therefore could not be adjusted against the related works in the absence of the details. The same will be analysed vis-a-vis the works relating to CEIP and asset capitalised and necessary adjustments will be made in FY 2016-17.</p> <p>As seen by the audit the value of such negative balances are about 0.35% and 0.12% of the CEIP and Gross Block of assets respectively.</p>
<p>Current Assets Sundry Receivables - Schedule- 26(e) - Rs.93.07 crore 2. Deposits - Others - Rs.33.11 crore</p> <p>The above includes Rs.3.59 cr being the amount paid to M/s Apex Electrical Pvt. Ltd., towards interest on late payment of supply bills as per court orders. As the amount was paid to the vendor, the same should have been</p>	<p>As per the Hon'ble High Court of Judicature of AP at Hyderabad orders dt.18.1.2012 the amount of Rs.3.59 crore was deposited with the Registrar (Judicial) in a sealed cover towards certain disputes to M/s.APEX Electricals Ltd and accordingly kept the amount under receivable head of account.</p>



C & AGs' Comments	Management Replies
<p>charged off as expenditure in the year of payment since the amount paid is non-refundable. Inclusion of interest paid under Sundry Receivable resulted in its overstatement with corresponding overstatement of Profit for the year by Rs.3.39 crore.</p>	<p>The case is still pending in the court. Necessary adjustments will be made in the accounts in accordance with the final judgment pronounced by the Hon'ble Court please.</p>
<p>Other Current Liabilities (Schedule -28) 3. Other Liabilities and Provisions - Rs.320.08 crs.</p> <p>The "Other Liabilities and Provisions" amounting to Rs.10.99 crores are unadjusted since 2006 without details. Non-adjustment/ non-reconciliation of these liabilities had resulted in overstatement of the above head by Rs.10.99 crore.</p>	<p>While migrating the balances in ERP an amount of Rs.26.40 crs is depicted in the account head 046.900 in APTRANSCO unit. The existing balance of Rs.10.99 crore as on 31.3.2016 is the resultant balance after reconciliation and effecting entries in the units in the previous years against their provisions. Since, it is a legacy balance, evaluation will be made on the above balances and necessary action/adjustments will be initiated in FY 2016-17.</p>
<p>B. GENERAL</p> <p>4. General</p> <p>i. As on 31 March 2016, the company had lands worth of Rs.32.34 crores. Besides, the company also has lands gifted by others. However, the company has updated its land details up to 2012- 13 only without indicating the location wise cost. Thus, complete details of lands of the company as on 31 March 2016, lands alienated in its favour, land yet to be alienated and gift lands whose value is yet to be taken into books are not available. This fact has not been amply disclosed in the. note on accounts.</p>	<p>Land data of all the units of APTRANSCO as on 31.3.2013 from the inception of APSEB i.e. 1959, was obtained from the units in the FY 2013-14. The entire land is in the physical possession of the APTRANSCO units spread across the State. However, the evaluation of availability of the land data bank i.e. extent of land, cost of land, land development cost, land acquired from Government, etc. requires considerable exercise which is to be done for the last 50 years of historical data. in view of the above exercise involved a general disclosure is made from FY 2012-13 onwards on the land subject in the Schedule-19 (Schedule of Fixed Assets).</p>



C & AGs' Comments	Management Replies
	<p>As observed by the audit for specific and accurate land details, it is contemplated to form a Committee at the Zonal level consist of Technical and financial officials to prepare Land details/data bank with all such details which is essential as observed by the audit.</p> <p>Finalization of the land bank information involves/ take considerable time. However, the land data bank will be prepared based on the Committee reports and produced to audit on compilation.</p>
<p>ii. As on 31 March 2016, the company had fixed assets of Rs.6771.77 crore. Though the company stated to have conducted physical verification of fixed assets, physical verification reports produced to audit contained only a certificate stating that the fixed assets have been physical verified as on 31 March 2016 without mentioning the details of fixed assets verified. In absence of the details of fixed assets as per books of accounts and fixed assets physically verified, whether all the fixed assets shown in the books of accounts actually existed as on 31 March 2016 could not be ensured.</p>	<p>The assets have been physically verified during the year and are in physical possession of the units spread across the state and are certified by the field unit officers. No material discrepancies have been noticed / reported on such verification by the field unit officers.</p>
<p>iii. As per the statement of accounting policies of the company, all expenses during the construction period are capitalized up to the date of completion of the project/asset. However, instead of allocating interest to capital works during the construction period on proportionate basis to the capital works concerned, Interest During Construction (IDC) has been exhibited as a separate asset which was</p>	<p>The IDC has been computed by APTRANSCO as outlined in Para 1.43 of Annexure V of ESAAR Rules, 1985. Further the IDC shall be carried out at head office of the Board as per Para 1.42 of ESAAR Rules, 1985. The portion of interest payable allocated to Assets at Construction Stage (ACS) would represent the amount of interest to be capitalized and charged to CWIP at the end of the year. Similarly, all the expenditure identifiable for construction activity is also charged to the CWIP by the field offices in proportion to the cost of the asset. As the</p>



C & AGs' Comments	Management Replies
<p>not proper. As a result, actual cost of individual assets does not reflect correct picture.</p>	<p>cost of each of the asset is not identifiable at Headquarters, the IDC arrived at Headquarters is being charged as a separate item to CWIP initially and in the subsequent financial year it is being capitalized duly allocating a separate asset ID on which depreciation is charged. It is further to state that all the assets capitalized are built up with the partly borrowed funds or need not be built up with the borrowed funds.</p> <p>Further, it is to state that the individual assets are capitalized at the field units after finalization of the consolidated accounts the IDC will be calculated in the HQ and it is not possible to load the IDC proportionately to the individual assets which are already capitalized by the unit offices. Therefore, charging of IDC for all the capitalized assets is not appropriate, therefore kept as separate identified amount.</p> <p>APTRANSCO is following the procedure consistently year on year</p>



INDEPENDENT AUDITOR'S REPORT

To
The Members,
Transmission Corporation of Andhra Pradesh Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Transmission Corporation of Andhra Pradesh Limited, which comprise the Balance Sheet as at March 31, 2016, the Revenue Account and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the 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

Our responsibility is to express an opinion on these financial statements based on our audit.

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.

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.

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.

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

Section 53 of The Andhra Pradesh Reorganization Act 2014, required the Company to apportion its assets and liabilities as on the appointed date i.e, 2nd June 2014, in the manner specified therein, between itself and Transmission corporation of Telangana Limited (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 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(d) 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, there is a deviation in methodology adopted by company in allocation as required by Section 53 of the AP Reorganization 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(b) 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.

5. The financial statements of the company do not include the information and disclosures as required by Accounting Standard (AS) 24- Discontinuing Operations. We are unable to quantify the deviation in the absence of the availability of the financial data of the operations of TS TRANSCO. The assets and Liabilities of the company are understated to that extent.
6. Vidyut Bonds amounting to Rs. 861.18 Crores are outstanding in the name of the company as on 31.3.2016. Out of the said amount, Rs 511 Crores has been apportioned in favour of TSTRANSCO. These bonds are not been shown in the books of the company. Consequently, the assets and liabilities of the company has been understated to the tune of Rs 350 Crores, excluding interest.



Qualified Opinion

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 31st March, 2016.
- (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:

7. Without qualifying our opinion, attention is drawn to the following;

i) The employee benefits such as pension, gratuity and earned leave encashment of the employees of the company are administered through respective trusts i.e, APTRANSCO Pension and Gratuity Trust, APTANSCO Gratuity Trust, APTRANSCO Earned Leave Encashment Trust. The balances of these trusts in the books of the company are subject to reconciliation. Since the amount of differences, if any is not known, we are unable to quantify the same.

ii) Note no.5 and 23 with regard to:-

The continuance of the charge and the amount outstanding on the loans on assets apportioned to TSTRANSCO, amounting to Rs 1725.96 Crores as on 02.06.2014, in the name of the company.

iii) Note no: 22 with regard to:

Loans raised on behalf of the DISCOMS upto the year 2004-05 amounting to Rs 52.27 Crores as on 31.3.2016 continued to be shown in the name of the company, despite the same having been transferred to the DISCOMS vide the Third Transfer Scheme.

iv) Note No. 11 with regard to –

Non accounting of demand raised on TSDISCOMS for transmission and SLDC charges of Rs.236.18 Crores (Previous 10 months: Rs. 177.95 Crores) due to non-finalisation of LTTA (Long Term Transmission Agreement) with those DISCOMS.

v) Note No. 13 with regard to –

W.r.t non creation of liability for Rs 4.08 Crores towards bills raised by TSTRANSCO for common expenditure.



vi) Note 19 and 20 of financials with regard to:

The whole of the contingency reserve investments amounting to Rs. 90.99 Crores and Investments other than fund investments amounting to Rs.587 crores including those apportioned to TSTRANSCO on demerger, continue to be held in the name of the company.

vii) The direct confirmation of Loans & Advances, Sundry debtors and creditors have not been obtained and produced for verification. We are therefore unable to quantify the amounts out of the above which may need reconciliation.

viii) Note no: 14 with regard to:

Accounting of maintenance charges, Surcharge on belated payments from consumers on cash basis contrary to accounting policy 3.

ix) Note no: 17 with regard to:

Investment of Rs. 8.44 Crores in GVK power Infrastructure Limited: The market value of the investment has been consistently below the cost line during the past 4 years and the value as on 31.3.2016 was Rs.4.30 Crores. The company has not made provision for diminution in the fair value.

x) Note no: 27 with regard to

The assets are overvalued to the extent of land transferred to GVMC. We are unable to quantify the same due to non-availability of value of land.

xi) We are unable to quantify the capital commitments of the company as on the date of the balance sheet due to non-availability of required information.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016, 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.

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.

8. As required by section 143(3) of the Act, we report that:

- a. We have obtained all information and explanations to the best of our knowledge and belief were necessary for the purpose of the audit;



- b. In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books;
- c. The Balance sheet, Revenue account and Cash Flow Statement dealt with by this report are in agreement with the books,
- 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 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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 31st March, 2016 on its financial position in its financial statements.
 - ii) The company has made provision, under applicable law or Accounting standards, for material foreseeable losses, if any, on long term contracts. The company neither entered into any derivative contracts 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 31st March, 2016.

For **Jawahar and Associates**
Chartered Accountants

Sd/-
V. Jawahar
Partner
M.No: 023489
FRN: 01281S

Place: Hyderabad
Date: 4-04-2017.



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. 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, the company has complied with all the provisions of Section 185 and 186 of the Companies Act, 2013.
5. According to the information and explanation given to us, the company has not accepted any deposits in terms of directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
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 the prescribed accounts and records have been made and maintained properly.
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. The undisputed amounts payable which were in arrears as on 31.03.2016 for a period of 6 months or more from the date they become payable are as follows:



- a) Entry tax- Entry tax payable by the company amounting to Rs. 12.83 Crores, pending for payment for more than 6 months.
- b) Sales tax- Sales tax payable by the company to the government amounting to Rs.2.81 Crores, pending for payment for more than 6 months.
- (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 2016

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
Income Tax Act	2012-13	Commissioner of IT appeals	14567.00	2260.87	12306.13
	2013-14		9962.00	1494.00	8468.00
Total			38414.74	5272.75	33141.99

8. 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, Banks or Government.
9. i) According to the information and explanations given to us, the Company has not raised any money by way of initial Public offer or further public offer.
- ii) In our opinion, the term loans raised by the company have been applied for the purpose for which they were raised.



10. 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.
11. According to the information and explanations given to us, the managerial remuneration paid by the company is within the limits prescribed under section 197 of the Companies Act, 2013.
12. This clause is not applicable as it is not a Nidhi company.
13. According to the information and explanations given to us, all the related party transactions and their disclosure are in compliance with sections 177 and 188 of the Companies Act, 2013.
14. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or issued any fully or partly convertible debentures during the year.
15. According to the information and explanations given to us, the company has not entered into any non-cash transactions with the directors or persons connected with him during the year.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Jawahar and Associates**
Chartered Accountants

Sd/-
V. Jawahar
Partner
M.NO: 023489
FRN:01281S

Place: Hyderabad
Date: 4-04-2017

**ANNEXURE 2****TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Transmission Corporation of Andhra Pradesh Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

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

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **Jawahar and Associates**
Chartered Accountants

Sd/-

V. Jawahar
M.No: 023489
FRN: 012815

Place: Hyderabad
Date: 04-04-2017.



