



**ANNUAL STATEMENT
OF ACCOUNTS
2019-20**

TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED

**BOARD OF DIRECTORS**

1. **Sri Nagulapalli Srikant, IAS** : Chairman & Managing Director
2. **Sri K. Venkateswara Rao, IPS (Retd)** : JMD (Vig & Security)
3. **Sri K. Sreedhar Reddy** : Joint Managing Director
4. **Sri K. Praveen Kumar** : Director (Grid Transmission & Mgt)
5. **Sri Muthupandian** : Director (Finance)
6. **Sri K. V.V. Satyanarayanan, IRAS** : Director (Non - Whole time)
7. **Sri Selvarajan Nagalakshmi, IAS** : Director (Non-Whole time)

Company Secretary : Sri M. Karunakar Reddy
B.Sc., M.B.A., ACS

Bankers : State Bank of India,
Andhra Bank, Bank of India, Allahabad Bank,
Indian Bank, ICICI Bank, HDFC Bank and
United Bank of India.

AUDITORS

Statutory Auditors : M/s. Nataraja Iyer and Co.,
Chartered Accountants.,
Ashok Nagar, Hyderabad

Cost Auditors : M/s. Narasimha Murthy & Co.,
Cost Accountants
2nd Floor, Pavani Plaza, Himayathnagar
Hyderabad - 500029

Internal Auditors : 1. M/s. Murthy & Prasad & Co
2. M/s. K.V. Brahmum & Co.
3. M/s. Mullapudi & Co
4. M/s. Srinivasulu Manthu & Associates

Registered & Corporate Office : Transmission Corporaion of Andhra Pradesh Limited
48-12-4/1, Vidyut Soudha, Gunadala, Eluru Road,
Vijayawada - 520 004, Andhra Pradesh.

Web : **www.aptransco.co.in**

PAN No. : **AABCT0088P**

CIN : **U31909AP1998SGC107226**

TIN : **37760127045**

GST IN : **37AABCT0088P1ZU**



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TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED

(a wholly owned State Govt. Company)

VIDYUT SOUDHA::VIJAYAWADA.

CIN: U31909AP1998SGC107226

Website address: www.aptransco.gov.in

NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of Transmission Corporation of Andhra Pradesh Limited, Vijayawada will be held on Tuesday, 15th December, 2020 at 12.00 Noon at 3rd floor, Board Meeting Hall, SLDC Building, Vidyut Soudha, Vijayawada.

Ordinary Business:

1. To Note the status of financial statement for the financial year 2019-20 along with provisional comments.

Draft Resolution:

To consider and if thought fit to pass the following resolution(s) with or without modification(s) as an ordinary resolution:

“RESOLVED THAT the Financial Statements of the Company for the financial year 2019-2020 together with provisional comments thereon for the F.Y.2019-2020 as laid before the members at this meeting be and are hereby noted.”

2. To take note of Statutory Auditor’s appointment made by the Comptroller and Auditor General of India for the financial year 2020-2021 under the provisions of Sec. 139 of Companies Act, 2013 and to authorize the Board to fix the remuneration of Statutory Auditors for the Financial Year 2020-2021 as per Section / Clause 142 of the Companies Act, 2013.

Draft Resolution:

To Consider and if thought fit to pass the following resolution(s) with or without modification(s) as an ordinary resolution(s):



“RESOLVED THAT the appointment of M/s. Niranjan&Narayan., Chartered Accountants, 1st Floor, H.No.7-1-28/1/A/21,shyamkaranRoad,Ameerpet, Hyderabad, were appointed by the Comptroller & Auditor General of India (C&AG) as the Statutory Auditors of the Company for the Financial Year 2020-21U/s 139 of Companies Act, 2013 vide Lr.No.CA.V/COY/ANDHRAPRADESH, APTRAN(1)/ 1518 Dt.09.09.2020of C&AG of India, New Delhi be and is here by noted”

“FURTHER RESOLVED THAT pursuant to the provisions of Section 142 of the Companies Act, 2013 and other applicable provisions / guidelines, if any, the Board of Directors of the Company be and are hereby authorized to fix the remuneration payable to the Statutory Auditors M/s. Niranjan&Narayan., Chartered Accountants, Hyderabad and for reimbursement of their actual out-of-pocket expenses payable to Statutory Auditors for the Financial Year 2020-21.”

SPECIAL BUSINESS:

3. To ratify the action for having fixed the remuneration of the Cost Auditors at the time of their appointment by the Board of Directors for the F.Y.2020-2021 and in this regard to consider and if thought fit, to pass, with or without any modification as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and any other provisions, if any, of the Companies Act 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof, for the time being in force), the remuneration of Rs.2,00,000/- (Rupees Two lakh only) of audit fee and Out of pocket expenses, plus out of pocket expenses limited to Rs.5000/- + applicable Taxes, to be paid to the Cost Auditors.,M/s Narasimha Murthy & Co, Cost Accountants, Hyderabad, for the Financial Year 2020-2021, as approved by the board of Directors be and is hereby ratified”.

“RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the resolution.”

**By Order of the Board of Directors
For and on behalf of Transmission Corporation of Andhra Pradesh Limited**

**Place: Vijayawada
Date:15.12.2020**

**Sd/-
CS. M. Karunakar Reddy
Company Secretary**



Explanatory Statement

(Pursuant to Section 102(1) of the Companies Act, 2013)

Special Business:

ITEM NO. 3

It is to inform that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof, for the time being in force), the remuneration recommended by the Audit Committee and approved by the Board of Directors to conduct the Cost Audit of the Company for the FY 2020-2021 with a Cost Audit fee of Rs. 2,00,000/- (Rupees Two lakh only), of audit fee, plus out of pocket expenses limited to Rs.5000/- + applicable Taxes, to be paid to the Cost Auditors, viz., M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad, may be ratified by the shareholders.

The Directors recommend the resolution to be passed.

None of the Directors and key Managerial Personnel are interested.

**By Order of the Board of Directors
For and on behalf of
Transmission Corporation of Andhra Pradesh Limited**

**Sd/-
CS. M. Karunakar Reddy
Company Secretary**



NOTICE

NOTICE is hereby given that the 22nd Adjourned Annual General Meeting of Transmission Corporation of Andhra Pradesh Limited, Vijayawada will be held on Friday, 13th August, 2021 at 12.30 P.M. at 3rd floor, Board Meeting Hall, SLDC Building, Vidyut Soudha, Vijayawada.

Ordinary Business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st, March 2020 and Statement of profit and Loss, Cash Flow Statement, for the period ended on that date together with Directors Report, Statutory Auditors Report and Comments of Comptroller and Auditor General of India, thereon.

To consider and if thought fit to pass, with or without modification(s) the following resolutions an ordinary resolution:

“RESOLVED THAT the Audited Balance Sheet of the Company as on 31st March, 2020 and Statement of Profit & Loss and Cash flow statement for the year ended as on that date together with the Directors’ Report, the Auditors’ Report & Management replies, the Supplementary Audit Report & Management replies thereon for the F.Y. 2019-2020 as laid before the members at this meeting be and are hereby adopted.”

Place: Vijayawada

Date: 13.8.2021

**By Order of the Board of Directors
For and on behalf of Transmission Corporation
of Andhra Pradesh Limited**

Sd/-
Company Secretary



TRANSMISSION CORPORATION OF A.P LIMITED
BOARD'S REPORT

Dear Shareholders,

On behalf of the Board of Directors, it gives me immense pleasure in presenting the 22nd Annual Report on the performance of the Company, together with the Audited Financial Statements for the financial year ended 31st March 2020.

The Company achieved yet another year of excellent performance, enriching the quality of lives of millions through efficient and reliable power transmission services and value creation for its stakeholders.

1. FINANCIAL PERFORMANCE

1.1 FINANCIAL HIGHLIGHTS FOR THE FY 19-20

The financial Highlights for the FY 19-20 along with comparisons for the FY 18-19 is given below :
Rs. in Crores

PARTICULARS	FY 19-20	FY 18-19
INCOME :		
a) Transmission & SLDC Charges	2020.93	1576.75
b) Other Income	201.84	203.61
c) Total Income(a+b)	2222.77	1780.36
<i>Less</i> :EXPENDITURE		
a) Employees Cost (Net)	621.68	444.37
b) Operating and Other Expenses	286.79	287.15
Profit Before interest, Depreciation & Tax (EBITDA)	1314.30	1048.84
<i>Less</i> : Finance Cost	539.27	375.91
<i>Less</i> : Depreciation & Amortization Expense	681.68	607.55
Profit before Tax (PBT)	93.35	65.38
Provision for Tax	(7.24)	(4.54)
MAT Credit Entitlement	7.24	4.54
Deferred Tax Asset	21.68	4.23
Profit after Tax (PAT)	115.03	69.61

The analysis of Financial Performance of APTRANSCO is given below :



Figure 1 : Comparison of Revenue from Operations and Profit after Tax (PAT) from 2014-15

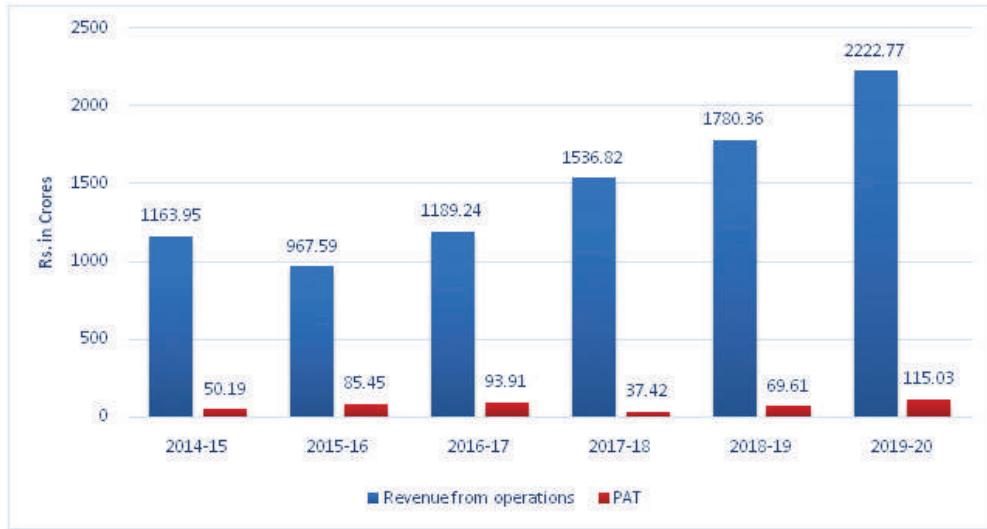


Figure 2 : Break up of Income – 2019-20

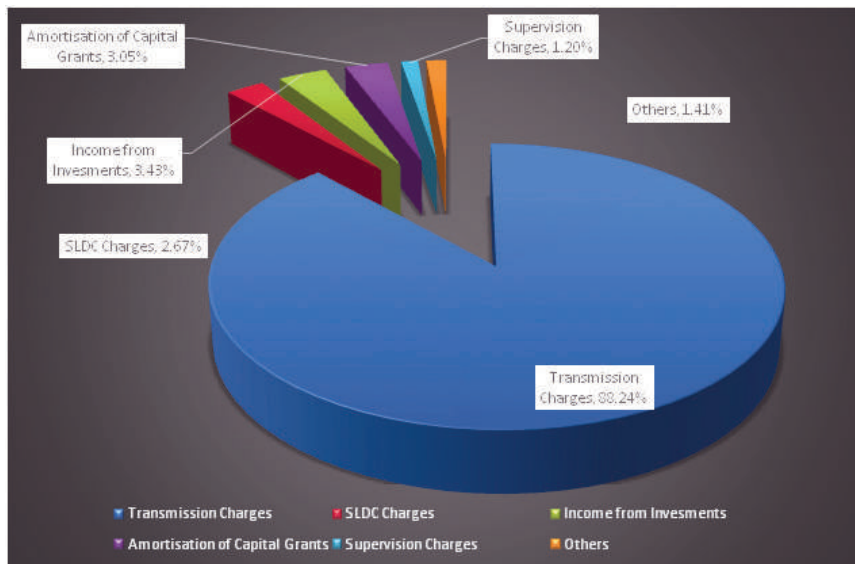
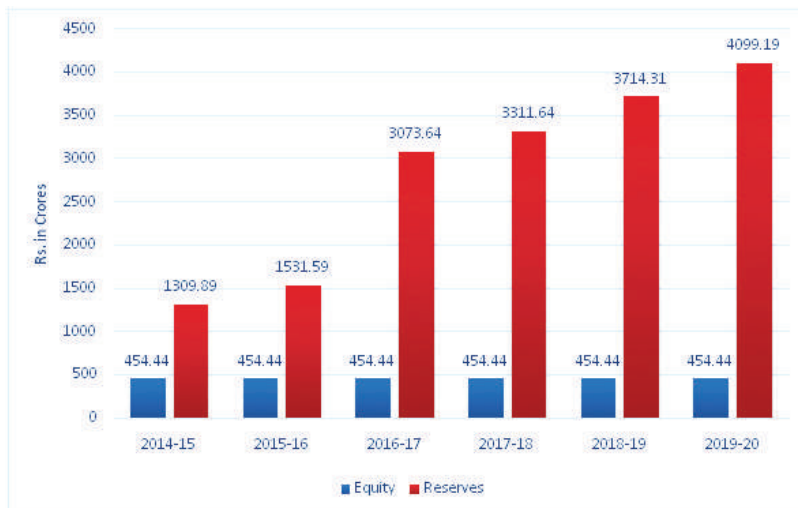


Figure 3 : Comparison of Equity and Reserves



1.2 COMPARISON WITH APERC APPROVALS

The Andhra Pradesh Electricity Regulatory Commission (APERC) notified the Tariffs for the Transmission and SLDC business separately through Multi Year Tariff (MYT) order which is applicable from FY 2019-20 to FY 2023-24 w.e.f 08.03.2019. The Comparison statement of Actual Expenditure with APERC MYT Order (Transmission and SLDC) for the FY 2019-20 along with remarks is summarised below :

(Rs. In Crores)

Particulars	Actuals	Aperc Approval	Remarks
Revenue	2222.77	2028.91	The main reason for increase in revenue is due to increase in transmission charges of Rs.24.84 (Rs./KW/month) {i.e., previous year is Rs.94.44 and current year Rs.119.28 (Rs./KW/ Month)}. Further an amount of Rs.169.50 crs is received towards POC charges against the estimate of of Rs.265 crs and other income received is Rs.201.79 crs against the estimate of Rs.70 crs as per the Tariff Order for MYT 2019-20 to 2023-24.
Employees Cost	621.68	644.31	1) The increase in the employee cos is mainly due to recognition of additional liability of terminal benefits (2029) to the tune of Rs.182.60 crs as per the Actuary Report. The actual expenditure incurred on employee cost is Rs.439.08 crs for the year 2019-20.
Operating and Other Expenses	286.79		2) The increase in Operating and other expenses is due to enhancement of additional substations & lines during the current year .
Finance Charges	539.27	524.12	The reason for increase in interest due to creeping of receivables from Discoms
Depreciation	681.68	562.12	The increase in depreciation is on account of capitalisation of the assets of Rs.1822.00 crs for the year 2017-18 and Rs.2180.16 crs for the year 2018- 19 and Rs.758.33 crs for the current year.

1.3 DIVIDEND

As a measure of achieving 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 this Financial Year.



1.4 DEPOSITS

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

1.5 CONTRACTS & ARRANGEMENTS WITH RELATED PARTIES

Nil

2. OPERATIONAL PERFORMANCE

2.1 TRANSMISSION

The Transmission system consists of Inter state Transmission system (ISTS) and Intra state transmission system (Intra STS). ISTS is mainly owned by and operated by PGCIL which is also Central Transmission Unit whereas Intra –State Transmission system in Andhra Pradesh is owned by APTRANSCO.

The Intra-STs serves the following purposes.

- i) Evacuation of power from the state's generating stations (both under state and private sector) and Central Generating stations having beneficiaries in the state.
- ii) Onward Transmission within the state from ISTS boundary upto the various substations of the state grid network.
- iii) Transmission within the state grid for delivery of power to the load centers within the state.

There has been a consistent increase in Transmission network and transformation capacity in the state. This increase is in consonance with increase in generation and demand of electricity in the state. This as part of growth in Transmission highlights requirements of Transmission network to carry bulk power over longer distances and then at the same time optimize ROW, minimize losses and to improve grid stability.

2.1.1 Reduction in Transmission Losses:

Transmission Losses were reduced significantly when compared with FY 2019-20.

The details of Transmission Losses Yearwise are given below :

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
Actual Transmission Losses (%)	3.37%	2.92%	3.13%	3.10%	2.91%
APEREC Target	3.95%	4.01%	3.98%	3.95%	3.10%

Reduction in Transmission Losses is due to the following measures taken :

- Construction of EHT Substations (400kV, 220kV & 132kV)
- Erection of New HT Lines
- Augmentation & Addition of Power Transformers in EHT Substations.
- Reactive power Management by erection of Capacity bank/Reactors.
- Loading on 220kV and 132kV Lines are limited as per Surge impedance loading.
- Periodical Maintenance of Bus Jumpers clamps and CT stud clamps are being carried out in EHT Substations.

2.1.2 Line Interruptions and Duration of Interruptions:

With an Objective of 24*7 Power Access to all consumers in the state of Andhra Pradesh, Your company has performed exceptionally in terms of Reduction of Duration of interruptions in the FY 19-20 when compared with FY 18-19. The comparison statement is summarised below :

Particulars	2018-19		2019-20		Reduction % in Interruption
	Interruptions (Nos) (feeder-hrs)	Interruption Durations	Interruption (Nos) (feeder-hrs)	Interruptions Duration Duration	
132kv Feeders	4580	17277	4454	15114	12.52%
220kv Feeders	3049	26273	3138	22237	15.36%
400kv Feeders	597	9843	692	12864	-30.69%
Total	8226	53393	8284	50215	5.95%

2.1.3 Other Significant Achievements :

- 285 MVA New/Additional Contracted Maximum Demand (CMD) was released for 43 no.s customers.
- New Long Term Open Access approvals for 2.5MW for 2 no.s customers were accorded during the above period totalling to 350MW for 76 no.s customers. Along with the said new OA approvals, Open Access was facilitated to various OA Users for transmitting of power from their existing generating plants to their amended captive/third party consumers for the sought allocation by according amendment approvals.
- Grid Connectivity approvals for Generators were issued for 1945.625 MW for 20 customers.
- A total of 2696.8 MW connectivity approvals which were issued under GEC scheme earlier were cancelled due to non-commissioning of the same till date for facilitating corridor to other aspirants i.e., for the proposed 10,000 MW RE solar power projects by Govt. of A.P.
- Existing Designs are modified to cross Godavari River with a span of 900M is being constructed with 100M height towers as a part of Polavaram- Guddigudem 400kV Quad Moose evacuation line. Special Twin ACSS Conductors and special OPGW are being used suitable for 900M span and huge savings are made in this proposal.
- New Designs of 132kV Narrow Based Multi Circuit Tower with Base width of 4.0M to 5.0M are developed and being used.
- Underneath crossings towers suitable to 400kV Twin Moose & Quad Moose are developed.

2.2 LOAD DISPATCH CENTER

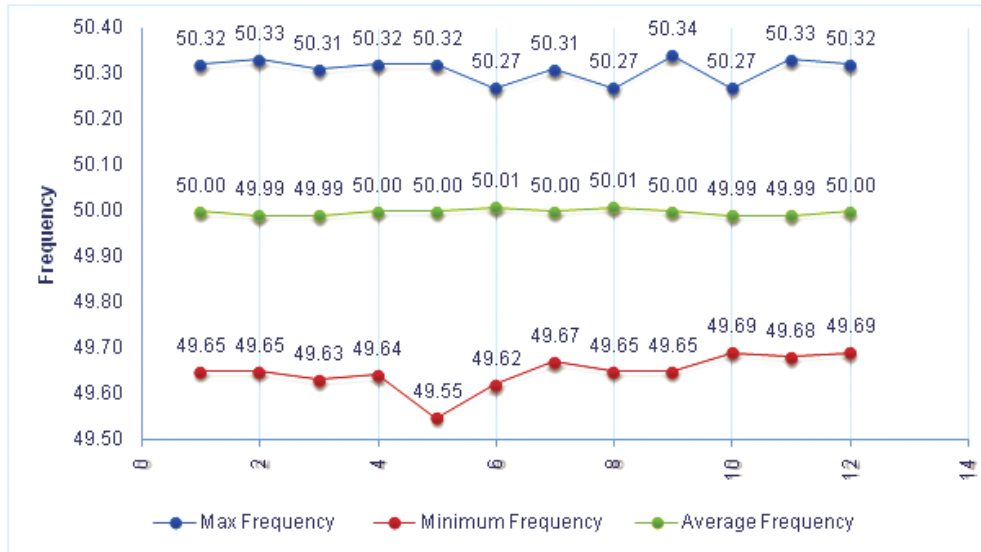
2.2.1 Frequency Control :

Frequency is one of the most important parameters of the Power System. The balance between demand and generation in real time is manifested in the frequency of the interconnected power system. The nominal frequency of the Indian Electricity grid is 50 Hz. Power System Operation Corporation Limited handles the National grid and most of the states have their own Handling mechanism. APSLDC is responsible for maintaining frequency levels in the state of A.P. The task is to maintain frequency close to 50Hz.

