TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED

APTRANSCO

ANNUAL STATEMENT OF ACCOUNTS 2008 - 09

Electricity Saved is Electricity Produced

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present this Report together with the 11th (Eleventh) Annual Statement of Accounts of the Company for the period ending 31st March 2009.

Main objectives of the Company:
The main objectives of the Company is to acquire, construct and operate the Extra High Tension (EHT) transmission network i.e. 400kV to 132kV level Substations and Lines and to improve, strengthen and modernize the existing EHT network. Your company, at present, is engaged in Transmission and management of SLDC (State Load Dispatch Centre) of the electrical energy throughout the State of Andhra Pradesh.

Performance of the Company:

<u>Financial highlights</u>:
Your Company, during the year, has earned a net surplus/profit of Rs.61.87 crs (after income tax Rs.12.90 crs and Deferred tax provision Rs.38.33 crs) from its operations (Transmission & SLDC Business) on a total turnover of Rs.803.47 crs (including other income). The PBDIT stood at Rs.562.31 crs, PBIT is at Rs.270.53 crs and PBT at Rs.113.10 crs. This PBT includes the surplus/profit of Rs.4.30 crs from SLDC business operations during the year.

The Andhra Pradesh Electricity Regulatory Commission (APERC) notified the tariffs for the Transmission business and SLDC business separately, through Multi Year Tariff Order (MYT) and accordingly billing is being done and revenues realized. As allowed by APERC through MYT order, the billing is done on the contracted capacities of the Discoms and other third party generators. The increase in revenue is due to increased billing capacity over the previous year by 2836.30 MW in respect of Discoms, whereas, the open access generator capacity is billed at 462 MW only against 910.79 MW allowed by APERC through tariff orders.

During the year the operating expenses have increased by Rs.70.76 crs over previous year which are mainly on account of increase in (a) Employees cost by Rs.26.67 Crs (DA/other allowances by Rs.7.56 crs and contribution to pension & gratuity fund by Rs.18.78 crs, etc.), (b) Administration charges by Rs.4.48 Crs, (c) Depreciation by Rs.28.34 Crs, which is due to additional assets put to use in FY 2007-08 (Rs.572 Crs), and (d) Interest expenses by Rs.16.62 crs due to additional borrowings for Capex.

During the year the APTRANSCO EL Encashment Trust had been registered and formed under the Trusts Act and an amount of Rs.53 crs has been paid/contributed to the Trust towards EL encashment accumulated liability as on 31st March 2009.

Further, APTRANSCO Gratuity Trust was registered and formed under the Trust Act and an amount of Rs.3.40 crs had been paid/contributed towards accumulated liability towards Gratuity payment as on 31st March 2009, in respect of the employees who joined service on or after 1st February 1999.

Technical highlights:

During the year a further capacity of 45.66 MW (APGENCO – 39 MW (Hydel) and Non-conventional sources (Private generators) – 6.66 MW has been added to the Grid in the State.

The total energy handled by the Transmission system during the year stood at 67387 MU.

The peak demand met on 27-03-2009 stood at 9997 MW, which is highest ever, met so far by the AP Grid and a maximum of daily consumption of 215 MU was met on 28-03-2009.

During the year, your company has made an investment of Rs.552.67 crs and added 9 (nine) Nos. Substations and a further 520.07 Circuit Kilometers (Ckm) Extra High Tension (EHT) lines as detailed below:

Particulars	Unit	Added in 2008-09	Total as on 31-3-2009
Substations			
400kv	No.	1	9
220kV	No.	3	93
132kV	No.	5	269
Lines			
400kv	Ckm	21.14	3008.70
220kV	Ckm	265.88	12502.58
132kV	Ckm	233.05	14938.57

India Power Awards for 2008:

Your company has bagged the prestigious India Power Award for 2008. The Council of Power Utilities, New Delhi announced Best overall utility performance award for the three State-owned Power Utilities - APTRANSCO, CPDCL and SPDCL. The impressive operational, financial performance of

APTRANSCO along with its phenomenal growth of network system was adjudged as the best in the Country. Presently, APTRANSCO is in a position to handle a peak demand of 9500 MW, which few States in the Country can manage.

IT Initiatives:
ERP (Enterprise Resource Programme) has been implemented in your Company in the areas of Operation & Maintenance, Finance & Accounting, Project implementation and Inventory/Stores maintenance for improving the productivity and accountability of the employees and for enhancing transparency in operations.

Human Resource Development, Training and Industrial Relations:
Your Company is striving its best to improve the efficiency of the employees by imparting in-house and external training, giving monthly weightages based on performance, which enables to develop the skills in a competitive environment. The relationship of the management with the employees is very cordial and supportive.

Conservation of Energy; Technology Absorption; and Foreign Exchange Earnings & Outgo:

A. **Conservation of Energy:** Since your Company is not engaged in any of the activities indicated in Schedule-A of the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988, no disclosure is made.

B. **Technology Absorption:** Your Company is engaged in strengthening of the Transmission system so as to improve the reliability and quality of power and to further reduce the transmission losses.

C. **Foreign Exchange Earnings and Outgo:** The Foreign Exchange earnings and the outgo during the FY 2008-09 are NIL. However, the foreign currency loans are repaid in Rupee terms to M/s.PFC who are discharging the obligations of the Company relating to foreign currency loans.

Board of Directors:

The following were the Directors on the Board of your Company, as nominated and appointed by the GoAP during FY 2008-09 and as on the date of Annual General Meeting:

Sl. No	*Name*	*From*	*To*
1.	***Chairman & Managing Director***		
	Sri Ajeya Kallam, IAS	28-03-2008	31-10-2008
	Sri Sutirtha Bhattacharya, IAS	31-10-2008	till date
2.	***Joint Managing Director (HRD, Comml., IPC & IT)***		
	Sri K Vijayanand, IAS	31-03-2008	10-07-2009
	Sri Ajay Jain, IAS	10-07-2009	till date
3.	***Joint Managing Director (Vigilance & Security)***		
	Sri M Malakondaiah, IPS	17-10-2003	01-09-2008
	Sri Umesh Sharraf, IPS	01-09-2008	till date
4.	***Director (Finance & Revenue)***		
	Sri G Ramakrishna Reddy	01-07-2005	till date
5.	***Director (Projects, Co-ordination & Grid Operation) Redesignated as (Projects & Coordination)***		
	Sri K GopalaKrishna	04-09-2006	03-09-2008
	Sri B Umakar Rao	30-11-2008	till date
6.	***Director (Transmission)***		
	Sri M Gopal Rao	04-09-2006	03-09-2008
	Sri Ch. Chenna Reddy	30-11-2008	till date
7.	***Director (Grid operation)***		
	Sri P Sree Rama Rao	30-11-2008	till date
8.	***Director (Non-whole time)***		
	Sri A K Goyal, IAS	07-01-2006	07-11-2008
	Sri S V Prasad, IAS	07-11-2008	19-12-2008
	Sri A K Goyal, IAS	19-12-2008	08-07-2009
	Sri A K Goel, IAS	08-07-2009	till date
9.	***Director (Non-whole time)***		
	Sri I Y R Krishna Rao, IAS	24-11-2006	28-06-2008
	Sri N Ramesh Kumar, IAS	28-06-2008	07-08-2009
	Sri T Satyanarayana Rao, IAS	07-08-2009	till date

Board Meetings held during the year:
Your company had convened a total of four (4) Board Meetings during the F.Y. 2008-09.

Audit Committee:
In compliance with the provisions of Section 292 A of the Companies Act, 1956 (as amended), an Audit Committee was constituted by your Company with Sri Umesh Sharraf, IPS, Joint Managing Director (Vigilance & Security), Sri A K Goel, IAS, Director (Non-whole time) and Sri T Satyanarayana Rao, IAS, Director (Non-whole time).

Cost Accounting Records:
Your company is preparing and maintaining the Cost Accounting Records as required to be maintained vide notification No. GSR 913 (E) dt. 21-12-2001 of the Central Government which made maintenance of Cost Accounting Records by the Electricity Industry mandatory. Further, the Ministry of Company Affairs, Government of India, New Delhi, vide F.No. 52/75/CAB-2005, dt. 16-09-2005, directed that the audit of Cost Accounting Records maintained by APTRANSCO from the financial year ending 31st March 2006 and for every financial year thereafter be conducted by an Auditor with the qualifications prescribed u/s 233 B of the Companies Act, 1956. Accordingly, the cost accounting records for FY 2007-08 were prepared, got audited and filed with the Ministry of Corporate Affairs.

Auditors of the Company:
<u>Statutory Auditors:</u>
M/s Anjaneyulu & Co., Chartered Accountants, Gandhinagar, Hyderabad, were appointed by the Comptroller & Auditor General of India (C & AG) as the Statutory Auditors of the Company for the financial year 2008-09.

The Accountant General, Andhra Pradesh, Hyderabad, has conducted the Supplementary Audit u/s 619 (3)(b) of the Companies Act on behalf of the Comptroller & Auditor General of India (C&AG).