**REPORT ON THE DIRECTIONS/SUB-DIRECTIONS ISSUED BY THE OFFICE OF THE
ACCOUNTANT GENERAL (ECONOMIC & REVENUE SECTOR AUDIT) ECONOMIC SECTOR –II
ANDHRA PRADESH AND TELANGANA HYDERABAD-500004.**

Sl. No.	Directions /Sub-Directions	Action Taken	Impact on financial statement
A. Directions			
1.	Whether the company has clear title /lease deeds for freehold and leasehold land for which title /lease deeds are not available	The Company had clear title for free hold and lease hold land except Note No-27 of Notes to accounts.	Nil
2.	Whether there are any cases of waiver /write off of debt/loans/interest etc.,if yes, the reasons there for and the amount involved	During our audit we have not come across any such cases of waiver/ write off of debt/loans /interest.	Nil
3.	Whether proper records are maintained for inventories lying with the third parties & assets received as gift / grant (s) from Government or other authorities.	The Company does not have any inventory lying with the third parties & the company does not received any assets as gift/ grant from government and proper records were maintained for assets received from private parties.	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 except Note. No - 27 of Notes to Accounts 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?	A. Receivables from the DISCOMS are monitored by a committee i.e. (APPCC). For third party generators, open access consumers two months. two months deposit is collected before giving corridor permission. B. All the revenue of transmission and SLDC charges to DISCOMS 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 except as mentioned in Note No.11	Nil



		C. The Company has effective system of recovery of revenue. D. The applicable Accounting Standards are followed in this regard.	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 2015-16.	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 2015-16 are 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 ESAAR 1985 all DC work are accounted as per paragraph 2.34 of Annexure- III, against the Consumer Contribution received from other agencies.	Nil

For **Jawahar and Associates,**
Chartered Accountants
FRN : 12815

Sd/-
V. Jawahar
M. No. 023489
Partner

Place : Hyderabad
Date 20.04.2017.



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 2016

The preparation of financial statements of Transmission Corporation of Andhra Pradesh Limited, Hyderabad for the year ended 31 March 2016 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 04 April 2017.

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 2016. 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 FINANCIAL POSITION:

Balance Sheet

Non-current Assets

1. Capital Expenditure in Progress (Schedule - 21) – Rs. 2318.37 crore

The company issues material for capital works from its stores. On issue of the stores, the value of the same is accounted for as Capital Expenditure in Progress (CEIP) and the same is capitalised after completion of the work. In certain cases, left over/unutilized stores are returned back or devoluted in subsequent years. Value of stores devoluted should be reduced from the capital cost of the Asset. During the year 2015-16, stores valued at Rs.8.13 crore was devoluted and the same was credited to CEIP instead of reducing from the cost of Assets already capitalised. This had resulted in understatement of CEIP and overstatement of Fixed Assets by Rs.8.13crore.

Current Assets

Sundry Receivables - Schedule - 26 (e) – Rs. 93.07 crore

2. Deposits - Others – Rs.33.11 crore

The above includes Rs.3.59 being the amount paid to M/s. Apex Electrical Pvt. Ltd., towards interest on late payment of supply bills as per court orders. As the amount was paid to the vendor, the same should have been charged off as expenditure in the year of payment since the amount paid is non-refundable. Inclusion of interest paid under Sundry Receivable resulted in its overstatement with corresponding overstatement of Profit for the year by Rs.3.39 crore.

**Other Current Liabilities (Schedule - 28)****3. Other Liabilities and Provisions – Rs.320.08 crore**

The “Other Liabilities and Provisions” amounting to Rs.10.99 crore are unadjusted since 2006 without details. Non-adjustment/non-reconciliation of these Liabilities had resulted in overstatement of the above head by Rs.10.99 crore.

B. GENERAL:**4. General**

- i) As on 31 March 2016, the company had lands worth Rs.32.34 crore. Besides, the company also has lands gifted by others. However, the company has updated its land details up to 2012-13 only without indicating the location wise cost. Thus, complete details of lands of the company as on 31 March 2016, lands alienated in its favour, lands yet to be alienated and gift lands whose value is yet to be taken into books are not available. This fact has not been amply disclosed in the note on accounts.
- ii) As on 31 March 2016, the company had fixed assets of Rs.6,771.77 crore. Though the company stated to have conducted physical verification of fixed assets, physical verification reports produced to audit contained only a certificate stating that the fixed assets have been physically verified as on 31 March 2016 without mentioning the details of fixed assets verified. In absence of the details of fixed assets as per books of accounts and fixed assets physically verified, whether all the fixed assets shown in the books of accounts actually existed as on 31 March 2016 could not be ensured.
- iii) As per the statement of accounting policies of the company, all expenses during the construction period are capitalized up to the date of completion of the project/ asset. However, instead of allocating interest to capital works during the construction period on proportionate basis to the capital works concerned, Interest During Construction (IDC) has been exhibited as a separate asset which was not proper. As a result, Actual cost of individual assets does not reflect correct picture.

**for and on the behalf of
the Comptroller and Auditor General of India**

Sd/-

(L.V.SUDIR KUMAR)

Principal Accountant General (Audit)

Place: Hyderabad

Date: 20.06.20 17



REVENUE ACCOUNT
ఆదాయము అకౌంట్

STATEMENT - 1

వివరణ -1

(Rs.in lakhs)

(అక్షల రూపాయలలో)

Sch. No.	Schedule Note అను సూచిక	This Year 2015-16 ఈ సంవత్సరము	Previous Year 2014-15 క్రిందటి సంవత్సరము
<u>INCOME</u>			
ఆదాయము			
1	Revenue from Transmission & SLDC Charges విద్యుత్ వితరణ మరియు రాష్ట్రీయ విద్యుత్ పంపిణీ కేంద్ర చార్జీలు	84260.30	108999.32
4	Revenue Subsidies and grants ఆదాయము పద్దు క్రింద ప్రభుత్వ సహాయములు, గ్రాంట్లు	0.00	0.00
5	Other Income ఇతర ఆదాయములు	12499.02	7396.11
TOTAL		96759.32	116395.42
మొత్తము			
<u>EXPENDITURE</u>			
ఖర్చులు			
8	Repairs & Maintenance మరమ్మత్తులు మరియు నిర్వహణ	12693.49	12766.48
9	Employee Costs ఉద్యోగుల జీతభత్యాలు	35833.80	57779.74
10	Administration & General Expenses పరిపాలన మరియు సాధారణ ఖర్చులు	4219.03	3901.03
11	Depreciation and Related expenses (Net) తరుగుదల మరియు సంబంధిత ఖర్చులు (నికరము)	27406.10	28653.60
12	Interest and Finance charges వడ్డీ మరియు ఆర్థిక ఖర్చులు	25318.05	21063.42
Sub-Total		105470.47	124164.27
Less: Expenses Capitalised			
తగ్గింపు పెట్టుబడి ఖాతాకు మార్చిన ఖర్చులు			
13	Interest and Finance charges capitalised పెట్టుబడి ఖాతాకు మార్చిన వడ్డీ మరియు ఆర్థిక ఖర్చులు	12509.00	7800.00
14	Expenses capitalised పెట్టుబడి ఖాతాకు మార్చిన ఇతర ఖర్చులు	9774.86	8901.02
Sub-Total		22283.86	16701.02



REVENUE ACCOUNT

ఆదాయము అకౌంట్

STATEMENT - 1 (contd.1)

వివరణ -1

(Rs.in lakhs)

(లక్షల రూపాయలలో)

Sch. No.	Schedule Note అను సూచిక	This Year 2015-16 ఈ సంవత్సరము	Previous Year 2014-15 క్రిందటి సంవత్సరము
15	Other Debits ఇతర ఖర్చులు	47.02	128.78
16	Extra-ordinary items అసాధారణ బాపతులు	290.52	2030.63
18	Net prior period(Credits)/Charges నికర వెనుకటి సంవత్సరపు ఖర్చులు / (జమ)	(160.22)	(34.17)
	Sub-Total	177.32	2125.24
	TOTAL EXPENDITURE	83363.93	109588.49
	మొత్తం ఖర్చు PROFIT / (LOSS) BEFORE TAX	13395.39	6806.93
	లాభము / (నష్టము) పన్ను ముందు		
17	Current Tax ప్రస్తుత పన్ను	2858.79	3699.73
	Mat Credit Entitlement	(2858.79)	0.00
	Deferred tax (Liability) / Asset భవిష్యత్తు పన్ను కేటాయింపు	(4850.77)	1912.13
	Profit / (Loss) After Tax carried over to Appropriation account	8544.62	5019.33
	లాభము పన్ను తరువాత వినియోగపు లెక్కకు తరలింపు		

Statements 4 & 5 form an integral part of Annual Statement of Accounts

As per our Report of even date
for **Jawahar and Associates.**,
Chartered Accountants
FRN: 01281S

Sd/-
V.Jawahar
Partner
M.No.023489
Place: Hyderabad.
Date:04/04/2017

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

Sd/-
(V.B.S. Kumara Gupta)
Financial Advicer & Chief
Cotroller of Accounts (Accounts) (FAC)

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

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

Sd/-
(M. Karunakar Reddy)
Company Secretary



NET REVENUE AND APPROPRIATION ACCOUNT

నిఖర ఆదాయము మరియు వినియోగపు లెక్క

STATEMENT- 2

వివరణ -2

(Rs.in lakhs)

(లక్షల రూపాయలలో)

Particulars అను సూచిక	This Year 2015-16 ఈ సంవత్సరము	Previous Year 2014-15 క్రిందటి సంవత్సరము
Balance brought forward from last year క్రిందటి సంవత్సరము నుండి తీసుకురాబడిన మొత్తము	32614.86	80932.09
Appropriations:		
Contingency Reserve	293.39	283.47
Surplus transfer to TSTRANSCO		53053.09
Add:		
Transfer from Contingency Reserve	2321.15	0.00
Surplus from Revenue Account	<u>8544.62</u>	<u>5019.33</u>
Balance carried forward ముందు సంవత్సరమునకు తీసుకుపోబడిన మొత్తం	<u>43187.25</u>	<u>32614.86</u>

Statements 4 & 5 form an integral part of Annual Statement of Accounts

As per our Report of even date
for **Jawahar and Associates.**,
Chartered Accountants
FRN: 01281S

Sd/-
V.Jawahar
Partner
M.No.023489
Place: Hyderabad.
Date:04/04/2017

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

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

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

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

Sd/-
(M. Karunakar Reddy)
Company Secretary



BALANCE SHEET
ఆస్తి ఆపుల పట్టిక

STATEMENT- 3

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

Sch. No.	Schedule Note అనుసూచిక	This year 2015-16 ఈ సంవత్సరము	Previous Year 2014-15 క్రిందటి సంవత్సరము
NET ASSETS :			
	నికర ఆస్తులు		
19	Gross Block స్థూల మూల్యము	677176.62	564776.57
	Less: Accumulated Depreciation తగ్గింపు: తరుగుదల నిధికి కేటాయింపుల మొత్తము	287084.45	259678.35
	Net Fixed Assets	390092.17	305098.21
	నికర స్థిరాస్తులు		
21	Capital Expenditure in progress జరుగుతున్న పనులపై పెట్టుబడి ఖర్చులు	231836.99	129391.64
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	31098.59	30706.33
	Net Current Assets	(115623.38)	(74111.31)
	నిఖర చరాస్తులు		
26	Total Current Assets చరాస్తుల మొత్తము	149467.14	156006.17
	Less: Total Current Liabilities తగ్గింపు : ప్రస్తుత అప్పుల మొత్తము		

**BALANCE SHEET**

ఆస్తి అప్పుల పట్టిక

STATEMENT- 3

వివరణ -3

(Rs.in lakhs)

(లక్షల రూపాయలలో)