Average Frequency Variation Index (FVI) during 2019-20 was 0.04 with best being 0.02 achieved on 28.06.2019. Frequency remained within IEGC band of 49.90 to 50.05 Hz for maximum of 84.71% of time on 06.09.2019. APSLDC is successfully maintaining frequency close to 50Hz.



Figure 4 : Monthwise Frequencies during FY 19-20



2.2.2 Grid Disturbance :

As per CEA guidelines on Grid standards 2010, total nos. of 13 Grid disturbances occurred in AP including GD1 to GD-5, GI-1 and GI-2 in 2019-20. The summary of Grid events during 2019-20 and comparative data of 2018-19 is summarised below:

Particulars	2019-20	2018-19	Reduction %
Category - GI-1	06	-	
Category - GI-2	02	-	
Category - GD-1	05	08	
Category - GD-2	-	-	
Category - GD-3	-	-	
Category - GD-4	-	-	
Category - GD-5	-	-	
Total Disturbances	13	08	
Energy Loss (MUs)	-	-	
Load Loss (MW)	798	893	10.64%
Generation Loss (MW)	315	820	61.59%

2.2.3 Demand achieved :

The maximum demand met in the year 2019-20 was 10207 MW on 18th March 2020 at 15:00 hrs, which is so far the highest demand met in the state of Andhra Pradesh. Growth in Maximum demand compared to 2018-19 is 7.98%. The table below shows the Month-wise Maximum demand met and corresponding shortage:

Month	Maximum Demand met		Shortage				Growth in Max Demand (%)
	MW 2019-20	MW 2018-19	MW 2019-20	% 2019-20	MW 2018-19	% 2018-19	
April	9160	8945	0	0.00	63	0.70	2.40
May	9854	9249	286	2.90	0	0.00	6.54
June	10170	9188	222	2.18	0	0.00	10.69
July	9238	8550	61	0.66	0	0.00	8.05
August	9110	8710	198	2.18	0	0.00	4.59
September	8672	9416	698	8.05	0	0.00	-7.90
October	7988	9453	40	0.50	208	2.20	-15.50
November	8426	9056	0	0.00	0	0.00	-6.96
December	9118	8190	0	0.00	0	0.00	11.33
January	9605	8461	0	0.00	0	0.00	13.52
February	9954	8969	0	0.00	0	0.00	10.98
March	10207	8984	0	0.00	0	0.00	13.61
Total			1505		271		7.98

3. CAPACITY ADDITION:

3.1 Sub Stations:

During the Financial Year 2019-20, 11 New Substations were added. To meet the increasing demand, robust & reliable Network is required to be built for Transmission. APTRANSCO is making all efforts for constructing the substations for achieving the target of uninterrupted power supply to the consumers in the state of A.P. For reducing losses, APTRANSCO is mainly focussed in upgrading the existing substations to higher voltage levels and building 400 KV substations. The details of substations commissioned during the year are as below

S.No	Substation Name	District	Tr. Capacity in MVA
1	220/132kV SS Prathipadu	Guntur	260
2	220/33kV SS Ammavaripalli	Anantapur	150
3	220/132kV SS Tirumalayapalli	YSR Kadapa	320
4	132/33kV SS Paderu	Visakhapatnam	16
5	132/33kV SS Vinjamur	Nellore	46.50
6	132/33kV SS Yerpedu	Chittoor	160
7	132/33kV SS Ponnuru	Guntur	63
8	132/33kV SS Anumalapalli	Prakasam	31.50
9	132/33kV SS Gollapalem	East Godavari	63
10	132/33kV SS B. Matam	Kurnool	31.50
11	132/33kV SS Gudipala	Chittoor	63

3.2 Transmission Lines :

We own a vast network of EHV transmission lines ranging from 132kV to 400kV. As on 31st March 2015, we had 21875.6 Ckm of Transmission lines, which is expanded to 30491.7 Ckm as on 31st March 2020 ranging from 132kV to 400kV with CAGR of 5.79%.

In FY 2019-20, your company achieved 99.83% availability of Transmission Network. As on 31st March 2020, the Transmission assets owned and operated by the company consists of Transmission lines aggregating to 30491.7 Ckm, 328 Substations with 50293 MVA of Transmission Capacity.

Adoption of best technological tools available for asset monitoring, meticulous planning, observance of well laid procedures and commitment of our employees enabled the Company to achieve high operational performance of its mammoth and geographically wide spread asset network.

Figure 5 : Substations and Transmission Lines Data from 2014-15 to 2019-20



3.3 Telecom :

To meet the critical communication requirements for safe and reliable grid operations, during the year 2019-20, OPGW cables were laid for New Transmission Lines and Old Cables were replaced with OPGW cables for old Transmission Lines. The highlights of the works done during the year are as follows:

S. No	Description	Type of Work	132 kV Substations (Km\No)	220 kV Substations (Km\No)	400 kV Substations (Km\No)	Total
1	24 F OPGW	New	232	172	NIL	404 km
2	48F OPGW	New	2	43	5	50 km
3	OPGW	Renovation	4883	0	0	4883km
4	OLTE	New	15	20	4	39 No
5	OLTE	Renovation	162	0	0	162 No
6	RTU	Renovation	122	0	0	122 No

3.4 Planning :

The objective of the Transmission Planning is to develop Transmission Expansion Plan based on the load forecast and generation supply scenario developed as part of the Load forecast and Resource plan for the state of Andhra Pradesh with the inputs of DISCOMs and GENCO. The purpose of state Electricity Plan was to present a comprehensive summary of the process, assumptions, methodology, Transmission network expansion plan required to ensure the Transmission system which would be capable transmitting the planned generation to meet the forecast loads up to FY 2024. Accordingly State Electricity Plan for the 4th Control period for the period from FY 2019-20 to FY 2023-24 was developed.

Requirement for capacity Addition:

Load Growth: Transmission expansion programme is prepared to meet the increasing demand .

Power Evacuation: For evacuation of power from Power projects, Transmission system is to be planned which includes lines and Substations.

System Improvement: In case of overloading of the existing line/substation, new system is to be proposed for next higher voltage. This also includes reconductoring of existing Transmission lines with higher ampacity conductors. These are categorized under system improvement for strengthening the system.

a) Substations and Transmission Lines :

Tentative Transmission expansion plan for the short term i.e from FY 2019-20 to FY 2023-24 is prepared as per the load requirement. This includes 1201 ckm of 400KV, 3696.4 ckm of 220 kV lines and 2162 ckm of 132 kV lines towards transmission expansion and 10 numbers of 400 kV substations, 35 numbers of 220kV substations and 110 numbers of 132kV substations towards Transmission expansion. The details for the period from FY 2020-21 to FY 2023-24 is summarised below :

FY	SUBSTATIONS (No.s)			LINES (Ckm)		
	400	220	132	400	220	132
2020-21	2	8	27	230	596	500
2021-22	2	6	21	440	898	241
2022-23	2	2	12	270	860	115
2023-24	1	5	18	40	306	465

b) Augmentation of PTR Capacities at 400KV & 220 KV Substations:

S.No	FY	in No. of Substations	Estimated Cost (Rs. in Lakhs)
1	2020-21	7	5742
2	2021-22	5	2639
3	2022-23	5	3016
4	2023-24	5	2639

4. HUMAN RESOURCE DEVELOPMENT

Your company is committed in achieving the Sustainable development Goals of “**GENDER EQUALITY**” and “**REDUCED INEQUALITIES**”

During the year under review, 171 No.s Assistant Executive Engineers, Executive Accounts (CA), Project Manager (IT) and Statistical Officer were recruited.

The Company has Internal Complaint Committees (ICC), in place, to redress complaints regarding sexual harassment in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibitions and Redressal) Act, 2013, and rules made thereunder. There was no complaint of sexual harassment during the year and One Complaint related to FY 2018-19 is pending.

5. USAGE OF TECHNOLOGY

To improve the performance and accurate results, your company is using Information Technology for the better results. The Advantages of important Completed Projects and Ongoing Projects are summarised below :

5.1 **Developed during 2019-20:**

a) **APTRANSCO Website:**

APTRANSCO website explore the business of APTRANSCO and share the public information through the apransco.co.in website. It is redesigned recently with enhanced information. The complete data is framed categorically in the website and it helps in easy access to the end users. APTRANSCO is publishing and updating the information in Website which can be accessed by Public. The information like Tenders, TOOs, RTI Information etc. are available in New Website.



b) **Implementation of E-Office – Paperless Initiative :**

Eoffice is a Digital Workplace Solution in Government and in its Departments. Eoffice is the product developed by National Informatics Centre (NIC) and aims to the user in more efficient, effective, transparent inter-government and intra-government transactions and processes. File Management System (eFile) automates the processing of files and receipts. This includes the creation of files

(electronic and physical both kind of files) through DSC(Digital Sign Certification), movement of files in the workflow, tracking of files and their management.

c) **Andhra Pradesh Grid System Geo Tagging:**

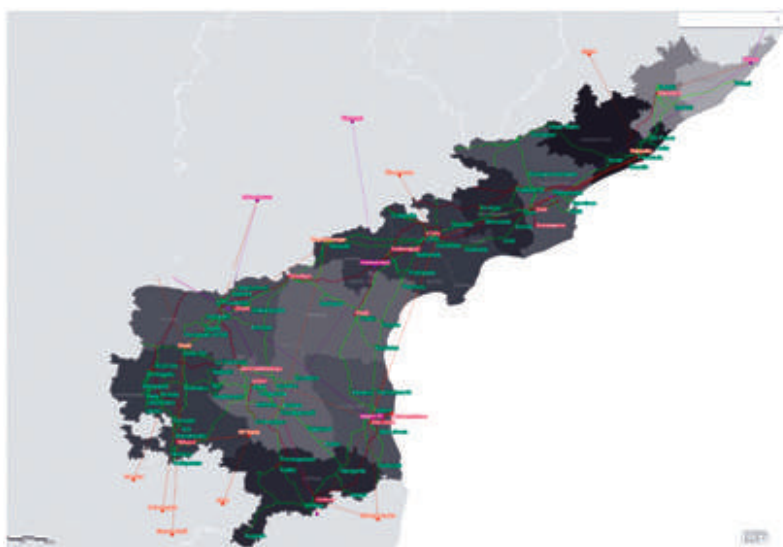
APTRANSCO has introduced a comprehensive solution for displaying the total AP Power Network on the Geo Graphical Software(GIS) ArcGIS System. The system is introduced in February-2020. It is useful for the total entire AP Grid i.e APTRANSCO and DISCOMs network of 400KV, 220KV,132KV,33KV,11KV and distribution network.

Geo Tagging of Substations, Transmission Lines and Distribution lines were made with accurate Latitude and Longitudes in GIS system.

Benefits :

1. Creating the map of total Assets (Network and Non-Network) of all power companies of AP.
2. Creating Grid Map of entire AP network from Consumer to Generating stations.

3. Integration of these maps with SCADA for knowing the real time load flows in all feeders so as know the over loading of feeders and necessary action will be taken in due time.
4. Over loading of PTRs and DTRs can be known and replaced prioritized area wise.
5. Forecasting of weather and load scheduling accordingly.
6. During any natural calamities like cyclones, the effecting area can be visualised and prior action will be taken to minimise the damage and speedy restoration activities can be taken post cyclone.
7. Affected areas can be visualized and area wise prioritized restorations can be taken up.
8. SAP Integration with ongoing Projects map for monitoring financial and Physical progress by the management for quicker decisions.
9. Preliminary surveys can be taken up to avoid right of way problems to arrive best and shortest route for constructing new transmission and distribution lines.



d) Others:

Oil Testing Module in ERP, Pensioners Self Service are significant among the applications which were developed during the FY 2019-20

5.2 Underdevelopment:

S.No	Application	Purpose
1	E-Invoice & E-Way bill	E-Invoice and E-Way bill is under development in SAP for generation of GST Invoice Reference Number.
2	Online Vendor Registration	This will Provide the facility for submission of Vendor Registration form through Online. After processing by respective Department, a communication message will be sent to Vendor. This will help in saving time.
3	Medical Application	It is a facility for Employees and Pensioners for availing Medical Reimbursements and Emergency Credit Card through online process



6. CORPORATE GOVERNANCE AND BOARD

Corporate Governance and Board details are attached as Annexure A and forms part of this report.

7. AUDIT

The Report of Statutory Auditors along with their Comments and replies by Management is attached as Annexure B which forms part of this report.

The comments by C & AG and replies by Management is attached as Annexure C which forms part of this report.

Cost Auditors :

The Board of Directors of the company accorded approval for appointment of M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad as Cost Auditor of your company for the Financial Year 2019-20 as per provisions of Companies Act, 2013.

Your Company is maintaining the required the required Cost Accounting Records and the same were audited.

Internal Auditors :

With a View of implementing better Internal Control and ongoing Review, Internal auditors were appointed and they furnished their quarterly reports. The list of Internal Auditors for the year-

- (a) Murthy & Prasad & Co.
- (b) K V Brahmum & Co.
- (c) Mullapudi & Co.
- (d) Srinivasulu Manthu & Associates

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 2019-20. The Secretarial Audit Report is attached as Annexure D and forms part of this report.

8. EXTRACT OF THE ANNUAL RETURN

As Provided under Section 92(3) of the Companies Act, 2013, the Extract of Annual Return, in the prescribed format in MGT - 9 is given as Annexure E and forms part of this report.

9. CORPORATE SOCIAL RESPONSIBILITY

Annual Report on Corporate Social Responsibility is given as Annexure F and forms part of this report.

10. CONSERVATION OF ENERGY AND OTHERS

During the Year under review, Energy Efficiency measures were taken by APTRANSCO. Transmission Losses are reduced significantly when compared with previous financial years.

Technology Absorption – Company is in the process of adopting New Technologies to reduce the consumption of Electricity.

Foreign Exchange Earnings and Outgoings – Nil.

11. DIRECTORS RESPONSIBILITY STATEMENT

The Directors's 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 had been followed along with proper explanation relating to material departures:
- b) The director had 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 and loss of the company for that period;
- c) the director had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

12. ACKNOWLEDGEMENTS

The Board of Directors would like to express their deep sense of appreciation for the guidance and co-operation received from Government of Andhra Pradesh and Govt. of India, particularly Ministry of Power & Ministry of Finance, CERC, APERC, APTEL, Central Electricity Authority, Office of the Comptroller and Auditor General of India, and other concerned Govt. departments/agencies at the Central and State level without whose active support, the achievements of the Corporation during the year under review would not have been possible.

The Board also appreciates the contribution of Contractors, Vendors and Consultants for successful implementation of various projects by the Company.

The Directors also acknowledge the valuable suggestions and guidance received from the statutory auditors during the audit of accounts of the Company for the year under review. The Board also conveys its sincere thanks to financial institutions continued trust and confidence reposed in the Company.

On behalf of Board of Directors, I would like to place on record our deep appreciation of the dedicated efforts and valuable services rendered by the employees contributing to the performance of the Company during the year 2019-20. The commitment displayed by the employees at all levels, particularly during the ongoing pandemic situation, is exemplary and praise worthy.

For and on behalf of Board of Directors

**Sd/-
Chairman
&
Managing Director
DIN : 02426762**



ANNEXURE A

CORPORATE GOVERNANCE

Corporate Governance is about meeting our strategic goals responsibly and transparently, while being accountable to our stakeholders. The Company is equipped with a robust framework of corporate governance that considers the long-term interest of stakeholders as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. The framework lays down procedures and mechanisms for enhancing leadership for smooth administration and productive collaboration among employees, value chain, community and the Government.

a) **Board of Directors:**

The Board of Directors of the company are appointed / nominated by the Govt. of Andhra Pradesh. The present strength of the Board reflects Judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. Further, none of the Directors on the Company's Board is a Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees (Committees being, Audit Committee and Stakeholders' Relationship Committee) across all the companies in which he/she is a Director.

The list of Directors for the FY 19-20 and as on date of Report are:

S.No	Name	Designation	Director as on Date Report
1.	Dr N. Srikant, IAS	CMD	Yes
2.	Sri K.V.N Chakradhara Babu, IAS	JMD (Commercial, IPC, HRD & IT)	No
3.	Ms. S. Nagalakshmi, IAS	Women Director (Non-Whole Time)	No
4.	Dr. K V V Satyanarayana, I.R.A.S	Director(Non-Whole Time)	Yes
5.	Sri K.Venkateswara Rao, IPS (Rtd)	JMD (Vig. & Security)	Yes
6.	Dr K.Muthupandian	Director (Finance)	Yes
7.	Sri Praveen Kumar	Director (Grid,Transmission & Management)	Yes

The following directors were Changed by Govt of A.P during the FY 2019-20 :

S.No	Name	Designation	Date of Appointment	Date of Cessation
1.	Sri K. Vijayanand, IAS	CMD	05.06.2014	04.06.2019
2.	Sri Ajay jain, IAS	Director	22.07.2014	04.06.2019
3.	Sri PardesiUmaphathi, IPS(Retd)	Director (Vig. & Security)	17.08.2015	27.09.2019
4.	Sri Y. Adam	Director (Grid, Transmission & Management)	19.03.2018	04.07.2019
5.	Sri J.Venkateswara Rao	Director (Technical)	14.08.2018	04.07.2019

b) Board Meetings :

Six Board Meetings were held during the Financial Year 2019-20. The gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present in all the meetings. Leave of absence was granted to the concerned directors who could not attend the respective board meeting on request. The dates on which the Board Meetings were held during FY 2019-20 are as follows: 27.06.2019,17.10.2019,05.11.2019,24.12.2019,06.02.2020 and 12.02.2020.

c) Audit Committee :

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

In Compliance with the provisions of Section 177 of the companies Act,2013; during the year under review, the Audit Committee has met on 05.11.2019. The composition of the Audit Committee is as follows:

The List of Committee Members for the FY 2019-20 and as on date of Report:

Sl. No	Name	Designation	Member as on Date of Report
1.	Dr N. Srikant, IAS	CMD	Yes
2.	Dr. K V V Satyanarayana, I.R.A.S	Director(Non-Whole Time)	Yes
3.	Ms. S. Nagalakshmi, IAS	Women Director (Non-Whole Time)	No
4.	Sri K.Venkateswara Rao, IPS (Rtd)	JMD (Vig. & Security)	Yes

Sri PardesiUmapathi, IPS(Retd), was a member in Audit Committee from 17.08.2015 to 27.09.2019.



Form No. MR-3

SECRETARIAL AUDIT REPORT

FORTHE FINANCIAL YEAR ENDED 31.03.2020

[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 (CIN U31909AP1998SGC107226)

APTRANSCO, Gunadala,

Vijayawada, Andhra Pradesh 520008.

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 (here in after called the company). Secretarial Audit was conducted in a manner that provided me/us are as onable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion there on.

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 here by report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2020, complied with the statutory provisions listed here under 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 here in after:

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 31.03.2019 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 convened its Annual General Meeting for the Financial Year 2019-2020 on 15.12.2020, 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, 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 is subject to the provisions of the AP Re-organisation Act, 2014 in relation to bifurcation of assets and liabilities of Power Transmission Companies.

Place: Visakhapatnam
Date : 24.08.2021.

Signature: Sd/-
Name: P. VITHAL KUMAR
ACS No. 14440
CP No. 8224
UDIN:A014440C000825162

This report is to be read with my 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 (CIN U31909AP1998SGC107226)

APTRANSCO, Gunadala,

Vijayawada, Andhra Pradesh 520008.