<u>Cost Auditors:</u>
M/s. Narasimha Murthy & Co., Cost Accountants have been appointed as the Cost Auditors, with the consent of the Ministry of Corporate Affairs, of your Company for the FY 2008-09.

Internal Auditors of the Company:

With a view to have a better control over the internal control system in vogue, the following qualified Chartered Accountants were appointed by APTRANSCO to conduct internal audit, submit their report and give suggestions to the management.

1. Sri V Satyanarayana
2. Sri K Ramgopal
3. Sri K Rama Chandra Rao
4. Sri Sharad Sinha

Particulars of Employees:

None of the employees of the company is in receipt of remuneration as envisaged under the provisions of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

Directors' responsibility statement:

In accordance with Section 217 (2AA) of the Companies Act, 1956, the Directors of the Company hereby state that:

i) the Annual Statement of Accounts for the financial year 2008-09 are prepared in accordance with the Electricity (Supply) (Annual Accounts) Rules, 1985 in consonance with Section 211 (1) and 616 (c) of the Companies Act, 1956 and Section 185 (2)(d) of the Electricity Act, 2003.

ii) the Directors 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 or loss of the company for that period. The rates of depreciation adopted are as per the Gazette notifications issued by the Ministry of Power, Government of India, from time to time, as specified u/s.205(2)(d) of the Companies Act, 1956.

iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the statutory provisions, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and

iv) the Directors had prepared the annual accounts on a going concern basis.

Management replies on Auditors' Reports:

The replies of the management on the comments of the Statutory Auditors and the Accountant General, A.P., Hyderabad (O/o C & AG) are enclosed to this Report as Annexure.

Acknowledgements:

The Board of Directors gratefully acknowledges the continued support extended by the Government, Banks, Financial Institutions, Regulatory authorities and other agencies. The Board further wishes to place on record its sincere appreciation for the all round cooperation and contributions made by the employees of the Company.

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

Sd/-
(SUTIRTHA BHATTACHARYA)
Chairman & Managing Director

Place: Hyderabad.
Date: 29-09-2009.

TRANSMISSION CORPORATION OF A.P.LIMITED

REVENUE ACCOUNT

STATEMENT - 1

(Rs. in lakhs)

Sch. No.	Schedule Note	This Year 2008-09	Previous Year 2007-08
	INCOME		
1	Revenue from Transmission & SLDC Charges	74267.16	67241.69
4	Revenue Subsidies and grants	0.00	0.00
5	Other Income	6080.10	2512.15
	TOTAL	**80347.26**	**69753.84**
	EXPENDITURE		
6	Purchase of Power		
8	Repairs & Maintenance	8612.73	9147.42
9	Employee Costs	17157.70	14491.27
10	Administration & General Expenses	2839.62	2392.10
11	Depreciation and Related expenses (Net)	29178.09	26343.97
12	Interest and Finance charges	18439.36	16776.51
	Sub-Total	**76227.60**	**69151.27**
	Less: Expenses Capitalised		
13	Interest and Finance charges capitalised	2697.00	2539.00
14	a. Expenses capitalised	4333.02	3865.85
	b. Expenses allocated to DISCOMs	159.83	161.64
	Sub-Total	**7189.85**	**6566.49**
15	Other Debits	275.75	(0.17)
16	Extra-ordinary items	0.00	0.00
18	Net Prior Period Charges / (Credits)	(276.39)	171.62
	Sub-Total	**(0.64)**	**171.45**
	TOTAL EXPENDITURE	**69037.01**	**62756.23**
	PROFIT / (LOSS) BEFORE TAX	11310.25	6997.60
17	Provision for Income tax	1290.15	865.91
	Surplus / (Deficit) AFTER TAX	**10020.10**	**6131.70**
	Provision for Deferred Tax	3832.89	2579.93
	Balance carried over to Appropriation account	**6187.21**	**3551.77**

Vide our report of even date

For ANJANEYULU & CO.
Chartered Accountants

Partner 30/6/09

Director (Finance)
APTRANSCO, Vidyut Soudha,
HYDERABAD-500 082

30/6/09

Chairman & Managing Director
APTRANSCO, Vidyut Soudha,
HYDERABAD - 500 082.

30/6/09

ASST. COMPANY SECRETARY
APTRANSCO / Hyderabad.

Place: HYDERABAD

TRANSMISSION CORPORATION OF A.P.LIMITED

NET REVENUE AND APPROPRIATION ACCOUNT

STATEMENT- 2

(Rs.in lakhs)

Particulars	This Year 2008-09	Previous Year 2007-08
Balance brought forward from last year	**27470.86**	**23919.09**
Surplus from Revenue Account	6187.21	3551.77
CREDITS :		
Transfer from General Reserve		
APPROPRIATIONS :		
Contingency Reserve		
Provision for Deferred Tax		
Contribution to Reserve and Reserve Funds		
Sinking Fund for Repayment of borrowings		
General Reserve		
Balance carried forward	**33658.07**	**27470.86**

Vide our report of even date

For ANJANEYULU & CO.
Chartered Accountants

Partner

Director (Finance)
APTRANSCO, Vidyut Soudha,
HYDERABAD-500 082

30/6/09

Chairman & Managing Director
APTRANSCO, Vidyut Soudha,
HYDERABAD - 500 082

ASST. COMPANY SECRETARY
APTRANSCO / Hyderabad

Place: HYDERABAD

TRANSMISSION CORPORATION OF A.P.LIMITED

BALANCE SHEET

STATEMENT- 3

(Rs.in lakhs)

Sch. No.	Schedule Note	As at 31st March 2009	As at 31st March 2008
	NET ASSETS :		
19	Net Fixed Assets		
	Gross Block	596749.39	549535.76
	Less: Accumulated Depreciation	254344.58	225166.50
	Net Fixed Assets	**342404.80**	**324369.26**
21	Capital Expenditure in progress	51158.82	43079.20
22	Assets not in use	0.00	28.38
23	Deferred Costs	0.00	0.00
24	Intangible Assets	0.00	0.00
25	Investments	10022.47	13756.57
	Net Current Assets		
26	Total Current Assets	249497.60	178717.15
	Less: Total Current Liabilities		
27	Security Deposits from Consumers		
28	Other Current Liabilities	282143.94	218394.65
	Total Current Liabilities	282143.94	218394.65
	Net Current Assets	(32646.34)	(39677.51)
29	Subsidy Receivable from Government	0.00	0.00
	NET ASSETS	**370938.84**	**341563.90**
	FINANCED BY:		
30	Borrowings for working capital	0.00	0.00
31	Payments due on Capital Liabilities	0.00	0.00
32	Capital Liabilities	190139.87	194963.18
	Deferred Tax Liabilities	18744.92	12912.04
33	Funds from State Government	2324.39	2486.21
	Equity	77921.76	77921.76
34	Contributions, Grants and Subsidies towards cost of Capital Assets	43542.10	19772.10
35	Reserve and Reserve Funds	8808.71	8027.75
	Surplus	33868.08	27470.86
	TOTAL FUNDS	**370938.84**	**341553.90**

Vide our report of even date

For ANJANEYULU & CO.
Chartered Accountants

Partner

30.6.09

Place: Hyderabad

Director (Finance)
APTRANSCO, Vidyut Soudha,
HYDERABAD-500 082.

30/6/09

Chairman & Managing Director
APTRANSCO, Vidyut Soudha,
HYDERABAD - 500 082.

ASST. COMPANY SECRETARY
APTRANSCO / Hyderabad.

TRANSMISSION CORPORATION OF A.P.LIMITED

ANNUAL ACCOUNTS 2008-09

REVENUE FROM TRANSMISSION & SLDC BUSINESS

Schedule 1

(In Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
	I. Transmission Charges:			
1	Transmission charges- EPDCL	61.401	1152559332	1070370900
2	Transmission charges- SPDCL	61.402	1652253624	1443398404
3	Transmission charges- CPDCL	61.403	2899731848	2873298548
4	Transmission charges- NPDCL	61.404	1139452898	1040003378
5	Intra State Open Access	61.410	12139920	3123400
6	Transmission charges - IEX/PX	61.413	54330786	
7	Inter State Open Access	61.430	64036481	
8	Inter regional Open Access	61.490 to 493	224503125	208658312
9	Wheeling charges	61.801	4708110	13278912
	Sub-Total (I)		7113716302	[illegible]
	II. SLDC Charges:			
10	SLDC charges- EPDCL	61.401	40017648	38072798
11	SLDC charges- SPDCL	61.402	54232104	51347788
12	SLDC charges- CPDCL	61.403	100858132	95098280
13	SLDC charges- NPDCL	61.404	39563832	37008224
14	Intra State Open Access Charges - IEX/PX	61.414	708000	69835
15	Inter State Open Access SLDC Charges	61.440	3351198	3163606
16	SLDC Annual Fees	61.445	55422512	38636873
17	SLDC Charges from Open access generators	61.456 to 459	7431372	4523382
18	Inter Regional Open access charges	61.495 to 498	10544000	-
19	Open access SLDC charges	61.600	63645	6140113
	Sub-Total (II)		312000444	274078705
	TOTAL (I + II)		7425716646	6724169837

