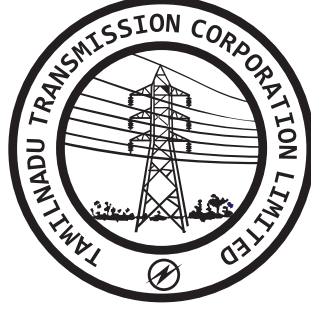




TAMIL NADU TRANSMISSION CORPORATION LIMITED

**5th ANNUAL REPORT
2013-14**

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NOTICE

NOTICE is hereby given that the adjourned Annual General Meeting of the Company which was held on 26.09.2014 and adjourned for want of 5th Annual Report, will be held at the Registered office of the Company at NPKRR Maaligai, (TNEB Office), #144, Anna Salai, Chennai – 600 002 on Friday, the 13th March 2015 at 4.30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary resolution:

“**RESOLVED THAT** the audited Balance Sheet as at 31st March 2014 and the Profit and Loss account of the Company for the period from 1st April 2013 to 31st March 2014, together with the Director’s Report and the Auditor’s Report, CAG’s Report thereon as presented to the meeting, be and the same are hereby, approved and adopted.”

2. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the requirement of Section 139 read with sub-section (5) of the Companies Act, 2013, M/s. Padmanabhan Prakash & Co. Chartered Accountants, Chennai, is appointed as Statutory Auditor of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.”

RESOLVED further that the Board of Directors of the company be and is hereby authorized to fix the fees and other terms and conditions for the statutory auditors”.

By the Order of the Board
For Tamil Nadu Transmission Corporation Limited

Place: Chennai
Date: 19.02.2015

(K. Muthupandian)
Company Secretary

DIRECTORS' REPORT

Dear Members,

The Board of Directors of Tamil Nadu Transmission Corporation Limited (TANTRANSCO) has immense pleasure in presenting its 5th Annual Report for the Year 2013-14.

2.0 FORMATION OF TANTRANSCO

The company was formed with restructuring of erstwhile Tamilnadu Electricity Board, and as a subsidiary of TNEB Limited which is a State Government company. Tamilnadu Generation and Distribution Corporation (TANGEDCO) is another subsidiary of TNEB Limited.

3.0 TRANSFER SCHEME

The Government of Tamil Nadu has approved the amendment to provisional transfer scheme (G.O. Ms. No. 100 dated 19.10.2010) transferring the assets and liabilities to the company and notified the same vide G.O. (Ms) No.2 (Energy (B2) Department), dated 02.01.2012.

4.0 PERSONNEL

- 4.1 At present all the employees of the erstwhile TNEB are considered as the employees of TANGEDCO. Those employees working in the Transmission corporation are considered to be on deputation from TANGEDCO to TANTRANSCO. All the employees are asked to continue to work on “as is where is” basis.
- 4.2 The information under Section 217 (2A) of Companies Act, 1956 read Company (Particulars of Employees) Rules, 1976 may be taken as Nil.

5.0 FINANCIAL PERFORMANCE

- 5.1 In the 1st AGM of TANTRANSCO held on 07.12.2010, the authorised share capital of the Company was increased to Rs.2500 Crores (250 Crores Equity Shares of Rs.10 each).
- 5.2 In the 3rd AGM of the company held on 27.09.2012, the authorized share capital of the Company was increased to Rs. 5000 Crores (500 Crores Equity shares of Rs.10 each).

FINANCIAL RESULTS**(Rs. in Lakhs)**

Sl. No.	Particulars	Year ended 31 st March 2014	Year ended 31 st March 2013
	INCOME		
1	Revenue from Transmission of Power	276494.75	238110.00
2	Other income	11216.14	3384.73
		287710.89	241494.73
	EXPENDITURE		
1	Repairs & Maintenance	1255.02	753.45
2	Employee Cost	70000.75	57988.53
3	Administrative and General Expenses	12475.26	2327.43
4	Other Expenses	4.00	627.40
	Less: Expenses Capitalised	(11986.43)	(8791.00)
		71748.60	52905.81
	Profit/(Loss) Before Depreciation and Interest	215962.29	188588.92
	Less: Depreciation	(31221.81)	(29934.08)
	Profit/(Loss) Before Interest and Tax	184740.48	158654.84
	Less : Interest and other Bank charges	(72390.22)	(132985.16)
	Add : Interest charges capitalised	22391.70	27169.45
	Less: Extra ordinary expenses	0.00	0.00
	Less: Prior Period Charges	(3938.15)	(29195.26)
	Profit/(Loss) Before Tax	0	0
	Less : Provision for Taxation	---	---
	Profit/(Loss) after Tax	130803.81	23643.87

6.0 DETAILS OF OPERATIONAL PERFORMANCE DURING 2013-14**6.1 Sub-stations Commissioned:**

Sl. No.	Voltage Reading	No. of SS	Total Capacity (in MVA)	Under R-APDRP		Total No. of SS	Total Capacity (in MVA)
				No. of SS	Total Capacity (in MVA)		
1.	400 KV	-	-	-	-	-	-
2.	230 KV	4	580.00	-	-	4	580.00
3.	110 KV	39	551.00	4	64	43	615.00
4.	33 KV	14	107.15	14	112	28	219.15
	Total	57	1238.15	18	176	75	1414.15

6.2 **Lines Energized:**

Sl. No.	Description	Distance (in Circuit KM)
1.	400 KV OH Line	297.500
2.	230 KV OH Line	155.042
3.	230 KV UG Cable	12.370
4.	110 KV OH Line	971.479
	Total	1436.391

6.3 **Additional / Enhancement of Power Transformers :**

Sl. No.	No. of Transformers	Capacity in MVA
1.	127	1537.55

- i. The 'All time high' demand for the financial year 2013-14 of 12799 MW was reached on 29.01.2014.
- ii. The 'All time high' consumption for the financial year 2013-14 of 281.199 MU was recorded on 26.03.2014.
- iii. The minimum demand of 7119 MW was recorded on 03.11.2013 whereas the minimum consumption was 191.979 MU on 31.11.2013.
- iv. Central Electricity Regulatory Commission has provided 'Open Access' with non-discriminatory provision for the use of transmission lines or distribution system or associated facilities with such lines or system by any licensee or consumer or a person engaged in generation in accordance with these regulations.
- v. During the financial year 2013-14, there were 46 nos. of Private generators were interfaced with the grid at 110 kV level and above.

Intra State Open Access

- Intrastate open access is being permitted to all the willing HT consumers to purchase power from the generators irrespective of quantum upto their sanctioned demand within Tamilnadu under intrastate Short term open access transactions.
- During the Financial Year 2013-14, maximum of 560 nos. of HT consumers with average of 360 nos. of HT consumers purchased power to a quantum of 1530.67 MU.

Interstate Open Access

- Interstate open access is being permitted to all the willing HT consumers to purchase power more than 1 MW from outside Tamilnadu through traders under inter-state short term open access bilateral transactions and from power exchanges under interstate short term open access collective transactions.
- During the financial year 2013-14, there were 6 Nos. of HT consumers who purchased Power to the quantum of 67.58 MU through inter-state short-term open access bilateral transactions and 356 Nos. of HT consumers who purchased power to a quantum of 547.90 MU from power exchanges under inter-state short term open access collective transactions.