Sch. No.	Schedule Note అనుసూచిక	This year 2015-16 ఈ సంవత్సరము	Previous Year 2014-15 క్రిందటి సంవత్సరము
27	Security Deposits from Consumers వినియోగదారుల నుండి ధరావతులు	0.00	0.00
28	Other Current Liabilities ఇతర ప్రస్తుత అప్పుల మొత్తము	265090.51	230117.48
	Total Current Liabilities ప్రస్తుత అప్పుల మొత్తము	265090.51	230117.48
29	Subsidy Receivable from Government ప్రభుత్వము నుండి రావలసిన సహాయము	0.00	0.00
	NET ASSETS నికర ఆస్తులు	537404.37	391084.87
	FINANCED BY: ఆర్థిక వనరులు సమకూర్చబడిన విధము		
30	Borrowings for working capital నిర్వహణ ఖర్చుల నిమిత్తం అప్పులు	0.00	0.00
31	Payments due on Capital Liabilities పెట్టుబడుల బాకీల క్రింద ఇవ్వవలసిన మొత్తము	0.00	
32	Capital Liabilities పెట్టుబడుల బాకీలు	299541.99	175046.30
	Deferred Tax Liability భవిష్యత్తు పన్ను నిధి	11687.52	6836.75
28(a)	Liability for Pension & Gratuity and Leave Encashment	26732.88	31716.49
33	Funds from State Government ప్రభుత్వము నుండి తీసుకున్న నిధులు	838.51	1052.84



BALANCE SHEET
ఆస్తి ఆస్తుల పట్టిక

STATEMENT- 3

వివరణ -3

(Rs.in lakhs)

(లక్షల రూపాయలలో)

Sch. No.	Schedule Note అనుసూచిక	This year 2015-16 ఈ సంవత్సరము	Previous Year 2014-15 క్రిందటి సంవత్సరము
	Equity వాటా మూల ధనము	45443.97	45443.97
34	Contributions, Grants and Subsidies towards cost of Capital Assets పెట్టుబడి ఆస్తుల విలువ కొరకు వచ్చిన విరాళములు, గ్రాంట్లు మరియు సహాయము	87637.31	74054.11
35	Reserve and Reserve Funds నిధి మరియు నిధుల మొత్తము	22334.95	24319.55
	Surplus మిగులు	43187.25	32614.85
	TOTAL FUNDS మొత్తము నిధులు	537404.37	391084.87

Statements 4 & 5 form an integral part of Annual Statement of Accounts

As per our Report of even date
for **Jawahar and Associates.**,
Chartered Accountants
FRN: 01281S

Sd/-
V.Jawahar
Partner
M.No.023489
Place: Hyderabad.
Date:04/04/2017

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

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

Sd/-
(V.B.S. Kumara Gupta)
Financial Advicer & Chief
Cotroller of Accounts (Accounts) (FAC)

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

Sd/-
(M. Karunakar Reddy)
Company Secretary



REVENUE FROM TRANSMISSION & SLDC BUSINESS

Schedule 1
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
<u>I. Transmission Charges:</u>				
1	Transmission charges- EPDCL	61.401	229,96,65,759	274,89,89,175
2	Transmission charges- SPDCL	61.402	460,69,16,199	480,78,12,722
3	Transmission charges- CPDCL	61.403		119,19,79,679
4	Transmission charges- NPDCL	61.404		40,95,14,906
5	Intra State Open Access LTOA	61.410	(3,74,56,482)	4,62,56,634
6	Transmission charges - IEX/PX	61.413	15,71,34,943	17,84,94,747
7	Inter State Transmission charges (MTOA)	61.415	14,77,48,649	4,08,35,708
8	Inter State Open Access charges	61.430	35,84,42,823	43,25,76,431
9	Inter Regional Open access charges	61.490 to 494	47,24,08,244	56,41,83,858
Sub-Total (I)			800,48,60,135	1042,06,43,860
<u>II. SLDC Charges:</u>				
10	SLDC charges- EPDCL	61.425	9,92,41,342	9,64,64,989
11	SLDC charges- SPDCL	61.426	22,83,33,081	19,29,16,442
12	SLDC charges- CPDCL	61.427		3,24,18,490
13	SLDC charges- NPDCL	61.428		1,11,43,772
14	Intra State Open Access Charges - IEX/PX	61.414	90,85,000	5,02,97,246
15	Intra State SLDC Operating Charges (LTOA)	61.432	37,29,379	26,15,103
16	Inter State SLDC Operating Charges (MTOA)	61.435	40,62,974	10,08,938
17	Inter State Open Access SLDC Charges	61.440	1,56,57,579	1,89,44,942
18	SLDC Annual Fees	61.445	4,17,04,600	3,97,42,120
19	SLDC Charges from Open access generators	61.456 to 459	99,55,276	1,04,06,618
20	Inter Regional Open access charges	61.495 to 498	94,01,000	2,33,29,282
Sub-Total (II)			42,11,70,231	47,92,87,942
TOTAL (I + II)			842,60,30,366	1089,99,31,802



ELEMENT-WISE ANALYSIS OF REVENUE

Schedule 2
(in Rupees)

Sl. No.	Particulars	This Year 2015-16	Previous Year 2014-15
1.	Transmission Charges	800,48,60,135	1042,06,43,860
2.	SLDC Charges	42,11,70,231	47,92,87,942
	TOTAL	842,60,30,366	1089,99,31,802

REVENUE SUBSIDIES AND GRANTS

Schedule 4
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Revenue Subsidy as per Tariff Order	63.110	0	0
2	Subsidy Receivable from State Govt. for 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 2015-16	Previous Year 2014-15
1	Interest on staff loans and advances	62.200 to 62.219	32,09,829	22,33,589
2	Income from Investments	62.220 to 62.239	7,64,32,908	9,94,13,803
3	Delayed payment charges from consumers	62.250 & 62.260	3,88,00,813	98,44,459
4	Interest on Investments under Contingency Reserve	62.271	4,48,65,774	4,29,43,945
5	Income from Sale of scrap, etc.,	62.300	74,05,950	79,85,893
6	Miscellaneous receipts	62.900	49,04,29,769	14,03,32,387
7	O&M/AMC Charges collected	62.925	2,42,78,746	62,13,001
8	Fines & Penalties Recovered	62.935	36,11,41,925	19,60,85,235
9	SLDC Registration Fees	62.919	56,010	61,000
10	Cash Rebate earned on payment of supplier bills, etc.	62.941	94,44,963	1,55,89,197
11	Contributions towards Depreciation of LIS Assets	62.975	19,38,35,336	21,89,08,178
TOTAL			124,99,02,023	73,96,10,687

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

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
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This schedule is not applicable

GENERATION OF POWER**Schedule 7**
(In Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
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This schedule is not applicable



REPAIRS AND MAINTENANCE

Schedule 8
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
Repairs and Maintenance to:				
1	Plant and Machinery	74.100	2,68,178,274	27,94,44,224
2	Transformers	74.101	1,69,02,828	2,38,06,514
3	Substation maintenance by Pvt.Agencies	74.150	90,73,08,658	77,80,89,355
4	Buildings	74.200	46,31,762	62,85,382
5	Civil Works	74.300	1,95,68,902	2,74,98,123
6	Hydraulic Works	74.400	0	0
7	Lines, Cable net work etc.	74.500	4,05,66,231	13,97,63,337
8	Vehicles	74.600	68,54,320	68,83,504
9	Furniture and Fixtures	74.700		0
10	Office equipment	74.800	53,38,313	1,48,77,236
TOTAL			126,93,49,288	127,66,47,675



EMPLOYEE COSTS

Schedule 9
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1.	Salaries	75.100	208,28,31,014	240,25,74,012
2	Paid Holiday	75.210	6,62,143	9,39,247
3	Dearness Allowance	75.300	19,37,28,824	9,27,40,286
4	Other allowances	75.400	42,89,45,117	36,98,12,067
5	Exgratia / Incentives	75.500		0
	Sub-Total		270,61,67,098	286,60,65,612
6	Medical expenses Reimbursement	75.611	95,97,959	3,12,12,617
7	Leave Travel Assistance	75.612	3,18,858	3,15,688
8	Earned Leave Encashment	75.617	21,62,01,471	81,47,42,822
9	Leave salary contributions	75.618		1,37,293
10	Payment under workmen's compensation Act	75.629		0
11	Medical Allowance	75.710	2,51,03,646	2,94,04,864
12	Other welfare expenses	75.700 to 75.760	45,01,217	57,02,712
13	GPF Booster scheme	75.761	60,000	1,70,000
14	Medical Allowance - Pensioners	75.765	1,26,17,093	1,40,95,827
15	Contribution to EPF - APTRANSCO share	75.810 to 75.812	9,27,15,030	9,08,74,964
16	EPF Administration Expenses	75.813	64,66,847	80,04,701
17	Contribution to EDLI	75.814	9,17,344	7,66,529
18	EDLI Administration charges	75.815	18,329	15,264
19	Pension & Gratuity (employees recruited before 1-2-1999)	75.830	46,13,94,363	186,06,17,481
20	Gratuity (employees recruited on or after 1-2-1999)	75.840	4,73,01,212	5,58,47,523
	TOTAL		358,33,80,467	577,79,73,897



ADMINISTRATION AND GENERAL EXPENSES

Schedule 10
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Rent	76.101	29,93,500	23,61,405
2	Rates and Taxes	76.102	1,54,36,284	1,38,99,131
3	APERC License fees	76.103	1,65,52,500	1,78,38,500
4	Insurance	76.104	17,03,502	15,19,236
		to 76.107		
5	Telephone & Trunk calls	76.111	1,14,78,793	1,12,51,750
6	Postage	76.112	12,53,843	12,53,805
7	Legal charges	76.121	21,68,996	27,94,436
8	Audit fees	76.122	8,36,625	11,30,785
9	Consultancy charges	76.123	2,04,10,050	17,49,086
10	Technical fees	76.124		0
11	Other Professional Charges	76.125	34,036	5,63,999
12	Honorarium	76.126	69,984	3,44,038
13	Commission	76.127	1,04,022	7,00,275
14	Remuneration to Internal Auditors	76.128	25,51,506	25,08,384
15	Conveyance expenses	76.131	1,48,218	6,78,556
16	Travelling expenses	76.132	2,76,56,830	3,31,71,133
17	Vehicle running exp.(Cars, Jeeps, Etc.)	76.136	85,95,511	1,19,02,061
18	Vehicle License & Regd. Fee	76.138		0
19	Vehicle hire charges	76.139	8,43,13,012	9,23,82,802
20	Employees/Staff Recruitment expenses	76.140		0
21	Training and participation	76.150	14,68,349	21,84,831
22	Fees & subscription	76.151	12,57,049	12,38,440
23	Books & Periodicals	76.152	3,22,984	3,39,088
24	Printing & Stationery	76.153	38,65,703	41,60,502
25	Advertisement	76.155	1,35,73,712	1,20,99,602
26	Police Guard Charges	76.156		15,527
27	Contributions	76.157	44,83,498	2,35,410
28	Electricity charges	76.158	30,42,664	71,79,736
29	Water charges	76.160	6,80,553	9,12,171
30	Entertainment	76.162	13,80,411	15,11,185
31	Misc. Expenses	76.190	6,27,85,138	5,88,02,987
32	Outsourced Staff Wages	76.192	12,91,15,946	10,15,63,041
33	Vehicle running exp.(Heavy vehicles)	76.240	25,10,363	26,74,835
34	Incidental Stores expenses	76.270	11,09,365	11,35,892
	TOTAL		42,19,02,947	39,01,02,629



DEPRECIATION AND RELATED DEBITS (NET)

Schedule 11
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Depreciation	77.100	274,06,09,644	286,53,60,377
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		<u>274,06,09,644</u>	<u>286,53,60,377</u>
7	Less: Gain on sale of Assets (Excluding Capital gains transferred to Capital Reserve)	62.400		
	TOTAL		<u>274,06,09,644</u>	<u>286,53,60,377</u>