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 : 24-08-2021

Signature:

Name : P. VITHAL KUMAR

ACS No. 14440

CP No. 8224

UDIN: A014440C000825162

**TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED****(a wholly owned State Govt. Company)**

VidyutSoudha::Vijayawada

CIN: U31909AP1998SGC107226**Website address:www.aptransco.gov.in**

FORM MGT-9**ANNEXURE -1****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31/03/2020****[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 :
U31909AP1998SGC107226
- (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: VidyutSoudha,Vijayawada,
AP cs.aptransco@gmail.com
- (vi) Whether listed company : No
- (vii) Name, Address and Contact details of Registrar and Nil
Transfer Agent, if any:

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 sharesheld	Applicable Section
	NIL				



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

i) Category-wise Share Holding: Equity

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of 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	4544397000	4544397000	100	0	4544397000	4544397000	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	4544397000	4544397000	100	0	4544397000	4544397000	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	4544397000	4544397000	100	0	4544397000	4544397000	100	0
B. Public Shareholding 1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	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 upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	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	4544397000	4544397000	100	0	4544397000	4544397000	100	0

(ii) Shareholding of Promoters:

Sl.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	4544397000	100.00	0	4544397000	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	65254483312	3871072000		69125555312
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	194259251	-		- 194259251
Total (i+ii+iii)	65448742563	3871072000		69319814563
Change in Indebtedness during the financial year				
Addition	14736348162	0		14736348162
Reduction	15978005012			15978005012
Net Change	-1241656850			-1241656850
i) Principal Amount	64012826462	3871072000		67883898462
ii) Interest due but not paid				
iii) Interest accrued but not due	82740950			82740950
Total (i+ii+iii)	64095567412	3871072000		67966639412


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

Sl No.	Name of the MD/WTD and Manager	Remuneration (Amount in Rs.)						Ceiling as per Act
		Total Amount	Stock option	Sweat Equity	Commission	Others	Total	
1	Sri K. Vijayananda, IAS	200833	-	-	-	-	200833	NA
2	Dr.Srikant Nagulapalli, IAS	1030727	-	-	-	-	1030727	NA
3	Sri K V N Chakradhar Babu, IAS	1747340	-	-	-	-	1747340	NA
4	Sri Umapathi Paradesi, IPS	1538287	-	-	-	-	1538287	NA
5	Sri K Venkateswara Rao, IPS	618297	-	-	-	-	618297	NA
6	Sri J Venkateswara Rao	788502	-	-	-	-	788502	NA

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. K V VSatyanarayana,IRAS	500	Nil		500
2	Ms S Nagalakshmi, IAS	1000	Nil		1000
	TOTAL				

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

Sl No.	Name of the MD /WTD and Manager	Remuneration(Amount in Rs.)					
		Gross Total	Stock option	Sweat Equity	Commis- sion	Others	Total
1	SriM.KarunakarReddy	480000	-	-	-	-	480000

**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, if any (give Details)
A. COMPANY			NIL		
Penalty					
Punishment					
Compounding					
B. DIRECTORS			NIL		
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT			NIL		
Penalty					
Punishment					
Compounding					

For and on behalf of Board of Directors

Sd/-
Chairman
&
Managing Director
DIN : 02426762



ANNEXURE F

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

As per the requirements under Section 135 of the Companies Act, 2013 read with relevant rules, APTRANSCO has CSR Policy.

a) The activities to be undertaken as per the Contents of CSR Policy are:

- 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 centers 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.

The Company may take up such other activities which are broadly covered under schedule VII of the Act and any additions which may be made hereafter.

The CSR Policy is available on Company's website <https://www.aptransco.co.in/>

b) The list of CSR Committee members is as follows:

S. No	Name	Designation	Member as on 31.03.2020	Member as on Date of Report
1.	Dr N. Srikant, IAS	CMD	Yes	Yes
2.	Sri K.V.N Chakradhara Babu, IAS	JMD (Commercial, IPC, HRD & IT)	Yes	No
3.	Sri K.Venkateswara Rao, IPS (Rtd)	JMD (Vig. & Security)	Yes	Yes
4.	Dr K.Muthupandian	Director (Finance)	No	Yes

c) CSR Requirement:

The average Net profits of the company for the 3 Preceeding Financial years was Rs. 115.11 crores. Accordingly, CSR Provision is made for Rs. 2.30 crores during the financial year 2019-20 (2% of Rs.115.11 crores)

d) Details of CSR Spent during financial year:

- i. An amount of Rs.24,72,000/- was spent for providing of Medical Vans at Srikakulam District.
- ii. An amount of Rs.22,71,834/- was spent for Laying of CC Road for approach from NH-5 to entrance of 400/220kV SS, Vemagiri.

e) Meetings of Committee:

Committee met on 17th October 2019. The members present in the meeting were Dr N.Srikant IAS, Sri K.V.N Chakradhara Babu, IAS and Sri K.Venkateswara Rao, IPS (Rtd).

Sd/-

(N. Srikant)

Chairman (CSR Committee)



INDEPENDENT AUDITORS' REPORT

To the Members of

TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED

Report on Audit of the Standalone Financial Statements

Opinion

1. We have audited the standalone financial statements of **Transmission Corporation of Andhra Pradesh Limited (the Company)**, which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").
2. In our opinion and to the best of our information and according to the explanation given to us, subject to the effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

3.0 Basis for Qualified Opinion

Note No.37 with regard to short provision of Rs.547.80 Crore towards pension and gratuity liability in relation to APSEB origin employees belonging to the company. To that extent profit is overstated and liabilities are understated.

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

5.0 Emphasis of Matter:

Without qualifying our opinion, we bring to your attention to the following:

- 5.1.1 Due to the continuous spreading of COVID -19 across India, the Indian Government announced a strict 21-day lockdown on March 24, 2020, which was further extended till May 17, 2020 across the India to contain the spread of the virus. This has resulted in restriction on physical visit to the Company's location and to rely on alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).
- 5.1.2 As a result of the above, the entire statutory audit of the Company has been carried out based on remote access of the data as provided by the Company. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit of Company under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of

ICAI. We have been represented by the Financial Adviser & Chief Controller of Accounts of the Company that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the Company without any further manual modifications.

- 5.1.3 If we have carried out the audit physically at the Company location, we might have been able to verify further sufficient appropriate audit evidence regarding the documentation records supporting the transactions.
- 5.1.4 The Company has, based on current information available and based on the controls on information systems established for remote access of data for preparation of the financial statements for the year ended March 31, 2020 represented that all documentation records in respect of the transactions are being maintained properly and no further impact is expected on the financial performance of the Company for the year ended March 31, 2020 other than those included in the trial balance of the Company.
- 5.1.5 The financial performance of the Company has been thus prepared and presented by the company and audited by us in the aforesaid conditions.
- 5.1.6 We have also considered the disclaimers given in our report on Internal Financial Controls Over Financial Reporting and our comments on matters referred in Company Auditors Report order 2016 in determining the nature, timing and extent of audit procedures applied in our audit of the Standalone financial statements of the company and the disclaimer does not affect our opinion on the standalone financial statements of the company.

We draw attention to the following matters in the Notes to the Standalone financial statements

- 5.2 Based on revised allocation of assets and liabilities between the company and TS Transco as per the objections / suggestions of TS Transco and mutually agreed vide letter dated 23.03.2017 and expert committee letter no. 326 dated 29.08.2018 and report dated 15.11.2018 and shown under Note No. 32 an amount of Rs. 199.29 crore (Debit balance) being the difference between re-allocated assets and liabilities is shown as Demerger Adjustment Account under other current assets (Note No. 10A) in the Balance sheet as at 31.03.2020. The recoverability/adjustment is subject to the decision of a third party referred by the company and TS Transco.
- 5.3 Note No.30 to the standalone financial Statements which describe the uncertainties related to the outcome of suits/ appeals filed by/ against the company and other parties.
- 5.4 Note No. 33 with regard to non-accounting of transmission charges in respect of third-party generator since the matter is Sub-Judice Rs. 467.55 Crore.
- 5.5 Note No. 36 with regard to non-accounting of revenue in respect of demand raised on TSDISCOMS for transmission and SLDC charges of Rs.882.44 crore due to non-finalisation of LTTA (Long Term Transmission Agreement) with TS DISCOMS.
- 5.6 Note No. 38, with regard to non-accounting of common expenditure up to the year 2018-19 of Rs.15.51 Crore towards bills raised by TSTRANSCO
- 5.7 Note No. 39 with regard to recoverability of payments made on behalf of TS Transco up to 31-03-2020 of Rs.11.34 crore.
- 5.8 Note No.40 With regard to recovery of salaries paid to TS Relieved employees from October'2015 to May'2016 amounting to Rs. 23.98 Crore.
- 5.9 Note No. 42(b) with regard to the whole of the contingency reserve investments including those apportioned to TSTRANSCO on demerger, continue to be held in the name of the company.
- 5.10 Note No. 43 regarding AP Transco Vidyut Bonds, floated by the company on behalf of GOAP, amounting to Rs. 975 Crore, outstanding out of apportioned bonds to TS Transco of Rs.377.81 crore and to the company of Rs.5.20 crore are not shown in the financial statements of the company
- 5.11 Note No.44 with regard to the continuance of charge on assets and the outstanding loans apportioned to TSTRANSCO, amounting to Rs.1715.20 crore as on 01.06.2014, which are in the name of the company.



- 5.12 Note No.45 with regard to risk and cost recoverable from two Contractors of Rs.12.12 crore which will be accounted as and when accepted by the parties or received.
- 5.13 Note No.46 With regard to non-accounting of the effect of True-up proposals on account of excess or shortfall in transmission charges of Rs.528.71 Crore up to 31.03.2020.
- 5.14 Note No.47 with regard to the property (land) transferred to and occupied by Greater Vishakha Municipal Corporation (GVMC) in exchange of land of GVMC being not identified by GVMC, value of Land transferred not removed from the books.
- 5.15 The company not disclosed repayment schedule of term loans from Banks and FIs as required in "Schedule III" of the Companies Act, 2013. Further Maturity Pattern of the non-derivative financial liabilities with agreed repayment periods has not been disclosed as required by Ind AS 109, "Financial Instruments".
- 5.16 Company need to establish a system for obtaining confirmation of balances for receivables, payables, advances, deposits and project stock held by the third party.
- 5.17 Company need to establish a periodical Information systems Audit.
- 5.18 Accounting policy B2(c) Equity Investment in unquoted equity shares of the value of Rs. 2830.24 lacs have been carried at historical cost in the Standalone Financial Statement to that extent it is a deviation from the application of relevant Ind AS. We are unable to quantify the effect in the absence of information.
- 5.19 We draw attention to Note 52 to the standalone financial statements for the year ended March 31, 2020, which describes the uncertainties and the management's assessment of the financial impact of the outbreak of Corona virus (COVID-19) on the business operations and financial position of the Company In view of the highly uncertain economic environment, a definitive assessment of the aforesaid impact in the subsequent periods is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of above matters.

6 Information Other than the Standalone Financial Statements and Auditors' Report thereon.

- 6.1 The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.
- 6.2 Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- 6.3 In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- 6.4 If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

7 Management's Responsibility for the standalone financial statements

- 7.1 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 of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity, cash flows of the Company in accordance with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, specified under section 133 of the Act, read with 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting

records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

- 7.2 In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- 7.3 Board of Directors is also responsible for overseeing the Company's financial reporting process.

8 Auditor's Responsibility for the Audit of Standalone Financial Statements

- 8.1 Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that include our opinion. Reasonable assurance is the high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise due to fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- 8.2 As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- 1 Identify and assess risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidences that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.
 - 1 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in circumstances. Under section 143(3)(i) of the Act, we are responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
 - 1 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - 1 Conclude on the appropriateness of the management's use of going concern basis of accounting and, based on the audit evidences obtained, whether any material uncertainty exists related to the events or conditions that may cast significant doubt on the Company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as going concern.
 - 1 Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 8.3 We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- 8.4 We also provide those charged with governance with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may be reasonably be thought to bear on our independence, and where applicable, related safeguards.

9 Report on Other Legal and Regulatory Requirements



- 9.1 As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 9.2 In terms of section 143(5) of the Companies Act, 2013, we give in the "Annexure C" our comments on the directions issued by the Comptroller and Auditor General of India and sub directions issued by the Principal A.G (Audit) AP vide letter dated 14.05.2020.
- 9.3 As required by Section 143(3) of the Act, we report that:
- we have sought and obtained the information except for the information detailed in "Annexure D" and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - the Balance Sheet, the Statement Profit and Loss, including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this report are in agreement with the books of account.
 - in our opinion, the aforesaid Standalone Financial Statements, except for accounting on receipt / cash basis of the items as stated at Note 41 of the financial statements, comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - being a government company, pursuant to the notification no. GSR 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section 2 of section 164 of the Companies Act, 2013 are not applicable.
 - with regard to the adequacy of the internal financial controls with respect to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B", our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - with respect to the remuneration paid by the company to its directors is in accordance with the provisions of section 197 of the companies Act, 2013 the provisions of section 197 of Companies act 2013 are not applicable to a Government company vide notification No. GSR 463 (E) dated 05-06-2015. Hence we need not comment up on as required under section 197(16) of the Companies Act, 2013.
 - with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - the company has disclosed the impact of pending litigations on its financial position in the standalone financial statements- Refer Note No.30 to the standalone financial statements.
 - the Company has no long-term contract including derivative contracts requiring disclosure of material foreseeable losses.
 - there were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

For NATARAJA IYER & CO.
 CHARTERED ACCOUNTANTS
 Firm Registration. No. 002413S

Sd-
 (E.SRI RANGANATH)
 PARTNER

Membership No. 013924
 UDIN: 20013924AAAAN3626

Place : Hyderabad
 Date : 22.12.2020

ANNEXURE – A
TO THE INDEPENDENT AUDITOR’S REPORT
ON THE STANDALONE FINANCIAL STATEMENTS OF
TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED

Referred to in paragraph 9.1 under Report on other legal and Regulatory Requirements of our Report for the year ended 31st March 2020.

i. In respect of the property, plant and equipment of the Company:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment. However, information of cost and depreciation need to be included to compare with books of account.
- (b) The company provided certificate from all units including head office stating that physical verification of assets has been carried during the year and no discrepancies reported.
- (c) According to the information and explanations furnished to us, land carried in the books of the company comprises of land vested pursuant to the APER(TS) Rules 1999, lands acquired subsequently which was apportioned to the company subsequent to the demerger plan, vide the AP Reorganization Act, 2014.

According to the information and explanations furnished to us and based on our examination, the company is in the process of collection of title deeds and land records and in the absence of complete record we are unable to comment on whether the company holds title deeds in respect of the immovable property (Land/building).

ii. In respect of Inventory of the Company

- (a) As per the information and explanations given to us, during the year, physical verification of inventory has been conducted by external Chartered Accountants appointed by the company.
- (b) The procedure of physical verification followed by the external Chartered Accountants was reasonable and adequate in relation to the size of the company and the nature of the business.
- (c) According to the information and explanation given to us the discrepancies reported are under review by the company for carrying out corrections in the stores records.

iii. According to the information and explanations given to us the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Act.

iv. According to the information and explanations given to us, the Company has not granted secured or unsecured loans to the persons specified under section 185 of the Act. In respect of loans and advances given and investments made as specified under Section 186 of the Act, the Company has complied with the provisions of the section.

v. According to the information and explanations given to us, the Company has not accepted any deposits. Therefore, the provisions of the clause (v) of paragraph 3 of the Companies (Auditor’s Report) Order, 2016 are not applicable to the Company.

vi. We have broadly reviewed the records 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 prima facie we are of the opinion that the prescribed accounts and records have been made and maintained properly.

vii. (a) 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,



Goods and Service Tax and other statutory dues. The undisputed amounts payable which were in arrears as on 31.03.2020 for a period of 6 months or more from the date they become payable are as follows:

- i) Service tax payable - Rs.2,01,686/-
 - ii) TDS- VAT payable - Rs. 17,81,591/- and
 - iii) Purchase tax payable – Rs. 2,71,94,420/-
- (b) According to the information and explanations given to us, the details of dues of Sales Tax, Entry Tax and Income Tax which have not been deposited on account of disputes are given below:

Disputed claims of Sales Tax, Entry Tax and Income tax as on 31st March 2020

Name of the Statute	Financial year to which the matter pertains	Forum where dispute is pending	Total amount Disputed	(Rs. in lakhs) Amount paid as per Court Directions	Balance
Sales Tax	1994-95 to 1996-97	High Court of AP	6584.28	0	6584.28
	1997-98		2304.74	0	2304.74
Vat	2005-06	High Court of AP	3.17	3.17	0
CST	2005-06	High Court of AP	15.01	15.01	0
	2002-03		1235.09	358.18	876.91
	2003-04		372.73	180.09	192.64
	2004-05		963.43	481.71	481.72
	2005-06		1056.81	343.40	713.41
	2006-07		1405.18	702.59	702.59
	2014-15		68.89	17.22	51.67
	2015-16		3450.19	862.54	2587.65
	2016-17		1460.75	0	1460.75
	2017-18		3.15	0	3.15
Income Tax Act	2013-14	Income tax Appellant Tribunal	10954.81	2190.96	8763.85
	2014-15	CIT Appeals	3600.24	720.05	2880.19
	2016-17	CIT Appeals	78.55	15.71	62.84
	Total		33557.02	5890.63	27666.39

- viii. In our opinion and on verification of records, the Company has not defaulted in repayment of loan dues to its bankers/ financial institutions/ Government of AP during the year. The company has not issued any debentures or obtained loan from financial institutions.
- ix. The company has not raised any money by way of initial public offer or further public offer. In our opinion and according to the information and explanations given to us and on perusal of the financial statements of the company, the monies raised by the company by way of term loans have been applied for the purpose for which they were obtained.
- x. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.



- xi. As per notification no. GSR 463 (E) dated 5.06.2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 is not applicable to Government Companies. Accordingly, provisions of the clause 3(xi) of the Order regarding managerial remuneration are not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. As per notification No. GSR 463(E) dated 05.06.2015 issued by ministry of corporate affairs, Government of India, provisions of section 177 and 188 in relation to a Government company are not applicable. Accordingly, provisions of Clause xiii of the order are not applicable.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For NATARAJA IYER & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 002413S

Sd/-
PARTNER
Membership No. 013924
UDIN: 20013924AAAAIN3626

Place: Hyderabad
Date : .22.12.2020



**ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT
ON THE STANDALONE 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") for the year ended 31st March 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Basis for disclaimer

As more fully explained in the Emphasis of Matters paragraph, we are unable to obtain sufficient appropriate audit evidence to verify the existence of internal financial controls over the financial reporting and whether they are operating effectively.

Disclaimer of Opinion

In our opinion and according to the information and explanations given to us and based on the matters specified in the Basis for Disclaimer Paragraph above, we are unable to express our opinion on the existence of internal financial controls over the financial reporting and their operative effectiveness compliance for the year ended March 31, 2020, 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 (ICAI).