Renewable Energy Certificate Mechanism:

- i) Based on CERC Orders, TNERC has designated the State Load Despatch Centre (SLDC)/ TANTRANSCO as State Agency for Accreditation of Renewable Energy Generators. The process of accreditation of new Renewable Energy Generators and recommending the projects to National Load Despatch Centre (NLDC), New Delhi for Registration, is being carried out by the Superintending Engineer/ LD&GO, Chennai-2.
- ii) 222 nos. of Renewable Energy Generators were Accredited and Registered under REC Mechanism for a capacity of 1045 MW for the financial year 2013-14 and Energy Injection Report on monthly basis is being issued to all the registered Renewable Energy Generators.
- iii) The Government of India Ministry of Corporate Affairs Cost Audit Branch, New Delhi in exercise of the powers conferred u/s 233 (1)(B) issued Cost Audit orders to audit the Cost Accounting records and books of Accounts maintained by the company in respect of Electricity Industry. Accordingly, the Board of Directors appointed Thiru C.T.Sridhar, Cost and Management Accountant as the Cost Auditor for the financial year 2013-14 which has been approved by the Central Government.

7.0 STATUTORY AUDITORS:

The C & AG of India have appointed M/s. Padmanabhan Prakash & Co., Chartered Accountants, Chennai as Statutory Auditors for auditing the Accounts of TANTRANSCO for the Financial Year 2013-14.

7.1 CAG Report

Supplement Audit was conducted by Comptroller and Auditor General of India under section 619(3)(b). C&AG has vide its letter dated 02.02.2015 communicated the Certificate. The same and the management reply for the comments are also enclosed for the ready reference of the members.

8.0 CONSERVATION OF ENERGY: TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

- 8.1 Since the 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, the details in this regard are to be taken as NIL.
- 8.2 The company is constantly working towards strengthening of the Transmission system so as to improve the reliability and quality of power and to further reduce the transmission losses.
- 8.3 The foreign exchange earnings and the outgo during the FY 2013-14 is NIL.

9.0 Directorate (Financial Year ending 31.03.2014) :

Sl.No.	Name	Designation
1.	Mr. K.Gnanadesikan, IAS	Chairman
2.	Mr. Sundaram Akshaya Kumar	Managing Director
3.	Mr. Sivagurunathan Sekkizhar	Director (Finance)
4.	Mr. K. Viswanathan	Director (Operation)
5.	Mr.P.Annadurai	Director (Part time)
6.	Mr.S.Devarajan	Director (Part time)
7.	Mr.Rajesh Lakhoni IAS., Secretary to Govt./Energy Dept.	Director (Ex-Officio)
8.	Mr. Kandasamy Shanmugam, IAS Principal Secretary to Government (Finance Department)	Director (Ex-Officio)
9.	Mr. C.V.Sankar, IAS Principal Secretary to Government/ Industries Department	Director (Ex-Officio)

10.0 Audit Committee :

In compliance with the provisions of Section 292A of the Companies Act, 1956 (as amended), an Audit Committee was constituted by the Company with Chairman and three Ex-Officio Directors of TANTRANSCO.

11.0 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 are prepared as per the Electricity (Supply) (Annual Accounts) Rules, 1985, notified under the Electricity (Supply) Act, 1948 and also in compliance of Section 616 (c) of the Companies Act, 1956. The applicable accounting standards are followed, so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year 31st March 2014; and of the revenue account for that period. The rates of depreciation adopted are as per the Regulation 24 of Tamil Nadu Electricity Regulatory Commission's (Terms & Conditions for Determination of Tariff) Tariff Regulation 2005 from time to time.
- 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.
- 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.

ACKNOWLEDGEMENTS

The Board of Directors would like to place on record its appreciation for all the support and guidance extended by the Government of Tamil Nadu, Government of India, Tamil Nadu Electricity Regulatory Commission, TNEB Limited, TANGEDCO and other Agencies such as Government Treasury, CEA, PFC, CERC, Commercial Banks and other Financial Institutions, Ministry of Corporate Affairs, Registrar of Companies and the General Public for co-operation and active support to TANTRANSCO, in our endeavor to serve them. The Board of Directors would also like to place on record its appreciation for the dedicated and committed service rendered by the employees of Corporation.

Chennai
Date: 19.02.2015

Chairman
TANTRANSCO



INDIAN AUDIT AND ACCOUNTS DEPARTMENT
O/o the Accountant General
(Economic & Revenue Sector Audit), Tamil Nadu,
Branch Office, 3rd Floor Western Wing,
Tamil Nadu Electricity Board
144, Anna Salai, Chennai – 600 002
Ph.044-28522257 – E mail: rao@tnebnet.org

No. AG(E&RSA)/BO-TNEB/DB/TANTRANSCO/2014-15/96

Dated: 2 February 2015

To
The Chairman,
Tamilnadu Transmission Corporation Limited,
144, Anna Salai,
Chennai - 600 002.

Sir,

Sub: Comments of the C&AG of India u/s 619(4) of the Companies Act, 1956 on the accounts of Tamil Nadu Transmission Corporation Ltd for the year ended 31st March, 2014 – reg.

The comments of the Comptroller and Auditor General of India under section 619(4) of the Companies Act, 1956 on the accounts of Tamil Nadu Transmission Corporation Ltd., for the year ended 31st March, 2014 are forwarded herewith.

A copy of the minutes of Annual General Meeting in which comments of Comptroller and Auditor General of India are placed in terms of section 619(5) of the Companies Act, 1956 may please be sent to this office early. Six copies of printed Annual Reports as and when they are ready may also be forwarded to this office.

Yours faithfully,

Sd/-

Deputy Accountant General/TNEB

Encl: As stated.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF TAMIL NADU TRANSMISSION CORPORATION LIMITED, CHENNAI FOR THE YEAR ENDED 31 MARCH 2014.

The preparation of financial statements of Tamil Nadu Transmission Corporation Limited, Chennai (TANTRANSCO) for the year ended 31 March 2014 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956 are 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 26th September 2014.

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 Tamil Nadu Transmission Corporation Limited, Chennai for the year ended 31 March 2014. 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 619 (4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

A. Balance Sheet

Net Assets

1. Fixed Assets and Provision for depreciation

Gross Block (Schedule - 19) – ₹14227.17 Crore

1) Non transfer of value of Assets completed and handed over by GCC/Madurai to the following distribution circles - Tuticorin (Rs.2.49 crores) and Ramnad (Rs.2.40 crores) has resulted overpayment of the above head and understatement of receivables to the extent of Rs.4.89 crores.

2) Lines and Cables network – Rs.5739.64 crores

Adjustment of entire interest accrued during construction for the year 2012-13 amounting to Rs.1.67 crores against fixed assets completed during 2013-14 instead of

allocating required portion of the expenditure to the works still under progress at Operation circle Madurai, has resulted in overstatement of Fixed assets and understatement of Work-in-Progress. The amount of such overstatement could not be quantified for want of asset-wise details of the interest allocated.