TRANSMISSION CORPORATION OF A.P.LIMITED

ANNUAL ACCOUNTS 2008-09

ELEMENT-WISE ANALYSIS OF REVENUE

Schedule 2

(in Rupees)

Sl. No.	Particulars	This Year 2008-09	Previous Year 2007-08
1	Transmission Charges	7113716202	6450089932
2	SLDC Charges	312000444	274078705
	TOTAL	**7425716646**	**6724168637**

TRANSMISSION CORPORATION OF A.P. LIMITED

AVERAGE REALISATION FROM TRANSMISSION & SLDC CHARGES

Schedule 3

Sl. No.	Particulars	This year 2008-09			Previous year 2007-08		
		Capacity (in MW)	% of total capacity	Average realisation Rs./kW/pm	Capacity (in MW)	% of total capacity	Average realisation Rs./kW/pm
	I. Transmission Charges:						
1	Transmission charges- EPDCL	2488.45	16.20	38.91	1928.87	16.60	44.62
2	Transmission charges- SPDCL	3345.67	21.96	38.91	2696.46	22.36	44.62
3	Transmission charges- CPDCL	6210.34	40.76	38.91	4992.21	41.45	44.62
4	Transmission charges- NPDCL	2440.36	16.02	38.91	1942.16	16.12	44.62
5	Intra State Open Access	26.00	0.17	38.91	5.63	0.05	44.62
6	Transmission charges - IEX/PX	116.36	0.76	38.91			
7	Inter State Open Access	137.15	0.90	38.91			
8	Inter regional Open Access	480.82	3.16	38.91	386.96	3.20	44.62
9	Wheeling charges	10.06	0.07	38.91	24.80	0.21	44.62
	Total - Transmission (Rs./kW/pm)	1523[illegible].41	100.00	38.91	12046.21	100.000	44.62

Sl. No.	Particulars	This year 2008-09			Previous year 2007-08		
		Capacity (in MW)	% of total capacity	Average realisation Rs./MW/pm	Capacity (in MW)	% of total capacity	Average realisation Rs./MW/pm
	II. SLDC Charges:						
1	SLDC charges- EPDCL	2489.00	16.60	1350.67	1999.00	16.26	1587.16
2	SLDC charges- SPDCL	3346.00	21.14	1350.67	2698.00	21.96	1587.16
3	SLDC charges- CPDCL	6211.00	39.25	1350.67	4993.00	40.67	1587.16
4	SLDC charges- NPDCL	2441.00	15.43	1350.67	1943.00	15.83	1587.16
5	Intra State Open Access Charges - IEX/PX	43.56	0.28	1350.67	3.67	0.03	1587.16
6	Inter State Open Access SLDC Charges	206.76	1.31	1350.67	167.15	1.36	1587.16
7	SLDC Charges from Open access generators	457.00	2.88	1358.71	475.00	3.87	1570.79
8	Inter Regional Open access charges	650.54	4.11	1350.67			
	Total - SLDC (Rs./MW/pm)	15824.[illegible]	100.00	1842.[illegible]	12276.82	100.000	1590.41
9	SLDC Annual Fees	14971.01		3701.99	11881.79		3313.27

TRANSMISSION CORPORATION OF A.P. LIMITED

REVENUE SUBSIDIES AND GRANTS

Schedule 4

(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Revenue Subsidy as per Tariff Order	63.110		
2	Subsidy Receivable from State Govt. for the year	63.115		
3	Grant-in-aid	63.150		
	TOTAL			

TRANSMISSION CORPORATION OF A.P. LIMITED

ANNUAL ACCOUNTS 2008-09

OTHER INCOME

Schedule 5

(In Rupees)

SL No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Interest on staff loans and advances	62.200 to 62.219	1297420	777093
2	Income from Investments	62.220 to 62.239	338588840	30588187
3	Interest on Loans & Advances to Licensees	62.240		
4	Delayed payment charges from consumers	62.250 & 62.251	12071	692692
5	Interest on Advances to suppliers/contractors	62.260		
6	Interest from Banks	62.270		2621918
7	Interest on Investments out of Contingency Reserve	62.271	41133856	37748278
8	Income from Trading	62.300	17325884	11843108
9	Income from staff welfare activities	62.600		
10	Miscellaneous receipts	62.900	180378745	128571470
11	Rebate earned on payment of supplier bills, etc	62.941	30252242	40272129
12	SLDC Registration Fees	62.919	23000	102800
	TOTAL		[illegible]009636	251214876

PURCHASE OF POWER

Schedule 6

Sl. No.	Particulars	Account Code	This year 2008-09	Previous year 2007-08
	This schedule is not applicable			

GENERATION OF POWER

Schedule 7

Sl. No.	Particulars	Account Code	This year 2008-09	Previous year 2007-08
	This schedule is not applicable			

TRANSMISSION CORPORATION OF A.P.LIMITED

ANNUAL ACCOUNTS 2008-09

REPAIRS AND MAINTENANCE

Schedule 8

(In Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
	Repairs and Maintenance to:			
1	Plant and Machinery	74.100	280403041	319925029
2	Transformers	74.101	80149029	135420162
3	Substation maintenance by Pvt Agencies	74.150	342239831	240984849
4	Buildings	74.200	12718678	6400384
5	Civil Works	74.300	8971812	5716456
6	Hydraulic Works	74.400		
7	Lines, Cable net work etc.	74.500	118563851	195291803
8	Vehicles	74.600	7744273	6039161
9	Furniture and Fixtures	74.700	68026	292921
10	Office equipment	74.800	10416289	4871494
	TOTAL		861272539	914742249

TRANSMISSION CORPORATION OF A.P.LIMITED

ANNUAL ACCOUNTS 2008-09

EMPLOYEE COSTS

Schedule 9

(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Salaries	75.100	862696444	882259163
2	Overtime	75.200		
3	Dearness Allowance	75.300	148688316	64699149
4	Other allowances	75.400	154875024	140497143
5	Exgratia / Incentives	75.500	2125084	3317044
	Sub-Total		1168384868	1090772499
6	Medical expenses Reimbursement	75.611	4197052	8213475
7	Leave Travel Assistance	75.612	1071029	542178
8	Earned Leave Encashment	75.617	143886939	152016191
9	Leave salary contributions	75.616	1045122	500802
10	Medical insurance premium	75.621	2648048	
11	Payment under workmen's compensation Act	75.629		
12	Medical Allowance	75.710	8101835	8252498
13	Other welfare expenses	75.711 to 75.760	5698780	5017546
14	GPF Booster scheme	75.761	451510	46732
15	Contribution to EPF - APTRANSCO share	75.811 & 75.812	17552844	7969289
16	EPF Administration Expenses	75.813	1522645	716011
17	Contribution to EDLI	75.814	725745	330171
18	EDLI Administration charges	75.815	14803	8544
19	Contribution to APTRANSCO Pension & Gratuity Trust	75.830	328490738	174740916
20	Contribution to APTRANSCO Gratuity Trust (employees recruited on or after 1-2-1999)	75.840	34000000	
	TOTAL		1715769758	1449126664

TRANSMISSION CORPORATION OF A.P LIMITED

ANNUAL ACCOUNTS 2008-09

ADMINISTRATION AND GENERAL EXPENSES

Schedule 10

(In Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Lease Rentals	76.100		
2	Rent	76.101	1654688	1606083
3	Rates and Taxes	76.102	47028878	41034204
4	APERC Licence fees	76.103	15376000	12422500
5	Insurance	76.104 to 76.107	1691351	1747831
6	Telephone & Trunkcalls	76.111	14848781	11458374
7	Postage & Telegrams	76.112	1626272	1219581
8	Legal charges	76.121	2881802	4078060
9	Audit fees	76.122	880332	522500
10	Consultancy charges	76.123	8233731	6164431
11	Technical fees	76.124		
12	Other Professional Charges	76.125	788695	48000
13	Honorarium	76.126	1250582	1407415
14	Remuneration to Internal Auditors	76.128	2395146	1847799
15	Conveyance expenses	76.131	1423888	1299121
16	Travelling expenses	76.132	28852279	24953143
17	Vehicle running exp.(Cars, Jeeps, Etc.)	76.135	17748432	14384888
18	Vehicle License & Regd.Fee	76.138		
19	Vehicle hire charges	76.139	53321789	43198827
20	Training and participation	76.150	285003	154344
21	Fees & subscription	76.151	1918775	1822532
22	Books & Periodicals	76.152	541607	298220
23	Printing & Stationery	76.153	5838881	3946770
24	Advertisement	76.155	10006258	8321636
25	Police Guard Charges	76.156		212280
26	Contributions	76.157	1698900	3057808
27	Electricity charges	76.158	9797739	8594725
28	Water charges	76.160	1024231	1321881
29	Entertainment	76.162	1803657	1092336
30	Misc. Expenses	76.190	35372880	26883808
31	Freight	76.210 to 76.220		
32	Other purchase related expenses	76.230 to 76.299	9885338	10723208
33	Fringe Benefit Tax	76.500	7881120	6382572
	TOTAL		283942281	239209777