We have considered the above disclaimers in determining the nature, timing and extent of audit procedures applied in our audit of the standalone financial statements of the company and the disclaimer does not affect our opinion on the Standalone financial statements of the company

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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and 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, as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and a guidance note 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 judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate read with disclaimer made as above 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 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, to the best of the information and according to the explanation given to us, the Company has, in all material respects, read with basis for disclaimer, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, 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 NATARAJA IYER & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 002413S

Sd/-

PARTNER

Membership No. 013924

UDIN: 20013924AAAAIN3626

Place : Hyderabad

Date : 22.12.2020



ANNEXURE - C TO THE INDEPENDENT AUDITORS' REPORT
ON THE STANDALONE FINANCIAL STATEMENTS OF
TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED

Supplementary report under section 143(5) of the Companies Act, 2013 ("the Act") for the year ended 31.03.2020

(a) Replies to directions given by Controller and Audit General of India:

S.No.	Particulars	Auditor's Observation
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	During the course of audit, we have observed that all the accounting transactions are processed through IT system using SAP Software. As informed by the company and as observed by us there are no instances of processing accounting transactions outside IT system causing a threat on the integrity of the accounts and other financial implications.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	As informed by the company and as observed by us during the course of Audit, there are no instances of restructuring of existing loans or there are no cases of waiver/write off of debts /loans/interest etc. made by a lender to the company during the year 2019-20.
3	Whether funds received / receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	As informed by the company and as observed by us during the course of Audit, the company properly accounted for the funds received for specific schemes from central/ state agencies and properly recorded the utilization of funds as per its terms and conditions.

b. Replies to Sub-directions given by Principal Accountant General (Audit) AP vide letter dated 14.05.2020:

Sl.No.	Particulars	Auditor's Observation
1.	Whether the company has made adequate provision towards pension and gratuity liability of APSEB employees (retired prior to unbundling of APSEB and serving employees as on the same date) may be examined. It may also be examined whether the financial statements reflect true and fair picture without providing for huge pension and gratuity liability of APSEB origin employees	According to the information and explanations furnished to us, company has made a provision of Rs.413.85 Crore up to 31.03.2020 as against the total liability of Rs.961.65 crore as on 31.03.2020. resulting in short provision of Rs.547.80 crore to this extent profit for the year is overstated and liabilities as at 31.03.2020 are understated. This fact has been brought in the "Independent Auditors' report" under the basis for qualified opinion.
2	Whether system is in place for identifying the assets sold, dismantled, replaced etc., and whether the company has removed the cost of the assets not in existence (assets sold, dismantled, replaced and cost of replaced asset capitalised etc. from the books of accounts.	As informed the company said to have established a system for identifying the assets sold, dismantled, replaced etc., and for removal of cost of the assets not in existence (assets sold, dismantled, replaced) and cost of replaced assets capitalised in the books of account. However, we have not come across



	instances of assets sold, dismantled, replaced during the year.
3 Whether the outstanding dues as on 31 March 2020 recoverable from the Discoms have been reconciled.	As per the books of account of the company amounts due from Discoms as at 31.03.2020 is Rs.905.88 crore and as per confirmation furnished by APPCC amounts due by discoms to the company as at 31.03.2020 is Rs. 896.71 crore and the difference of Rs.9.16 crore need to be reconciled.
4. Whether physical verification of assets/ inventory was carried out (not merely obtaining certificate that the assets/ inventory have been physically verified) at the end of financial year or at specified intervals.	During the year 2019-20 physical verification of stores inventories has been conducted by external chartered accountants appointed by the company and physical verification reports have been furnished to the company. In respect of physical verification of tangible assets the company submits that the maintenance of 400/220/132 KV lines are done by Central Break Down Gang (CBD Gang) by the officials in each unit throughout the year. The remaining assets like sub-stations and others will be inspected by the concerned unit officer and certificate at the year end to be submitted by the division incharge, accordingly all the division incharges submitted the physical verification reports for the year 2019-20 to the head office of the company.
5 Statement indicating the provisional comments on the financial statements for the year 2018-19 dropped based on the assurance of the management that suitable actions will be taken in the next financial statements is enclosed. Compliance to the assurance may be examined.	<p>In respect of provisional comments for the year 2018-19 which have been dropped on the assurance of the management that corrective steps will be by the company taken while finalising the accounts for the year 2019-20 we would like to mention as under:</p> <p>As regards to the provisional comments 1(ii), 4(ii), 10(i) company has taken corrective steps while finalising the accounts for the year 2019-20. Where as in respect of provisional comments 2(iv), 3(i), 6(i) and 10(ii) company is yet to prepare comprehensive guide lines on capitalisation of assets and exhibiting the same in the register, with reference to provisional comment 2(iv), reconciliation of vehicles with regard to physical availability and available as per asset register is yet to be done with reference to provisional comment 3(i), company's decision on accounting of surcharge on SLDC charges continue to be accounted on cash basis with reference to provisional comment 6(i), and final outcome on recoverability of transmission and SLDC charges from TS Discoms is pending at board of directors level with reference to provisional comment 10(ii).</p>
Place: Hyderabad Date : 22.12.2020	For NATARAJA IYER & CO. CHARTERED ACCOUNTANTS Firm Registration No. 002413S Sd/- E.SRI.RANGANATH PARTNER Membership No. 013924 UDIN: 20013924AAAAIN3626



ANNEXURE - D TO THE INDEPENDENT AUDITORS' REPORT
ON THE STANDALONE FINANCIAL STATEMENTS OF
TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED

1. Information of Party-wise break-up in respect of following account balances as appearing in Trial Balance not available and needs to be reviewed, reconciled and adjusted by the management in the absence of third party confirmation of balances:

GL A/c	GL Name	Debit (Rs.)	Credit (Rs.)
A. Staff Advances			
2710100001	Legacy balance upload	24,519,898.21	0.00
2710200001	Legacy balance upload	2230969.03	0.00
2710300001	Legacy balance upload	50186049.96	0.00
2710400001	Legacy balance upload	0.00	21316.06
2710500001	Legacy balance upload	857743.16	0.00
2710600001	Legacy balance upload	3790631.26	0.00
2712100001	Legacy balance upload	0.00	15998.00
2712200001	Legacy balance upload	513274.75	0.00
2712400001	Legacy balance upload	0.00	600.00
2712500001	Legacy balance upload	0.00	188319.00
2720000001	Legacy balance upload	570975.00	0.00
2721100001	Legacy balance upload	454431.00	0.00
2721200001	Legacy balance upload	177971.00	0.00
2721300001	Legacy balance upload	0.00	122980.00
2721600001	Legacy balance upload	5250.00	0.00
2722000001	Adv-against-legacy upload	103547.00	0.00
	Total	83410740.37	349213.06
B. Receivables			
2810000000	Sundry Debtors trading	818213.20	0.00
C. Deposits with courts/Judicial authorities:			
2890000000	Deposits with others	12323017.00	0.00
2890000001	Deposits with others-legacy balances	72675021.45	0.00
2891100000	Deposits with customs authority	5000000.00	0.00
	Total	89998038.45	0.00



D. Liability for capital works:

4215000000	Lia-sup-mat-cap (Old)	0.00	271394505.19
4220000001	IFS GR/SR Ven Liabil	0.00	4270328.80
4220000002	IFS GR/SR GL open liability	0.00	236555284.59
	Total	0.00	512220118.58

E. Staff recoveries:

4440000001	Staff loan legacy	0.00	828368.01
	Total	0.00	828368.01

F. Deposits:

4610000000	Dep from Supp/cont	0.00	1683941304.89
4610500000	Dep-Emd-RM-con (Old)	0.00	7096848.25
4612500001	Misc Deposits-GL	0.00	400116142.11
4612500002	Misc Deposits Customer	0.00	1289126206.65
4627500000	TR & SLDC Clearing A/c	0.00	81826924.22
	Total	0.00	3462107426.12

G. Grant

5530000000	Grant-cost of CAP asset	0.00	113008372.00
	Total	0.00	113008372.00

2. Statement showing ledger balances some items of the balances out of the total account balances, requires party wise break-up and needs to be reviewed, reconciled and adjusted by the management in the absence of third-party confirmation of balances:

GL A/c	GL Name	Debit (Rs.)	Credit (Rs.)
A. Advances			
2840100000	Amount recoverable- Employees	5403988.19	11275.00
2881000000	Exp Rec-sup/contractors	7837460.60	0.00
2887000000	Other amount receivable-Govt	11212120.00	0.00
	Total	24453568.79	11275.00
B. Liability for capital works:			
4210000000	Lia-sup-mat/work-cap	67463.95	7931817.81
4220000000	Suppliers/contractors control a/c	0.00	7169665066.62
4220100000	Suppliers/contractors cont -cap/O&M	0.00	88197691.27
4221000000	Suppliers/contractors cont -ser	1019606.02	0.00
4310000000	Lia-supp-mater (O&M)	10780.00	70730.96
	Total	1097849.97	7265865307.00

**C. Deposits:**

4610100000	Sec dep in cash-cap	1305327.92	823200.00
4610200000	Sec dep – cap	341103.00	458576.00
4610300000	E M D – Capital	1210711.00	1167690.50
4610400000	RM-supp/cont-capital	1566161250.00	7523866.00
4610500000	Dep-Emd-Rm-Con	0.00	16538228.25
4612000001	Penalty Deposit a/c	0.00	17544841.43
4612100000	Sec dep in cash-O&M	3182171	4101556.78
4612200000	Sec dep other than in cash-O&M	1432674.00	1398.00
4612300000	EMD - O&M	14364041.00	1109312.00
4612400000	RM-supp/cont - O&M	1367528.00	399412.00
4612500000	Miscellaneous Deposits	49518664.00	747524139.40
4612500002	Miscellaneous Deposits Cust	0.00	1289485831.65
	Total	1638883470.00	2086678052

3. Following account balances require reconciliation as to their recoverability and write off.

Advance Tax			
2740000000 to 2740002019	Adv IT/TDS	2,291,216,698.28	0.00
	Total	2,291,216,698.28	0.00

For NATARAJA IYER & CO.
CHARTERED ACCOUNTANTS
Firm Registration. No. 002413S

Sd/-
(E.SRI RANGANATH)
PARTNER

Membership No. 013924
UDIN: 20013924AAAAIN3626

Place : Hyderabad
Date : 22.12.2020

ANNEXURE B

COMMENTS OF STATUTORY AUDITORS AND REPLIES BY MANAGEMENT

M/s. Nataraja Iyer and Co., Chartered Accountants, Hyderabad were appointed as the statutory Auditors of your company for the financial Year 2019-20 by the Comptroller and Auditor General of India (C & AG). The Auditors after conducting the audit, furnished their Report on 22nd day of December 2020. The Comments by Auditors and replies by Management are summarised below:

Sl.No. Statutory Auditors Comment	Reply by Management
<p>1. <i>Note No.37 with regard to short provision of Rs.547.80 crore towards pension and gratuity liability in relation to APSEB origin employees belonging to the company. To that extent profit is overstated and liabilities are understated.</i></p>	<p>The company has taken a decision to calculate the projected liability to be borne by APTRANSCO after 2029 (100%) as Master Trust liability (maintained by APGENCO) ceases from 2029, the liability of 100% after 2029 will be borne by APTRANSCO and the liability will be recognized in a phased manner from FY 2018-19 onwards.</p> <p>Accordingly, APTRANSCO has recognized the liability to the extent of Rs.182.60 crs (100% - 2029) along with 26% share of APTRANSCO in FY 2019-20 (previous year Rs.102.93 crs).</p> <p>The same was reiterated in the Notes to Accounts of 2019-20 vide Note No.37.</p>



**COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER
SECTION 143(6)(b) OF THE COMPANIES ACT, 2013
ON THE STAND ALONE FINANCIAL STATEMENTS OF
M/s.TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED,
VIJAYAWADA FOR THE YEAR ENDED 31 MARCH 2020**

The preparation of Financial Statements of M/s Transmission Corporation of Andhra Pradesh Limited for the year ended 31 March 2020 in accordance with the financial reporting frame work 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 is/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 22 December 2020.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the Financial Statements of M/s Transmission Corporation of Andhra Pradesh Limited for the year ended 31 March 2020 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling better understanding of the financial statements and the related audit report.

A. Comments on Profitability

STATEMENT OF PROFIT AND LOSS

Expenses

Depreciation and Amortisation Expenses (Note-24): Rs.68168.14 lakh

1. As per the Accounting Policy B2(a) (iii) of the Company, depreciation on property, Plant and Equipment is provided using Straight line Method based on useful life of assets as per the Electricity (Supply) (Annual Accounts) Rules, 1985 and as per the rates notified in the Gol Gazette Notification S.O. 265 (E) dated 29-03-1994. In case of intangible assets (Computer software), the Company disclosed that the amortization would be over a period of 5 years. However, depreciation was not provided as per the rates allowed, which resulted in over statement of the Depreciation by Rs. 977.05 lakh and under statement of Fixed Assets (net block) as well as Profit for the year by Rs.977.05lakh.

B. Comments on Disclosure

2. Lift Irrigation Scheme Reserve included in Other Equity (Note-11B)

Rs.1,07,926.28 lakh represents the Lift Irrigation Scheme (LIS) funds (including interest earned thereon) received from Government of Andhra Pradesh (GoAP) towards Deposit contribution works for extension of Electricity lines and substations for Lift Irrigation works/schemes, as per Note-34 and 35 to the Financial Statements. However, accounting policy of the Company for the accounting treatment of the above along with financial effect was not disclosed in the Financial Statements for the year ended 31 March 2020.

3. As per Note-37 to the Financial Statements, the liability yet to be recognised in the books of the Company in respect of Pension and Gratuity benefits relating to APSEB origin employees on rolls as on 1 February 1999 belonging to the Company was stated at Rs.547.80 crore only. However, the Company did not disclose the complete particulars of Pension and Gratuity liability of APSEB origin employees on rolls as on 1 February 1999 of Master Trust as per actuarial valuation for the year ended 31 March 2020, under lying assumptions for such valuation, reasons for non-recognition of the liability accrued as per the agreements under Master Trust / actuarial valuation and their financial effect on the Financial Statements as on reporting date.

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

**Place : Hyderabad
Date : 29-04-2021**

**sd/-
(HEMA MUNIVENKATAPPA)
Accountant General (Audit)**



ANNEXURE C

COMMENTS OF C & AG AND REPLIES BY MANAGEMENT

The Accountant General, O/o the C & AG, Andhra Pradesh had conducted the supplementary Audit U/s. 143 (6) of the companies Act, 2013 and the final Comments were received on 07th May 2021.

C&AG comment	Reply by Management
A. Comments on Profitability	
<p>STATEMENT OF PROFIT AND LOSS Expenses Depreciation and Amortization Expenses (Note-24):Rs.68168.14 lakh.1.</p> <p>As per the Accounting Policy B2(a)(iii) of the company, depreciation on property, Plant and Equipment is provided using Straight line Method based on the useful life of assets as per the Electricity(Supply)(Annual Accounts) Rules, 1985 and as per the rates notified in the GoI Gazette Notification s.O.265(E) dated 29.03.1994. In case of intangible assets (Computer Software), the Company disclosed that the amortization would be over a period of 5 years. However, depreciation was not provided as per the rates allowed, which resulted in overstatement of the Depreciation by Rs.977.05 lakh and understatement of Fixed Assets (net block) as well as profit for the year Rs.977.05 lakh.</p>	<p>It is to submit that, necessary action is to be taken in FY 2020-21 i.e., the depreciation key for computer software - 12.77% to 20% will be adopted. Further, the assets mentioned in the annexure to the provisional comment will also be taken care and necessary transfer entries will be taken up in FY 2020-21.</p>
B. Comments on Disclosure	
<p>2. Lift Irrigation Scheme Reserve included in 'Other Equity (Note(-11B) Rs.1,07,926.28 lakh represents the Lift Irrigation Scheme (LIS) funds (including interest earned thereon) received from Government of Andhra Pradesh (GoAP) towards Deposit contribution works for extension of Electricity lines and substations for Lift Irrigation works/schemes, as per Note-34 and 35 to the Financial Statement. However, accounting policy of the Company for the accounting treatment of the above along with financial effect was not disclosed in the Financial Statements for the year ended 31 March 2020.</p>	<p>At the time of conversion of presentation of accounts of M/s.APTRANSCO from ESAAR 1985 to the Ind AS during the year 2016-17 by M/s. KPMG, kept the Deposits received from GoAP towards Lift Irrigation Scheme works from Non-current liability to other equity. The same was followed from the year 2016-17 onwards. Further, is also submit that, the capital grants received towards LIS schemes from GoAP is accounted as per Ind AS-20, wherein it was specified that "Government Grants shall be recognized in profit or Loss on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which grants are intended to compensate and similarly, grants related to depreciable assets are usually recognized in profit or loss over the periods and in the proportions in which depreciation expense on those assets it recognized". Hence, the same is disclosed in the accounting policy of the company under Government and other Grants. As per Ind AS</p>

	<p>20, the grants received from GoAP for LIS schemes, the treatment of depreciation on grant assets which will be an expense and also it is treated as income. Therefore, the net effect is Nil. As such, the Depreciation on the LIS assets are presented in the other income as – “Contribution towards depreciation of Lift Irrigation scheme assets” The LIS deposits received from GoAP for construction of Lines and Sub-stations for utilization of LIS schemes is also the same nature of capital grants. Since, the accounting treatment of the LIS funds already disclosed in Notes to accounts under Accounting Policies vide Sl. No.1 (h) Government and Other Grants and also vide note No.34 and 35. Hence, the above disclosure is enough for appraisal of the above.</p>
<p>3. As per Note-37 to the Financial Statements, the liability yet to be recognized in the books of the Company in respect of Pension and Gratuity benefits relating to APSEB origin employees on rolls as on 1 February 1999 belonging to the Company was stated at Rs.547.80 crore only. However, the Company did not disclose the complete particulars of Pension and Gratuity liability of APSEB origin employees on rolls as on 1 February 1999 of Master Trust as per Actuarial Valuation for the year ended 31 March, 2020, underlaying assumptions of such valuation, reasons for non-recognition of the liability accrued as per the agreements under Master Trust/ actuarial valuation and their financial effect on the Financial Statements as on reporting date.</p>	<p>It is to submit that, as per the Actuarial Valuation report dated 03.07.2020 for the year 2019-20, the liability towards Pension & Gratuity of APSEB origin employees (26% liability) by APTRANSCO i.e., Rs.165473.85 lakhs (which includes 26% up to 2029 and thereafter 100% as the Master Trust liability ceases from 2029) and (74% liability) by Master Trust maintained by APGENCO of Rs.156184.71 lakhs up to 2029 totaling to Rs.321658.56 lakhs. It is apparent that, the provision of liability towards Pension and Gratuity of APSEB origin employees i.e., 100% pension liability of employees who have retired on or before 31st January 1999 and 74% of pension and gratuity liability in respect of continuing and retired after 31st January 1999, is to be borne by APGENCO through MASTER Trust. As such no liability arises on the part of APTRANSCO as APTRANSCO is providing its liability of 26% in the books of accounts for the employees who were on the rolls on 31st January 1999 and continued in service beyond 31st January 1999. The remaining 74% is being claiming from Master Trust for payment of pensions as per the Master Trust agreement up to 2029. In this connection, APTRANSCO has made provision to the extent of 26% i.e., 413.85 crs (which includes 26% - 128.31 crs and 100% (after 2029) – Rs.285.54 crs) leaving a liability of Rs.547.80 crs and the same will be recognized in future years in a phased manner. The same was disclosed in the Note to accounts vide note No.37 of the financial statement for the year 2019-20.</p>



Particulars	Amount (In. cr)
Accrued Liability as on 31st March 2020	1654.74
Fund as on 31st March 2020 (with Trust)	693.09
Deficit as at 31st March 2020	961.65
Liability Recognized in the books of accounts to the end of 31st March 2020	413.85
Remaining liability to be recognized	547.80

However, necessary disclosure will be given in the notes to accounts for the year 2020-21 stating that APTTRANSCO is only considering the liability of Pension & Gratuity of APSEB origin employees to the extent of 26% and 100% after 2029 only. Further, also specifying the liability of Master Trust maintained by APGENCO along with provisions stated in the APERC orders and Tri-partite agreement to meet the liability of Pension & Gratuity of APSEB origin employees to the extent of 74% and 100% up to 2029 by Master Trust.

In view of the above, the Master Trust liability was not taken in to the accounts of APTRANSCO.