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

Place: Chennai
Date: 30 January 2015.

Sd.
(ALKA REHANI BHARDWAJ)
ACCOUNTANT GENERAL

MANAGEMENT REPLY TO THE A.G.AUDIT COMMENTS

Sl.No	Accountant General Audit Comment	Management Reply
A. Balance Sheet	Net Assets: Fixed Assets and Provision for depreciation Gross Block (Schedule – 19)-Rs. 14,227.17 Crore. 1. Non-transfer of value of assets completed and handed over by GCC/Madurai to the following Distribution Circles - Tuticorin - (Rs. 2.49 Crore) and Ramnad (Rs. 2.40 Crore.)has resulted in overstatement of the above head and understatement of receivables to the extent of Rs. 4.89 Crore.	The same would be set-right in 2014-15 accounts.
	2. Lines and cables network – Rs. 5,739.64 Crore. Adjustment of entire interest accrued during construction for the year 2012-13 amounting to Rs. 1.67 Crore. against fixed assets completed during 2013-14 instead of allocating required portion of the expenditure to the works still under progress at Operation circle Madurai, has resulted in overstatement of Fixed assets and understatement of Work-in Progress. The amount of such overstatement could not be quantified for want of asset-wise details of the interest allocated.	The same would be set-right in 2014-15 accounts.



PADMANABHAN PRAKASH & Co

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To

The Shareholders of

Tamilnadu Transmission Corporation Limited.

Report on the Financial Statements:

1. We have audited the accompanying financial statements of **TAMILNADU TRANSMISSION CORPORATION LIMITED, CHENNAI- 600 002**. (" the Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material mis-statement, whether due to fraud or error.

Auditors' Responsibility:

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material mis-statement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and Disclosure in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material mis-statement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the



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circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Qualified Opinion:

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act/ESSAR in the manner so required and **subject to our remarks below and in Annexure 'A': and consequential impact on the profit for the year and the relevant items in the Balance Sheet which are not ascertainable/not quantifiable**, give a true and fair view and in conformity with the accounting principles generally accepted in India subject to our comments elsewhere in the report:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we enclose in the Annexure-I, a statement on the matters specified in paragraphs 4 and 5 of the said Order.

1) The advances to staff generally show credit balance instead of debit balance due to non-incorporation of opening balances.

2) In the absence of full details of the income reimbursable to Tan-Transco Ltd from Tangedco Ltd, and vice versa the correctness or otherwise of these figures could not be certified in the accounts.

3) As the reconciliation has not been carried out, the correctness of the inter unit / HQ balance in the accounts could not be certified/ascertained.



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4) *The Liability for supply material shows debit balance instead of credit. This is due to non incorporation of opening balances from TNEB at the time of incorporation of TANTRANSCO.*

5) *An Amount owing to Tangedco Ltd: In most of the EDCs/GCCs/P&Cs/SLDCS/NCES, Tantransco Ltd draws money to meet salary & other administrative expenses from Tangedco Ltd. The said arrangement is in accordance with the G.O. for the provisional transfers scheme of the Government of Tamil Nadu. The balance shown in the Balance Sheet is subject to reconciliation/confirmation from Tangedco Ltd*

6) *In Most of the EDCs /NCES.. etc. month wise details of transmission charges were not available for verification. In certain instances this income is taken by debiting Tangedco Ltd and income is accounted. In certain other cases income entry is passed in the year end.*

7) *Capitalisation of Assets: In the case of many GCCs there was delay in capitalisation of WIP due to the delay on account of non closure of work order and delay in sending /accepting TDAs. This has affected timely Capitalisation of assets.*

8) *In certain GCCs/EDCS the closing stock value as on 31.03.2014 shows Negative balance since the process of incorporation of opening balance of TANTRANSCO Ltd as on 01.11.2010 from the accounts of erstwhile TNEB and consolidation of accounts is pending.*

9) *Since No Separate records are maintained for DCW Works, deposits collected are not accounted properly in the books of Tantransco . Also this work is said to be carried out on behalf of TANGEDCO Ltd and no proper control is being exercised by TRANTRANSCO over this.*

10) *Details of service tax payable by the Company from 01.07.2012 are not ascertainable in the absence of proper records by the GCCs/EDCs /P&C NCESs and Head Office Depts.*

11) *Due to the un satisfactory maintenance of accounts by the Trichy GCC by passing fictitious, imaginary, un realistic, numerous entries we are not in a position to certify the correctness of the entries and accounts of Trichy GCC and consequent consolidation of accounts.*



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12) Wherever land is purchased by TANTANSCO Ltd for establishment of Sub-Stations, the title deeds are registered in the name TANGEDCO Ltd/TNEB Ltd and not in the name of TANTRANSCO Ltd.

13) Though the Opening Balance of TNEB Ltd is not brought forward in the accounts of Transco Ltd. the Stock registers maintained in GCCs including carried forward balance from TNEB Ltd.

14) MEDIUM TERM LOAN amounting to Rs.1760.43 Crores do not show any movement during the year and no provision has been made for interest in the accounts.

15) Rs.2.11 Crores, consisting 3 credit entries appearing in the bank statement (Account Code 46900) of CANARA BANK, account of Cash Section, of head office for which no details are available.

16) The Accounts code Numbers 24301, 24401, 24600, 34110 of Cash Section, Head Office needs to be reconciled.

17) In Depreciation, there is a difference of Rs.14.40 Lakhs between the accounts and cash flow statement.

2. Attention also is invited to the following notes as stated in Note No. 2 to the accounts of the Company:

Non Compliance of Accounting Standards

- i) Valuation in respect of inventories made at standard rates instead of lower of cost or net realizable value as per accounting standard – 2 on “valuation of inventories”, the effect of which is not ascertainable in the absence of details.***
- ii) Accounting of prior period income and expenses is not complying with Accounting standard – 5 “Net profit or loss for the period, prior period items and changes in accounting policies”.***
- iii) Depreciation on additions to fixed assets is not charged in the year in which the asset is put to use, but charged in the subsequent year. This is not in compliance with Accounting standard - “Depreciation accounting”.***



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-
- iv) *Since the assets are transferred at provisional value, the same is not in line with the capitalization of assets under Accounting standard – 10 “Accounting for fixed assets”.*
- v) *Provision for long term employee benefits like GPF, CPS, Leave encashment, Gratuity etc., has not been made on the latest actuarial valuation report which is not in conformity with Accounting standard – 15 “Employee benefits”, the effects of which is not ascertainable in the absence of latest actuarial valuation report.*
- vi) *No provision is made for deferred taxation as per Accounting standard – 22 “Accounting for taxes on income”.*
- vii) *Pending final completion of transfer of assets from TNEB, the impairment of assets has not been recognized as per Accounting standard – 28 “Impairment of assets”.*
- 3) The provisions of section 274(1)(g) of the Companies Act, 1956 on the disqualification of the directors are not applicable to the company as per paragraph 8 (ii) of Notification No: 02.05.2001 CLM dated 22.03.2002 of the Department of Company Affairs, Government of India;
- 4) In our opinion and to the best of our information and to the explanations given to us, subject to :-
- a. *Note No.1 of Notes to Accounts part- II on Difference in share capital which is subject to reconciliation.*
 - b. *Note No.4 of Notes to Accounts part- II on provisional transfer of Assets under the scheme and the same may change after the finalisation of the entire reorganisation of the erstwhile TNEB and non-finalisation of Fixed Assets Register.*
 - c. *Note No.5 of Notes to Accounts part- II on confirmation for the Secured loans, Sundry creditors, Current Liabilities Sundry debtors , Loans and , Advances and Deposits.*
 - d. *Note No.6 of Notes to Accounts on non payment/provision of service tax on its services from 01-07-2012 .Provision for the same has not been made in the accounts and the quantum of the same is not ascertainable.*