TRANSMISSION CORPORATION OF A.P.LIMITED

ANNUAL ACCOUNTS 2008-09

DEPRECIATION AND RELATED DEBITS (NET)

Schedule 11

(In Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Depreciation	77.100	2917808727	2634397407
2	Assets Decommissioning cost	77.500		
3	Small & Low value items written off	77.600		
4	Written down value of assets scrapped	77.710		
5	Write-off of deficits of fixed assets observed upon physical verification	77.720		
6	Loss on sale of fixed assets	77.730		
	Sub-Total		2917808727	2634397407
7	Less: Gain on sale of Assets (Excluding Capital gains transferred to Capital Reserve)	62.400		
	TOTAL		2917808727	2634397407

TRANSMISSION CORPORATION OF A.P.LIMITED

ANNUAL ACCOUNTS 2008-09

INTEREST AND FINANCE CHARGES

Schedule 12

(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Interest on State Government loans	78.100	11995043	11769799
2	Interest on Bonds	78.200	29385624	40902124
3	Interest on Vidyut Bonds	78.201	57879700	91661169
4	**Interest on other Loans:**			
a)	L.I.C.	78.501	1925096	2765095
b)	R.E.C.	78.504	452994560	630653103
c)	P.F.C.	78.511	948391471	808620646
d)	I.C.I.C.I	78.513	17558719	20500938
e)	Federal Bank	78.522	13220808	57634
f)	Canara Bank	78.523	43437966	50709330
g)	Andhra Bank	78.545	38890833	35544414
h)	Karur Vysya Bank	78.555	13891016	115068
i)	Bank of Baroda	78.556	87048642	19468830
j)	Bank of Maharastra	78.557	54773558	57585341
k)	Punjab & Sind Bank	78.565	5394574	42447
l)	Allahabad Bank	78.566	25748890	318564
m)	Bank of Rajastan	78.567	6735729	39496
n)	Karnataka Bank	78.568	7205434	
o)	Corporation Bank	78.569	3839040	
p)	Union Bank of India	78.570	11789633	28493
	Sub-Total (1 to 4):		1831707134	1666762410
5	Interest on Borrowings for working capital	78.700		
6	Other Interest (other sub-accounts)	78.853 to 78.859	5402585	3835944
7	Cost of raising Finance	78.860 to 78.867	6608157	4994115
8	Other charges	78.881 to 78.883	218598	258845
9	Guarantee commission paid to Govt.	78.884		
	TOTAL		1843936452	1677651314

TRANSMISSION CORPORATION OF A.P.LIMITED

INTEREST AND FINANCE CHARGES CAPITALISED

Schedule 13

This schedule shall contain the detailed workings for computing the amount of capitalised interest on funds used during construction stage	
	Rs.
This year 2008-09	269700000
Previous Year 2007-08	253800000

WORKING SHEET

(Rs.in Crores)

Sch.No.	Sl.No.	Particulars		
21	1	Work-in-progress	477.03	
	2	Less: Unallocated IDC	0.00	
	3	Assets at Construction Stage		477.03
30	4	Borrowings for Working Capital	0.00	
31	5	Payments due on Capital liabilities	0.00	
34	6	Contributions & Grants	436.42	
35	7	Reserve Funds	56.44	
32	8	Capital liabilities	1901.40	
33	9	Govt. loans	23.24	
	10	Surplus	274.71	
	11	Total	2691.21	
		Less:		
30	12	Borrowings for Working Capital	0.00	
31	13	Payments due on Capital liabilities	0.00	
	14	Total Net Assets		2691.21
	15	Balance net Assets (14-3)		2214.18
		OWN FUNDS		
	16	Surplus	274.71	
	17	Equity	779.22	
	18	Contributions & Grants	436.42	
	19	Reserve Funds	56.44	
	20	Total own funds	1546.79	
	21	Proportion of own funds utilised for ACS (20*(3/14))		274.00
	22	Proportion of own funds utilised for BNA (20*(15/14)		1271.79
	23	Interest bearing ACS (3-21))		203.03
	24	Interest bearing BNA (15-22)		942.39
	25	Previous year interest bearing ACS		229.12
	26	Average interest bearing ACS ((25+23)/2)		216.08
	27	Previous year interest bearing BNA		1401.16
	28	Average interest bearing BNA ((27+24)/2)		1171.78
	29	Interest Charges for 2008-09		173.24
	30	Interest chargeable to CAPEX (29*26/(26+28))		26.97
	31	Interest chargeable to BNA (29-30)		146.27

TRANSMISSION CORPORATION OF A.P.LIMITED

ANNUAL ACCOUNTS 2008-09

OTHER EXPENSES CAPITALISED

Schedule 14

(In Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	R&M Expenses capitalised	74.900	3559383	2374409
2	Employee costs capitalised	75.900	378219846	335216396
3	Adm & General Expenses capitalised	76.900	52987548	48543817
4	Depreciation capitalised	77.900	535503	450580
	Sub-Total (1 to 4)		433302281	386585202
5	Training Expenses allocated to Discoms	75.975	15982637	16164412
	TOTAL		449284918	402749614

OTHER DEBITS

Schedule 15

(In Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Materials cost variance	79.100		
2	Research & Development Expenses	79.200		
3	Cost of Trading/ Manufacturing Activities	79.300		
4	Bad and Doubtful debts written off/ Provided	79.400		
5	Miscellaneous losses and write-offs:	79.500	27290640	
	a) Loss on sale of Stores	79.573		
	b) Stock shortages	79.510	284074	621
	c) Loss of materials by pilferage	79.511		(18000)
	d) Loss on Exchange rate variation	79.570		
6	Sundry Expenses	79.700		
	TOTAL		27574714	(17379)

EXTRAORDINARY ITEMS

Schedule 16

(in Rupees)

Extraordinary items are defined as "those items which arise from events or transactions outside the ordinary activities of the Company and which are both material and expected not to recur frequently or regularly. They do not include items which though exceptional in terms of amount and occurrence (and which may therefore require separate disclosure) arise from the events or transactions within the ordinary activities. Similarly prior period items are not extra-ordinary items merely because they relate to a prior year".

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Extraordinary credits (including subsidies against loss on account of Flood, Fire, Cyclone etc.)	63.200		
2	Extraordinary debits (Losses on account of Flood, Fire, Cyclone etc.)	79.800		
3	**Extraordinary items (NET)**			

PROVISION FOR INCOME TAX

Schedule 17

(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Provision for Income Tax	81.100	129015464	86590653
	TOTAL		129015464	86590653

TRANSMISSION CORPORATION OF A.P. LIMITED

ANNUAL ACCOUNTS 2008-09

NET PRIOR PERIOD CREDITS / (CHARGES)

Schedule 18

(in Rupees)

Prior period items are defined as those items which arise

- from retrospective change in the basis of accounting (it may be noted that retrospective changes in the basis of accounting should be avoided as far as possible)
- on correction of fundamental error in accounts of prior periods
- on correction of short or excess provision made in previous years

Waiver of any liability to revenue expenses of past year (Such as waiver of interest for past years by State Government in view of the Company's weak financial position) would be treated as prior period income.

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	**Income relating to previous year**			
	Receipts-prior period	65.200		
	Interest income-prior period	65.400		
	Excess provision-Depreciation	65.600		
	Excess provision-Interest & Finance charges	65.700		
	Other excess provision	65.800	12178667	1002921
	Other income-prior period	65.900	15460107	22110
	TOTAL		27638774	1025031
2	**Prior period expenses/losses**			
	Short provision for power	83.100		
	Operating expenses	83.300		530
	Employees cost	83.500		
	Depreciation under provided	83.600		26700720
	Interest & Other Fin. Charges	83.700		
	Other charges	83.800		(8514587)
	TOTAL		0	[illegible]
3	**Net prior period Credits / (Charges)**		27638774	[illegible]

TRANSMISSION CORPORATION OF A.P. LIMITED

FIXED ASSETS AND PROVISION FOR DEPRECIATION

Schedule 11

(In Rupees)

ASSET GROUP	Account Code	GROSS BLOCK: At the end of the previous year 2007-08	GROSS BLOCK: Additions	GROSS BLOCK: Deductions	GROSS BLOCK: Reclassification	GROSS BLOCK: At the end of the year 2008-09	PROVISION FOR DEPRECIATION: At the end of the previous year 2007-08	PROVISION FOR DEPRECIATION: Depreciation for the year	PROVISION FOR DEPRECIATION: Adjustments on Deductions	PROVISION FOR DEPRECIATION: Reclassification	PROVISION FOR DEPRECIATION: At the end of the year 2008-09	NET BLOCK: At the end of the year 2008-09	NET BLOCK: At the end of the previous year 2007-08
Land and land rights	10.100	[illegible]	[illegible]			[illegible]	0				0	[illegible]	[illegible]
Buildings	10.200	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]
Hydraulic works	10.300	0				0	0				0	0	0
Other civil works	10.400	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]
Plant and Machinery	10.500	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]
Lines and Cable Network	10.600	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]
Vehicles	10.700	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]
Furniture and Fixtures	10.800	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]
Office equipment	10.900	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]
Total for the year 2008-09		[illegible]	[illegible]	0	0	[illegible]	[illegible]	[illegible]	0	0	[illegible]	[illegible]	[illegible]
Total for previous year 2007-08		[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]