**Transmission Corporation of Andhra Pradesh Limited
Balance Sheet As at 31 March 2020**

ఆస్తి అప్పుల పట్టిక

In lakhs of INR

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
వివరములు	గమనిక	ప్రస్తుత సంవత్సరం	గత సంవత్సరం
Assets			
ఆస్తులు			
Non-current assets			
స్థిరాస్తులు			
Property, plant and equipment	2	8,54,483.35	8,46,656.08
ఆస్తులు మరియు పరికరాలు			
Capital work-in-progress	2	2,59,459.59	1,96,527.93
జరుగుతున్న పనులపై పెట్టుబడి ఖర్చులు			
Other Intangible Assets	2	1,722.40	1,884.61
ఇతర కనిపించని ఆస్తులు			
Financial assets			
ఆర్థిక ఆస్తులు			
(i) Investments	3	14,133.01	12,644.42
పెట్టుబడులు			
(ii) Loans	4	47,983.93	48,191.75
ఋణములు			
Other non-current assets	5	9,128.33	9,257.70
ఇతర స్థిరాస్తులు			
Total non-current assets		11,86,910.61	11,15,162.49
మొత్తం స్థిరాస్తులు			
Current assets			
చరాస్తులు			
Inventories	6	12,859.31	12,914.34
నిర్మాణ, విస్తరణాభివృద్ధి మరియు నిర్వహణ సరుకు			
Financial assets			
ఆర్థిక ఆస్తులు			
(i) Trade receivables	7	1,02,413.09	41,318.84
వాణిజ్యం పొందింది			
(ii) Cash and cash equivalents	8A	19,498.14	32,223.40
నగదు లేదా నగదుతో సమానమైనది			
(iii) Bank Balances in FDs	8B	72.60	1,090.91
బ్యాంకులో ఫిక్సిడ్ డిపాజిట్ నిల్వలు			



(iv) Loans బుణములు	4A	15,000.00	1,00,000.00
Current tax assets (net) ప్రస్తుత పన్ను ఆస్తులు (నికర)	9	22,171.68	16,775.41
Other Current assets ఇతర చరాస్తులు	10	79,245.73	32,037.55
Total current assets మొత్తం చరాస్తులు		2,51,260.55	2,36,360.45
Total assets మొత్తం ఆస్తులు		14,38,171.16	13,51,522.95
Equity and liabilities మూలధనం మరియు అప్పులు			
Equity మూలధనం			
Equity share capital వాటా మూలధనం	11A	45,443.97	45,443.97
Other equity ఇతర మూలధనం	11B	2,75,545.73	2,60,635.45
Total equity మొత్తం మూలధనం		3,20,989.70	3,06,079.42
Grants నిధులు	12	1,34,372.82	1,10,795.66
Liabilities అప్పులు			
Non-current liabilities స్థిర అప్పులు			
Financial liabilities ఆర్థిక అప్పులు			
Borrowings అప్పులు	13	5,87,112.96	5,34,298.77
Provisions for Employee Benefits ఖర్చుల కోసం దాచిన నిల్వ	14	56,222.86	35,245.03
Deferred tax liabilities (net) భవిష్యత్తు పన్ను నిధి	15	10,992.42	13,884.03
Other non-current liabilities ఇతర స్థిర అప్పులు	16	12,546.05	11,528.40
Total non-current liabilities మొత్తం స్థిర అప్పులు		6,66,874.29	5,94,956.23

**Current liabilities**

ప్రస్తుత అప్పులు

Financial liabilities

ఆర్థిక అప్పులు

i) Borrowings 13A 3,939.33 1,05,169.50

అప్పులు

ii) Trade Payables 17 54,118.19 46,312.13

అప్పులు

iii) Other Financial Liabilities 18 2,25,006.61 1,71,783.71

ఇతర ఆర్థిక అప్పులు

Other current liabilities 16A 31,843.68 15,127.45

ఇతర ప్రస్తుత ఆర్థిక అప్పులు

Provisions 19 1,026.54 1,298.85

ఖర్చుల కోసం దాచిన నిధి

Total current liabilities

మొత్తం ప్రస్తుత అప్పులు

3,15,934.35**3,39,691.64****Total liabilities**

మొత్తం అప్పులు

9,82,808.64**9,34,647.87****Total equity and liabilities**

మొత్తం మూలధనం మరియు అప్పులు

14,38,171.16**13,51,522.95**

Significant Accounting Policies 1
Accompanying notes to the Financial Statements 2-53
As per our report of even date For and on

For Nataraja Iyer & Co

Chartered Accountants

Sd/-

E.Sri Ranganath
Partner

Sd/-

Dr. Srikant Nagulapalli
Chairman & Managing Director

Sd/-

Dr.K.Muthupandian
Director (Finance)

Sd/-

M V Siva Prasada Rao
Financial Adviser & Chief
Controller of Accounts

Sd/-

M.Karunakar Reddy
Company SecretaryPlace: Hyderabad
Date: 22.12.2020Place: Vijayawada
Date: 15.12.2020



Transmission Corporation of Andhra Pradesh Limited
Statement of changes in equity for the year ended 31 March 2020

A. Equity share capital*In lakhs of INR*

	Amount		Amount
As at 31st March 2019	45,443.97	As at 31st March 2018	45,443.97
As at 31st March 2020	45,443.97	As at 31st March 2019	45,443.97

B. Other Equity*In lakhs of INR*

Particulars	Balance at the beginning of the reporting period	Total Comprehensive Income for the Year	Transfer to/ (from) Retained Earnings	Transfer to/ (from) Other Reserve	Balance at the end of the reporting period
As at 31st March, 2019					
Reserves and Surplus					
Retained Earnings	1,15,279.13	4,503.20	6,961.24	16,094.27	1,42,837.84
Contingency Reserve	2,655.44	-	-	346.50	3,001.94
Other Reserves	1,17,615.68	-	-	1,975.01	1,19,590.69
Other Comprehensive Income	4,551.73	(4,843.55)	(4,503.20)	-	(4,795.02)
Total	2,40,101.98	(340.35)	2,458.04	18,415.78	2,60,635.45
As at 31st March, 2020					
Reserves and Surplus					
Retained Earnings	1,42,837.84		(11,797.03)	10,847.07	1,41,887.88
Contingency Reserve	3,001.94		425.70		3,427.64
Other Reserves	1,19,590.69			9,177.08	1,28,767.77
Other Comprehensive Income	(4,795.02)	(5,539.57)	11,797.03		1,462.44
Total	2,60,635.45	(5,539.57)	425.70	20,024.15	2,75,545.73

As per our report of even date attached to the Balance Sheet
For Nataraja Iyer & Co
Chartered Accountants

Sd/-
Dr. Srikant Nagulapalli
Chairman & Managing Director

Sd/-
Dr.K.Muthupandian
Director (Finance)

Sd/-
E.Sri Ranganath
Partner

Sd/-
M V Siva Prasada Rao
Financial
Adviser & Chief Controller
of Accounts

Sd/-
M.Karunakar Reddy
Company Secretary

Place : Hyderabad
Date : 22.12.2020

Place : Vijayawada
Date : 15.12.2020



Transmission Corporation of Andhra Pradesh Limited
Statement of Profit and Loss For the year ended 31 March 2020

వార్షిక ఆదాయము మరియు వ్యయముల పట్టిక

In lakhs of INR

Particulars వివరములు	Note No. గమనిక	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenues			
ఆదాయం			
Revenue from operations	20	2,02,093.04	1,57,674.85
పనుల నుండి వచ్చిన ఆదాయం			
Other income	21A	20,183.77	20,361.30
ఇతర ఆదాయం			
Total income		2,22,276.81	1,78,036.15
మొత్తం ఆదాయం			
Expenses			
ఖర్చులు			
Employee benefits expense	22	62,168.23	44,436.56
ఉద్యోగుల జీతభత్యాలు			
Finance costs	23	53,926.42	37,591.05
ఆర్థిక ఖర్చులు			
Depreciation and Amortisation Expenses	24	68,168.14	60,754.66
తరుగుదల ఖర్చులు			
Operating and other expenses	25	28,674.25	28,576.41
నిర్వహణ మరియు ఇతర ఖర్చులు			
Total expenses		2,12,937.04	1,71,358.68
మొత్తం ఖర్చులు			
Profit before Exceptional Item & income tax		9,339.77	6,677.47
Exceptional Item	21B	(4.94)	(139.67)
Profit before Income tax		9,334.83	6,537.80
లాభం పన్నుల ముందు			
Current tax		(723.70)	(454.14)
ప్రస్తుత పన్ను			
Mat credit entitlement		723.70	454.14
Deferred tax (charge)/credit		2,167.91	423.44
భవిష్యత్ పన్ను కేటాయింపు			
Income tax expense	26	2,167.91	423.44
ఆదాయం పన్ను ఖర్చు			
Profit for the year		11,502.74	6,961.24
వార్షిక ఆదాయం			



Particulars వివరములు	Note No. గమనిక	For the year ended 31 March 2020	For the year ended 31 March 2019
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of defined Benefit liability (Net of Tax)		(5,197.75)	(4,435.27)
Equity Instruments (Net of Tax)		(341.82)	(408.28)
Total Other comprehensive income for the year, net of income tax		(5,539.57)	(4,843.55)
Total comprehensive income for the year		5,963.17	2,117.69
ఇతర సమగ్ర ఆదాయము			
Earnings per equity share - par value of INR 10 per share			
Basic (Amount in INR)		2.53	1.53
Diluted		2.53	1.53
Significant Accounting Policies	1		
Accompanying notes to the Financial Statements	2-53		
For and on behalf of the Board of Directors			
As per our report of even date attached to the Balance sheet			
For Nataraja Iyer & Co Chartered Accountants			
Sd/- E. Sri Ranganath Partner	Sd/- Dr. Srikant Nagulapalli Chairman & Managing Director	Sd/- Dr.K.Muthupandian Director (Finance)	
	M V Siva Prasada Rao Financial Adviser & Chief Controller of Accounts	M.Karunakar Reddy Company Secretary	
Place : Hyderabad Date : 22.12.2020		Place : Vijayawada Date : 15.12.2020	



Transmission Corporation of Andhra Pradesh Limited
Statement of cash flows as at 31 March 2020

In lakhs of INR

	As At 31 March 2020	As At 31 March 2019
Cash flow from operating activities		
Profit before tax	9,334.83	6,537.80
<i>Adjustments for</i>		
Depreciation	68,168.14	60,754.66
Contributions towards depreciation of lift irrigation scheme assets	(3,668.75)	(3,648.81)
Corporate Social Responsibility Expenses paid	(47.44)	(171.59)
Amortisation of capital grants	(3,114.20)	(2,627.18)
Income from investments	(7,638.23)	(5,670.54)
Interest on investments under contingency reserve	(654.35)	(532.62)
Interest on state government loans paid	569.30	21.58
Interest on loans	53,357.12	37,569.48
Operation profit before working capital changes:	1,16,306.42	92,232.78
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(61,094.25)	(28,318.43)
(increase)/Decrease in inventories	55.03	1,630.30
(Increase) in other non current and current assets	(49,212.00)	(7,367.37)
(Increase)/Decrease in loans	207.82	4,550.02
(increase)/Decrease in Current loans	85,000.00	(1,00,000.00)
(increase)/Decrease in Bank balances in FDs	1,018.31	(571.19)
Decrease/(Increase) in other financial (Non current & current) assets	-	1,090.91
(Decrease)/Increase in Trade payables	7,806.06	21,589.28
(Decrease)/Increase in other non-current and current financial liabilities	18,453.66	35,743.21
(Decrease)/Increase in other non-current and current liabilities	17,733.88	(7,757.45)
(Decrease) in provisions	20,705.52	11,073.99
Cash generated from operating Activities	1,56,980.44	23,896.05
Income taxes paid	(6,104.24)	(5,339.71)
Net cash from operating activities	1,50,876.20	18,556.34
Cash flows from investing activities		
Inflow		
Interest income on investments under contingency reserve	654.35	501.91
Proceeds from sale of investments-Ind AS EI	-	-
Interest income from investments	7,638.23	1,380.57
Subtotal	8,292.58	1,882.48
Outflow		
Purchase of property, plant and equipment	1,38,764.85	1,95,716.92
Purchase of Investments	1,830.41	5,056.32
Subtotal	1,40,595.26	2,00,773.24
Net cash used in investing activities	(1,32,302.69)	(1,98,890.76)

**Cash flows from financing activities****Inflow**

Borrowings taken (net)	(13,646.74)	2,03,166.65
Grants obtained	36,274.39	25,507.71
Subtotal	22,627.65	2,28,674.36

Outflow

Interest paid on borrowings	53,926.42	37,591.05
Subtotal	53,926.42	37,591.05

Net cash received in financing activities	(31,298.77)	1,91,083.31
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Net increase/(decrease) in cash and cash equivalents	(12,725.25)	10,748.89
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Cash and cash equivalents at the beginning of the year	32,223.40	21,474.50
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Cash and cash equivalents at the end of the year	19,498.14	32,223.39
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Notes

1) The above cash flow statement has been prepared under indirect method as set out in the Indian Accounting Standard (Ind-As)-7 statement of Cashflows.

2) Acquisition of Property, Plant and Equipment includes movements of Capital work in progress

3) Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

Cash in hand

Balances with scheduled banks

- Current accounts	17,273.31	32,177.65
- Cash in transit	2,224.84	45.74

Total	19,498.14	32,223.39
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4. Changes in Borrowings through Financing Activities

Particulars	As on 1st April'2019	Cash flow Net	As on 31st March'2020
Borrowings Current (refer Note 19)	1,62,126.28	(66,460.93)	95,665.35
Borrowings Non Current (refer Note 14)	5,34,298.77	52,814.19	5,87,112.96
Total	6,96,425.05	(13,646.74)	6,82,778.31

As per our report of even date attached to the Balance Sheet For and on behalf of the Board of Directors

For Nataraja Iyer & Co

Chartered Accountants

Sd/-

E.Sri Ranganath

Partner

Sd/-

Dr. Srikant Nagulapalli

Chairman & Managing Director

Sd/-

M V Siva Prasada Rao

Financial Adviser &
Chief Controller of Accounts

Sd/-

Dr.K.Muthupandian

Director (Finance)

Sd/-

M.Karunakar Reddy

Company Secretary

Place: Hyderabad

Date : 22 .12.2020

Place : Vijayawada

Date : 15.12.2020

Transmission Corporation of Andhra Pradesh Limited
Notes to the Standalone financial statements for the year ended 31 March 2020.

1. Corporate Information and Significant Accounting policies

A. Corporate information:

Transmission Corporation of Andhra Pradesh Limited ('the Company') is a public limited company domiciled and incorporated in India on 1st February 1999 and the share capital of the company is held by Governor of Andhra Pradesh and shares are not listed in any stock exchange. The Company is engaged in the business of providing transmission and state load dispatch services (SLDC) of electrical energy in the State of Andhra Pradesh by acquiring, constructing and operating extra high tension (EHT) transmission network i.e. 400kV to 132kV level substations and lines & SLDC. Consequent to the Division of the State of Andhra Pradesh, vide the A.P. Reorganization Act, 2014, the Company's Assets & liabilities and operations relating to the State of Telangana have been demerged and handed over to Telangana State Transmission Corporation Limited (TSTRANSCO) with effect from 2nd June 2014. The company's operations are now limited to residuary State of Andhra Pradesh. The Company's registered office is located at #48-12-4/1, Eluru Road, Gunadala, Vijayawada, Andhra Pradesh- 520008.

B. Significant Accounting Policies:

B.1. Basis of preparation and Presentation

These financial statements have been prepared to comply with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 and amendments made thereafter and notified under Section 133 of the Companies Act, 2013, (the Act) and other relevant provisions of the Act and the provisions of the Electricity (Supply) Act, 1948 and the rules made there under.

Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency and all values have been rounded-off to the nearest lakhs, except when otherwise stated.

Financial statements have been prepared on the accrual basis and historic cost basis except for following assets and liabilities which have been measured at fair value:

- i) Certain financial assets and liabilities
- ii) Defined Benefit Plans – Plan Assets

B.2. Summary of Significant accounting policies

(a) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Such cost includes purchase price, import duties, non-recoverable taxes, borrowing cost, directly attributable cost and apportionment of indirect expenses, net of income earned during project stage attributable to bring the asset to its working condition for its intended use.

Gains and losses on disposal/ de-recognition of an item of property, plant and equipment are measured as the difference between the net disposal proceeds/carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed / de-recognized.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(ii) Subsequent expenditure

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss when incurred.

(iii) Depreciation

Depreciation on property, plant and equipment is provided using straight line method in the books on the value of assets based on useful life of assets as per the Electricity (Supply) (Annual Accounts) Rules 1985 and as per the Rates notified in the Gazette Notification S.O.265 (E) dated 29th March 1994 issued by the Government of India. The Company is charging depreciation up to 90% of cost of the Property, Plant and Equipment, in as much as the residual value is predetermined at 10 % on all assets. However, the useful life adopted is not in line with that stated in Schedule II to the Companies Act, 2013.

The useful life of each asset adopted as per gazette notification referred above is as under:

Asset	Useful Life
Building	50 years
Other Civil Works	50 years
Plant and machinery	25 years
Lines and Cable networks	35 years
Vehicles	5 years
Furniture and Fixtures	15 years
Office Equipment	15 years
Computers	5 years

(b) Intangible Assets

Intangible Assets are stated at cost of acquisition including indirect taxes and support fee, license fee, training fee and other direct expenses directly attributable to bring the asset to working condition for the intended use.

Amortization/depletion policy applied to the company's intangible asset is as follows:

Computer software – over a period of 5 years

(c) Financial instruments**i) Financial Assets:**

Financial assets of the company comprise Investments, loans, trade receivables, cash and cash equivalents and other financial assets.

Classification

The Company classifies its financial assets in the following categories:

- 1 At amortized cost (or)
- 1 At fair value through other comprehensive income

The classification is dependent on the following:

- 1 The entity's business model for managing the financial assets and
- 1 The contractual cash flow characteristics of the financial assets

Initial Recognition and measurement

All financial assets are initially recognised at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at Fair value through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using the trade date accounting.

The company measures the trade receivables at their transaction price, if the trade receivables do not contain a significant financing component.

Subsequent measurement

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

Interest on staff Advance is recognised on cash basis.

Financial assets at fair value through other comprehensive income are measured at each reporting date at fair value. Fair value changes are recognised in the other comprehensive income. However, the Company recognises interest income, impairment losses and reversals in the P&L statement.

Equity investments

All quoted equity investments are measured at fair value.

Indian Accounting Standards (IndAs) have not been applied to the Investments in unquoted equity shares of APGPCL and APSEEDCO, hence the value of such investments are carried at historical cost only. Even though it is a deviation from the application of mandatory Ind AS, it may not materially affect the financials of the Company.

De-recognition of financial assets

A financial asset is de-recognised only when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

ii) Financial Liabilities:

Financial liabilities of the Company are contractual obligation to deliver cash or other financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the company.

The Company's financial liabilities include loans and borrowings, trade and other payables.

Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value. Fees of recurring nature are directly recognised in the statement of Profit and loss as finance cost.

Subsequent Measurement

Financial liabilities are carried at transaction value.

For trade and other payables maturing within one year from the balance sheet date, the carrying amount approximates fair value due to the short maturity of these instruments.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash asset transferred or liabilities assumed, is recognised in the statement of profit and loss as other income or finance cost.



iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amounts are presented in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(d) Inventories

Items of inventories are measured at lower of cost or net realisable value after providing for obsolescences if any. Cost of inventories comprises of cost of purchase, taxes and other expenses in bringing them to their respective location.

Cost of Stores and spares are determined on weighted average basis.

Project stock is held by third party and shown as part of capital work in progress is determined at cost.

(e) Impairment of assets

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Company measures loss allowances as per the guidance given in Ind AS 109.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expect to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

i. Impairment of Financial Assets:

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their

present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

(f) Employee benefits Expense

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on



curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

‘Pension and Gratuity’: The Company 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*.

‘Gratuity’: The Company 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 Company 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 Indian Accounting Standard (Ind AS) 19, ‘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.

Earned Leave Encashment: The employees of the Company 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. The Corporation contributes towards liabilities as per actuarial valuation to the *AP Transco EL Encashment Trust*.

(g) Revenue recognition

Revenue is based on the consideration specified in a contract with customers and excludes amounts collected on behalf third parties. The company recognizes revenue when it transfers control over a product or service to a customer. The company has applied Ind AS 115 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under Ind AS 18 and Ind AS 11.

i) Rendering of services

Revenue is recognized when the outcome of the services rendered can be estimated reliably. Revenue is recognized in the period when the service is performed by reference to the contract stage of completion at the reporting date.

ii) Other income

Interest on bank deposits is recognised on the effective interest rate (EIR method) using the underlying interest rates. Dividend income is recognised when the unconditional right to receive the payment is established.

(h) Government and other grants

Government and other grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions

associated with the grant; they are then recognised in profit or loss as other operating revenue on a systematic basis. Grants related to depreciable assets are recognised in profit or loss over the period and in the proportion in which depreciation expense on those assets is recognised.

(i) Tax Expenses

Income tax comprises current tax and deferred income tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i) Current tax

Current tax comprises the expected tax payable on the taxable income or book profit for the current year and any adjustment to such tax payable for the previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii) Deferred tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred income tax liabilities are recognised for all taxable temporary differences.

(j) Provisions

Provisions are recognized when the company has a present obligation as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate the risks specific to the liability. When discounting is used the increase in the provision due to passage of time is recognized as a finance cost.

When company has a present obligation as a result of past event which cannot be reliably measured/ estimated is disclosed as contingent liability. Company does not recognize a contingent asset which cannot be measured reliably.

(k) Borrowing cost

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of the cost of the respective asset.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

To the extent that an entity borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the entity shall determine the amount of borrowing costs eligible for capitalization by applying a capitalization rate to the expenditure on the asset. The borrowing cost is capitalized on the basis of weighted average formula as under:



- a) Average of total opening and closing balance of CWIP
- b) Average of opening and closing outstanding loans for capital works.
- c) Interest paid and provided for the year on loans for capital works.
- d) Capitalization of borrowing cost = $C \times a/b$

Other borrowing costs are expensed in the period in which they are incurred.

(l) Segment reporting

Operating segments are identified in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). As the transmission of power is considered as only one reportable segment, no separate financial disclosure has been provided for the segment reporting

B.3 Critical Accounting Judgments and key Sources of Estimation Un-certainty

The Preparation of the Company's Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in the next financial years.

(a) Depreciation/ Amortization and useful lives of Property, Plant and Equipment/ Intangible assets:

Property, Plant and Equipment/ Intangible assets are depreciated/ amortized over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual value of the assets annually in order to determine the amount of depreciation/ amortization to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortization for future periods is revised if there are significant changes from previous estimates.