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-
- e. *Note No.7 of Notes to accounts Part II on Inter Unit Accounts value of Rs. 253.53 Crs. which is subject to reconciliation.*
- f. *Note No.11(a) Accounting of annual transmission charges as per its order of the Tamilnadu Electricity Regulatory Commission dated 20.06.2013 which is different from the previous financial year.*
- g. *No provision has been made in accounts towards interest payable on the term loans from Banks as per Note No.12.*
- h. *Note No. 20 of Notes to Accounts Part II on Adjustments of certain erstwhile TNEB liabilities subsequently paid by TRANSCO after the opening balance as on 01.11.2010 is transferred in the final Transfer Scheme.*
- i. *Note No.22 Non-provision of Terminal benefits such as Gratuity/Encashment of EL/Commutation of Pension on accrual basis.*
- j. *Note No.25(i) Receipt of transmission charges and wheeling charges on account of KAIGA share and MAP share to other SR constituents.*
- k. *Non reconciliation of dues payable to Karnataka and Andhra Pradesh Govts on account of Transmission/Wheeling and Reactive energy charges.*
- 5) *The balance Sheet and Profit and Loss account are not prepared as per the Revised Schedule VI of the Companies Act 1956.*
- 6) *Depreciation rates adopted by the Company are as per the TNERC's Regulation.*
- 7) *As required by section 227(3) of the Act, we report that:*
- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, since General Ledger, Parties Ledger and other Ledgers normally maintained by the company is not available for perusal we are not in a position



PADMANABHAN PRAKASH & Co

Chartered Accountants

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E-mail: padmanabhan_prakash@yahoo.com

to comments whether proper Books of account as required by law have been kept by the Company.

- c) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the monthly accounts maintained by the Company.
- d) In our opinion the balance sheet and Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sec 211 (3C) of the Companies Act 1956 , subject to our report elsewhere in the report to the extent they are not inconsistent with the provisions of ESAAR, 1988 adopted by the Company, except as stated in Annexure ' A ' to this report.

For Padmanabhan Prakash & Co

Chartered Accountants

FRN:002509S

CA E.PRAKASH

(Partner)

Membership No. :019388

Place: Chennai

Date: 26th September, 2014



PADMANABHAN PRAKASH & Co

Chartered Accountants

5, SMITH ROAD, SECOND FLOOR

CHENNAI 600002

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The Annexure referred to in paragraph 1 of the Our Report of even date to the shareholders of Tamilnadu Transmission Corporation Limited on the accounts of for the year ended 31st March, 2014.

In terms of the information and explanation given to us and the books and records examined by us in the normal course of audit and the best of our knowledge and belief, we state as under:

i) (a) The transfer of assets and liabilities from the holding company from T N E B Limited is yet to be completed. According to the information and explanation given to us, the opening balance of assets and liabilities as on 01.11.2010 of this company have been determined provisionally. Hence, no records are maintained for fixed assets

(b) According to the information and explanation given to us the company has not disposed-off substantial part of fixed assets during the period.

c) Pending completion of transfer of assets from the Holding company to this company, no physical verification of fixed assets has been conducted during the year .

2) While the company is maintaining records for inventory, pending transfer of assets from holding company TNEB Limited including inventories which have been done provisionally, we are unable to comment on physical verification of the stock and adequacy of procedures followed for physical verification. Further we are of the opinion systems and procedures in the maintenance of stores ledger/records needs to be strengthened.

3) In our opinion and according to the information and explanation given to us, though there exists an internal control system for the purchase of inventory, fixed assets for the sale of services except for revenue accounting and cash and bank balance as given in note no. in our opinion certain systems/ controls/general controls/ information technology controls require to be strengthened/developed to make the same commensurate with the size, volume and nature of the business of the Company.

4) The company has neither granted nor taken any loans, advances in the nature of loans from parties covered in the register maintained under section 301 of the Companies Act 1956.

5) a) Based on audit procedures applied by us and information and explanation provided by the management, we are of the opinion that transactions during the



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period that need to be entered in the register maintained under section 301 of the Companies Act 1956, have been entered .

b) As per the information furnished to us, the transfers from the holding company TNEB Limited of the assets & liabilities have been made as per the G.O. Notification No.2 dated 02.01.2012 .

6). The company has not accepted any deposit from the public. The provisions of section 58A & 58AA of the companies Act ,1956 and rules framed there under is not applicable.

7) The company presently does not have an Internal Audit system commensurate with the size and nature of business .

8) The Central government has prescribed the maintenance of Cost Records u/s 209 (1) (d) of the companies Act, 1956 (G.S.R.NO 913 (E), dated 21.12.2001). The same is being maintained by the Company.

9). a) Based on our examination of books of account and according to the information and explanation given to us, In our opinion the company is regular in depositing undisputed statutory dues with the appropriate authorities **except service tax on service value realized by the company which is not presently quantifiable.**

b) **As regards contribution of GPF, the company is managing the GPF by itself and these are not deposited with provident fund trust and PF payable to the employees on the superannuation or otherwise settled by the company as and when due. The company does not have an ESI scheme for its employees As regards tax deducted at source the same is regularly deposited with the Authorities .**

c) **Details of disputed income tax or other statutory dues pertaining to this company which was part of TNEB before de-merger is yet to be ascertained and made available.**

10) The company has accumulated Losses of Rs. 2487.38 Crores up to the year 31.03.2014 of the Company.

11) No re-payment has been accounted towards the medium term loan of Rs.1760.43 Crores outstanding as on 31st March 2013 as the same is likely to be transferred to Tangedco as per the FRP in the final transfer scheme



PADMANABHAN PRAKASH & Co

Chartered Accountants

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12) According to the records of the Company, the Company has not granted any loans and Advances on the basis of security by way of pledge of shares, debenture and other securities .

13) During the year no corporate guarantee has been given by the company

14) In our opinion ,and to the best of our information and according to the explanations provided by the management .we are of the opinion that the Company is neither a Chit fund nor a nidhi/mutual benefit society. Hence in our opinion ,the requirement of clause 4(X!!!) of the order do not apply to the company .

15) As per records of the company and the information and explanations given to us by the management, the Company is not dealing or trading in shares, securities and debentures and other Investments .

16) In our opinion, and the information and explanation given to us on an overall basis the Company has obtained term loans during the period and utilized for stated purposes.

17) As per the records of the company, no funds were raised on short term basis and used for long term basis and vice versa.

18) The company has made allotment of shares to TNEB Limited as per G.O. Notification No.2 dated 02.01.2012. The terms of allotment are not prejudicial to the interest of the Company.