TRANSMISSION CORPORATION OF A.P. LIMITED

FUNCTION-WISE BREAK-UP OF FIXED ASSETS

Schedule [illegible]
(in Rupees)

FUNCTION	GROSS BLOCK					PROVISION FOR DEPRECIATION					NET BLOCK	
	At the end of the previous year 2007-08	Additions	Deductions	Reclassification	At the end of the year 2008-09	At the end of the previous year 2007-08	Depreciation for the year	Adjustments on Deductions	Reclassification	At the end of the year 2008-09	At the end of the year 2008-09	At the end of the previous year 2007-08
Transmission	[illegible]	[illegible]	0	0	[illegible]	[illegible]	[illegible]	0	0	[illegible]	[illegible]	[illegible]
SLDC	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	0	0	[illegible]	[illegible]	[illegible]	0	0	[illegible]	[illegible]	[illegible]

TRANSMISSION CORPORATION OF A.P.LIMITED

CAPITAL EXPENDITURE IN PROGRESS

Schedule 21

(In Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Capital work-in-progress	14.000	5039752382	4202036556
2	Contracts-in-progress	15.100		
3	Revenue Expenses pending allocation over capital works	15.200		
4	Provision for completed works	15.500		
5	Construction facilities (Less provision for depreciation)	15.600		
	Assets at Construction Stage (1 to 5)		5039752382	4202036556
6	Advances for Suppliers/Contractors (Capital)	25.100 to 25.900	76139376	105883022
	TOTAL		5115891758	4307919578

TRANSMISSION CORPORATION OF A.P.LIMITED

ANNUAL ACCOUNTS 2008-09

Schedule 22

ASSETS NOT IN USE

(in Rupees)

Balance at the beginning of the previous year 2007-08	Additions during the previous year	Deductions during the previous year	Asset Group	Account Code	Balance at the end of the previous year 2007-08	Additions during the year	Deductions during the year	Balance at the end of this year 2008-09
			Written down value of Obsolete, Scrapped Assets					
			Land and rights	16.100				
			Buildings	16.200				
			Hydraulic works	16.300				
			Other civil works	16.400				
2628440			Plant & Machinery	16.500	2628440		2628440	0
			Lines and Cable net work	16.600				
10000			Vehicles	16.700	10000		10000	0
			Furniture & Fixtures	16.800				
			Office equipment	16.900				
2638440	0		TOTAL		2638440	0	2638440	0

DEFERRED COSTS

Schedule 23

(in Rupees)

Balance at the beginning of the previous year	Costs deferred during the previous year	Costs charges to revenue during the previous year	Particulars	Account Code	Balance at the end of the previous year	Costs deferred during the year	Costs charged to revenue during the year	Balance at the end of this year
			N I L					

INTANGIBLE ASSETS

Schedule 24

(in Rupees)

Balance at the beginning of the previous year	Costs incurred during the previous year	Costs charged to revenue during the previous year	Intangible Assets	Account Code	Balance at the end of the previous year	Costs incurred during the year	Costs charged to revenue during the year	Balance at the end of this year
			Payments to acquire right to receive power from other bodies	18.100				
			Expenses for forming and organising the Company	18.200				
			TOTAL					

Schedule 24

(in Rupees)

INVESTMENTS

Balance at the beginning of the previous year 2007-08	Further investments during the previous year	Impairment realised during the previous year	Investments	Account Code	Balance at the end of the previous year 2007-08	Further investments during the year	Investments realised during the year	Balance at the end of the year 2008-09	Details of investment certificates pledged or given as a security deposit
			Investments in partnership/ Joint ventures						
84400000			Equity in GVK Power & Infrastructure Ltd.,	20.400	84400000			84400000	
281024090			Share Capital in APGPCL	20.405	281024090			281024090	
365424090	0	0	Sub-Total		365424090	0	0	365424090	
			Investment against funds						
128102820	0	0	Government securities	20.810	128152820	0	2215700	125938120	
	400000000		EL ENCASHMENT FUND	20.180	400000000	0	400000000	0	
2000000	0	0	Corpus Fund-Pension/PF Trusts	20.175	2000000		2000000	0	
[illegible]	400000000	0	Sub-Total		[illegible]	0	404215700	125938120	
160000000	0	160000000	Investment other than Fund Investment	20.200	0	0	0	0	
160000000	0	[illegible]	Sub-Total		0	0	0	0	
			Contingency Reserve Investment	20.600					
			Central Govt. Securities						
30200579	0		Govt. of India Bonds		30200579	0		30200579	
6687308	78321156	49849456	Treasury Bills		35159008	0	35159008	0	
100000000			State Securities -APPFC Bonds		100000000			100000000	
75900000			State Securities -APIIC Bonds		75900000			75900000	
114000000	0		APTRANSCO Vidyut Bonds (Series I/2006)		114000000	0		114000000	
	821000		Fixed Deposits in Scheduled Banks		821000	57961788		58782788	
5000000	0		APTRANSCO Vidyut Bonds (Series II/2006)		5000000	0		5000000	
121000000	0		IDBI Omni Bonds		121000000	0		121000000	
			APTRANSCO Vidyut Bonds I/2008		0	8000000		8000000	
452787887	79142156	[illegible]	Sub-Total		492080585	[illegible]	35159008	512883947	
1106344787	479142156	[illegible]	TOTAL		[illegible]	[illegible]	[illegible]	[illegible]	

TOTAL CURRENT ASSETS

Schedule 26

(in Rupees)

Sl. No.	Current Assets	Schedule No.	This Year 2008-09	Previous Year 2007-08
1	Stocks	26 (a)	2201736587	2112130427
2	Receivables against supply of power	26 (b)	489079250	700080804
3	Cash and Bank Balances	26 (c)	868119158	2508459889
4	Loans and Advances	26 (d)	13478747004	4687211748
5	Sundry Receivables	26 (e)	7911078116	7863822565
	TOTAL		24948760115	17871715203

TRANSMISSION CORPORATION OF A.P.LIMITED

ANNUAL ACCOUNTS 2008-09

STOCKS

Schedule 20(a)

(In Rupees)

Sl.No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Stock of materials at construction stores	22.600 to 22.610	2236186437	2155318920
2	Stock of materials at other stores	22.620 & 22.630	0	(37733)
3	Materials at site	22.640 & 22.650	524519	
4	Materials pending inspection	22.660 & 22.670	25191358	20551515
5	Materials in transit	22.680 & 22.690		
6	Other Materials Account	22.700	[illegible]	[illegible]
7	Materials stock excess/shortage pending investigation	22.800	(2408197)	(5089219)
8	Provision for recovery / write-off of cost of materials	22.900	[illegible]	[illegible]
	TOTAL		[illegible]	2112130427

TRANSMISSION CORPORATION OF A.P.LIMITED

ANNUAL ACCOUNTS 2008-09

TRANSMISSION & SLDC CHARGES RECEIVABLE

Schedule 26(b)
(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Sundry Debtors-Transmission charges-EPDCL	23.131	69029818	85720176
2	Sundry Debtors-Transmission charges-SPDCL	23.132	94767135	132678885
3	Sundry Debtors-Transmission charges-CPDCL	23.133	175936403	207087738
4	Sundry Debtors-Transmission charges-NPDCL	23.134	89134406	93532308
5	Sundry Debtors for intrastate Tr chrgs	23.192 & 23.870	83667698	843072
	Sub-total (1 to 5)		**473455257**	**519862190**
6	Sundry Debtors-SLDC charges-EPDCL	23.141	2220887	
7	Sundry Debtors-SLDC charges-SPDCL	23.142	3009756	
8	Sundry Debtors-SLDC charges-CPDCL	23.143	5586849	
9	Sundry Debtors-SLDC charges-NPDCL	23.144	2195701	
10	Provision for unbilled Revenue	23.400	0	19388447
11	Sundry Debtors for Intrastate SLDC chrgs	23.650	2610800	53995
	Sub-total (6 to 11)		**15623993**	**19442442**
12	Sundry Debtors - Inter-State Sale of Power	23.600	0	68488988
13	Sundry Debtors for Sale of Power - TNEB	23.640	0	92296984
	Sub-total (12 & 13)		**0**	**160785972**
	TOTAL		**489079250**	**700090604**

TRANSMISSION CORPORATION OF A.P.LIMITED

ANNUAL ACCOUNTS 2008-09

CASH AND BANK BALANCES

Schedule 26(c)