(b) Recoverability of Trade receivables:

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(c) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Transmission Corporation of Andhra Pradesh Limited
Notes to the financial statements for the year ended 31st March 2020.
2 Property, Plant & Equipment, Capital work in progress, and Intangible Assets

(Rs. In Lakhs)

Description	Gross Block			Depreciation Block			Net Block		
	As at 01-04-2019	Additions/ Adjustments	Demerger Adjustments	As at 31-03-2020	As at 01-04-2019	For the Year	Demerger Deductions/ (Adjustments)	As at 31-03-2020	As at 31-03-2019
Property, Plant and Equipment owned Assets:									
Freehold Land	5,839.66	1,028.63	-	6,868.29	-	-	-	6,868.29	5,839.66
Buildings	10,503.55	125.84	-	10,629.39	3,606.62	271.86	-	6,750.92	6,896.93
Other civil works	22,241.55	9,343.84	-	31,585.38	875.26	788.42	-	29,921.71	21,366.29
Plant and equipment	5,36,078.45	42,010.34	-	5,78,088.78	2,20,417.37	32,467.10	-	3,25,204.31	3,15,661.07
Lines and cable network	7,00,110.11	20,697.06	-	7,20,807.17	2,06,017.91	33,774.31	-	4,81,014.95	4,94,092.21
Vehicles	282.63	79.06	-	361.70	254.35	6.79	-	100.55	28.29
Furniture and fixtures	446.62	1,752.48	-	2,199.09	214.70	125.54	-	1,858.86	231.92
Office equipment	5,152.76	265.39	-	5,418.15	2,695.51	422.00	-	2,300.63	2,457.24
Computers	84.28	408.80	-	493.08	1.81	28.15	-	463.12	82.47
Total (A)	12,80,739.60	75,711.43	-	13,56,451.03	4,34,083.52	67,884.17	-	8,54,483.35	8,46,656.08
Intangible Assets									
Software	2,223.66	121.76	-	2,345.42	339.05	283.97	-	1,722.40	1,884.61
Total (B)	2,223.66	121.76	-	2,345.42	339.05	283.97	-	1,722.40	1,884.61
Total (A+B)	12,82,963.26	75,833.19	-	13,58,796.45	4,34,422.57	68,168.14	-	8,56,205.74	8,48,540.69
Previous Year	10,64,946.83	2,24,497.29	(6,480.86)	12,82,963.26	3,72,694.70	60,754.66	973.21	8,48,540.69	6,92,252.14
Capital work-in-Progress									
Freehold Land								2,59,459.59	1,96,527.93
Buildings								0.00	0.00
Other civil works								4757.15	3329.28
Plant and equipment								35495.83	23500.53
Lines and cable network								49634.16	30259.67
Vehicles								62206.48	42555.70
Furniture and fixtures								1.79	0.00
Office equipment								80.16	28.73
Construction stores (Stock with third party)								96.14	80.38
								107187.88	96773.64

1) Lines and cable network Gross block is net of Demerger adjustment of Rs.83.18 (Cr.), Depreciation is net off Rs. 11.60 (Cr.), 2) CWIP Buildings is net of demerger adjustment of Rs.1.06 (Cr.), 3) CWIP includes Credit balances of Rs. 14.74 Crs


Notes to the financial statements for the year ended 31st March 2020
(Rs. In Lakhs)

3. Investments	Account No.	As at 31 Marc 2020	As at 31 March 2019
<i>A. Investments in Equity instruments</i>			
<i>a. Quoted equity shares measured at FVTOCI</i>			
Investment in GVK Power & Infrastructure Limited. (6,330,000 equity shares with face value of Re.1/- each)	2040000000	142.43	484.25
<i>b. equity shares - unquoted measured at Cost</i>			
1) Investment in JV - Andhra Pradesh State Energy Efficiency Development Corporation Limited (2,00,000 shares with face value of Rs.10 /- each)	2040600000	20.00	20.00
2) Investment in Andhra Pradesh Gas Power Corporation Limited (15,758,400 shares with face value of Rs.10/- each)	2040500000	2,810.24	2,810.24
<i>B. Investment in Govt. and Trust securities - Quoted measured at cost</i>			
1) GOI Bonds	2060000000	12.31	12.31
<i>C. Investment in Debentures & Bonds - Quoted measured at cost</i>			
1) 8.15% Bonds of AP Power Finance Corporation		-	5.60
2) 8.74% Bonds of AP Power Finance Corporation		363.70	363.70
3) 9.60% Bonds of AP Power Finance Corporation		145.48	145.48
4) 8.95% vidyut bonds I/2006 of APTRANSCO issued by GoAP		637.88	637.88
5) 8.69% vidyut bonds II/2006 of APTRANSCO Issued by GoAP		19.58	27.98
6) 8.40% Bonds of Tamilnadu Electricity Board		-	13.43
7) 8.64% Bonds of Tamilnadu Electricity Board		15.67	15.67
8) 8.23% Bonds of Karnataka State Financial Corporation		-	61.55
9) 9.64% Bonds of AP Power Finance Corporation		55.95	55.95
10) 9.67% Bonds of Tamil Nadu Power Finance and Infrastructure Development Corporation		380.49	380.49
11) 9.15% Bonds of AP State Finance Corporation Ltd.,		47.00	62.67
12) 10.25% Bonds of Rajasthan Rajya vidyut Prasaran Nigam Limited		167.86	167.86
13) 10.25% Bonds of Rajasthan State Road Transport Corporation		654.66	654.66
14) 8.69% Bonds of Rajasthan Rajya vidyut Prasaran Nigam Limited		83.93	83.93



15) 8.62% Bonds of Haryana Vidyut Prasaran Nigam Limited		626.68	626.68
16) 8.97% UPPCL Bonds 2023		111.91	
17) 8.97% UPPCL Bonds 2024		290.96	218.22
18) 8.97% UPPCL Bonds 2025		917.64	531.56
19) 8.97% UPPCL Bonds 2026		1,661.83	917.64
20) 8.97% UPPCL Bonds 2027		302.15	50.36
21) 8.15% Energy Efficiency Services Ltd.,		179.05	179.05
22) 10.32% APPFCL Bonds 2029		330.13	
23) Premium on UPPCL Bonds	1723000000	111.47	73.26
25) 9.95% APCPDCL/TSSPDCL Power Bonds- Series 1/2014	2020000000	4,044.00	4,044.00
Total		14,133.01	12,644.42
Aggregate book value of quoted investments		11302.77	9814.19
Aggregate market value of quoted investments		11302.77	9814.19
Aggregate value of unquoted investments		2830.24	2830.23
Aggregate amount of impairment in value of investments		-	-
Financial Assets measured at fair value through Other Comprehensive Income		142.43	484.25
Financial Assets measured at Cost		13,990.58	12,160.17
Total		14,133.01	12,644.42



		(Rs. In Lakhs)	
Loans	Account No.	As at 31 March 2020	As at 31 March 2019
4. Other Non Current Loans			
Loans and advances (GoAP LIS Deposits) - Discoms (Unsecured, Considered Good)	2780000000	46,553.02	46,553.02
Loans and advances to staff (Secured Considered Good)	2710000001 to 2712400001	1,430.91	1,638.74
Total		47,983.93	48,191.75
4a. Other Current Loans			
Loans and advances - AP Discoms & APPDCL (Unsecured , Considered Good)	2780000000 & 2780500000	15,000.00	1,00,000.00
Total		15,000.00	1,00,000.00
5 Other Non Current Assets			
1) Capital Advances	2500000000 to 2550000000	1216.63	1362.68
Others			
1) Deposit with revenue department as purchase consideration for land	2892100000	6999.44	6999.44
2) Deposit with others/Statutory/judicial authorities	2890000000 to 2893300000	912.26	895.58
Total		9,128.33	9,257.70
6 Inventories			
Stores & Spares	2260000001 to 2290000000	12,859.31	12,914.34
Total		12,859.31	12,914.34
Inventories are net off Demerger provision of Rs.532.54 lakhs			
7 Trade receivables			
Trade receivables Unsecured, considered good	2300000000 to 2367000000	1,02,413.09	41,318.84
Total		1,02,413.09	41,318.84
Provision for doubtful receivables			
Net trade receivables		1,02,413.09	41,318.84
8A. Cash and cash equivalents			
Balances with Banks -Current Accounts	2400000000 to 2445121022	17,273.31	32,177.65
-Remittance in Transit (LOC)	2450000000 to 2466000000	2,224.84	45.74
Total		19,498.14	32,223.40
8B. Balances with Banks -in FDs (funds relates to Contingency reserve)		72.60	1,090.91



(Rs. In Lakhs)

9 Other tax assets			
	Account No.	As at 31 March 2020	As at 31 March 2019
Other tax assets			
Advance income tax/deduction at source (net of provision for income tax)	2740000000 to 2741000000	22,171.68	16,775.41
Total		22,171.68	16,775.41
10 Other Current Assets			
A. Unsecured , Considered Good			
Advances for operations and maintenance supplies/works	2600000000 to 2651000000	869.08	1,344.71
Advances to Staff	2710000000 to 2710500000 to 2722000001	51.50	61.38
Receivable from Others	2800000000 to 2815000000	378.60	132.09
Interest accrued but not due - Discom Pool A/c	2820000000 to 2830000000	481.33	2,860.27
Interest accrued but not due - others	2839000000	141.63	327.20
Receivable from employees / ex-employees	2840000000 to 2841000000	53.04	54.05
Other receivables - Discoms	2880100000 to 2880400000	1,260.92	768.11
Other claims and receivables	2880000000 & 2881000000 to 2884500000 & 2886000000 to 2889300000	1,787.04	1,525.20
Amount Receivable from Government of AP	2885000000	50,000.00	-
GST -ITC & TDS Receivables	4696100001	(290.90)	813.17
Other receivable - TSTRANSC-58.32%-Salaries of relieved employees	2891300000	2,398.86	2,398.86
Demerger Adjustment Account	2884600000	19,929.12	19,929.12
Interest receivable from TSSPDCL on 9.95% Power Bonds	2884700000	2,185.52	1,823.38
Sub-Total		79,245.73	32,037.55



B. Doubtful				
Other claims and receivables	2881000001	-	54.74	
Provision for Doubtful Dbts	7940000000	-	(54.74)	
Sub Total		-	(0.00)	
Total		79,245.73	32,037.55	
11A Share capital				
Authorized	Number of shares	As at 31 March 2020	Number of shares	As At 31 March 2019
Equity shares of Rs.10/- each	2,50,00,00,000	2,50,000.00	2,50,00,00,000	2,50,000.00
Increase during the year	-	-	-	-
Total	2,50,00,00,000	2,50,000.00	2,50,00,00,000	2,50,000.00
Issued & subscribed	Number of shares	As at 31 March 2020	Number of shares	As At 31 March 2019
Equity shares of Rs.10/- each (Fully Paid)	454439695	45,443.97	454439695	45,443.97
i) Rights, Preference & Restrictions attached to shares				
The Company has only one class of equity shares having par value of INR 10 per share, and the holder of equity shares is entitled to one vote per share.				
The Company declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to the number of equity shares held.				
<i>(ii) Details of shareholders holding more than 5% shares in the Company</i>				
Name of the shareholder		31-Mar-20 No. of shares	31-Mar-19 No. of shares	
Equity shares of INR 10/- each fully paid-up Governor of Andhra Pradesh		45,44,39,695	45,44,39,695	100%
<i>(ii) The Reconciliation of the number of shares outstanding is set out Below</i>				
Particulars		As At 31 March 2020	As At 31 March 2019	
		Number of shares	Number of shares	
Equity shares at the beginning of the year		454439695	454439695	
Shares issued during the Year		-	-	
Equity shares at the end of the Year		454439695	454439695	
11B. Other equity		As At 31 March 2020	As At 31 March 2019	
Retained earnings		1,41,887.89	1,42,837.84	
Other comprehensive income		1,462.44	(4,795.02)	
Contingency reserve		3,427.64	3,001.94	
Other reserves		1,28,767.77	1,19,590.69	
Total Other Equity		2,75,545.73	2,60,635.45	



<i>i. Retained earnings</i>	Account No.	As At 31 March 2020	As At 31 March 2019
Opening balance	5820000000 & 5821000000	142837.84	1,15,279.13
Add: Profit for the year	carried from P&L	11,502.74	6,961.24
Add: PY TDS as per Retrun of income 2018-19		0.02	
Add: Retained earnings as per Demerger Account			16,748.03
Add: PY OCI on P&G and Gratuity			4,503.20
Less: Withdrawal of IND As employee loans			(31.26)
Less: Amount transferred to contingency reserve		(425.69)	(346.50)
Less: Amount transferred to corporate social responsibility fund		(230.00)	(276.00)
Less: Transfers from OCI		(11,797.02)	
Closing balance		1,41,887.89	1,42,837.84
<i>ii) Other comprehensive income</i>			
<i>Other items of OCI</i>			
Opening balance		(4,795.02)	4,551.73
Add: Measurement of defined benefit obligation	5822500000 to	(5,197.75)	(4,435.27)
(Liability net of tax)	5822700000		
OCI - on Equity Investments	5822800003	(341.82)	(408.28)
Add: Previous years OCI restated as per Actuary Report for Retained earnings		11,797.02	
Less: Appropriated to Retained earnings			(4,503.20)
Increment during the year (Net)		6,257.46	(9,346.75)
Closing balance		1,462.44	(4,795.02)
<i>iii) Contingency reserve</i>			
Opening balance	5822000000	3,001.94	2,655.44
Add: Additions during the year		425.70	346.50
Less: Deductions during the year			
Closing balance		3,427.64	3,001.94
<p>Note: Contingency reserve is required to be created mandatorily out of appropriation account as per Andhra Pradesh Electricity Regulatory Commission (APERC rules). The amount so transferred is invested in various securities and bonds from time to time. Interest earned on this investment (net of tax) is added to contingency reserve.</p>			
<i>iv) Other Reserves</i>			
<i>a) Corporate social responsibility fund</i>			
Opening balance		1,229.69	1,125.28
Add: Additions during the year	5630000000	230.00	276.00
Less: Contribution to CSR activity		(47.44)	(171.59)
Closing balance		1,412.25	1,229.69
<p>Corporate social responsibility fund is created vis-à-vis the amount to be spent by the company as stipulated in the Companies Act, 2013 towards CSR activity</p>			



<i>b) Lift irrigation scheme reserve</i>	Account No.	As At 31 March 2020	As At 31 March 2019
Opening balance	4613000000 to 4613100000	98,931.78	97,061.18
Add /(Less): Changes during the year		8,994.50	1,870.60
Closing balance		1,07,926.28	98,931.78
Refer Note No.36			
<i>c) Other reserves</i>			
Opening balance	5665000000	19,429.22	19,429.22
Add: Additions during the year		0	-
Less: Deductions during the year		0	-
Closing balance		19,429.22	19,429.22
Other Reserves Total (a +b+c)		1,28,767.77	1,19,590.69
12. Grants			
Government grants			
Grants towards cost of capital assets	5530000000	1,130.08	1,130.08
Grants towards cost of capital assets for Green Energy Corridor	5530100000	21,954.39	19,520.43
Grants towards cost of capital assets from PSDF	5530200000	22,173.23	9,867.46
Grants towards cost of capital assets for SECI	5530300000	11,400.00	8,703.50
Non government grants			
Consumers contribution	5510000000 to 5511000000 5540000000	77,715.12	71,574.19
		-	-
Total		1,34,372.82	1,10,795.66
13. Borrowings			
Non-current borrowings			
Term loans			
From Banks	5300000400	21,532.75	26,425.43
From Other Parties			
- Financial Institutions	5300000100 to 5300000300 & 5330100000	5,26,869.48	4,69,162.62
- GoAP	5420000000 to 5420000001	38,710.72	38,710.72
Total non-current borrowings		5,87,112.96	5,34,298.77

A. Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

	Interest Rate	Carrying amount at 31 March 2020	Carrying amount at 31 March 2019
REC Limited	9.75% - 12.50%	4,95,777.00	4,51,487.59
NABARD	10.75%	9,037.56	10,230.87
Power Finance Corporation Limited	11% - 12.50%	1,13,780.95	1,64,400.94
Andhra Bank	10.20%	15,180.70	17,543.51
Syndicate Bank	9.50%	-	1,014.65
Indian Bank	10.55%	-	-
Bank of Maharashtra	10.45%	-	-
Oriental Bank of Commerce	10.65%	2,618.05	3,332.96
Punjab & Sind Bank	10.20%	-	-
Tamilnadu Mercantile Bank	9.75%	3,734.00	4,534.31
Dena Bank	10.70%	-	-
State Bank of India	10.70%	-	-
Government loan	1.72 % & 9.5%	38,710.72	38,710.72
Total borrowings		6,78,838.98	6,91,255.55
Current Maturities		91,726.02	1,56,956.78
Non current		5,87,112.96	5,34,298.77
		6,78,838.98	6,91,255.55

The above loans are secured as stated below

- 1) The government loans are secured by the assets covered in that loan.
- 2) The loans availed from Financial Institutions are secured by way of a default escrow mechanism and hypothecation of Lines & Substations of future assets created out of the loan to the extent of 110%.
- 3) The loans availed from commercial banks are secured by way of an exclusive first charge by way of hypothecation on specified fixed assets of the project created out of the proceeds of term loan.
- 4) The term loans from banks and financial institutions is payable on monthly/quarterly installments varying from 10-15 years.

Details of Additions and Repayments of Loans

Particulars	Outstanding at the end of 2018-19	Amount received during the year	Repayments due during the year	Outstanding at the end of 2019-20
Loan from REC Ltd	45,14,87,59,455	9,17,02,59,259	4,74,13,18,345	49,57,77,00,369
Loan from NABARD	1,02,30,87,086		11,93,30,900	90,37,56,186
Loan from PFC Ltd	16,44,00,94,000	5,37,87,40,956	10,44,07,40,386	11,37,80,94,570
Loan from Andhra Bank	1,75,43,51,359	18,73,47,947	42,36,28,989	1,51,80,70,317
Loan from Syndicate Bank	10,14,64,580		10,14,64,580	-
Loan from Oriental Bank of Commerce	33,32,96,206		7,14,91,202	26,18,05,004
Loan from Tamilnadu Mercantile Bank	45,34,30,626		8,00,30,610	37,34,00,016
Total Banks & Fis	65,25,44,83,312	14,73,63,48,162	15,97,80,05,012	64,01,28,26,462
Government Loans	3,87,10,72,000			3,87,10,72,000
Total (Banks, Fis and Government)	69,12,55,55,312	14,73,63,48,162	15,97,80,05,012	67,88,38,98,462

13A Current borrowings
(Secured)

	As At 31 March 2020	As at 31 March 2019	
From Banks for working capital	2440100000 to 2440100022 & 2440300000 to 2440300022	3,939.33	5,169.50
From Financial Institutions	5350000000 -		1,00,000.00
Total Current Borrowings		3,939.33	1,05,169.50

1. Working capital borrowings from Banks are secured by hypothecation of all consumables & spares, receivables and other current assets on 1st pari-passu basis.
- 2) The loans availed from Financial Institutions are secured by way of a default escrow mechanism and hypothecation of Lines & Substations of future assets created out of the loan to the extent of 110%.



14. Provisions	As at 31 March 2020	As At 31 March 2019
Provisions for employee benefits		
Amount payable -APTRANSCO gratuity trust	4510200000	105.15 123.28
Amount payable -APTRANSCO pension and gratuity trust	4510100000	12,830.63 11,135.58
Amount payable -APTRANSCO employee leave encashment	4510300000	14,733.51 13,692.60
Amount payable -APTRANSCO P&G Trust (100%) -2029	4510400000	28,553.57 10,293.57
Total non-current provisions	56,222.86	35,245.03

Other long term employee benefits

The Company operates the following post-employment defined benefit plans.

Leave encashment

The leave obligations cover the Company's liability for the sick and the earned leave for all employees. Based on the past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The level of benefits provided depends on the employees length of service and salary at retirement age. 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. An amount of Rs.2436.91 lakhs has been charged to P&L and was paid.

	Present value of the obligation	Fair value of the plan assets	Net amount
1 April 2019	34,794.26	21,101.66	13,692.60
Current service cost	595.03	-	595.03
Past Service Cost	-	-	-
Interest expense / (income)	2,644.36	1,603.73	1,040.63
Total amount recognized in profit or loss	38,033.65	1,603.73	1,635.66
<i>Remeasurements</i>			
Gain/(loss) on plan assets	-	272.50	(272.50)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	4,384.17	-	4,384.17
Experience (gains)/losses	(4,206.43)	-	(4,206.43)
Total amount recognized in other comprehensive income	177.74	272.50	(94.76)
Employer contribution	-	500.00	(500.00)
Benefits paid	-	-	-
31-Mar-2020	38,211.39	23,477.89	14,733.50

The net liability disclosed above relates to funded and unfunded plans as follows :

	31-Mar-20	31-Mar-19
Present value of funded obligations	38211.39	34794.25
Fair value of plan assets	23477.89	21101.65
Deficit of funded plan	-	-
Unfunded plans	-	-

Deficit of Pension & Gratuity plan **14,733.50** **13,692.60**

Significant estimates. i. Financial assumptions

	31-Mar-20	31-Mar-19
Discount rate	6.60%	7.60%
Salary increase rate	10.00%	10.00%
Expected Rate of Return	8.10%	7.60%

ii. Demographic assumptions

	31-Mar-20	31-Mar-19
Withdrawal rate	30 & Below - 1%	30 & Below - 1%
	31 to 48 - 0.50%	31 to 48 - 0.50%
	49 and above 2%	49 and above 2%
Retirement age	60 years	60 years

Post employment benefit obligations

(i) Pension

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Under the act, employees who are in continuous service of five years are entitled to specific benefit. The level of benefits provided depends on the employees length of service and salary at retirement age. The amount of gratuity payable on retirement / termination is based upon Andhra Pradesh Revised Pension Rules, 1980.