19) The Company has not issued any debentures, so creation of securities in respect of Debenture does not arise .

20) The company has not raised money by way of public issues .

21) According to the information and explanations furnished to us, no fraud on or by the company has been noticed or reported during the period.

For Padmanabhan Prakash & Co

Chartered Accountants

FRN:002509S

CA E.PRAKASH

(Partner)

Membership No. :019388

Place: Chennai

Date: 26th September, 2014

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS
OF THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2013-14**

Sl. No.	Observations of Statutory Auditors	Management's Reply
	Annexure A to Audit Report	
1.	Report on Other Legal and Regulatory Requirements As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we enclose in the Annexure-I, a statement on the matters specified in paragraphs 4 and 5 of the said Order and further subject to the following:	
1).	The advances to staff generally show credit balance instead of debit balance due to non-incorporation of opening balances.	In the provisional transfer scheme notified by Government of Tamil Nadu vide G.O. Ms.2 dt. 2.1.2012, the opening balances as on 31.3.2010 of erstwhile TNEB alone were given to newly formed entities. The revised opening balances based on 31.10.2010 audited accounts will be given during final transfer scheme. The same has also been mentioned in note no. 4 of the balance sheet. Hence the negative balance will be set right during final transfer of assets and liabilities to the Company.
2).	In the absence of full details of the income reimbursable to Tantransco Ltd from Tangedco Ltd, and vice versa the correctness or otherwise of these figures could not be certified in the accounts.	The intercompany transaction details are available in both TANTRANSCO and TANGEDCO circles; however the reconciliation will be completed in Head Quarters.
3).	As the reconciliation has not been carried out, the correctness of the inter unit / HQ balance in the accounts could not be certified/ascertained.	Factual. However the same will be reconciled at Head Quarters.

4).	The Liability for supply material shows debit balance instead of credit. This is due to non incorporation of opening balances from TNEB at the time of incorporation of TANTRANSCO.	In the provisional transfer scheme notified by Government of Tamil Nadu vide G.O. Ms. 2 dt. 2.1.2012, the opening balances as on 31.03.2010 of erstwhile TNEB alone were given to newly formed entities. The revised opening balances based on 31.10.2010 audited accounts will be given during final transfer scheme. The same has also been mentioned in note no.4 of the balance sheet. Hence the negative balance will be set right during final transfer of assets and liabilities to the company.
5).	An Amount owing to Trangedco Ltd: In most of the EDCs/GCCs/P&Cs/SLDCs/NCES, Tantransco Ltd draws money to meet salary & other administrative expenses from Tangedco Ltd. The said arrangement is in accordance with the G.O. for the provisional transfer scheme of the Government of Tamil Nadu. The balance shown in the Balance Sheet is subject to reconciliation/confirmation from Tangedco Ltd	Factual. However the same will be reconciled at Head Quarters.
6).	In Most of the EDCs /NCES etc. month wise details of transmission charges were not available for verification. In certain instances this income is taken by debiting Tangedco Ltd and income is accounted. In certain other cases income entry is passed in the year end.	The month wise data for income from Transmission charges, System Operating Charges etc. are available in Distribution Circles where HT invoices are raised. However Operation Circles are strictly instructed to account the same every month, in the monthly statement of accounts.
7).	Capitalisation of Assets: In the case of many GCCs there was delay in capitalisation of WIP due to the delay on account of non closure of work order and delay in sending /accepting TDAs. This has affected timely Capitalisation of assets.	Circles have been instructed strictly to close the work orders as and when works are completed and put in to beneficial use. However the same will be strictly ensured while finalizing 2014-15 accounts.

8).	In certain GCCs/EDCs the closing stock value as on 31.03.2014 shows Negative balance since the process of incorporation of opening balance of TANTRANSCO Ltd as on 01.11.2010 from the accounts of erstwhile TNEB and consolidation of accounts is pending.	In the provisional transfer scheme notified by Government of Tamilnadu vide G.O. Ms. 2 dt. 2.1.2012, the opening balances as on 31.03.2010 of erstwhile TNEB alone were given to newly formed entities. The revised opening balances based on 31.10.2010 audited accounts will be given during final transfer scheme. The same has also been mentioned in note no.4 of the balance sheet. Hence the negative balance will be set right during final transfer of assets and liabilities to the company.
9).	Since No Separate records are maintained for DCW Works, deposits collected are not accounted properly in the books of Tantransco. Also this work is said to be carried out on behalf of TANGEDCO Ltd and no proper control is being exercised by TANTRANSCO over this.	Scheme-wise/Purchase Order-wise/Work Order-wise dockets are maintained for all the works including the work being carried out under DCW basis and continuous periodical monitoring for the works carried out for TANGEDCO/TANTRANSCO by all the General Construction Circles.
10	Details of service tax payable by the Company from 01.07.2012 are not ascertainable in the absence of proper records by the GCCs/EDCs/P&C NCEs and Head Office Depts.	The circles have been advised to maintain separate records to ascertain the liability.
11	Due to the unsatisfactory maintenance of accounts by the Trichy GCC by passing fictitious, imaginary, unrealistic, numerous entries we are not in a position to certify the correctness of the entries and accounts of Trichy GCC and consequent consolidation of accounts.	All the journals proposed in the accounts by the Circle is to maintain correct accounts.
12	Wherever land is purchased by TANTRANSCO Ltd for establishment of Sub-Stations, the title deeds are registered in the name TANGEDCO Ltd/TNEB Ltd and not in the name of TANTRANSCO Ltd.	Noted. TANTRANSCO is in transitional period as the final transfer scheme regarding finalization of assets and liabilities and transfer of personnel is not yet completed. This will be set right on finalization of transfer scheme.
13	Though the Opening Balance of TNEB Ltd is not brought forward in the accounts of Transco Ltd. the Stock registers maintained in GCCs including carried forward balance from TNEB Ltd.	Factual

14	MEDIUM TERM LOAN amounting to Rs.1760.43 Crores do not show any movement during the year and no provision has been made for interest in the accounts.	The Government of India have formulated Financial Restructuring Plan (FRP) guidelines in order to rescue State Discoms from the financial crisis and accordingly the Government of Tamil Nadu has approved a Financial Restructuring Scheme for TANGEDCO vide G.O.Ms. No.142 Energy (D2) Department, dated 24.12.2012. Due to this interest on total Term Loans from Banks has not been provided in the accounts, also repayment of loan has not been accounted in the books of the company. The outstanding loan shown under Medium Term Loan Rs. 1760.43 Crs. will be transferred to TANGEDCO in Final Transfer Scheme.
15	Rs.2.11 Crores, consisting 3 credit entries appearing in the bank statement (Account Code 46900) of CANARA BANK, account of Cash Section, of head office for which no details are available.	The same will be made available
16)	The Account code Numbers 24301, 24401, 24600, 34110 of Cash Section, Head Office needs to be reconciled.	The same will be reconciled.
17)	In Depreciation, there is a difference of Rs.14.40 Lakhs between the accounts and cash flow statement.	For the purpose of Cash flow the Depreciation amount shown in the Schedule 19 has been adopted.
2	Attention also is invited to the following notes as stated in Note No. 2 to the accounts of the Company: Non Compliance of Accounting Standards	
i)	Valuation in respect of inventories made at standard rates instead of lower of cost or net realizable value as per accounting standard – 2 on “valuation of inventories”, the effect of which is not ascertainable in the absence of details.	As per para 2.20 of Annexure V of Electricity (Supply) Annual Accounts Rules, 1985 (ESAAR) issued under Sec. 69 (1) of the Electricity (Supply) Act, 1948. With the promulgation of Electricity Act, 2003, the Act of 1948 was repealed while the ESAAR has been saved by virtue of Sec. 185 of the new Act of 2003. As such, the provisions of ESAAR are still applicable.