INTEREST AND FINANCE CHARGES

Schedule 12
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Interest on State Government loans	78.100	48,74,959	11,65,57,285
	Interest on WGIS	78.151		
2	Interest on Loans from FI's/Banks:			
	a) R.E.C.	78.504	168,61,63,832	88,74,42,481
	b) P.F.C.	78.511	25,91,03,260	52,33,66,208
	c) Federal Bank	78.522	68,37,370	1,07,32,161
	d) Canara Bank	78.523		14,66,577
	e) NABARD	78.531	8,87,85,853	8,81,37,793
	f) Andhra Bank	78.545	1,71,86,106	2,91,72,259
	g) Syndicate Bank	78.546	2,50,92,662	2,89,45,645
	h) Indian Bank	78.549	7,83,84,647	67,06,191
	i) Karur Vysya Bank	78.555	2,73,21,399	3,94,52,153
	j) Bank of Baroda	78.556	4,38,42,649	7,52,99,894
	k) Bank of Maharashtra	78.557	63,32,158	1,46,66,545
	l) Oriental Bank of Commerce	78.564	3,34,40,013	4,19,34,128
	m) Punjab & Sind Bank	78.565	1,31,71,390	2,24,46,341
	n) Allahabad Bank	78.566	1,21,15,177	1,70,30,774
	o) Bank of Rajasthan	78.567	1,98,12,144	2,43,81,011
	p) Karnataka Bank	78.568	1,62,00,808	2,33,11,622
	q) Corporation Bank	78.569	11,85,977	26,11,408
	r) Union Bank of India	78.570	95,55,347	1,33,01,990
	s) UCO Bank	78.575	4,90,58,612	7,00,99,983
	t) South Indian Bank	78.576	3,54,31,371	3,95,81,445
	u) Tamilnadu Mercantile Bank	78.577	6,33,84,285	1,69,06,820
	v) Dena Bank	78.578	2,70,60,626	77,55,274
	Sub-Total (1 to 2):		<u>252,43,40,645</u>	<u>210,13,05,988</u>
3	Interest on Borrowings for working capital	78.700	44,20,373	14,02,320
4	Other Interest (GIS-Savings Fund, GIS-Insurance Fund, FBF)	78.853 to 78.859	17,95,011	17,63,714
5	Cost of raising Finance - Service fee	78.864	12,01,400	10,00,000
6	Cost of raising Finance-Commitment charges	78.866	37,835	8,93,330
7	Other charges	78.880 to 78.883	9,654	(22,921)
	TOTAL		<u>253,18,04,918</u>	<u>210,63,42,431</u>



INTEREST AND FINANCE CHARGES CAPITALISED

Schedule 13
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Interest capitalised on funds used during construction	78.900	125,09,00,000	78,00,00,000
Calculation of IDC				(Rs. In Crores)
Sl. No.	Sch. No	Particulars	ACS	BNA
1		As per Balance sheet (Excluding IDC & taxes)	2,185.31	3,112.15
2		<u>Details of funds</u>	To be apportioned to ACS & BNA	
3	30	a. Borrowings Working capital	0.00	
4	31	b. Payment due on Capital liabilities	0.00	
5	-	c. Loans having intial period of Int.Holiday	0.00	
6		d. Other interest free liabilities		
7	34	Contribution & Grants		876.37
8	28(a)	Contributions to Trusts	267.33	
9		deferred tax	116.88	
10	35	e. Reserve funds		
11		i) Contingency Reserve Investements		20.33
12		ii) Balance reserves	203.02	
13		f. Reserves & Surplus		
14		i) Equity	454.44	
15		ii) Surplus before IDC & Taxes	355.29	
16		<i>Total apportionment to ACS/BNA (of 3 to 15)</i>	<u>1396.96</u>	<u>576.27</u> <u>820.68</u>
17		Non interest bearing funds (3 to 16)		<u>576.27</u> <u>1,717.39</u>
18	32	Capital Liabilities	2,995.42	
19	33	GoAP Loans	8.39	
20		Interest bearing funds (18+19)	<u>3,003.81</u>	
21		Interest Bearing ACS / BNA (1-17)		<u>1,609.04</u> <u>1,394.77</u>
22		Interest bearing ACS (sl.no 21)		1,609.04
23		Previous year interest bearing ACS		526.94
24		Average interest bearing ACS ((22+23)/2)		1,067.99
25		Interest bearing BNA (sl.no 21)		1,394.77
26		Previous year interest bearing BNA		779.61
27		Average interest bearing BNA ((25+26)/2)		1,087.19
28		Interest Charges		252.43
29		Interest chargeable to BNA (28-30)		127.34
30		Interest chargeable to ACS (28*24/(24+27))		125.09
		Interest chargeable to ACS (2014-15)		<u>78.00</u>



OTHER EXPENSES CAPITALISED

Schedule 14
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	R&M Expenses capitalized	74.900	28,66,927	28,57,914
2	Employee costs capitalized	75.900	89,31,94,590	80,44,31,281
3	Adm & General Expenses capitalized	76.900	8,13,58,322	8,27,37,633
4	Depreciation capitalized	77.900	66,040	75,146
TOTAL			97,74,85,879	89,01,01,974

OTHER DEBITS

Schedule 15
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Materials cost variance	79.100	0	1,17,79,000
2	Research & Development Expenses	79.200	0	0
3	Cost of Trading/ Manufacturing Activities	79.300	0	0
4	Bad and Doubtful debts written off/ Provided	79.400	0	0
5	a) Miscellaneous losses and write-offs:	79.500	0	11,89,574
	b) Infructuous capex writtenoff	79.532	0	0
	c) Stock shortages	79.510	3,571	0
	d) Loss of materials by pilferage	79.511	0	0
	e) Loss on Obsolescence of stores etc. in stock	79.561	46,98,000	(90,945)
	f) Loss on sale of Stores	79.573	0	0
6	Sundry Expenses	79.700	0	0
TOTAL			47,01,571	1,28,77,629

**EXTRAORDINARY ITEMS****Schedule 16**
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Extraordinary credits (including subsidies against loss on account of Flood, Fire, Cyclone etc.)	63.200	0	0
2	Extraordinary debits (Losses on account of Flood, Fire, Cyclone etc.) *	79.800	2,90,52,041	20,30,63,325
3	Extraordinary items (NET)		2,90,52,041	20,30,63,325

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



PROVISION FOR INCOME TAX

Schedule 17
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Income Tax for the year	81.100	0	36,99,73,244
	TOTAL		0	36,99,73,244



NET PRIOR PERIOD (CREDITS) / CHARGES

Schedule 18
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-151
	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		
	Other income-prior period	65.900	1,60,21,562	34,69,286
	TOTAL		1,60,21,562	34,69,286
2	Prior period expenses/losses			
	Short provision for power	83.100		
	Operating expenses	83.300		52502
	Employees cost	83.500		
	Depreciation under provided	83.600		
	Interest & Other Fin. Charges	83.700		
	Other charges	83.800		
	TOTAL		0	52,502
3	Net prior period(Credits) / Charges		(1,60,21,562)	(34,16,784)

**FIXED ASSETS AND PROVISION FOR DEPRECIATION**

GROSS BLOCK						
ASSET GROUP	Account Code	At the end of the previous year 2014-15	Additions	Adjustments on Deductions	Reclassification	At the end of the year 2015-16
Land and Land rights	10.100	317622076	5817490			323439566
Buildings	10.200	658822346	47348873			706171219
Other civil works	10.400	158489891	72826138			231316029
Plant and Machinery	10.500	26661161995	3046922914			29708084909
Lines and Cable Network	10.600	28351618749	8020157954			36371776703
Vehicles	10.700	26631495	887239			27518734
Furniture and Fixtures	10.800	24174102	3609101			27783203
Office equipment	10.900	279135909	42435350			321571259
Total for this year 2015-16		56477656563	11240005059	0	0	67717661622
Total for previous year 2014-15		98781435354	5882022788	48185801579		56477656563

- 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.
- Further, the lands acquired with effect from 1-4-2000 from the GoAP/individuals were on

FUNCTION-WISE BREAK-UP OF FIXED ASSETS

GROSS BLOCK					
FUNCTION	At the end of the previous year 2014-15	Additions	Deductions	Reclassification	At the end of the year 2015-16
Transmission	55577610232	11239405042	0	0	66817015274
SLDC	900046331	600017	0	0	900646348
Total	56477656563	11240005059	0	0	67717661622



Schedule 19
(in Rupees)

PROVISION FOR DEPRECIATION				NET BLOCK		
At the end of the previous year 2014-15	Depreciation for the year	Adjustments on Deductions	Reclassification	At the end of the year 2015-16	At the end of the year 2015-16	At the end of the previous year 2014-15
0				0	323439566	317622076
264775043	18061038			282836081	423335138	394047303
26638174	4373298			31011472	200304557	131851717
14046075506	1386424260			15432499766	14275585143	12615086489
11451765068	1304438184			12756203252	23615573451	16899853681
24861569	488263			25349832	2168902	1769926
9483155	2511337			11994492	15788711	14690947
144236961	24313264			168550225	153021034	134898948
25967835476	2740609644	0	0	28708445120	39009216502	30509821087
44892155733	2865360379	21787991183	1689453	25967835476	30509821087	53889279621

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.

- 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 the company is in process.
- The value of land in gift subsequent to 01.04.2000 are in process of ascertainment and to be taken into books.

Schedule 20
(in Rupees)

PROVISION FOR DEPRECIATION				NET BLOCK		
At the end of the previous year 2014-15	Depreciation for the year	Adjustments on Deductions	Reclassification	At the end of the year 2015-16	At the end of the year 2015-16	At the end of the previous year 2014-15
25184203227	2735385874			27919589101	38897426173	30393407005
783632249	5223770			788856019	111790329	116414082
25967835476	2740609644	0	0	28708445120	39009216502	30509821087



CAPITAL EXPENDITURE IN PROGRESS

Schedule 21
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Capital work-in-progress	14.000	2310,40,24,158	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)	15.600		
	Assets at Construction Stage (1 to 5)		2310,40,24,158	1291,33,58,441
6	Advances for Suppliers/Contractors (Capital)	25.100 to 25.900	7,96,74,768	2,58,05,563
	TOTAL		2318,36,98,926	1293,91,64,004



ASSETS NOT IN USE

Schedule 22
(in Rupees)

Balance at the beginning of the previous year 2014-15	Additions during the previous year	Deductions during the previous year	Balance at the end of the previous year 2014-15	Asset Group	Account Code	Additions during the year 2015-16	Deductions during the year 2015-16	Balance at the end of this year 2015-16
				Written down value of Obsolete, Scrapped Assets				
	17,63,835	17,63,835	0	Land and rights	16.100			0
				Buildings	16.200			0
				Hydraulic works	16.300			0
				Other civil works	16.400			0
				Plant & Machinery	16.500			0
				Lines and Cable net work	16.600			0
	1,42,637	1,42,637	0	Vehicles	16.700		0	0
				Furniture & Fixtures	16.800			0
				Office equipment	16.900			0
0	19,06,472	19,06,472	0	TOTAL		0	0	0



DEFERRED COSTS

Schedule 23
(in Rupees)

Balance at the beginning of the previous year 2014-15	Costs deferred during the previous year 2014-15	Costs charges to revenue during the previous year 2014-15	Apportioned to TSTRANSCO	Particulars	Account Code	Balance at the end of the previous year 2014-15	Costs deferred during the year	Costs charged to revenue during the year	Balance at the end of this year 2015-16
	312,71,44,636	155,71,66,146	156,99,78,490	Deferred Revenue Expenditure	17.230				
0	312,71,44,636	155,71,66,146	156,99,78,490	TOTAL		0	0	0	0



INTANGIBLE ASSETS

Schedule 24
(in Rupees)

Balance at the beginning of the previous year 2014-15	Costs deferred during the previous year 2014-15	Costs charges to revenue during the previous year 2014-15	Apportioned to TSTRANSCO	Intangible Assets	Account Code	Balance at the end of the previous year 2014-15	Costs deferred during the year	Costs charged to revenue during the year	Balance at the end of this year 2015-16
				Payments to acquire right to receive power from other bodies	18.100	0			0
	2,60,02,920		2,60,02,920	Expenses for forming and organising the Company	18.200	0			0
	2,60,02,920	0	2,60,02,920	TOTAL		0	0	0	0