The Company has certain defined benefits plans. an annual contribution rate as a percentage of pensionable salaries is estimated (say, 5.02 % in the current year 2019-20), which if paid regularly, (together with existing fund) is expected to meet the benefits out go in respect of existing members of the scheme. Contributions are made to provident fund for employees at the rate of 5.02% of the basic salary plus DA as per the guidelines. The expense recognized during the period towards defined benefit plan is Rs.2350.46 lakhs (31 March 2019- Rs.2074.05 lakhs) The company has set up a trust to manage and administer pension and gratuity programs. Master trust is created to meet the pension and gratuity liabilities of the following category of employees:

1. 100% of pension liability of employees who have retired on or before 31st January,1999.
2. 74% of pension and gratuity liability in respect of employees who have continued in service beyond 31st January ,1999.

During the FY 2019-20, the Company has reviewed and estimated the liability based on the actuary report as at 31st March, 2019 and charged to profit & loss account @ 5.02% of basic & dearness allowance towards pension & gratuity for the employees on rolls as on 31.01.1999.

Balance sheet amounts - Pension & Gratuity

The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows :

	Present value of the obligation	Fair value of the plan assets	Net amount
1 April 2019	71,096.51	59,960.93	11,135.58
Current service cost	1,564.12	-	1,564.12
Past Service Cost	-	-	-
Interest expense / (income)	5,403.34	4,616.99	786.35
Total amount recognized in profit or loss	78,063.97	4,616.99	2,350.47
<i>Remeasurements</i>			
Gain/(loss) on plan assets	-	898.92	(898.92)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	14,208.01	-	14,208.01
Experience (gains)/losses	(7,768.54)	-	(7,768.54)
Total amount recognized in other comprehensive income	6,439.47	898.92	5,540.55
Employer contribution	-	6,195.97	(6,195.97)
Benefits paid	(2,363.97)	(2,363.97)	-
31-Mar-2020	82,139.47	69,308.84	12,830.63

The net liability disclosed above relates to funded and unfunded plans as follows

	31-Mar-20	31-Mar-19
Present value of funded obligations	82139.47	71096.51
Fair value of plan assets	69308.84	59960.93
Deficit of funded plan	-	-
Unfunded plans	-	-
Deficit of Pension & Gratuity plan	12,830.63	11,135.58

Significant estimates.

<i>i. Financial assumptions</i>	31-Mar-20	31-Mar-19
Discount rate	6.40%	7.60%
Salary increase rate	10.00%	10.00%
Pension increase rate	6.50%	7.00%
Rate of commutation of pension	40.00%	40.00%
Restoration of commutation	15 years from retirement	15 years from retirement



<i>ii. Demographic assumptions</i>	31-Mar-20	31-Mar-19
Mortality rate	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)
Withdrawal rate	upto 30 years- 1% 31 to 48 years- 0.5% Above 48 years- 2%	upto 30 years- 1% 31 to 48 years- 0.5% Above 48 years-2%
Retirement age	60 years	60 years

(ii) Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Under the act, employees who are in continuous service of five years are entitled to specific benefit. The level of benefits provided depends on the employees length of service and salary at retirement age. The amount of gratuity payable on retirement / termination is based upon Andhra Pradesh Revised Pension Rules, 1980.

The Company has certain defined benefit plans. an annual contribution rate as a percentage of pensionable salaries is estimated (say, 0.20 % in the current year 2019-20), which if paid regularly, (together with existing fund) is expected to meet the benefits out go in respect of existing members of the scheme. Contributions are made to provident fund for employees at the rate of 0.20% of the basic salary + DA as per the guidelines. The expense recognized during the period towards defined benefit plan is RS.260.81 lakhs (31 March 2019- Rs.459.36 lakhs) The company has set up a trust to manage and administer gratuity programs:

1. 100% of Gratuity liability of employees who have recruited after 1st February, 1999.

During the FY 2019-20, the Company has reviewed and estimated the liability based on the actuary report as at 31st March, 2019 and charged to profit & loss account @ 0.20% of basic & dearness allowance towards gratuity for the employees recruited on or after 1.2.1999.

Balance sheet amounts - Gratuity

The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows :

	Present value of the obligation	Fair value of the plan assets	Net amount
1 April 2019	5074.82	4951.54	123.28
Current service cost	253.74	-	253.74
Past Service Cost	0.00	-	-
Interest expense / (income)	385.69	378.62	7.07
Total amount recognized in profit or loss	639.43	378.62	260.81
<i>Remeasurements</i>			
Gain/(loss) on plan assets	-	64.32	(64.32)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	781.27	-	781.27
Experience (gains)/losses	(965.00)	-	(965.00)
Total amount recognized in other comprehensive income	(183.73)	64.32	(248.05)
Employer contribution	-	30.89	(30.89)
Benefits paid	(21.69)	(21.69)	-
March 31, 2019	5508.83	5403.68	105.15

The net liability disclosed above relates to funded and unfunded plans as follows :

	31-Mar-20	31-Mar-19
Present value of funded obligations	5,508.83	5,074.82
Fair value of plan assets	5,403.68	4,951.53
Deficit of funded plan	-	0



Unfunded plans		-	0
Deficit of gratuity plan		105.15	123.28
<i>Significant estimates.</i>			
<i>Financial assumptions</i>	31-Mar-20	31-Mar-19	
Discount rate	6.70%	7.60%	
Salary increase rate	10.00%	10.00%	
<i>ii. Demographic assumptions</i>	31-Mar-20	31-Mar-19	
Mortality rate	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)	
Withdrawal rate	upto 25 years- 1%	upto 30 years- 1%	
	26 to 35 years- 0.5%	31 to 48 years- 0.5%	
	Above 56 years- 2%	Above 48 years- 2%	
	Retirement age	60 years	58 or 60 years
15. Deferred tax liabilities (net)	Account No.	As at 31 March 2020	As at 31 March 2019
Minimum Alternate Tax	2740100000	(7,838.27)	(7,114.57)
Property Plant and Equipment	4699900000	33,107.53	33,018.49
Provision for Employee Benefits	4699900000	(14,533.15)	(12,316.02)
Investments and Others	4699900000	256.31	296.13
Total		10,992.42	13,884.03
16. Other Non current liabilities			
General insurance scheme - savings fund	5715300000	264.76	238.46
General insurance scheme - insurance fund	5715400000	91.51	83.94
SD receivable from TS Transco	4614100000	249.10	249.10
TS Transco pool a/c (post bifurcation transactions)	4625100000	11,940.68	10,956.90
Total		12,546.05	11,528.40
16A. Other Current liabilities			
Inter unit account adjustment balance	3100000000 to 3899900000	24,709.63	8,351.20
Staff related provisions	4410000000 to 4490000000	3,981.18	4,813.02
Other liabilities	4660000000 to 4680000000 to 4698800000	3,152.88	1,963.22
Total		31,843.68	15,127.45



17. Trade Payables (See Note No.48)	Account No.	As at 31 March 2020	As at 31 March 2019
Liability for capital supplies/works	4210000000 to 4230000000	51,101.41	43,685.73
Liability for operations and maintenance supplies/works	4310000000 to 4340000000	3,016.78	2,626.40
Total		54,118.19	46,312.13
18. Other financial liabilities			
Current maturities of long-term debt- Government of Andhra Pradesh	5420000000 to 5420000001	-	-
Current maturities of long-term debt-Banks & FI's	5300000100 to 5330100000	91,726.03	56,956.79
Transmission & SLDC clearing	4627500000	818.27	819.89
DSM Pool account	4628500000	235.95	59.88
Liability for expenses	4640000000 to 4643200000	4,900.67	4,570.88
Security deposits of operational charges - SLDC	4614000000	5,029.46	805.72
Accrued interest liability on borrowings	4670000000 to 4671000000	827.41	1,985.71
Deposits and retentions from suppliers & contractors	4610000000 to 4612600000 4613000000 to 4613600000	1,21,262.81	1,06,398.66
Liability for Stale Cheques	4691000000	206.01	186.18
Total		2,25,006.61	1,71,783.71
19. Provisions - Current			
Current			
Provisions for employee benefits			
Gratuity Fund	5713500000 5712100000 5712100001 & 5712500000	73.82	37.28
Pension & Gratuity Fund	5714500000 5719100000 & 5719500000 5714100000	747.82	1,148.49
Provision for employee leave encashment	4415000000	204.90	113.08
Total		1,026.55	1,298.85


20. Revenue from operations

	Account No.		As at 31 March 2020	As at 31 March 2019
Sale of services				
Transmission charges	6140100000 to 6141300000 6141500000 to 6141700000 6149000000 to 6149400000 & 6143000000		1,96,145.87	1,52,113.75
State load dispatch centre (SLDC) charges	6141400000 to 6142100000 6142800000 6143100000 to 6146400000 6149500000 to 6149900000		5,947.17	5,561.10
Total			2,02,093.04	1,57,674.85
20A. Other income				
Delayed payment charges from consumers	6225000000 to 6225100000		18.38	28.87
SLDC registration fees	6291900000		1.02	0.83
Cash rebate earned on payment of supplier bills, etc.	6294000000 & 6294100000		330.28	216.76
Interest on staff loans and advances	6200000000 to 6221000000		73.22	100.99
Income from investments	6222000000 to 6227000000		7,638.23	5,670.54
Interest on investments under contingency reserve	6227100000		654.35	532.62
Income from sale of scrap, etc.,	6230000000 to 6240000000		489.94	627.10
Operations and maintenance/annual maintenance charges collected	6292500000		564.69	681.99
Contributions towards depreciation of lift irrigation scheme assets	6297500000		3,668.75	3,648.81
Miscellaneous receipts	6260000000 to 6293000000		978.89	471.41
Supervision charges	6291400000		2,651.82	5,153.00
Interest income on Industrial development area, Parawada loan	6227500000		-	86.95
Amortisation of Capital Grants	6297500000		3,114.20	2,627.18
Excess provision written back	6580000000		-	514.25
Total			20,183.77	20,361.30
B. Exceptional Items				
Expenditure incurred towards cyclone losses	7980000000 to 7980300000		(4.94)	(139.67)
Total			(4.94)	(139.67)

**22. Employee benefits expense**

	Account No.	As at 31 March 2020	As at 31 March 2019
Salaries, Wages and Bonus	7500000000 to 7517100000 7521000000 7530000000 to 7533000000 7540000000 to 7548400000	43,072.52	35,514.21
Contribution to EPF	7581000000 to 7581600000	1,903.98	1,666.92
Contribution to Pension, Gratuity & EL Encashment	7583000000 7584000000 7561200000 to 7561800000	24,965.78	14,859.37
Staff welfare expense & Others	7550000000 7561100000 7570000000 to 7576000000 7576500000 7581600000 7598000000	610.31	746.38
Total employee cost		70,552.59	52,786.87
Less: Expense capitalised	7590000000	(8,384.36)	(8,350.32)
Total		62,168.23	44,436.56

23. Finance costs

Interest expense on financial liabilities	7800000000 to 7888400000	63,372.06	51,113.31
Less: Interest Expense capitalised	7890000000	(9,445.64)	(13,522.25)
Total		53,926.42	37,591.05

24. Depreciation expense

Depreciation of property, plant and equipment	7700000000 to 7790000090	68,168.14	60,754.66
Total		68,168.14	60,754.66

25. Other expenses

	Account No.	As at 31 March 2020	As at 31 March 2019
Repairs and maintenance	7400000000 to 7419000000;	18,982.05	18,217.65
Building & Civil works	7420000000 to 7440000000	1,149.14	1,032.42
Lines, cable net work etc.	7450000000 to 7450000001	284.80	457.82
Vehicles	7460000000 to 7465000000	76.44	100.03
Office equipment	7480000000 to 7480000001	1,058.34	543.08
Total Repairs & Maintenance		21,550.76	20,351.00
Less: Repairs and maintenance costs capitalised	7490000000	(43.66)	(42.09)



Net Repairs & Maintenance Expenses (A)		21,507.10	20,308.90
Rent	761000000 to 7610100000	120.57	182.20
Rates and taxes	7610200000	1,119.04	510.41
APERC license fees	7610300000	171.75	192.18
Insurance	7610400000	40.16	13.78
Telephone & trunk calls	7611100000	76.18	95.39
Postage	7611200000	14.01	16.42
Professional Charges	7612000000	31.23	15.86
Legal charges	7612100000	229.19	46.99
Audit fees	7612200000	6.71	11.74
Consultancy charges	7612300000	43.70	389.62
Other professional charges	7612500000	2.39	12.86
Commission	7612700000	9.74	8.63
Remuneration to internal auditors	7612800000	39.08	36.34
Conveyance expenses	7613100000	1.54	3.79
Travelling expenses	7613200000	337.26	380.67
Vehicle running expenses	7613600000 & 7613800000	70.17	84.13
Vehicle hire charges	7613900000	1,316.41	1,118.71
Training and participation	7615000000	94.04	173.67
Fees & subscription	7615100000	15.22	71.90
Books & periodicals	7615200000	2.26	2.38
Printing & stationery	7615300000	31.05	40.65
Advertisement	7615500000	157.63	202.02
Contributions	7615700000	28.99	69.24
Electricity charges	7615800000	185.44	139.80
Water charges	7616000000	14.94	11.77
Entertainment	7616200000	32.13	47.34
Miscellaneous expenses	7612600000 7619000000 7619600000 7650000000 & 6293500000 8330000000	516.22	2,134.32
Outsourced staff wages	7619100000; 7619200000	3,094.84	2,827.65
Vehicle running expenses	7624000000	27.11	23.28
Misc. Losses & Write-offs	7910000000 & 7950000000	(2.37)	(88.23)
Loss on obsolescence of stores etc. in stock	7956100000 & 7980300000	126.23	223.41
Incidental stores expenses	7627000000	33.23	19.05
Total Admin & General Expenses		7,986.10	9,017.94
Less: administrative and general overheads capitalised	7690000000	(818.94)	(750.44)
Net Admin & General Expenses (B)		7,167.16	8,267.50
Other Expenses Total (A + B)		28,674.25	28,576.41

**(i) Payments to Auditors (Included in Audit fees)**

	As at 31 March 2020	As at 31 March 2019
Statutory Audit Tax Audit Reimbursement of expenses Cost Audit	4.72	5.90
	1.18	1.48
	1.00	2.00
	2.41	2.36
	9.31	11.74

26. Income tax Expense

This note provides an analysis of the Company's income tax expense, show amounts that are recognized directly in the OCI and how

	Account No.	As at 31 March 2020	As at 31 March 2019
(a) Income tax expense			
<i>Current tax</i>		(723.70)	(454.14)
MAT on profits for the previous year			
Mat credit entitlement		723.70	454.14
<i>Deferred tax</i>		2167.91	423.44
	8100000000 to		
Total	8150000000	2,167.91	423.44
Income tax expense attributable to :			
Profit from continuing operations		(2,167.91)	(423.44)
Profit from discontinued operations		-	-

(b) Reconciliation of tax expense and the accounting profit multiplied India's tax rate

	As at 31 March 2020	As at 31 March 2019
Profit before tax	9334.83	6,537.80
Gratuity (employees recruited on or after 1-2-1999)-OCI	0.00	280.64
Pension & Gratuity (employees recruited before 1-2-1999)-OCI	(5197.75)	(4,715.91)
Equity Instruments through OCI	(341.82)	(408.28)
Tax at Indian tax rate of 34%	(723.70)	(454.14)
MAT credit entitlement	723.70	454.14
Deferred Tax	2167.91	423.44
Total comprehensive income for the year	5,963.17	2,117.69

27 Financial instruments
A. Fair Value Measurement Hierarchy

(Rs.In lakhs)

Particulars	Carrying Amount	As at 31st March, 2020			Carrying Amount	As at 31st March, 2019		
		Levels of input used in				Levels of input used in		
		Level1	Level2	Level3		Level1	Level2	Level3
Financial Assets								
At Amortised Cost								
Investments	13990.58	-	-	-	12160.18	-	-	-
Trade receivables	102413.09	-	-	-	41318.84	-	-	-
Loans and advances to staff & Discoms	47983.93	-	-	-	48191.75	-	-	-
Current Loans	15000.00				100000.00			
Cash and cash equivalents	19498.14	-	-	-	32223.40	-	-	-
Balance with Banks-Others	72.60	-	-	-	1090.91	-	-	-
Other financial assets								
At FVTOCI	0.00	-	-	-	0.00	-	-	-
Investments	142.43	142.43	0.00	0.00	484.25	484.25	-	-
Financial Liabilities								
At Amortised Cost								
Non current Borrowings	587112.96	-	-	-	534298.77	-	-	-
Current Borrowings	3939.33				105169.50			
Other financial liabilities	225006.61	-	-	-	171783.71	-	-	-

Note : For the purpose of above abbreviations, FVTOCI - fair value through other comprehensive income; amortised cost - fair value through amortized cost

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:



Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities
 Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
 Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

(ii) Valuation technique used to determine fair value

The Company has not adopted any fair value technique to measure its financial assets and financial liabilities. All financial assets and liabilities are carried at carrying cost, (except in case of equity instruments which are quoted on stock exchange and are traded actively) where the fair values have been determined based upon the present values and the discount rate used were adjusted for counterparty or own credit risk.

B. Financial risk management

Risk management framework

The Company's board of directors have overall responsibility for the Company's risk management framework. The Board of directors are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company has exposure to the following risks arising from financial instruments:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents,	Ageing analysis, credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings , Other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Further quantitative disclosures are included throughout these financial statements.

C. Credit risk.

i. Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset on the due date. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Maturity Pattern:

The Maturity pattern of non-derivative financial liabilities with agreed repayment periods, could not be given due to the voluminous number of term loans given against each scheme/project works by financial institutions and banks.

iii. Market risk

a. Foreign currency risk

The Company is not exposed to currency risk on purchases, sales and cash balances that are denominated in a currency other than the functional currencies of the Company.

b. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

28 Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to equity shareholders.

The Company's net gearing ratio at the end of the reporting period was as follows: (Rs. In lakhs)

	31 March 2020	31 March 2019
Total Debt	6,78,838.98	6,91,255.55
Less : cash and cash equivalents	19,498.14	32,223.40
Adjusted net debt	6,59,340.84	6,59,032.15
Total equity	3,20,989.70	3,06,079.42
Adjusted net debt to total equity	2.05	2.15



29 Related party transactions

(i) List of Key Managerial Persons

Name of the Related Parties	Relationship
1.Sri. Srikant Nagulapalli	Chairman & Managing Director (from 04.06.2019)
2. Sri K Vijayanand	Chairman & Managing Director (up to 04.06.2019)
3.Sri K.V.N.Chakradhar Babu	Joint Managing Director
4.Sri P.Umapathi	Joint Managing Director (V&S) (up to 27.09.2019)
5.Sri K.Venkateswara Rao	Joint Managing Director (V&S) (from 27.11.2019)
6.Sri J.Venkateswara Rao	Whole Time Director (up o 04.07.2019)
7.Sri M.Karunakar Reddy	Company Secretary

(ii) Transactions with Key Managerial persons during the Year

Key management personnel compensation comprised:	31 March 2020 (Rs.In lakhs)	31 March 2019 (Rs.In lakhs)
Remuneration	27.35	79.92
Short-term employee benefits	36.68	39.07
Total compensation	64.03	118.99

Compensation of the Company's' key managerial personnel includes salaries, non-cash benefits and contributions to post-employment defined benefit plan.