ii)	Accounting of prior period income and expenses is not complying with Accounting standard – 5 “Net profit or loss for the period, prior period items and changes in accounting policies”.	As per provisions of ESAAR the short or excess provisions of earlier years, correction of errors made in earlier years and waiver of liabilities relating to revenue expenses of past years are treated as prior period expenses/ income and confirms with ESAAR.
iii)	Depreciation on additions to fixed assets is not charged in the year in which the asset is put to use, but charged in the subsequent year. This is not in compliance with Accounting standard - “Depreciation accounting”.	Depreciation policy is adopted as per para 2.60 of ESAAR and the same has been consistently followed and declared policy of the company.
iv)	Since the assets are transferred at provisional value, the same is not in line with the capitalization of assets under Accounting standard – 10 “Accounting for fixed assets”.	Factual. However the same will be set right once the final transfer of assets and liabilities are notified and incorporated in 2014-15 Accounts.
v)	Provision for long term employee benefits like GPF, CPS, Leave encashment, Gratuity etc., has not been made on the latest actuarial valuation report which is not in conformity with Accounting standard – 15 “Employee benefits”, the effects of which is not ascertainable in the absence of latest actuarial valuation report.	As per restructuring G.O. No. 100 dated 19.10.2010, the transfer of employees is provisional for a period of 3 years. However the company is in the process of appointing independent consultants to do actuarial valuation. Hence the actuarial valuation of liabilities towards pension commitments would be made along with the finalization of employees transfer.
vi)	No provision is made for deferred taxation as per Accounting standard – 22 “Accounting for taxes on income”.	The Question of deferred taxation does not arise, as TANTRANSCO has its own share of carried forward losses from erstwhile TNEB.
vii)	Pending final completion of transfer of assets from TNEB, the impairment of assets has not been recognized as per Accounting standard – 28 “Impairment of assets”.	Since the transfer of assets between the companies is provisional the issue will be analyzed and provided once the final transfer takes place.
3.	The provisions of section 274(1)(g) of the Companies Act, 1956 on the disqualification of the directors are not applicable to the company as per paragraph 8 (ii) of Notification No: 02.05.2001 CLM dated 22.03.2002 of the Department of Company Affairs, Government of India;	Factual

4.	In our opinion and to the best of our information and to the explanations given to us, subject to :-	
a	Note No.1 of Notes to Accounts part- II on Difference in share capital which is subject to reconciliation.	Factual.
b	Note No.4 of Notes to Accounts part- II on provisional transfer of Assets under the scheme and the same may change after the finalisation of the entire reorganisation of the erstwhile TNEB and non-finalisation of Fixed Assets Register.	Factual.
c	Note No.5 of Notes to Accounts part- II on confirmation for the secured loans, Sundry creditors, Current Liabilities Sundry debtors and Loans, Advances and Deposits.	Factual. However steps will be taken to obtain the confirmations by 31.03.2014.
d	Note No.6 of Notes to Accounts on non payment/provision of service tax on its services from 01-07-2012 .Provision for the same has not been made in the accounts and the quantum of the same is not ascertainable.	Factual.
e	Note No.7 of Notes to accounts Part II on Inter Unit Accounts value of Rs. 253.53Cr.s. which is subject to reconciliation.	Factual. However steps are being taken to reconcile the same in 2014-15 Accounts.
f	Note No.11 (a) Accounting of annual transmission charges as per its order of the Tamil Nadu Electricity Regulatory Commission dated 20.06.2013 which is different from the previous financial year.	TANTRANSCO is being collecting the Transmission Charges as determined by the Hon'ble State Commission from time to time. For the FY 2013-14, the transmission charges are collected and accounted in TANTRANSCO books as per Transmission tariff order T.P.No.2 dated 20.6.2013
g	No provision has been made in accounts towards interest payable on the term loans from Banks as per Note No.12.	Refer reply furnished for point no. 14 above.
h	Note No. 20 of Notes to Accounts Part II on Adjustments of certain erstwhile TNEB liabilities subsequently paid by TRANSCO after the opening balance as on 1.11.2010 is transferred in the final Transfer Scheme.	Factual

i	Note No.22 Non-provision of Terminal benefits such as Gratuity/Encashment of EL/Commutation of Pension on accrual basis.	As per G.O.Ms.100, dated 19.10.2010 the transfer of personnel is provisional for a period of 3 years. However, the company is in the process of appointing independent consultants to do actual valuation. Hence actuarial valuation of liabilities towards pension commitments would be made along with the finalization of employees transfer.
j	Note No.25 (i) Receipt of transmission charges and wheeling charges on account of KAIGA share and MAP share to other SR constituents.	Action has already been taken by TANTRANSCO.
k	Non reconciliation of dues payable to Karnataka and Andhra Pradesh Govts on account of Transmission/Wheeling and Reactive energy charges.	Action has already been taken by TANTRANSCO.
5	The balance Sheet and Profit and Loss account are not prepared as per Revised Schedule VI of the Companies Act 1956.	As per para 2.20 of Annexure V of Electricity (Supply) Annual Accounts Rules, 1985 (ESAAR) issued under Sec. 69 (1) of the Electricity (Supply) Act, 1948. With the promulgation of Electricity Act, 2003, the Act of 1948 was repealed while the ESAAR has been saved by virtue of Sec. 185 of the new Act of 2003. As such, the provisions of ESAAR are still applicable.
6	Depreciation rates adopted by the Company is as per the TNERC's Regulation.	Depreciation policy is adopted as per para 2.60 of ESAAR and the same has been consistently followed and declared policy of the company.
	The Annexure referred to in paragraph 1 of the Report of even date to the shareholders of Tamilnadu Transmission Corporation Limited on the accounts for the year ended 31st March, 2014. In terms of the information and explanation given to us and the books and records examined by us in the normal course of audit and the best of our knowledge and belief, we state as under:	