INVESTMENTS

Balance at the beginning of the previous year 2014-15	Further Investments during the previous year	Investments realised during the previous year	Approtioned to TSTRANSCO	Investments	Account Code
84400000 281024090				Long Term Investments Investments in partnership/Joint ventures Equity in GVK Power & Infrastructure Ltd., Equity Share in APGPCL(Unquoted)	20.400 20.405
365424090				Sub-Total	
770059000 316000000 446000000 921000000 317000000 611500000 861800000 1782500000 614200000	255665000	207512941	348302448 921000000 317000000 1782500000 614200000	<u>Contingency Reserve Investment</u> Investment other than Fund investments 9.95% APEPDCL Power Bonds - Series 1/2014 9.95% APSPDCL Power Bonds - Series 1/2014 9.95% APCPDCL Power Bonds - Series 1/2014 9.95% APNPDCL Power Bonds - Series 1/2014 10% APEPDCL Power Bonds - Series 3/2014 10% APSPDCL Power Bonds - Series 3/2014 10% APCPDCL Power Bonds - Series 3/2014 10% APNPDCL Power Bonds - Series 3/2014 Current Investments	20.600 20.200
6640059000	255665000	207512941	3983002448	Sub-Total	
7005483090	255665000	207512941	3983002448	TOTAL	

LIST AS PER CONTINGENCY RESERVE SECURITIES

- Govt. of India 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
- 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
- Apportioned to TSTRANSCO*

TOTAL

* Balance as at 31.3.2015, Rs.36.99 crs include Rs.2.16 crs being the net investments during the period from 2.6.14 to 31.3.15



Schedule 25
(in Rupees)

Balance at the end of the previous year 2014-15	Further Investments during the year	Investments realised during the year	Balance at the end of the year 2015-16	Details of Investment certificates pledged or given as a security deposit
84400000 281024090			84400000 281024090	
365424090			365424090	0
469908611	79427306	40201240	509134677	0
316000000 446000000			316000000 446000000	0 0
611500000 861800000			611500000 861800000	0 0
2705208611	79427306	40201240	2744434677	0
3070632701	79427306	40201240	3109858767	0

29050000 1000000 65000000 26000000 114000000 5000000 8000000 121000000 6000000 7000000 11000000 10000000 68000000 14000000 30000000 117000000 15000000 112000000 80763000 (369904389)	141951185 (62523879)	71847000 (31645760)	29050000 1000000 65000000 26000000 114000000 5000000 8000000 121000000 6000000 7000000 11000000 10000000 68000000 14000000 30000000 117000000 15000000 112000000 150867185 (400782508)
469908611	79427306	40201240	509134677



TOTAL CURRENT ASSETS

Schedule 26
(in Rupees)

Sl. No.	Current Assets	Schedule No.	This Year 2015-16	Previous Year 2014-15
1	Stocks	26 (a)	270,47,92,992	424,26,58,294
2	Receivables-Transmission & SLDC charges	26 (b)	2380527814	252,56,86,257
3	Cash and Bank Balances	26 (c)	364102817	57,27,25,289
4	Loans and Advances	26 (d)	8566599134	800,56,57,002
5	Sundry Receivables	26 (e)	930691007	25,38,90,225
TOTAL			14,94,67,13,764	15,60,06,17,067

STOCKS

Schedule 26 (a)
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Stock of materials at construction stores	22.600 to 22.610	227,92,58,503	418,62,80,242
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	44,73,08,421	6,71,15,256
5	Materials in transit	22.680 & 22.690	0	0
6	Other Materials Account	22.700	0	63,18,486
7	Materials stock excess/shortage pending investigation	22.800	10,59,068	10,79,310
8	Provision for recovery / write-off of cost of materials	22.900	(2,28,33,000)	(1,81,35,000)
TOTAL			270,47,92,992	424,26,58,294



TRANSMISSION & SLDC CHARGES RECEIVABLE

Schedule 26(b)

(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Sundry Debtors-Transmission charges-EPDCL	23.131	82,40,49,617	69,36,35,285
2	Sundry Debtors-Transmission charges-SPDCL	23.132	115,66,53,332	132,50,48,863
3	Sundry Debtors-Transmission charges-CPDCL	23.133	0	0
4	Sundry Debtors-Transmission charges-NPDCL	23.134	0	0
5	Sundry Debtors for Intrastate Tr chrgs - LTOA	23.192	43,96,350	(13,55,458)
6	Sundry Debtors for Intrastate Tr chrgs - MTOA	23.632	23,04,45,956	4,81,55,829
7	Sundry Debtors-Inter state Tr chrgs-IEX/PX/RLDC	23.600	17,26,526	3,84,192
8	Sundry Debtors for Intrastate Tr chrgs - Others	23.670	8,65,32,774	11,71,20,054
9	Sundry Debtors for Intrastate Tr chrgs - Others	23.400	73,47,200	27,52,08,766
	Sub-total (1 to 9)		231,11,51,755	245,81,97,531
10	Sundry Debtors-SLDC charges-EPDCL	23.141	(52,30,141)	1,99,45,577
11	Sundry Debtors-SLDC charges-SPDCL	23.142	5,57,17,638	3,61,90,232
12	Sundry Debtors- Open access	23.156	66,94,738	42,83,546
13	Sundry Debtors-SLDC charges-NPDCL	23.144	0	0
14	Sundry Debtors for Intrastate SLDC - LTOA	23.196	2,80,747	4,29,368
15	Sundry Debtors-Inter state SLDC chrgs-IEX/PX/RLDC	23.600	0	0
16	Sundry Debtors for Intra state SLDC - MTOA	23.661	71,24,394	15,36,907
17	Sundry Debtors for Intrastate SLDC - Others	23.660	47,88,683	51,03,096
	Sub-total (10 to 17)		6,93,76,059	674,88,726
	TOTAL		238,05,27,814	252,56,86,257



CASH AND BANK BALANCES

Schedule 26(c)
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Cash on Hand	24.100	0	0
2	Cash Imprests with staff	24.200	0	(22,924)
3	Balances with Banks - Remittances	24.300	23,20,440	(4,77,60,522)
4	Balances with Banks - Drawing A/c.	24.400	30,57,95,807	61,36,26,928
5	Cash in Transit - Remittances	24.500	(7,59,448)	(7,25,823)
6	Cash in Transit - LOCs	24.600	5,67,46,018	76,07,630
7	Short term fixed deposits with Banks	24.700		0
TOTAL			36,41,02,817	57,27,25,289

LOANS AND ADVANCES

Schedule 26(d)
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Advances for O&M supplies/works	26.100 to 26.700	14,42,22,184	3,14,32,646
2	Loans and Advances to Staff	27.100 & 27.200	19,70,47,210	25,62,79,969
3	Loans and Advances to Licensees	27.300	0	0
4	Advance Income Tax/Deduction at source	27.400	62,16,18,333	40,01,12,025
5	MAT entitlement A/c	27.401	28,58,79,045	
6	Loans and Advances - Discoms pool account	27.800	731,78,32,362	731,78,32,362
TOTAL			856,65,99,134	800,56,57,002



SUNDRY RECEIVABLES

Schedule 26(e)
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Sundry Debtors-Trading Account	28.100	4,68,43,987	3,15,20,320
2	Interest accrued and due - Govt. Loans	28.201	0	0
3	Income accrued and due (ICD)	28.200 & 28.290	13,65,40,815	14,11,84,208
4	Income accrued but not due (others)	28.390	5,61,14,517	5,19,79,003
5	Amount recoverable from employees /Ex-employees	28.400	2,56,49,192	2,57,75,026
6	Other claims and Receivables	28.700 & 28.800	8,07,29,724	(26,70,44,809)
7	Other Receivables from Discoms	28.801 to 28.804	3,99,79,307	7,11,04,019
8	Deposits - Others	28.900	33,10,76,826	11,85,20,753
9	Deposits-Revenue Dept- Land Acquisition	28.921	21,37,72,133	8,08,67,159
10	Inter unit account adjustment balance	30 to 39	(15,494)	(15,454)
TOTAL			93,06,91,007	25,38,90,225

SECURITY DEPOSITS FROM CUSTOMERS

Schedule 27
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
N I L				



OTHER CURRENT LIABILITIES

Schedule 28
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Liability for purchase of power	41.000 to 41.250	0	0
2	Sundry payables - Discoms	41.150 to 41.180	0	0
3	Loan against Fixed Deposits	41.197	0	0
4	Liability for capital supplies/works	42.100 to 42.300	215,66,12,548	230,22,55,163
5	Liability for O&M supplies/works	43.100 to 43.300	35,61,50,282	36,68,36,231
6	Staff related provisions	44.100 to 44.405	38,44,61,288	33,59,74,403
7	Provision for Gratuity	44.110	6,05,349	1,29,09,610
8	Provision for Pension	44.120	0	138,89,14,213
9	Provision for EL Encashment	44.150	44,53,16,947	61,10,83,183
10	Deposits and retentions from Suppliers & Contractors	46.100	621,16,59,142	523,19,87,707
11	Deposits-GoAPs Lift Irrigation Scheme	46.130	648,92,77,710	663,36,92,156
12	Interest on Deposits - GoAP's Lift Irrigation Scheme	46.131	502,90,59,729	414,94,37,918
13	Security Deposits of Op.chrgs- SLDC	46.140	11,28,88,833	14,15,07,330
14	TSTRANSCO Pool A/c, (Post Bifurcation transactions)	46.251	153,77,51,470	85,91,23,506
15	Transmission and SLDC clearing	46.275	5,37,79,931	4,92,38,046
16	Liability for expenses	46.400	45,65,58,337	44,84,02,010
17	Accrued interest liability on borrowings	46.700	6,84,23,984	5,08,20,557
18	Provision for Income Tax	46.800	0	10,22,84,930
19	Other liabilities and provisions	46.900	320,08,31,223	31,70,91,336
20	Liability for Stale Cheques	46.910	56,74,523	1,01,89,328
TOTAL			2650,90,51,296	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 for 2014-15	Additions the Year 2015-16	Deductions for the Year 2015-16	This year 2015-16
1	Amount payable - APTRANSCO Pension & Gratuity Trust	45.101	254,62,30,242	0	50,63,06,744	203,99,23,498
2	Amount payable - APTRANSCO Gratuity Trust	45.102	4,80,35,171	79,45,110	0	5,59,80,281
3	Amount payable - APTRANSCO EL Encashment	45.103	57,73,84,048	0	0	57,73,84,048
TOTAL			317,16,49,461	79,45,110	50,63,06,744	267,32,87,827



SUBSIDY RECEIVABLE FROM GOVERNMENT

Schedule 29
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Capital Subsidy/Grant Receivable	28.610	0	0
2	Revenue Subsidy/Grant Receivable	28.620	0	0
TOTAL			0	0

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

Sl. No.	Particulars	Account Code	This Year 2015-16	Previous Year 2014-15
1	Cash Credit from Banks	50.100	0	0
2	Bank Overdraft	50.200	0	0
	TOTAL		0	0



PAYMENT DUE ON CAPITAL LIABILITIES

Due at the beginning of the previous year 2014-15	Becoming due during the previous year	Payments made during the previous year	Particulars
0	518668992	518668992	Repayment of loans to REC Ltd.
0	849435512	849435512	Repayment of loans to P.F.C. Ltd.
0	60045282	60045282	Repayment of loans to Govt. of A.P
0	32454242	32454242	Repayment of loans to Federal Bank
0	41779522	41779522	Repayment of loans to Canara Bank
0	31099630	31099630	Repayment of loans to Oriental Bank of Commerce
0	41954157	41954157	Repayment of loans to Punjab & Sind Bank
0	128253370	128253370	Repayment of loans to Andhra Bank
0	29280559	29280559	Repayment of loans to Syndicate Bank
0	125349192	125349192	Repayment of loans to Bank of Baroda
0	70015456	70015456	Repayment of loans to Bank of Maharashtra
0	27175090	27175090	Repayment of loans to Allahabad Bank
0	40269121	40269121	Repayment of loans to Bank of Rajasthan
0	55635284	55635284	Repayment of loans to Karur Vysya Bank
0	42489766	42489766	Repayment of loans to Karnataka Bank
0	20499318	20499318	Repayment of loans to Union Bank of India
0	4562212	4562212	Repayment of loans to Corporation Bank
0	79205699	79205699	Repayment of loans to Indian bank
0	79205699	79205699	Repayment of loans to UCO Bank
0	36362017	36362017	Repayment of loans to South Indian Bank
0	1239980	1239980	Repayment of loans to Tamilnad Mercantile Bank
0	536	536	Repayment of loans to NABARD
0	536	536	Repayment of loans to Dena Bank
0	2235774937	2235774937	Total Repayments Due