(In Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Cash on Hand	24.100	0	0
2	Cash Imprests with staff	24.200	0	6400
3	Balances with Banks - Remittances	24.300	3868152	7409439
4	Balances with Banks - Drawing A/c.	24.400	619118272	2457982817
5	Cash in Transit - Remittances	24.500	290534	2730413
6	Cash in Transit - LOCs	24.600	45842200	40861000
	TOTAL		[illegible]	[illegible]

LOANS AND ADVANCES

Schedule 26(d)

(In Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Advances for O&M supplies/works	26.100 to 26.700	184718121	165928757
2	Loans and Advances to Staff	27.100 & 27.200	171732064	134832784
3	Loans and Advances to Licensees	27.300	0	0
4	Advance Income Tax Deduction at source	27.400	158782923	24699933
5	Loans and Advances - APPCC	27.600	12985605896	4361960274
	TOTAL		13478747004	4687211748

SUNDRY RECEIVABLES

Schedule 26(a)

(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Sundry Debtors-Trading Account	28.100	38169983	42464021
2	Sundry Debtors-APGENCO	28.101	63777008	55228282
3	Amount receivable from APTRANSCO GPF Trust	28.104	12598451	6906669
4	Pension / Gratuity Fund	28.145	0	36837034
5	Interest accured and due - Govt. Loans	28.201	9442878	13573022
6	Income accured and due but not received	28.290	1588087	105584626
7	Income accrued but not due	28.390	134483363	13678446
8	Amount recoverable from employees/ Ex-employees	28.400	40231396	38560211
9	Other claims and Receivables	28.700 & 28.800	108734812	131824315
10	Deposits	28.900	7500973304	7419255667
11	Other claims under Inter unit accounts	30 to 39	98934	29040
	TOTAL		7911878118	7863822565

SECURITY DEPOSITS FROM CUSTOMERS

Schedule 27

(in Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
	NIL			

OTHER CURRENT LIABILITIES

Schedule 28

(In Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Liability for purchase of power	41.000 to 41.250	1584139355	1608198737
2	Sundry payables - Discoms	41.150 to 41.180	1915024849	1943787145
3	Short Term Loans from Banks	41.190	6998865149	4350000000
4	Sundry payables - UI & Reactive Charges	41.650	0	14456
5	Liability for capital supplies/works	42.100 to 42.300	1484852143	1018283061
6	Liability for O&M supplies/works	43.100 to 43.300	126767006	98672072
7	Staff related liabilites and provisions	44.100 to 44 400	51501155	518872522
8	Deposits and retentions from Suppliers & Contractors	46.100	12356797604	10750213658
9	APPCC Deposits	46 126	0	31035
10	Security Deposits of Op.chrgs- SLDC	46 140	59980418	38458280
11	Liability for expenses	46 400	813083838	603352156
12	Accrued liability amounts relating to borrowings	46 700	230774247	231740492
13	Provision for Income Tax	46 800	846846	393781
14	Other liabilities and provisions	46.900	779373606	846984853
15	Liability for Stale Cheques	46.910	13468224	29567061
	TOTAL	—	28214384437	21838485392

SUBSIDY RECEIVABLE FROM GOVERNMENT

Schedule 29
(In Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Capital Subsidy/Grant Receivable	28.610	0	0
2	Revenue Subsidy/Grant Receivable	28.620	0	0
	TOTAL		0	0

BORROWINGS FOR WORKING CAPITAL

Schedule 30
(In Rupees)

Sl. No.	Particulars	Account Code	This Year 2008-09	Previous Year 2007-08
1	Cash Credit from Banks	50.100	0	0
2	Bank Overdraft	50.200	0	0
	TOTAL		0	0

TRANSMISSION CORPORATION OF A.P.LIMITED

ANNUAL ACCOUNTS 2008-09

Schedule 31

(In Rupees)

PAYMENT DUE ON CAPITAL LIABILITIES

Due at the beginning of the previous year 2007-08	Becoming due during the previous year	Payments made during the previous year	Particulars	Account Code	Due at the end of the previous year 2007-08	Becoming due during the year	Payments made during the year	Due at the end of the year 2008-09
			Repayment of					
0			APSEB Bonds	51.101	0	159830000	159830000	0
0	1084032296	1084032296	Loans from REC Ltd	51.102	0	1118881389	1118881389	0
0	618039846	618039846	Loans from P F C Ltd.	51.104	0	1300641232	1300641232	0
0	9333333	9333333	Loans from L.I.C of India	51.105	0	8333333	8333333	0
100	0	0	Loans from I.D.B.I.	51.107	100	0	100	0
0	38301986	38301986	Loans from I.C.I.C.I	51.111	0	38301986	38301986	0
0	176800000	176800000	Loans from Govt. of Andhra Pradesh	51.120	0	1497050	1497000	0
0	2000000000	2000000000	Repayment to Bank of India	51.121	0	0	0	0
0	99999996	99999996	Repayment to Canara Bank	51.123	0	99999996	99999996	0
			Loan from Punjab & Sind Bank	51.141	0	4446	4445	0
0	38880196	38880196	Repayment to Andhra Bank	51.146	0	38625080	38625080	0
0	4550808	4550808	Repayment to Bank of Baroda	51.158	0	4811322	4811322	0
0	35002207	35002207	Repayment to Bank of Maharashtra	51.157	0	54725148	54725148	0
			Repayment to Allahabad Bank	51.160	0	7904	7904	0
			Repayment to Bank of Rajasthan	51.161	0	69635	69635	0
			Repayment to Karnataka Bank	51.162	0	3336	3336	0
			Repayment to Union Bank of India	51.184	0	2792	2792	0
100	4314520682	4314520682	**Total Repayments Due**		100	2826304487	2826304487	0
			INTEREST ACCRUED AND DUE					
0	11769799	11769799	-on Capital Liabilities - Govt. Loans	51.301	0	11996043	11996043	0
100	4326290481	4326290481	**TOTAL**		100	2838300530	2838300530	0

ANNUAL ACCOUNTS 2008-09

Schedule 32

(in Rupees)

CAPITAL LIABILITIES

Outstanding at the beginning of the Previous year 2007-08	Amount Received during the Previous year	Repayments due during the Previous year	Particulars	Details of interest rate, moratorium and rate applicable at the end of the year	Account Code	Outstanding at the end of Previous year 2007-08	Amount received during the year	Repayments due during the year	Outstanding at the end of the year 2008-09
			1 Bonds:						
159600000			a) APSEB Bonds 2008	11.5%	52.110	159600000		159600000	0
195300000			b) APSEB Bonds 2009	11.5%	52.110	195300000			195300000
1878300000		1377100000	c) APTRANSCO Vidyut Bonds	10.9% - 11.8%	52.111	501200000		0	501200000
	1250000000	0	d) APTRANSCO Vidyut Bonds 2007 & 2008	8.60%	52.118	1250000000	3400000000	4750000000	0
2233200000	1250000000	1377100000	Sub-Total (Bonds):			2106100000	3400000000	4909600000	696500000
			2 Loans:						
2936	0	0	i Loan from IDBI	13.5%	52.401	2936		2936	0
37333337	0	9333333	ii Loan from LIC	9%	52.501	28000004		9333333	18666671
6476378868	144194000	1064032296	iii Loan from REC Ltd	6.0% - 11.65%	53.301	5626540563	141781000	1118081369	4549820174
52522587	0	0	iv Loan from Consumers - VLC	6%	53.610	52522587			52522587
7472883418	1198052192	820132352	v Loan from PFC Ltd	8.25% - 12.50%	53.710	8850802258	1221478788	1300841232	8771440784
0	50002200	20667	vi Loan from Federal Bank	8.5%	53.722	49981533	219938144		269919479
758333345	0	99999998	vii Loan from Canara Bank	7.3%	53.723	658333347		99999996	558333351
290456730	0	38301996	viii Loan from I.C.I.C.I	7.3%	53.730	252154734		38301996	213852738
448916617	10388578	38703134	ix Loan from Andhra Bank	7.20% - 9.20%	53.746	420602061	185047932	38626060	577022433
	100000000		x Loan from Karur Vysya Bank	9.5% - 10.8%	53.755	100000000	108578578		208578578
196941984	294607675	4671435	xi Loan from Bank of Baroda	7.20% - 10.50%	53.756	486878204	1007472161	4811322	1489539063
668934281	16060738	35012827	xii Loan from Bank of Maharastra	7.40% - 9.50%	53.764	649978713	10620	64725146	585261687
	0	0	xiii Loan from Oriental Bank of Commerce	9.50%	53.765	0			0
	37000000	68527	xiv Loan from Punjab & Sind Bank	8.5% - 10.8%	53.766	36931473	152078025	4445	189005053
	152872488		xv Loan from Allahabad Bank	10.40%	53.767	152872488	164236400	7904	309001063
	14922782		xvi Loan from Bank of Rajastan	10.40%	53.768	14922782	225471796	65038	240329031
			xvii Loan from Karnataka Bank Ltd	10.40%	53.769	0	100000000	3336	99996664
			xviii Loan from Corporation Bank	10.40%	53.770	0	50000000		50000000
	100000000		xix Loan from Union Bank of India	10.40%	53.771	100000000	24806453	2793	124803660
18634787072	4378887874	3517278660	TOTAL			19496312440	7082479881	7574810423	19013987151