30 Contingent liabilities (to the extent not provided for) (Rs.In crs)

	31 March 2020	31 March 2019
(a) Cases for disputed liabilities of Sales Tax/CST/Entry Tax/Service Tax are pending before the Appellate Authorities. Out of the demand an amount of Rs.29.64 crs had been paid as per Court Directions.	189.23	139.83
(b) Demand Raised by IT Authorities for the AY 2014-15, AY 2015-16 & AY 2017-18 out of demand raised an amount of Rs.29.27 Crs has been deposited, are pending before Appellate Authority for adjudication	146.30	123.40
(c) Cases/Disputes on account of claims by the company or against company pending before Courts, Tribunal, Regulatory Authority etc., (Company has deposited Rs.7.00 Crs in various courts against court direction and held under deposits)	4,889.24	4,889.24
(d) Cases Pending Before State Micro Small & Medium Enterprises Facilitating Council	29.54	29.54
(e) Estimated Amount of Contracts remaining to be executed on capital account not provided for	848.90	2,970.75
(f) Property Tax to Municipalities in respect of Vidyut soudha premises pending assessment and determination of amount of tax		Amount not determined

31 Earnings per share (EPS)

(Rs. In lakhs)

A. Computation of basic and diluted EPS

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is based on profit attributable to equity shareholders and weighted average number of equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares. The Company doesn't have any potentially dilutive shares for year ended 31st March 2020

i. Earnings per share	31 March 2020	31 March 2019
Basic earnings per share	2.53	1.53
Diluted earnings per share	2.53	1.53

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and dilutive earnings per share calculation are as follows:

ii. Profit attributable to equity shareholders	31 March 2020	31 March 2019
Profit for the year, attributable to the equity share holders	11,502.74	6,961.24

iii. Weighted average number of equity shares	31 March 2020	31 March 2019
Opening balance	4,544	4,544
Effect of shares issued for cash (if any)		
Weighted average number of shares for	4,544	4,544



32. (i) As per the AP Reorganization Act, 2014 the State of Andhra Pradesh has been bifurcated in to Andhra Pradesh and the 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 based on the consensus and recommendations of the Expert Committee on Demerger of Government Corporations. The Expert Committee gave their report dated 15.11.2018. Based on the report the following changes were made to the draft demerger plan in the allocation of assets and liabilities which were mutually agreed between APTRANSCO and TSTRANSCO.

(ii) The Summary of assets and liabilities transferred vide draft demerger plan to the Resulting Company (TSTRANSCO) as on 02.06.2014 as given below:

(Rupees in lakhs)

Sl. 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

(iii) Summary of changes made as per consensus and final Demerger Plan report dated 15.11.2018.

(Rs. In Lakhs)

Particulars	APTRANSCO			TSTRANSCO		
	APTRANSCO as per draft demerger plan 02.06.2014	After Adjustments as per letter dated 23.03.2017 and final demerger plan approved by Expert Committee on 15.11.2018	Difference kept in demerger adjustment accounts	TSTRANSCO as per draft demerger plan 02.06.2014	After Adjustments as per letter dated 23.03.2017 and final demerger plan approved by Expert Committee on 15.11.2018	Difference kept in demerger adjustment accounts
Fixed Assets	522571.69	516090.84	(6480.85)	481858.02	488338.87	6480.85
Depreciation	238658.59	239631.80	(973.21)	218614.62	217641.41	973.21
CWIP	84384.22	84287.69	(96.54)	164595.58	164692.11	96.54
Investments	30431.90	34475.90	4044.00	39830.02	35786.02	(4044.00)
Current Assets	112243.74	113221.77	978.03	150254.14	149276.12	(978.03)
Total A	988290.14	987707.99	(2528.57)	1055152.38	1055734.53	2528.57
Current Liabilities	170730.94	171338.35	(607.41)	167996.77	167389.36	607.41
Deferred Tax Liability	7380.40	7782.40	(402.00)	5274.61	4872.61	402.00
Capital Liabilities	122193.23	123268.81	(1075.58)	172596.18	171520.60	1075.58
Reserve and Surplus	25711.41	24145.21	1566.20	15950.99	17517.19	(1566.20)
Accumulated Surplus	32931.18	49812.93	(16881.75)	52481.94	35600.19	16881.75
Total B	358947.16	376347.70	(17400.54)	414300.49	396899.95	17400.54
Total (A+B)	1347237.30	1364055.69	(19929.12)	1469452.87	1452634.48	19929.12

(iv) The revised/final allocation of assets and liabilities between APTRANSCO and TSTRANSCO are as follows:

(Rs. In Lakhs)

Sl No.	Schedule Note	Combined TRANSCO	Allocated Balance	
			APTRANSCO	TSTRANSCO
	Liabilities			
32	Capital Liabilities	294789.41	123268.81	171520.60
33	Funds from State Government	70840.94	1249.31	69591.63
	Liability for Pension, Gratuity and Leave Encashment Trusts	96353.86	45960.19	50393.67
	Deferred Tax Liability	12655.01	7782.40	4872.61
34	Contributions, Grants and Subsidies towards cost of Capital Assets	140735.42	73616.05	67119.37
	Equity	77921.76	45443.97	32477.79
35	Reserve and Reserve Funds	41662.39	24145.21	17517.18
	Surplus	85413.12	49812.93	35600.19
	Demerger Adjustment account	19929.12		19929.12
	Total Liabilities	840301.03	371278.86	469022.17



Assets				
19	Fixed Assets	1004429.71	516090.84	488338.87
	Less: Accumulated Depreciation	457273.22	239631.80	217641.41
	Net Fixed Assets	547156.49	276459.04	270697.46
21	Capital Work in Progress	248979.80	84287.69	164692.11
22	Intangible Assets	260.03	0.00	260.03
23	Deferred Cost	29943.48	14243.70	15699.78
25	Investments	70261.93	34475.90	35786.02
26	Current Assets	262497.89	113221.77	149276.12
28	Less: Current Liabilities	338727.71	171338.35	167389.36
	Net Current assets (Sch 26-28)	(76229.82)	(58116.58)	(18113.24)
	Demerger Adjustment account	19929.12	19929.12	0.00
Total Assets		840301.03	371278.86	469022.17

- (v) The Expert Committee has issued its views on the final demerger plan vide their letter/Report dated 15.11.2018. The issues on which dissent was recorded by TSTRANSCO. The main issue is demerger adjustment account of Rs.19929.12 lakhs i.e., difference between assets and liabilities allocated to both entities.
- (vi) TSTRANSCO claimed that the difference between assets and liabilities of Rs.19929.12 lakhs should be adjusted against Accumulated surplus. However, APTRANSCO claims, this amount of Rs.19929.12 lakhs have to be settled by way of payment or adjustment through any other mode as per section 53 (2) of the AP Reorganisation Act, 2014.
- (vii) However, APTRANSCO addressed a letter on 22.01.2019, to the Principal Secretary to Government, Energy, I&I Department, GOAP duly stating that the proposal/recommendation of the Expert Committee on treatment of Demerger Adjustment Account of Rs.19929.12 lakhs not acceptable to APTRANSCO as the same was the result of not following provisions of Section 53(2) of AP Reorganization Act, 2014.
- (viii) After finalisation/approval of demerger plan by both the Governments the treatment of demerger adjustment account will be carried out in the respective accounts accordingly.
- (ix) The charge on the loans on assets apportioned to TSTRANSCO on demerger continues to be in the name of the company pending finalization of the demerger scheme.
- (x) Registration of transfer of title of the immovable properties apportioned to TSTRANSCO is pending on the date of Balance Sheet.
- (xi) Any differences/deviations in the demerger adjustment account balance will be considered in the subsequent years.

33. 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	33.30
2016-17	372.97	91.36	40.78
2017-18	371	95.37	41.21
2018-19	346	94.44	39.25
2019-20	304	119.28	43.46
TOTAL			467.55

34. 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 2019-20	Previous year 2018-19
1.	Deposits received from GoAP to end of	1083.74	1083.74
2.	Deposit received during the year	59.14	
3.	Interest payable to GoAP on LIS deposits to end of	726.33	679.34
4.	Total (1+2+3)	1869.21	1763.08
5.	Value of Lift Irrigation Assets put to use transferred to "Consumer Contribution towards cost of Capital Assets" to end of	527.45	516.29
6.	Development Charges transferred to "Consumers Contribution towards cost of Capital Assets" to end of	58.47	56.59
7.	Supervision Charges transferred to P&L A/c to end of	120.08	116.94
8.	Amount paid to Discoms to end of	62.59	62.59
9.	Demerger Adjustment to TSTRANSCO	21.35	21.35
10.	Total expenditure (5 to 9)	789.94	773.76
11.	Balance Deposits at the end of the year (4-10)	1079.27	989.32
12.	Less: Capital Works in progress to end of	34.61	38.71
13.	Balance Deposits at the end of the year (11-12)	1044.66	950.61



35. An amount of Rs.36.69 Crs (Previous year Rs. 36.49 crs) has been credited to Other Income under Note No.21 - Capital Contribution towards Depreciation on GoAP Lift Irrigation Assets for the year 2019-20, which were created against the Lift Irrigation Scheme funds.
36. 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 accordingly the company raised a demand on TS Discoms (TSSPDCL & TSNPDCL) to the extent of Rs.177.95 crs for 2014-15, Rs.236.95 crs for 2015-16, Rs.250.47 crs for 2016-17, Rs.123.00 crs for Rs.2017-18 (including the differential capacity billing) and Rs.94.07 crs for 2018-19, 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.
37. In respect of Pension & Gratuity provision relating to Master Trust of APSEB origin employees belonging to the company has recognized the liability to the tune of Rs.182.60 crs along with 26% share of APTRANSCO in FY 2019-20. The remaining liability is to be recognized is Rs.547.80 crs only. The same will be recognized in future years in a phased manner.

(Rs.in Crs)

Particulars	Amount
Accrued Liability as on 31 st March 2020	1654.74
Fund as on 31 st March 2020 (with Trust)	693.09
Deficit as at 31 st March 2020	961.65
Liability Recognized in the books of accounts to the end of 31 st March 2020	413.85
Remaining liability to be recognized	547.80

38. TS Transco has raised bills towards share of common expenditure up to 2018-19 amounting to Rs.15.51 crs, which is not accepted and not considered in accounts by the company, pending review and finalization.
39. APTRANSCO made certain payment up to 31st March 2020, i.e., legal and other charges to the tune of Rs.11.34 crs on behalf of TSTRANSCO and which are to be receivable from TSTRANSCO.
40. As per the Hon'ble High Court of Telangana & AP, APTRANSCO had paid the salaries of its share (58.32%) for the TS relieved employees (AP Native Employees) from October'2015 to May'2016 to the tune of Rs.23.98 crs which is kept under receivable from TSTRANSCO. However, the Hon'ble Supreme Court of India has pronounced order that "the payment made by the Andhra Pradesh State Power utilities towards salaries and other allowances, if any, of the Petitioners -employees in pursuance of the interim orders of this Court, till the orders were modified by the Supreme Court, shall be reimbursed by the respective Telangana State power utilities, to their counterparts of the Andhra Pradesh State Power utilities within three months. Correspondence in this regard was made with TSTRANSCO for reimbursement of expenditure of Rs.23.98 crs incurred by APTRANSCO. Till date the same has not been received from TSTRANSCO.
41. Surcharge on SLDC charges, lease rent for using optical network of APTRANSCO by APSFL, interest on staff advances and Bay maintenance charges are accounted on receipt basis only as actual amounts receivable could not be determined due to non-confirmation of terms for quantifying the amounts.
42. (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 in earlier years. 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 Note 11B. The utilization of contingency reserve shall be made only with the prior approval of APERC. Total Contingency Reserve to the end of 2019-20 is of Rs.3427.64 lakhs.
- (b.) 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 is transferred to Contingency Reserve (net of tax). After finalization of the demerger plan the proportionate securities made after demerger pertaining to the share of TSTRANSCO will be transferred.

43. 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, 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 31-03-2020 of Vidyut Bonds to AP and TS is of Rs.5.20 Crs and Rs.377.81 Crs respectively.
44. All the Loans existing on 01.06.2014 from the REC, PFC and Banks are continue to be in the name of the Company. The loans outstanding as on 1.6.2014 were apportioned to TSTRANSCO of Rs. 1715.21 Cr as per the final de-merger plan. The debt service of loans apportioned to TSTRANSCO is 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 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 2020, are not shown in the financial statements of the Company.
45. An amount of Rs. 12.12 crore (Rs. 12.12 crore) to be recoverable from two parties/contractors towards Risk and cost clause stipulated in the agreements. The same shall be accounted for as and when received/accepted by the parties.
46. The transmission charges for each of the MYT (5 years) are determined in terms of APERC Regulation 5 of 2005, based on the ARR (Aggregate revenue Requirement) proposals submitted by the company. Owing to variations in revenue recovery over approved period, the excess / shortfall in transmission charges 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 APERC in the subsequent MYT period. APTRANSCO has submitted True-up proposals of Rs.528.71 crs for MYT period 2014-19 to APERC.
47. Land at 220 KV Dairy 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 Vijayanagaram. 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 of account of the company.
48. Payable to MSME as at the 31.03.2020 has not been identified. Hence, trade payables to MSME has not been shown separately.
49. As per GO.328 dated 16.11.2017, Vizag Chennai Industrial Corridor (VCIC) works are to be executed by APIIC, GVMC, APRDC and APTRANSCO to the tune of Rs.358 million USD the share of APTRANSCO under VCIC project is 151.65 million USDs. As per the GOs the payments are to be made by GoAP/ADB in the ratio of 22:78. Hence, APTANSCO is sending all vendor claims (bills) to GoAP/ADB for payment. GoAP/ADB is directly making the payments to the vendors on sending the claims by APTRANSCO through CFMS portal. The contractor bills on the company relating to VCIC project have been paid by GoAP/ADB as stated above and are recorded by the company in its books of account and disclosed under CWIP (Note No.2) and under Other Current Liabilities (Note No.16A).



50. An amount of Rs.905.88 crs is receivable from the AP Discoms out of which an amount of Rs.9.16 crs is under reconciliation with APPCC.
51. Previous year's figures are re-grouped wherever necessary to confirm with the current year classification.
52. The rapid spread of COVID-19 pandemic throughout the world has severely impacted the operations of Electricity & Power sector Companies around the globe including India. The nationwide lockdown has impacted the Company's operations in subsequent period on account of disruption in transportation, supply chain, travel bans, quarantines, social distancing and other precautionary measures. The underlying assumptions relating to the possible future uncertainties because of the pandemic, to assess the carrying value and recoverability of receivables and other assets as at the balance sheet date and has concluded that there are no material adjustments required in the financial statements. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the balance sheet date of approval of these financial statements and the Company will continue to monitor these aspects and takes actions as appropriate based on the future economic conditions.
53. The financial statements were approved for issue by the Board of directors on 15.12.2020.

As per our report of even date attached to
the Balance Sheet

For and on behalf of the Board of Directors

For Nataraja Iyer & Co.,
Chartered Accountants

Sd/-
Dr. Srikant Nagulapalli,
Chairman & Managing
Director

Sd/-
Dr. K. Muthupandian
Director (Finance)

Sd/-
E.Sri Ranganath
Partner

Sd/-
M V Siva Prasada Rao
Financial Adviser & Chief
Controller of Accounts

Sd/-
M.Karunakar Reddy
Company Secretary

Place: Hyderabad
Date : 22.12.2020.

Place : Vijayawada
Date : 15.12.2020



Transmission Corporation of Andhra Pradesh Limited
Function wise Balance Sheet As at 31 March 2020

In lakhs of INR

	Notes	Transmission	SLDC	APTRANSCO
Assets				
Non-current assets				
Property, plant and equipment	2	851,012.02	3,471.33	854,483.35
Capital work-in-progress	2	259,435.47	24.12	259,459.59
Intangible Assets	2	1,722.40	-	1,722.40
Financial assets				
(i) Investments	3	14,133.01	-	14,133.01
(ii) Loans	4	48,189.80	(205.87)	47,983.93
Other non-current assets	5	9,128.23	0.10	9,128.33
Total non-current assets		1,183,620.92	3,289.68	1,186,910.60
Current assets				
Inventories	6	12,858.31	1.00	12,859.31
Financial assets				
(i) Trade receivables	7	98,321.68	4,091.41	102,413.09
(ii) Cash and cash equivalents	8A	19,256.18	241.96	19,498.14
(iii) Bank Balances in FDs	8B	72.60	-	72.60
(iv) Loans	4A	15,000.00		15,000.00
Current tax assets (net)	9	20,912.75	1,258.93	22,171.68
Other current assets	10	79,413.21	(167.48)	79,245.73
Total current assets		245,834.73	5,425.82	251,260.55
Total assets		1,429,455.66	8,715.51	1,438,171.16
Equity and liabilities				
Equity				
Equity share capital	11A	45,443.97	-	45,443.97
Other equity	11B	258,046.64	17,499.09	275,545.73
Total equity		303,490.61	17,499.09	320,989.70
Liabilities				
Non-current liabilities				
Grants	12	134,372.82	-	134,372.82
Financial liabilities				
Borrowings	13	587,112.96		587,112.96
Provisions	14	56,222.86	-	56,222.86
Deferred tax liabilities (net)	15	10,992.42	-	10,992.42
Other non-current liabilities	16	13,181.92	(635.87)	12,546.05
Total non-current liabilities		667,510.16	(635.87)	666,874.29
Current liabilities				
Financial liabilities				
(i) Borrowings	13A	3,939.33		3,939.33
(ii) Trade Payables	17	54,057.79	60.40	54,118.19
(iii) Other financial liabilities	18	222,648.78	2,357.83	225,006.61
Other current liabilities	16A	45,767.09	(13,923.41)	31,843.68
Provisions	19	(2,330.92)	3,357.46	1,026.54
Total current liabilities		324,082.07	(8,147.72)	315,934.35
Total liabilities		991,592.23	(8,783.59)	982,808.64
Total equity and liabilities		1,429,455.66	8,715.51	1,438,171.16



Transmission Corporation of Andhra Pradesh Limited
Function wise Analysis of Revenue & Expenses for the year 2019-20

(Rs. in lakhs)

Particulars	400 KV Units	OMC Units	Head Office/ Common	Total (Trns)	SLDC	Total (Trns+SLDC)
REVENUE:						
Revenue from operation	0.00	0.00	196145.87	196145.87	5947.17	202093.04
Other income	692.65	7258.16	12020.93	19971.75	212.03	20183.77
Total Income	692.65	7258.16	208166.80	216117.61	6159.20	222276.81
EXPENSES:						
Employee Benefits expenses	4208.08	23123.53	29672.47	57004.09	5164.14	62168.23
Finance Cost	0.00	0.00	53926.42	53926.42	0.00	53926.42
Depreciation and related expenses	30952.29	33239.52	3632.02	67823.83	344.31	68168.14
Operating and Other expenses	602.79	20507.57	6834.95	27945.32	728.93	28674.25
Exceptional items		0.00		4.94		4.94
Total Expenditure	35763.16	76870.63	94065.86	206704.60	6237.38	212941.98
Profit from operation before income tax				9413.01	(78.18)	9334.83



Transmission Corporation of Andhra Pradesh Limited
STATEMENT OF TECHNICAL PARTICULARS

Sl. No.	Particulars	Unit	This Year 2019-20	Previous Year 2018-19
1	Input from State Generators including wheeling	MU	42843.23	42908.19
2	CGS (Ex-Bus)	MU	20700.05	18965.10
3	System input at 132 KV & above including Wheeled Energy (1+2)	MU	63543.28	61873.29
4	Energy delivered by Transco to Discoms including Wheeled Energy	MU	61090.68	59443.95
5	Transmission Losses (incl wheeling) (3-4) inclusive of PGCIL losses	MU	2452.60	2429.34
6	% Transmission Losses (Incl wheeling) on respective Inputs{(5/3*100)} inclusive of PGCIL losses	%	3.86	3.93
6a	% Transmission Losses (Incl wheeling) on respective Inputs {(5-11)/(3-11)*100} exclusive of PGCIL losses	%	2.91	3.10
7	Net wheeled Energy at 132 KV & above by Third Party Developers	MU	545.62	539.17
8	Energy delivered by Transco to Discoms Excluding Wheeled Energy at 132 KV & above (4-7)	MU	60545.06	58904.78
9	Drawls at 33 KV & 11 KV from TP developers	MU	2110.62	2258.01
10	Drawls at 33 KV & 11 KV from Genco	MU	16.35	16.85
11	External losses (PGCIL losses)	MU	619.11	526.10
12	Input to Discoms (incl Wheeling Energy) (8+9+10)	%	62672.03	61179.64
13	Discoms sales of Energy (Excl Wheeling)	MU	55865.16	55094.11
14	Net Wheeled Energy at 33 KV & Below by Third party Developers	MU	170.96	221.73
15	Discoms sales of Energy (incl. Wheeling) (13+14)	MU	56036.12	55315.84
16	Distribution losses (incl. Wheeling) (12-15)	MU	6635.91	5863.80
17	% Distribution losses (incl. Wheeling) on respective inputs {(16/12)*100}	%	10.59	9.58
18	T&D Input (Ex-Bus Availability) (3+9+10)	MU	65670.25	64148.15
19	T & D Sales (incl. Wheeling) by Discoms (15+7)	%	56581.74	55855.01
20	T&D Losses (inc. Wheeling) (18-19)	MU	9088.51	8293.14
21	% T&D Losses (incl.wheeling) (20/18*100)	%	13.84	12.93



TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED
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