Schedule 31
(in Rupees)

Account Code	Due at the end of the previous year 2014-15	Becoming due during the year	Payments made during the year	Due at the end of the year 2015-16
51.102	0	752827396	752827396	0
51.104	0	396468267	396468267	0
51.120	0	21433400	21433400	0
51.122	0	27378554	27378554	0
51.123	0		0	0
51.158	0	37053810	37053810	0
51.141	0	35314956	35314956	0
51.145	0	106094063	106094063	0
51.146	0	27756128	27756128	0
51.156	0	84841038	84841038	0
51.157	0	62363401	62363401	0
51.160	0	23857764	23857764	0
51.161	0	40497264	40497264	0
51.155	0	46906128	46906128	0
51.162	0	37659528	37659528	0
51.164	0	18903024	18903024	0
51.163	0	2712924	2712924	0
51.165	0	1359061	1359061	0
51.175	0	65263272	65263272	0
51.176	0	36792432	36792432	0
51.177	0	26291766	26291766	0
51.131	0	75775354	75775354	0
	0	3678180	3678180	0
	0	1931227710	1931227710	0



CAPITAL LIABILITIES

Outstanding at the beginning of the Previous year 2014-15	Amount Received during the Previous year	Repayments due during the Previous year	Apportioned to TSTRANSCO	Particulars
9424310084	5718681065	518668992	3795657555	i. APTRANSCO Vidyut Bonds
1266836987	246367697	0	701628815	ii. Loan from REC Ltd
10966237876	353278615	849435512	8947228371	iii. Loan from NABARD
173383670		32454242	66583498	iv. Loan from PFC Ltd.
59727118		41779522	17947596	v. Loan from Federal Bank
333945529		128253370	11267739	vi. Loan from Canara Bank
368498926		29280559	125537440	vii. Loan from Andhra Bank
0	600000000			viii. Loan from Syndicate Bank
620116341		55635284	296703528	ix. Loan from Indian Bank
1752517324	11312116	125349192	1203068959	x. Loan from Karur Vysya Bank
182881412		70015456	22978562	xii. Loan from Bank of Baroda
590999565	12678487	31099630	259293572	xiii. Loan from Bank of Maharashtra
478638628	6818526	41954157	303618864	xiv. Loan from Oriental Bank of Commerce
262570332		27175090	116106446	xv. Loan from Punjab & Sind Bank
365205229		40269121	151906103	xvi. Loan from Allahabad Bank
355258095		42489766	149582032	xvii. Loan from Bank of Rajasthan
73555223		4562212	57239825	xviii. Loan from Karnataka Bank Ltd
170884751		20499318	55870319	xix. Loan from Corporation Bank
1226567376		79205699	674247666	xx. Loan from Union Bank of India
509725545	76315068	36362017	224692119	xxi. Loan from UCO Bank
75605929	417060298	1239980	38535662	xxii. Loan from South Indian Bank
100000000	140000000	536	39923349	xxiii. Loan from Tamilnadu Mercantile Bank
29357465940	7582511872	2175729655	17259618020	TOTAL



Schedule 32
(in Rupees)

Details of Interest rate, moratorium and rate applicable at the end of the year	Account Code	Outstanding at the end of Previous year 2014-15	Amount received during the year	Repayments due during the year	Outstanding at the end of the year 2015-16
11.60%	52.111				0
8.0% - 10.40%	53.301	10828664602	10960363995	752827396	21036201201
10.75%	53.531	811575869	263711911	75775354	999512426
9.00% - 12.50%	53.710	1522852608	1850168335	396468267	2976552676
10.75%	53.722	74345930	2595782	27378554	49563158
10.25%	53.723	0			0
10.40%	53.745	194424420	246159805	106094063	334490162
10.00%	53.746	213680927		27756128	185924799
10.55%	53.749	600000000	300000000	1359061	898640939
11.25%	53.755	267777529		46906128	220871401
10.90% - 11.15%	53.756	435411289	270635	84841038	350840886
10.45%	53.764	89887394	100000455	62363401	127524448
10.65%	53.765	313284850	164455414	37053810	440686454
10.50%	53.766	139884133	3066036	35314956	107635213
11.15%	53.767	119288796		23857764	95431032
11.15%	53.768	173030005		40497264	132532741
11.15%	53.769	163186297		37659528	125526769
11.25%	53.770	11753186		2712924	9040262
11.15%	53.771	94515114		18903024	75612090
10.95%	53.775	473114011		65263272	407850739
11.50%	53.776	324986477		36792432	288194045
10.90%	53.777	452890585	227265584	26291766	653864403
10.70%	53.778	200076115	241304930	3678180	437702865
		17504630137	14359362882	1909794310	29954198709



FUNDS FROM STATE GOVERNMENT

Outstanding at the beginning of the Previous year 2014-15	Amount Received during the Previous year	Repayments during the Previous year	Apportioned to TSTRANSCO	Particulars	
126717336	0	21433400	0	1	Loans from Govt. of Andhra Pradesh
6526075461	0	38611882	6487463579	2	a. Loans from Govt. of Andhra Pradesh - JICA (Govt. Orders received)
213188180	258510827	0	471699007		b. Loans from Govt. of Andhra Pradesh - JICA (Govt. Orders yet to be received)
6865980977	258510827	60045282	6959162586		Sub-Total
7792175840			3247778890	3	** Share capital from State Govt.
14658156817	258510827	60045282	10206941476		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 2014-15	Received during the previous year	Apportioned to TSTRANSCO	Sl. No.	Particulars
13826078647	16757735	6597520696	1	Consumers' Contribution
13826078647	16757735	6597520696		Total Consumers' Contribution
274511648	0	114416455	2	Grants towards cost of Capital Assets
14100590295	16757735	6711937151		TOTAL



Schedule 33
(in Rupees)

Details of Interest rate, moratorium and rate applicable at the end of the year	Account Code	Outstanding at the end of Previous year 2014-15	Amount received during the year	Repayments during the year	Outstanding at the end of the year 2015-16
9.50%	54.200	105283936	0	21433400	83850536
9.5% - 10.25%	54.201	0	0	0	0
		0	0	0	0
		105283936	0	21433400	83850536
	54.600	4544396950			4544396950
		4649680886	0	21433400	4628247486

Schedule 34
(in Rupees)

Account Code	Balance at the end of the previous year 2014-15	Additions during the year	Total at the end of the year 2015-16
55.100	7245315686	1358320610	8603636296
	7245315686	1358320610	8603636296
55.300	160095193	0	160095193
	7405410879	1358320610	8763731489



RESERVE AND RESERVE FUNDS

Balance at the beginning of the Previous year 2014-15	Additions during the previous year	Deductions during the previous year	AppORTIONED to TSTRANSCO	Particulars
681978577	28347298	0	304258970	1 Foreign Exchange variation Reserve
3331485268	0	0	1388563060	2 Contingency Reserve as per Schedule VI of ElecY.(Supply) Act, 1948
110446815	0	0	46385297	3 Restructuring Reserve
23722165	2953290	1327654	10008081	4 Capital Reserve
9048240	1022993	230607	3685398	5 GIS - Savings Fund
0	3057515	3057515	0	6 GIS - Insurance Fund
0	2537829	2537829	0	7 Self Medical Fund - Employees
				8 Medical Fund - Pensioners/ Family Pensioners
4156681065	37918925	7153605	1752900806	Sub-total (1 to 8)
0	33752923	34933603	(1180680)	9 General Provident Fund
0	1629046483	1699313187	(70266704)	10 Pension Paid - Master Trust (Prior to 1st Transfer Scheme)
0	2900486612	3023468539	(122981927)	11 Pension/Gratuity Paid - Master Trust (After 1st Transfer Scheme)
0	1024028952	1065642184	(41613234)	12 Pension/Gratuity Paid - APTRANSCO P&G Trust (After 1st Transfer Scheme)
0	93787451	91649714	2137737	13 Contribution to APTRANSCO Gratuity Trust (Employees recruited after 1-2-1999)
0	1672467554	1596364745	76102809	14 Contribution to APTRANSCO Pension & Gratuity Trust
0		2590281		15 Pensioners -HUDHUD Advance
0	7353569975	7513962253	(157801999)	Sub-total (9 to 14)
4156681065	7391488900	7521115858	1595098807	TOTAL (1 to 14)



Schedule 35
(in Rupees)

Account Code	Balance at the end of the Previous year 2014-15	Additions during the year	Deductions/ Transfers during the year	Balance at the end of the year 2015-16
56.620	0	0	0	0
58.220	406066905	29338627	232115366	203290166
56.650	1942922208	0	0	1942922208
56.670	64061518	0	0	64061518
57.153	15339720	4093499	2461294	16971925
57.154	6155228	882541	612453	6425316
57.161	0	2611100	2611100	0
57.162	0	1268200	1268200	0
	2434545579	38193967	239068413	2233671133
57.121 & 57.122	0	76260594	76260594	0
57.170	0	48215444	48215444	0
57.171	0	491878688	491878688	0
57.175	2	173256743	173256743	2
57.135	0	69546123	69546123	0
57.145	0	2548909007	2548909007	0
57.163	(2590281)	3765599	1351517	(176199)
	(2590279)	3411832198	3409418116	(176197)
	2431955300	3450026165	3648486529	2233494936



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 apportioned between the two entities provisionally as per draft demerger plan, accordingly entries were incorporated in the books on the methodology as per draft demerger plan submitted to Expert Committee of Demerger of Government Corporations which is yet pending for final approval.
 - b) 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 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.
 - c) 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)	(76229.84)	(58487.20)	(17742.63)
	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
d)	Subsequent events after the Draft Demerger plan submitted to "Expert Committee" is that, it is noticed some of fixed assets are located in one region and accounted in another region, 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.			
e)	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 yet pending at the close of the year:-			



- f) Any differences/deviations in the draft demerger plan will be effected on finalization of Demerger Plan and the same will considered in to subsequent years.
- 5. The charge on the loans on assets apportioned to TSTRANSCO on demerger continue to be in the name of the company pending finalization of the demerger scheme.
- 6. Registration of transfer of title in the immovable properties apportioned to TSTRANSCO is pending on the date of Balance Sheet.

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

The Company, 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.