Note:- Loan from PFC includes Rs.2,18,11,5344 being the Rupee equivalent value of foreign currency loans of US $ 428797.14 (Loan No.31118001 US $ 170678.71 and Loan No.31118002 US $ 258218.43) @ Rs.51.10per$ (buying rate) as on 31st March 2009

TRANSMISSION CORPORATION OF A.P.LIMITED

Schedule 33
(In Rupees)

FUNDS FROM STATE GOVERNMENT

Outstanding at the beginning of the Previous year 2007-08	Amount Received during the Previous year	Repayments during the Previous year	Particulars	Details of Interest rate, moratorium and rate applicable at the end of the year	Account Code	Outstanding at the end of Previous year 2007-08	Amount received during the year	Repayments during the year	Outstanding at the end of the year 2008-09
379406000	45615000	176500000	1 Loans advanced by Government under section 64 of Electricity (Supply) Act	9.50%	54.200	248521000	4833151	21015000	232339151
379406000	45615000	176500000	Sub-Total			248521000	4833151	21015000	232339151
7792175840	0	0	2 Share capital from State Govt		54.500	7792175840			7792175840
8171581840	45615000	176500000	TOTAL			8040696840	4833151	21015000	8024514991

Authorised Share Capital	(250,00,00,000 No. of Shares @ Rs.10/-)	Rs 2500,00,00,000
Subscribed and Shares Alloted	(77,92,17,584 No. of Shares @ Rs.10/- fully paid up)	Rs. 779,21,75,840

TRANSMISSION CORPORATION OF A.P.LIMITED

CONTRIBUTIONS, GRANTS AND SUBSIDIES TOWARDS COST OF CAPITAL ASSETS

Schedule 34
(in Rupees)

Balance at the beginning of the previous year 2007-08	Received during the previous year	Sl. No.	Particulars	Account Code	Balance at the end of the previous year 2007-08	Additions during the year	Total at the end of the year 2008-09
975073788	727624833	1	Consumers' Contribution	55.100	1702698621	2376999754	4079698375
975073788	727624833		Total Consumers' Contribution		1702698621	2376999754	4079698375
		2	Subsidies towards cost of Capital Assets	55.200			
274511648		3	Grants towards cost of Capital Assets	55.300	274511648	0	274511648
1249585436	727624833		TOTAL		1977210269	2376999754	4354210023

TRANSMISSION CORPORATION OF A.P.LIMITED

RESERVE AND RESERVE FUNDS

Schedule 38

(In Rupees)

Balance at the beginning of the Previous year 2007-08	Additions during the previous year	Deductions during the previous year	Particulars	Account Code	Balance at the end of the Previous year 2007-08	Additions during the year	Deductions during the year	Balance at the end of the year 2008-09
[illegible]	2082304		Foreign Exchange variation Reserve	56.620	[illegible]	0	5715167	1221221
441178167	0	0	Contingency Reserve as per Schedule VI of Electy (Supply) Act. 1948	56.320	441178167	0	0	441178167
0	0	0	Restructuring Reserve	[illegible]	0	0	0	0
[illegible]			Capital Reserve	56.670	[illegible]	0	0	[illegible]
0	[illegible]	[illegible]	General Provident Fund	57.121 & 57.122	0	[illegible]	[illegible]	0
0	362101	362101	Family Benefit Fund	57.151	0	323704	323704	0
	[illegible]	[illegible]	GIS	57.152	0	[illegible]	[illegible]	0
5375474	[illegible]	[illegible]	GIS - Savings Fund	57.153	6751578	[illegible]	[illegible]	[illegible]
2727716	1130437	[illegible]	GIS - Insurance Fund	57.154	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	174933512	[illegible]	Pension/ Gratuity Paid (Prior to 1st Transfer Scheme)	57.170	[illegible]	[illegible]	537321075	[illegible]
[illegible]	[illegible]	[illegible]	Pension/ Gratuity Paid (After 1st Transfer Scheme)	57.171	[illegible]	385182516	[illegible]	[illegible]
[illegible]	114779100	[illegible]	Pension/ Gratuity Paid (After 1st Transfer Scheme)	57.178	[illegible]	[illegible]	[illegible]	[illegible]
0	[illegible]	[illegible]	Pension/Gratuity Fund	[illegible]	0	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	TOTAL		[illegible]	[illegible]	[illegible]	[illegible]

A. Statutory Auditors' Report

To
The Members
Transmission Corporation of Andhra Pradesh Limited,
Hyderabad

Sl. No.	Statutory Auditors Comments	Company's Replies
1	We have audited the attached Balance Sheet of M/s. Transmission Corporation of Andhra Pradesh Limited as on 31st March 2009 and the Revenue Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.	Auditors responsibility and opinion statement, hence no comments
2	We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.	Auditors statement on audit procedure and basis followed, hence no comments
3	The Annual Accounts have been prepared in the format prescribed under the Electricity (Supply)(Annual Accounts) Rules, 1985 (ESAAR 1985) as notified by the Central Government in accordance with the Electricity (Supply) Act, 1948 and inconsonance with Section 211(1) and 616(c) of the Companies Act, 1956.	APTRANSCO had prepared its Annual Accounts as per Electricity (Supply) (Annual Accounts) Rules, 1985 (ESAAR) in consonance with *Section 616 (c) and 211 (1) of the Companies Act, 1956.* Further, Section 185 (2)(d) of the Electricity Act, 2003, specifies that the ESAAR were not repealed.

4	As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor Report) (Amendment) Order 2004, issued by the Central Government of India in terms of Sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in the Paragraphs 4 and 5 of the said order.	Informatory, hence no comments.
5	As per the clarification issued by the Ministry of Law, Justice & Company Affairs, Department of Company Affairs vide No.2/5/2001-CLV; General Circular No.8/2/2002, dated 22.03.2002 the provisions of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 are not applicable to the Directors of the Company since they were appointed by the Government of Andhra Pradesh.	Factual statement by the Auditors, hence no comments.
6	Further to our comments in the Annexure referred in paragraph 4 above, we report that:	
(i)	We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit,	Auditors factual statement, hence no comments.
(ii)	In our opinion, proper books of accounts as required by law, have been kept by the company, so far as appears from our examination of those books;	Auditors factual statement, hence no comments.
(iii)	The Balance Sheet and Revenue Account dealt with by this report are in agreement with the books of account;	Auditors factual statement, hence no comments.
(iv)	In our opinion, the Balance Sheet and Revenue Account dealt with this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956, except in respect of the following Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI).	The Annual Accounts of the APTRANSCO are prepared as per the Electricity (Supply) (Annual Accounts) Rules, 1985 (ESAAR) and in consonance with *Section 616 (c) of the Companies Act, 1956. Section 211 (1) specifies that "in such other form as may be approved by the Central Government either generally or in any particular case. As such*

		the companies engaged in Generation or supply of electricity for which a form of balance sheet has been specified in or under the Act governing such class of company". Section 185(2)(d) of the Electricity Act, 2003, specifies that the ESAAR were not repealed.
	(a) AS-5 – Prior period items should refer to items, which arise out of errors or omissions and not for changes arising on account of short or excess provision made in previous years.	The policy as per ESAAR, 1985 ensures the compliance of AS-5 in addition to changes on account of short or excess provisions and fundamental errors in accounts of prior periods.
	(b) AS-6 – Depreciation is to be charged on the additions made during the year from the date of capitalization but depreciation is charged on the value of Fixed Assets at the beginning of the year as per ESAAR 1985. The Company has followed the rates notified by Government of India from time to time, instead of following the depreciation rates prescribed in the Schedule-XIV of Companies Act, 1956.	The company is following ESAAR as specified by Section 211 (1) and 616 (c) of the Companies Act, 1956. Section 205 (2) (d) of the Companies Act, 1956 specifies that depreciation shall be provided in respect of each item of depreciable asset for which no rate of depreciation has been laid down by the Companies Act, on such basis as may be approved by the Central Government by any general order published in the official gazette or by any special order in any particular case. As such the rates of depreciation notified by the Government of India through official gazette notifications specific to electricity equipments were followed. Schedule XIV of the Companies Act do not specify the equipment relating to Power Sector and Rates of Depreciation thereon. The accounting policy adopted by the Company for in respect of Depreciation was disclosed at Note No.6 in Statement 4 - Statement of Accounting Policies.