1)	(a) The transfer of assets and liabilities from the holding company from T N E B Limited is yet to be completed. According to the information and explanation given to us, the opening balance of assets and liabilities as on 01.11.2010 of this company have been determined provisionally. Hence, no records are maintained for fixed assets. (b) According to the information and explanation given to us the company has not disposed-off substantial part of fixed assets during the period. (c) Pending completion of transfer of assets from the Holding company to this company, no physical verification of fixed assets has been conducted during the year.	Factual. Assets registers are reconstructed in all units and updating is in progress. Physical verification of fixed assets is being carried out as a part of reconstruction of fixed assets register during the financial year.
2)	While the company is maintaining records for inventory, pending transfer of assets from holding company TNEB Limited including inventories which have been done provisionally, we are unable to comment on physical verification of the stock and adequacy of procedures followed for physical verification. Further we are of the opinion systems and procedures in the maintenance of stores ledger/records needs to be strengthened.	Periodical physical verification of inventories is being done by headquarters stores verification department.
3)	In our opinion and according to the information and explanation given to us, though there exists an internal control system for the purchase of inventory, fixed assets for the sale of services except for revenue accounting and cash and bank balance as given in note no. in our opinion certain systems/ controls/general controls/ information technology controls require to be strengthened/developed to make the same commensurate with the size, volume and nature of the business of the Company.	A comprehensive Information Technology package through Enterprise Resource Planning Software (ERP) will be implemented shortly.
4)	The company has neither granted nor taken any loans, advances in the nature of loans from parties covered in the register maintained under section 301 of the Companies Act 1956.	Factual

5)	a) Based on audit procedures applied by us and information and explanation provided by the management, we are of the opinion that transactions during the period that need to be entered in the register maintained under section 301 of the Companies Act 1956, have been entered .	Factual
	b) As per the information furnished to us, the transfers from the holding company TNEB Limited of the assets & liabilities have been made as per the G.O. Notification No.2 dated 02.01.2012.	Factual
6)	The company has not accepted any deposit from the public. The provisions of section 58A & 58AA of the companies Act, 1956 and rules framed there under is not applicable.	Factual
7)	The company presently does not have an Internal Audit system commensurate with the size and nature of business.	The company has a separate internal audit department consistently doing revenue, expenditure and concurrent audits. However steps are being taken to strengthen the internal audit department.
8)	The Central government has prescribed the maintenance of Cost Records u/s 209 (1) (d) of the companies Act, 1956 (G.S.R.NO 913 (E), dated 21.12.2001). The same is not being maintained by the Company.	Factual.
9)	a) Based on our examination of books of account and according to the information and explanation given to us, In our opinion the company is regular in depositing undisputed statutory dues with the appropriate authorities except service tax on service value realized by the company which is not presently quantifiable.	Factual In respect of service tax refer reply to para 10 above

	b) As regards contribution of GPF, the company is managing the GPF by itself and these are not deposited with provident fund trust and PF payable to the employees on the superannuation or otherwise settled by the company as and when due. The company does not have an ESI scheme for its employees .As regards tax deducted at source the same is regularly deposited with the Authorities.	Factual.
	c) Details of disputed income tax or other statutory dues pertaining to this company which was part of TNEB before de merger is yet to be ascertained and made available.	Factual.
10)	The company has accumulated Losses of Rs. 2487.38 Crores up to the year 31.03.2014 of the Company.	Factual
11)	No re-payment has been accounted towards the medium term loan of Rs.1760.43Crores outstanding as on 31st March 2013 as the same is likely to be transferred to Tangedco as per the FRP in the final transfer scheme.	Refer reply furnished for point no. 14 above.
12)	According to the records of the Company, the Company has not granted any loans and Advances on the basis of security by way of pledge of shares, debenture and other securities.	Factual
13)	During the year no corporate guarantee has been given by the company.	Factual
14)	In our opinion, and to the best of our information and according to the explanations provided by the management .we are of the opinion that the Company is neither a Chit fund nor a nidhi/mutual benefit society. Hence in our opinion, the requirement of clause 4(X!!!) of the order do not apply to the company.	Factual
15)	As per records of the company and the information and explanations given to us by the management, the Company is not dealing or trading in shares, securities and debentures and other Investments.	Factual

16)	In our opinion, and the information and explanation given to us on an overall basis the Company has obtained term loans during the period and utilized for stated purposes.	Factual
17)	As per the records of the company, no funds were raised on short term basis and used for long term basis and vice versa.	Factual
18)	The company has made allotment of shares to TNEB Limited as per G.O.Notification No.2 dated 02.01.2012. The terms of allotment are not prejudicial to the interest of the Company.	Factual
19)	The Company has not issued any debentures, so creation of securities in respect of Debenture does not arise.	Factual
20)	The company has not raised money by way of public issues	Factual

TAMIL NADU TRANSMISSION CORPORATION LIMITED					
REVENUE ACCOUNT FOR THE YEAR 2013-14			STATEMENT.1		
Sch.	Particulars	This Year 2013-14		Previous year 2012-13	
	UNITS SOLD (in MU)	0		0	
	INCOME		(Rupees in lakhs)		
1	Revenue from Sale of power	276495		238110	
4	Revenue subsidies & Grants	0		0	
5	Other Income	11216		3385	
	Total Income "A"		287711		241495
	EXPENDITURE				
6	Purchase of power	0		0	
7	Generation of Power	0		0	
8	Repairs & Maintenance	1255		753	
9	Employee costs	70001		57989	
10	Admn.& Genl.Expenses	12475		2327	
11	Depreciation & other related debits	31233		29951	
12	Interest and Finance charges	72390		132985	
	Sub Total "B"		187354		224006
	Less: Expenses capitalised:				
13	Interest & finance charges capitalised	22392		27169	
14	Other expenses capitalised	11997		8808	
	Total expenses capitalised "C"		34389		35978
	Sub Total (B) - (C)		152965		188028
15	Other Debits	4		627	
16	Extra ordinary items	0	4	0	627
	Total (D)		152969		188655
	Profit before Tax (A)-(D)		134742		52840
17	Provision for income tax		-		-
	Profit after tax		134742		52840
18	Net prior period charges/Credit		3938		29195
	SURPLUS/DEFICIT		130803		23644

Surplus as a percentage of the value of fixed assets
of the Board in service at the beginning of the year:

14.99%

2.75%

M.MAHESWARI BAI
CHIEF FINANCIAL CONTROLLER
TANTRANSCO

S.Sekkizhar
DIRECTOR/FINANCE
TANTRANSCO

R.V. SUNDARARAMAN
MANAGING DIRECTOR
TANTRANSCO

K. MUTHUPANDIAN
COMPANY SECRETARY
TANTRANSCO

FOR PADMANABHAN PRAKASH & CO.
CHARTERED ACCOUNTANTS
FRNo.002509S

(E. PRAKASH)
PARTNER
M.No.019388

Place: Chennai
Date : 26-09-2014

TAMIL NADU TRANSMISSION CORPORATION LIMITED			
NET REVENUE AND APPROPRIATION ACCOUNT FOR THE YEAR 2013-2014		STATEMENT-2	
Sl. No.	Particulars	This Year 2013-14	Previous year 2012-13
		(Rupees in Lakhs)	
1	Balance brought forward from last year	-379542	-403186
2	Surplus from Revenue Account	130803	23644
3	Credits Transferred from General Reserve.	-	-
4	Appropriations -		
	i) Contributions to Reserve and Reserve Funds	-	-
	ii) Contribution to Development Fund	-	-
	Balance carried forward	-248738	-379542