Defined Benefit Plans:

- a. The companies gratuity and pension plan are the defined benefit plans. The present value of gratuity and pension obligation under such defined plans are determined based on actuary valuation carried out by an independent actuary using the projected unit credit method, which recognizes each period service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present valuation of the obligation under defined plans, is based on the market yield on government securities as at the valuation date having maturity periods approximating to the terms of related obligations. Actual gains and losses are recognized immediately in the statement of Profit and Loss.
 - b. Other employee benefits: Benefits under the company's leave encashment scheme constitute other employee benefits. The liability at the end of the year after current payments in respect of leave encashment is reviewed and estimated on the basis of 30 days of salary commitment of all the employees.
 - c. The company, has reviewed and estimated the liability based on the Actuary report as at 31st of March, 2015 and charged to Profit & Loss account @ 31.15% of Basic & DA towards Pension & Gratuity for the employees on rolls as on 31.01.1999 and @ 6.29% of Basic & DA for the employees recruited on or after 1.2.1999.
8. 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
2015-16	360.09	76.66	33.40
TOTAL			302.95

9. Audit Fee includes: - Rs.

Particulars	2015-16	2014-15
a) Statutory Auditors:		
Audit Fee	3,90,000	3,90,000
Out of Pocket expenses	90,000	1,30,000
Tax Audit Fee	97,500	97,500
Certification Fee		2,00,000
b) Service Tax	86,625	1,16,289
TOTAL	6,64,125	9,33,789

10. 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 are as follows:



Rs. in crores			
Sl. No	Particulars	This year 2015-16	Previous year 2014-15
1.	Deposits received from GoAP to end of	1083.74	1083.74
2.	Interest payable to GoAP on LIS deposits to end of	502.91	414.95
3.	Total (1+2)	1586.65	1498.69
4.	Value of Lift Irrigation Assets put to use transferred to "Consumer Contribution towards cost of Capital Assets" to end of	270.73	270.80
5.	Development Charges transferred to "Consumers Contribution towards cost of Capital Assets" to end of	38.11	38.14
6.	Supervision Charges transferred to P&L A/c to end of	71.93	71.95
7.	Amount paid to Discoms to end of	54.04	39.48
8.	Total expenditure (4 to 7)	434.81	420.37
9.	Balance Deposits at the end of the year (3-8)	1151.84	1078.32
10.	Less: Capital Works in progress to end of	154.00	99.94
11.	Balance Deposits at the end of the year (9-10)	997.84	978.38
11.	<p>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.236.18 crs (previous year Rs.177.95), 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.</p>		
12.	<p>An amount of Rs.19.38 crs (previous year Rs. 21.89 crs i.e., 1.4.2014 to 1.6.2014 united AP and 2.6.2014 to 31.3.2015 residuary AP) 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.</p>		
13.	<p>The TS Transco has raised bills towards share of common expenditure, for the year amounting to Rs.4.08 crores, which is not accepted by company, pending review and finalization.</p>		
14.	<p>a) Maintenance charges from consumers are accounted on cash basis.</p> <p>b) Supervision charges from clients/consumers (other than LIS works) are treated as income on cash basis.</p> <p>c) The O&M maintenance charges from NCE Developers are treated as income on cash basis.</p> <p>d) Surcharge on delayed payment of Transmission & SLDC charges are treated as income on cash basis.</p>		



15. There are no assets, which attract impairment during the year in terms of AS-28.

16. **Deferred Tax:**

(Rs. In Crs)

Particulars	As at 31.03.2015	For the Year 2015-16	As at 31.03.2016
	1	2	3(1+2)
Deferred Tax Liability On Depreciation	173.82	24.63	198.45
Deferred Tax Asset on provision of Pension & Gratuity, Gratuity and Leave Encashment	(105.45)	23.88	(81.57)
Net Deferred Tax Liability/(Asset)	68.37	48.51	116.88

17. 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.4.30 crs at the close of the year (previous year Rs. 6.05 crs).

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

19. a. As directed by APERC through tariff orders from time to time, company has appropriated from appropriation account to Contingency Reserve as per para IV (1) of the Sixth Schedule of Electricity Supply Act 1948. The 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 utilization of contingency reserve shall be made only with the prior approval of the Hon'ble Commission.

b. APERC has accorded the permission to utilize the expenditure arising on account of the damage and losses caused by HudhHud cyclone to transmission network. In accordance to the permission, APTRANSCO has transferred the contingency reserve of Rs.23.21 crs to the appropriation account towards the extra-ordinary expenditure incurred on account of damage and losses caused by HudHud.

c. 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 is apportioned between APTRANSCO and TSTRANSCO. The interest share of APTRANSCO 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.

20. Investments other than fund investments amounting to Rs.587 crores are held in the name of the company which includes investments of Rs.363.47 crores apportioned to TSTRANSCO.



- 21.** 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 mobilize 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 mobilized 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 were 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 existing liability as on 31-03-2016 of Vidyut Bonds to AP and TS is of Rs.350 Crs Rs.511.18 Crs respectively.
- 22.** 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 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.52.27 crs (Pr. Year Rs.149.80 crs) as at 31st March 2016 which are not shown in the financial statements of the Company.
- 23.** All the Loans existing on 01.06.2014 from the REC, PFC and Banks are continuing 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 draws/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 2016 are not shown in the financial statements of the Company.
- 24.** Expenses capitalized in the TLC units include Head Quarter charges (@1.5% (Pr. Yr 1.5%) on the CWIP of the year).



25. Disclosure related to related party transactions:

SL.No	Name: Sarwasri	Relationship	Transaction	Amount (in Rs.)
1.	K. Vijayanand	CMD	Remuneration	1,27,983
2.	P. Umapathi	JMD	Remuneration	17,31,890
3.	Dinesh Parchuri	Dir(Fin)	Remuneration	9,70,581
4.	Md. Anwaruddin	Dir(Grid & TRA & MAN)	Remuneration	2,81,712
5.	S. Subhrmanyam	Dir(Proj)	Remuneration	6,82,307
6.	Nagaraja Swamy	Dir(Grid & TRA & MAN)	Remuneration	1,71,220

26. CONTINGENT LIABILITIES:

a) Disputed liabilities towards Sales Tax/VAT/CST/Entry Tax

(Rs. In Crores)

Particulars	2015-16	2014-15
Cases for disputed liabilities of Sales Tax/VAT/CST/Entry Tax are pending before the STAT, 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	14.54	15.18

b) The Income Tax Returns are filed by the company, and the assessments are completed up to AY 2014-15 (FY 2013-14). The IT authorities have added back the interest income transferred to LIS deposits pertaining to GoAP for the AY 2008-09 to 2014-15, 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 for AY 2013-14 and AY 2014-15 against which 15% of the Demand was paid for grant of stay petition as detailed below:

Asst. Year	Tax Demand Rs.crs	Tax paid Rs.crs.
2013-14	145.67	22.61
2014-15	99.62	14.94

c) Legal cases are pending against APTRANSCO in AP Micro Small & Medium Enterprises Facilitating Council (APMSEFC) and AP High Court. However, an amount of Rs.0.94 crs (previous year Rs.0.47 crs) was deposited against the awarded amount.

d) Demand raised by Municipal authorities towards Municipal Taxes are disputed to the extent of Rs.4.37 crs (previous year Rs.5.84 cr.)



- 27.** Land at 220 KV Farm Sub-station to the extent of 1078.96 Sq.Mts. was transferred to GVMC /Vishakhapatnam against which 1096.45 Sq.Mts. was occupied by GVMC. The land transferred by company is on exchange basis with the available GVMC land at Lankelapalam or at Mudasarlova. The transfer of identified land on exchange basis is not completed. Therefore the cost of land taken over by GVMC is not removed from the books.
- 28.** The APERC has issued the true-up orders dt.07.11.2015 for true-down of Rs.271.34 Crores of transmission charges towards the 2nd MYT (Multi Year Tariff) for the FY 2009-10 to 2013-14. As per the Hon'ble Commission orders, company has to refund the transmission charges to the two distribution companies i.e. APSPDCL and APEPDCL. Based on the orders a provision of Rs.271.34 crores has been made in the books of accounts during the current year. The true-down amounts are to be in the form of adjustment of the transmission charges that become payable by the APSPDCL and APEPDCL during the FY 2016-17 at 50% of the transmission charges that become payable each month, till such liability is totally discharged.
- 29.** The transmission charges for each of the MYT are determined in terms of APERC Regulation 5 of 2005, based on the ARR (Aggregate revenue Requirement) proposals submitted by the company. Variations in revenue recovery over approved revenue, the excess / shortfall of such on variations in transmission usage will be adjusted in subsequent Control Period with financing cost at average rate of borrowing during the year to which the variations relate and accounted in the year of such determination. Thus the transmission charges earned are subject to review by the Hon'ble Commission in the subsequent MYT period.
- 30.** Previous year's figures are grouped / re-grouped wherever and if necessary to confirm with the current year classification.

As per our Report of even date
for **Jawahar and Associates.**,
Chartered Accountants
FRN: 01281S

Sd/-
V.Jawahar
Partner
M.No.023489
Place: Hyderabad.
Date:04/04/2017

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

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

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

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

Sd/-
(M. Karunakar Reddy)
Company Secretary



FUNCTION-WISE ANALYSIS OF REVENUE AND EXPENSES

STATEMENT - 6

(Rs. in lakhs)

Sl. No.	Particulars	TLC units	TL&SS units	Head Office/ Common	Total (Trns)	SLDC	Total (Trns +SLDC)
	REVENUE:						
1	Transmission & SLDC charges			80048.60	80048.60	4211.70	84260.30
2	Revenue subsidies and grants						
3	Other income	3700.00	488.68	8137.35	12326.03	172.99	12499.02
	Total Income	3700.00	488.68	88185.95	92374.63	4384.69	96759.32
	EXPENSES:						
1	Purchase of power						
2	Repairs & Maintenance	28.91	12385.04	45.11	12459.06	234.43	12693.49
3	Employee costs	6077.35	19341.73	6549.07	31968.15	3865.65	35833.80
4	Administration and General charges	813.58	1469.76	1602.83	3886.17	332.86	4219.03
5	Depreciation and related expenses	27353.86		(0.00)	27353.86	52.24	27406.10
6	Interest and Finance Charges	25248.18		28.79	25276.97	41.08	25318.05
	Total Expenditure	59521.88	33196.53	8225.80	100944.21	4526.26	105470.47
7	Less: Expenses Capitalised	9774.86			9774.86		9774.86
	Interest Capitalised	12509.00			12509.00		12509.00
8	Add: Expenses reallocated						
	Other debits			47.02	47.02		47.02
	Extra-ordinary items			290.52	290.52		290.52
	Prior Period items			(160.22)	(160.22)		(160.22)
	Net Expenses	37238.02	33196.53	8403.12	78837.67	4526.26	83363.93
	Profit before tax				13536.96	(141.57)	13395.39



FUNCTION-WISE BALANCE SHEET

(Rs. in lakhs)

Sch. No.	Schedule Note	As at 31st March 2016			As at 31st March 2015		
		Transmission	SLDC	APTRANSCO	Transmission	SLDC	APTRANSCO
ASSETS							
19	Gross Block	668170.15	9006.46	677176.62	555776.10	9000.47	564776.57
	Less: Accumulated Depreciation	279195.89	7888.56	287084.45	251842.03	7836.32	259678.35
	Net Fixed Assets	388974.26	1117.90	390092.17	303934.06	1164.15	305098.21
21	Capital Expenditure in progress	229912.32	1924.67	231836.99	129058.32	333.32	129391.64
22	Assets not in use	0.00	0.00	0.00	0.00	0.00	0.00
23	Deferred Costs	0.00	0.00	0.00	0.00	0.00	0.00
24	Intangible Assets	0.00	0.00	0.00	0.00	0.00	0.00
25	Investments	31098.59	0.00	31098.59	30706.33	0.00	30706.33
	Current Assets	148275.45	1191.69	149467.14	154658.31	1347.86	156006.17
26(a)	Stock	27047.93	0.00	27047.93	42426.58	0.00	42426.58
26(b)	Receivables	22826.63	978.65	23805.28	24581.97	674.89	25256.86
26(c)	Cash & Bank Balance	3639.92	1.11	3641.03	5223.50	503.75	5727.25
26(d)	Loans and Advances	85644.36	21.63	85665.99	80034.26	22.31	80056.57
26(e)	Other Receivables	9116.62	190.29	9306.91	2391.99	146.91	2538.90
28	Current Liabilities	261532.31	3558.20	265090.51	228491.06	1626.42	230117.48
	Net Current Assets	(113256.86)	(2366.51)	(115623.38)	(73832.75)	(278.56)	(74111.31)
29	Subsidy Receivable from GoAP	0.00		0.00	0.00		0.00
	TOTAL ASSETS	536728.32	676.07	537404.37	389865.97	1218.90	391084.88
LIABILITIES							
30	Borrowings for working capital	0.00		0.00	0.00		0.00
31	Payments due on Capital Liabilities	0.00		0.00	0.00		0.00
32	Capital Liabilities	299306.93	235.06	299541.99	174409.98	636.32	175046.30
	Deferred Tax Liabilities	11687.52		11687.52	6836.75		6836.75
	Liability for Pension & Gratuity and Leave Encashment Trusts	26732.88		26732.88	31716.49		31716.49
33	Funds from State Government	838.51		838.51	1052.84		1052.84
33	Equity	45443.97		45443.97	45443.97		45443.97
34	Contributions, Grants and Subsidies towards cost of Capital Assets	87637.31		87637.31	74054.11		74054.11
35	Reserve and Reserve Funds	22334.95		22334.95	24319.55		24319.55
	Surplus	42746.24	441.01	43187.25	32032.28	582.58	32614.86
	TOTAL LIABILITIES	536728.30	676.07	537404.37	389865.97	1218.90	391084.88