	(c) AS-16 – Capitalisation of Borrowing costs has been done as per Electricity (Supply) (Annual Accounts) Rules 1985	The company is following ESAAR as specified by Section 211 (1) and 616 (c) of the Companies Act, 1956 and Section 185 (d) of the Electricity Act, 2003. As per ESAAR the borrowing costs such as Guarantee fee, Stamp duty, Commitment charges, etc. are to be charged to Revenue Account in the year in which they were incurred. However, interest expenses on the funds utilized for capital works is being capitalized as per the procedure prescribed in ESAAR.
(v)	(a) While unbundling the Discoms from APTRANSCO the balances in various accounts of Transmission Corporation of A.P.Ltd., as on 31-03-2000 were not carried forward; instead, the balances as given in the Notification vide G.O.Ms.No.109 Energy (Power-III) Department, Government of A.P. dated 29-09-2001 were adopted.	Factual statement, hence no comments.
	(b) The balances outstanding against Sundry Debtors, Advances, Claims Receivable from Government, Sundry Creditors, Loans from A.P.State Govt., and Financial Institutions are subject to confirmation.	All the details were furnished to auditors; however, confirmation letters from some of the creditors/lenders could not be produced to audit before completion of audit.
(vi)	In our opinion and according to the best of information and explanations given to us, the said accounts together with Notes thereon and attached thereto, give the information required by the Companies Act, 1956 in the manner so required and subject to: Item No.8 of Notes to Accounts – Revenue Account (Statement-5) wherein the Interest Income of Rs.68.81 crores earned during the year on Deposit of Funds received from Government of Andhra Pradesh towards 'Lift Irrigation Works', has not been	Auditors statement and opinion on the accounts, hence no comments. The interest income earned on Deposits received from GoAP for providing transmission network to GoAP's Lift Irrigation works has been transferred to GoAP's Account as approved by the Board of

	recognized as Income on account of transfer of the same to deposits – GoAP Lift Irrigation Works and consequently the profit is lower to that extent, and further subject to our comments in paragraphs 6 (iv) and (v), give a true and fair view in conformity with the accounting principles generally accepted in India:- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009. b) In the case of Revenue Account, of the surplus of the Company for the year ended as on that date.	APTRANSCO in their meeting held on 28-06-2008.
	For ANJANEYULU & COMPANY **Chartered Accountants** Sd/- **(D.V ANJANEYULU)** **PARTNER** **Place: Hyderabad** **Date : 30-06-2009**	For and on behalf of the Board of M/s.Transmission Corporation of A.P. Ltd **(SUTIRTHA BHATTACHARYA)** **Chairman & Managing Director** **Place: Hyderabad** **Date : 29-09-2009**

ANNEXURE TO AUDITORS' REPORT
(Referred to our Report of even date)

SL No	Statutory Auditors Comments	Company's Replies
1.	a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.	Factual statement, hence, no comment.
	b) The Fixed Assets as on 31-03-2008 have been physically verified by the Management and we were informed that no material discrepancies were noticed on such verification.	Factual statement, hence, no comment.
	c) During the year no substantial part of Fixed Assets has been disposed off by the Company.	Factual statement, hence, no comment.
2.	a) As per the information and explanations given to us, physical verification of inventory has been conducted by the Management at reasonable intervals.	The stock/inventory verification is being done periodically covering all the Stores.
	b) The procedures of physical verification followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of the business.	Factual statement, hence, no comment.
	c) The Company is maintaining proper records of inventory and there are no material discrepancies on such verification.	Factual statement, hence, no comment.
3.	According to the information and explanations given to us, the Company has not granted or taken any loans Secured or Un-secured to/from Companies, firms or other parties covered in the register to be maintained under Section 301 of the Companies Act, 1956	Factual statement, hence, no comment.
4.	In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories, fixed assets and sale of goods/services. During the course of audit, we have not observed any major weaknesses in internal control.	Factual statement, hence, no comment.

5.	According to the information and explanations give to us, a) There are no transactions that need to be entered in the register to be maintained in pursuance of Section 301 of the Companies Act, 1956. b) There are no transactions of Rs.5,00,000/- or more with respect of any party during the financial year that needs to be entered in the register maintained under Section 301 of the Companies Act, 1956.	 Factual statement, hence, no comment. Factual statement, hence, no comment.
6.	The Company has not accepted any deposits from the public within the purview of Section 58A and Section 58AA of the Companies Act, 1956 and the rules framed there under.	Factual statement, hence, no comment.
7.	The Company has an Internal Audit system, which in our opinion commensurate with the size and nature of its business. However, in our opinion it is to be strengthened.	There are 4 (four) independent Chartered Accountants (with 2 assistants) assigned with the job of internal audit in APTRANSCO. Audit is being conducted at every accounting unit covering all the operational and financing activities including functional aspects.
8.	As per the information and explanations given to us, the Company is maintaining cost records as prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956.	Factual statement, hence no comments.
9.	According to the information and explanations provided by the Company that there is contribution by the Company towards Provident Fund of employees recruited on or after 01-02-1999. The voluntary contribution of employees towards General Provident Fund is maintained by APTRANSCO PF Trust. As per the information and explanations given to us, the provisions of Employees State Insurance Act are not applicable to the Company.	Factual statement, hence no comments.

	a) According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Excise Duty, Cess and Customs Duty and other statutory dues. No un-disputed amounts payable were in arrears, as on 31-03-2009 for a period of 6 months or more from the date they become payable.	Factual statement, hence no comments.
	b) According to the information and explanations given to us during to year, the details of dues of Sales Tax, Entry Tax and ESI which have not been deposited on account of disputes are given below:	Factual statement, further the fact was disclosed by way of Note No.9 and 10 in Statement-5 Notes to Accounts.

Name of the Statute	Financial year to which the matter pertains	Forum where dispute is pending	(Rs. in lakhs) Total amount Disputed	Amount paid as per Court Directions	Balance
Interest on APGST	1994-95 to 1996-97	Appellate Tribunal	4384.78		4384.78
	1996-97 & 1997-98	Appellate Tribunal	2304.74		2304.74
VAT	2005-06	AP High Court	9.89	5.17	4.72
CST	2003-04	AP High Court	15.41	7.50	7.91
Entry Tax	2002-03	Appellate Tribunal	1235.09		1235.09
	2003-04	Appellate Tribunal AP High Court	342.83	171.42	171.41
	2004-05	AP High Court	963.43	481.71	481.72
	2005-06	AP High Court	672.27	87.89	584.38
	2005-06	AP High Court	359.02	88.89	270.13
	2006-07	AP High Court	1408.19	704.10	704.09
ESI	2006-07	ESI Corp.	79.90	19.95	59.95
Total			[illegible]	[illegible]	[illegible]

10	The Company does not have accumulated loss as at 31-03-2009 and it has not incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.	Factual statement, hence no comments.

11	According to the information and explanations given to us, the Company has not defaulted in repayment of its dues to any banks or financial institutions.	Factual statement, hence no comments.
12	The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.	Factual statement, hence no comments.
13	In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to Chit Fund / Nidhi / Mutual Benefit Fund / Societies are not applicable to the Company.	Factual statement, hence no comments.
14	The Company has not dealt or traded in shares, securities, debentures or other investments during the year.	Factual statement, hence no comments.
15	According to the information and explanation given to us, the Company issued Letters of Comfort during the financial year for availing loan by EPDCL, SPDCL, CPDCL and NPDCL for an amount of Rs.899.90 crores, the terms of which are not prejudicial to the interest of the Company.	Factual statement, hence no comments.
16	According to the information and explanations given to us, the Company availed term loans and utilized the amounts for the purpose for which they have been obtained during the year.	Factual statement, hence no comments.
17	On the basis of verification of books and overall review of balance sheet and as per the related information made available to us by the management, it is ascertained that the Company has not utilized short term funds for long term investment.	Factual statement, hence no comments.
18	The Company has not made any preferential allotment of shares to parties, firms and companies covered in the register maintained under Section 301 of the Companies Act, 1956.	Factual statement, hence no comments.

19	The Company has not issued any debentures during the year.	Factual statement, hence no comments.
20	The Company has not raised any money by public issue during the year.	Factual statement, hence no comments.
21	As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.	Factual statement, hence no comments.
	For ANJANEYULU & COMPANY **Chartered Accountants** Sd/- **(D.V. ANJANEYULU)** **PARTNER** **Place: Hyderabad** **Date: 30-06-2009**	**For and on behalf of the Board of M/s. Transmission Corporation of A.P. Ltd** **(SUTIRTHA BHATTACHARYA)** **Chairman & Managing Director** **Place: Hyderabad** **Date: 29-09-2009**

II. COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED, HYDERABAD FOR THE YEAR ENDED 31ST MARCH 2009.

The preparation of financial statement of Transmission Corporation of Andhra Pradesh Limited for the year ended 31st March 2009 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 619(2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 30th June 2009.

I on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 619(3)(b) of the Companies Act, 1956 of the financial statements of Transmission Corporation of Andhra Pradesh Limited for the year ended 31st March 2009. 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 selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under section 619(4) of the Companies Act, 1956.

For and on the behalf of
The Comptroller and Auditor General of India
Sd/-
(P J MATHEW)
Accountant General (C&RA)

Place: Hyderabad
Date: 09-09-2009