SOURCES AND USES OF FUNDS

Statement - 7
(Rs.in lakhs)

Sl. No.	Particulars	This Year 2015-16
FUNDS PROVIDED BY		
1	Profit/(Deficit) after tax (excl. Revenue Subsidies and Grants)	8544.62
2	Debit to Revenue Account not requiring Cash outlay	32256.87
3	Credits to Revenue Account not involving Cash Receipt (Contingency Reserve & Pension & Gratuity Trust)	2027.77
4	Receipts of Revenue Subsidies and Grants	0.00
5	Contributions, Grants and Subsidies towards cost of capital assets (incl. Exchange variation Reserve)	13583.21
6	Proceeds from disposal of fixed assets (Capital Reserve)	
7	Funds from Operation	56412.46
Increase/(Decrease) in Working Capital		
8	Stocks	(15378.65)
9	Receivable against Supply of Power	(1451.58)
10	Loans and Advances	5609.42
11	Sundry Receivables	6768.01
12	Subsidy Receivable	0.00
13	Total current assets:	(4452.81)
14	Security Deposits from Consumers	0.00
15	Current and accrued liabilities	29989.42
16	Net Increase/(Decrease) in working capital	(34442.23)
17	Increase/(Decrease) in Cash & Bank balances	(2086.22)
18	Increase/(Decrease) in Borrowings for working capital	0.00
19	Funds utilised on working capital	(36528.45)
20	Net funds from Operations	92940.91
21	Total Capital Expenditure	214845.40
22	Shortfall in Capital funds met from external sources	121904.49
23	Net Increase/(Decrease) in capital liabilities	124281.35
24	Increase/(Decrease) in Payments due on capital liabilities	0.00
25	Increase/(Decrease) in Reserve & Reserve funds	(1984.60)
26	Increase/(Decrease) in Investments	392.26
27	Net capital funds from external sources	121904.49
28	Net funds from Operations as % of total capital expenditure	43.26



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH

(Rupees in lakhs)

Sl. No.	Particulars	2016	2015
	Cash flows from operating activities		
1	Net profit before Tax and Prior Period Items and Extraordinary items	10987.34	6806.93
	Adjustments for:		
2	Depreciation	27406.10	28653.60
3	Interest & finance charges	12809.05	13263.42
4	Prior Period items	(160.22)	(34.17)
5	Amount transferred to contingency reserve & Pension & Gratuity Trust	2027.77	(283.47)
6	Interest received on investments	(764.33)	(994.14)
7	Consumers contributions/Grants, etc.	13583.21	
8	Profit on sale of fixed assets/Scrap	<u>(74.06)</u>	<u>(79.86)</u>
9	Operation profit before working capital changes (1 to 8)	65814.85	47332.31
	Adjustments for:		
10	Sundry debtors	1451.58	1150.82
11	Inventories	15378.65	1090.39
12	Other current assets	(6768.01)	4412.02
13	Loans and advances	(5609.42)	93588.60
14	Sundry creditors and liabilities	29989.42	(86026.07)
15	Borrowing for working capital		(744.64)
16	Deferred Tax Liability		(7186.76)
17	Liability for Pension & Gratuity and Leave Encashment	<u>(33365.92)</u>
18	Cash generated from operations (9-17)	100257.08	20250.76
19	Income tax	<u>2858.79</u>	<u>3699.73</u>
	Net flow before extra ordinary activities (18-19)	103115.87	
20	Expenses towards HUDHUD Thoofan	<u>290.52</u>	
21	Net Cash from operating activities (19-20)		
	Cash flows from investing activities	102825.35	16551.03
22	Acquisition of fixed assets, Intangible Assets Deferred Cost	(112400.05)	205304.62
23	Capital works in progress	(102445.35)	103591.27



Sl. No.	Particulars	2016		2015	
24	Profit on Sale of fixed assets/scrap	74.06		79.86	
25	Interest received on investments	764.33		994.14	
26	Investments	(392.26)		39348.50	
27	Consumers contributions/Grants, etc.	_____		<u>(66951.79)</u>	
28	Net cash from investing activities (22 to 27)				
	Cash flows from financing activities		(214399.27)		282366.60
29	Proceeds from borrowings	143593.63		(186135.33)	
30	Repayment of borrowings	(19312.28)			
31	Reserves & Reserve funds	(2008.74)		(17247.26)	
32	Surplus			(48317.24)	
33	Employee related funds	24.14			
34	Interest & Finance charges paid	(12809.05)		(13263.42)	
35	Change in Share Capital	_____		<u>(32477.79)</u>	
36	Net cash from financing activities (28 to 34)		109487.70		(297441.04)
37	Net increase/(decrease) in cashflows (20+27+35)		(2086.22)		1476.59
38	Cash and cash equivalents at the beginning of the year		5727.25		7203.84
39	Cash and cash equivalents at the end of the year		3641.03		5727.25
40	Net increase in cash and bank balance (37-38)		(2086.22)		1476.59

As per our Report of even date for **Jawahar and Associates.,** Chartered Accountants
FRN: 01281S

Sd/-
V.Jawahar
Partner
M.No.023489
Place: Hyderabad.
Date:04/04/2017

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

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

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

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

Sd/-
(M. Karunakar Reddy)
Company Secretary



STATEMENT OF CAPITAL BASE AND SURPLUS

(Under Section 59 of the Electricity (Supply) Act, 1948)

STATEMENT - 8

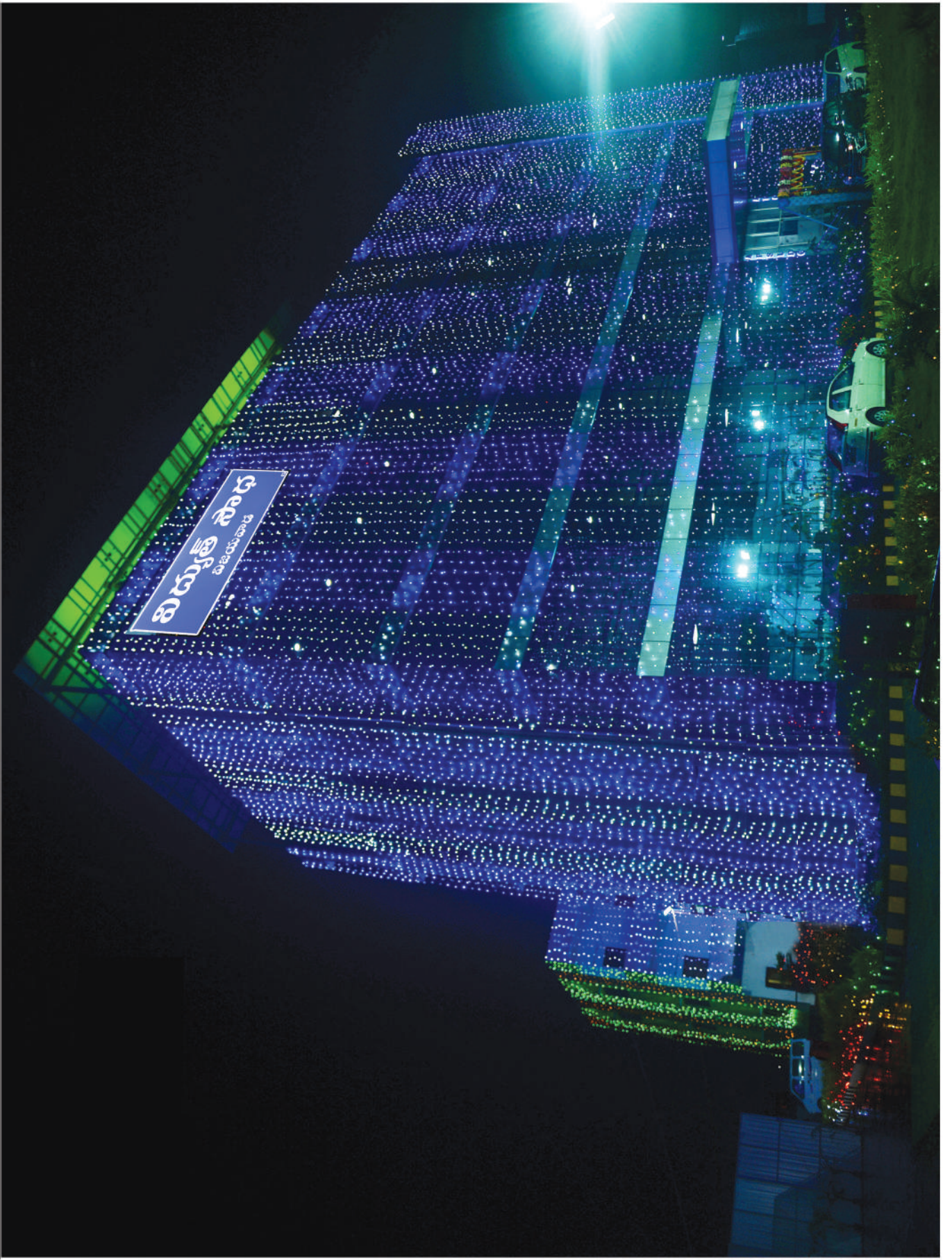
(Rs. In lakhs)

This statement is not applicable

STATEMENT OF TECHNICAL PARTICULARS

STATEMENT - 9

Sl. No.	Particulars	Unit	This Year 2015-16	Previous Year 2014-15 (provisional) (from 02.06.14 to 31.03.15)
1	Input from State Generators including wheeling	MU	40575.09	31230.85
2	CGS (Ex-Bus)	MU	8699.51	8649.57
3	System input at 132 KV & above including Wheeled Energy (1+2)	MU	49274.60	39880.42
4	Energy delivered by Transco to Discoms including Wheeled Energy	MU	47330.78	38215.18
5	Transmission Losses (incl wheeling) (3-4) inclusive of PGCIL losses	MU	1943.82	1665.24
6	%Transmission Losses (Incl wheeling) on respective Inputs{(5/3*100)} inclusive of PGCIL losses	%	3.94	4.18
6a	%Transmission Losses (Incl wheeling) on respective Inputs {(5-11)/(3-11)*100} exclusive of PGCIL losses	%	3.37	3.37
7	Net wheeled Energy at 132 KV & above by Third Party Developers	MU	378.41	285.45
8	Energy delivered by Transco to Discoms Excluding Wheeled Energy at 132 KV & above (4-7)	MU	46952.37	37929.73
9	Drawls at 33 KV & 11 KV from TP developers	MU	1102.37	869.38
10	Drawls at 33 KV & 11 KV from Genco	MU	24.81	21.83
11	External losses (PGCIL losses)	MU	291.34	332.94
12	Input to Discoms (incl Wheeling Energy) (8+9+10)	%	48079.55	38820.94
13	Discoms sales of Energy (Excl Wheeling)	MU	44362.33	35101.84
14	Net Wheeled Energy at 33 KV & Below by Third party Developers	MU	193.22	156.51
15	Discoms sales of Energy (incl. Wheeling) (13+14)	MU	44555.55	35258.35
16	Distribution losses (incl. Wheeling) (12-15)	MU	3524.00	3562.59
17	% Distribution losses (incl.Wheeling) on respective inputs {(16/12)*100}	%	7.33	9.18
18	T&D Input (Ex-Bus Availability) (3+9+10)	MU	50401.78	40771.63
19	T & D Sales (incl. Wheeling) by Discoms (15+7)	%	44933.96	35543.80
20	T&D Losses (inc. Wheeling) (18-19)	MU	5467.82	5227.83
21	% T&D Losses (incl.wheeling) (20/18*100)	%	10.85	12.82





Electricity Saved is Electricity Generated