M.MAHESWARI BAI
CHIEF FINANCIAL CONTROLLER
TANTRANSCO

S.SEKKIZHAR
DIRECTOR/FINANCE
TANTRANSCO

R.V. SUNDARARAMAN
MANAGING DIRECTOR
TANTRANSCO

K. MUTHUPANDIAN
COMPANY SECRETARY
TANTRANSCO

FOR PADMANABHAN PRAKASH & CO.
CHARTERED ACCOUNTANTS
FRNo.002509S

(E. PRAKASH)
PARTNER
M.No.019388

Place: Chennai
Date : 26-09-2014

TAMIL NADU TRANSMISSION CORPORATION LIMITED					
BALANCE SHEET AS AT 31.03.2014			STATEMENT 3		
Sch. No.	Particulars	This year as at 31st March 2014		Previous Year as at 31st March 2013	
		(Rupees in lakhs)			
	NET ASSETS				
19	Gross Block		1422717		1289525
	Less: Accumulated Depreciation		441403		410276
	NET FIXED ASSETS		981314		879249
21	Capital Expenditure in Progress		512872		341570
22	Assets not in use		0		0
23	Deferred Costs		0		0
24	Intangible Assets		-		-
25	Investments		0		0
	NET CURRENT ASSETS				
26	Total Current Assets	1528031		1020853	
	Less: TOTAL CURRENT LIABILITIES				
27	Security Deposits from Consumers	0		-1	
28	Other Current Liabilities	1886239		1399519	
	TOTAL CURRENT LIABILITIES	1886239		1399518	
	NET CURRENT ASSETS		-358208		-378665
29	Subsidy Receivable from Govt.		0		0
	Deficit		248738		379542
	NET ASSETS		1384715		1221696
	FINANCED BY				
30	Borrowings for Working Capital		62743		62743
31	Payments due on Capital Liabiliites		4986		9062
32	Capital Liabilities		933813		825372
33	Funds from State Government		300989		284092
34	Contributions,Grants and Subsidies		6575		4768
35	Reserves and Reserve Funds		75609		35660
	Surplus		-		-
	TOTAL FUNDS		1384715		1221696

M.MAHESWARI BAI
CHIEF FINANCIAL CONTROLLER
TANTRANSCO

S.Sekkizhar
DIRECTOR/FINANCE
TANTRANSCO

R.V. SUNDARARAMAN
MANAGING DIRECTOR
TANTRANSCO

K. MUTHUPANDIAN
COMPANY SECRETARY
TANTRANSCO

FOR PADMANABHAN PRAKASH & CO.
CHARTERED ACCOUNTANTS
FRNo.002509S

(E. PRAKASH)
PARTNER
M.No.019388

Place: Chennai
Date : 26-09-2014

TAMIL NADU TRANSMISSION CORPORATION LIMITED					
REVENUE FROM TRANSMISSION CHARGES			SCHEDULE - 1		
Sl. No.	Particulars	Tariff	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
	I High Tension Supply				
1	Registered factories, Textiles, Tea Estate, Software industries incl. Maint. & all other Indl. Est. and Railway Traction	IA	61.210		
2	Recognised Educational Institution, Govt. Hospitals etc	IIA	61.230	0	
3	Actual place of public worship	IIB	61.290		
4	Commercial and all categories of consumers not covered under H.T. Tariff IA, IB, IIA, IIB, IV and V	III	61.260		
5	Lift Irrigation and Co-operative Soc. for Agriculture	IV	61.250		
6	Supply to Pondicherry plus wheeling charges	V	61.100		
7	Supply to Other States		61.100		
8	Supply to Traders		61.105 & 6		
	Sub Total HT (A)			0	0
	II. Low Tension Supply				
9	Domestic Purposes for lights & fans, Powerload etc.	IA	61.310		
10	Huts in Village panchayats, TAHDCO etc.	IB	61.390		
11	LT Bulk supply for railway colonies plantation worker colonies, Defence colonies, police quarters	IC	61.395		
12	Public Lighting and Public Water Supply & Sewerage	IIA	61.320		
13	Recognised Educational Instn., Studios, Cinema Theatres	IIB	61.360		
14	Actual place of public worship	IIC	61.325		
15	Cottage and Tiny Industries	IIIA-1	61.330		
16	Powerloom etc.	IIIA-2	61.331		
17	Industries not covered under L.T. Tariff IIIA (including IT)	IIIB	61.340		
18	Agriculture and Govt. seed farm	IV	61.350		
19	Commercial and all other categories not covered under IA, IB, IIA, IIB, IIIA, III B and IV	V	61.370		
20	Temp. supply, Lighting and combined installation, Lavish illuminations	VI	61.371		
	Sub Total LT (B)			0	0
	Total HT and LT {A+B} (C)			0	0
21	Less: Trial Stage Revenue earned		61.400		-
	Total (E)				-
22	Electricity Tax recovery		61.501 to 61.539		
23	Meter rent/service line rentals		61.600		
24	Recoveries for theft of power/malpractice		61.700		
	SUB TOTAL (F)			0	0
25	Transmission charges		61.800	2764,88,53,479	2380,60,65,582
26	Misc. charges from consumers (Testing Fees)		61.900	6,21,620	49,34,418
	GROSS REVENUE			2764,94,75,099	2381,10,00,000
27	Electricity Duty/E. Tax / Other State recoveries payable		61.541 to 61.579		
	GRAND TOTAL		*	2764,94,75,099	2381,10,00,000

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
REVENUE SUBSIDIES AND GRANTS			SCHEDULE – 4.	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Revenue Subsidies and grants	63.100		
	i) From Government of Tamil Nadu	63.110		
	ii) Government of India	63.120		
	iii) Subsidies against Loss on account of Fire Flood and Cyclone etc	63.200		
2	Hydel Swing Subsidy	63.160		
	TOTAL		0	0

OTHER INCOME			SCHEDULE – 5	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Interest on staff loans and advances	62.210 to 62.219	75,11,962	75,72,336
2	Income from Investments	62.220 to 62.239		
3	Interest on Loans & Advances to Licensees	62.240		
4	Delayed Payment Surcharges collected from consumers	62.250	3,30,136	
5	Interest on Advances to Suppliers/ Contractors	62.260		
6	Interest from Banks (Other than Fixed Deposit)	62.270		
7	Income from Trading	62.300	4,46,86,182	4,60,61,123
8	Rebate on Power Purchase Bills	62.365	3,07,260	
9	Income from Staff Welfare activities	62.600	1,37,535	1,52,755
10	Miscellaneous Receipts	62.900	106,86,40,680	28,46,87,342
	Total		112,16,13,755	33,84,73,556

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
PURCHASE OF POWER			SCHEDULE – 6	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Neyveli Lignite Corporation I	70.110		
2	Neyveli Lignite Corporation II	70.111		
3	Neyveli Lignite Corporation TSI - Expansion	70.112		
4	Other states (Kerala)(Short Term Open Access)	70.128		
5	Kaiga Generating Station	70.126		
6	Madras Atomic Power Station	70.130		
7	National Thermal Power Corporation	70.150		
8	N.T.P.C. Kayankulam	70.151		
9	N.T.P.C. Thalcher	70.153		
10	N.T.P.C. Eastern Region	70.154		
11	STAGE III NTPC /RSTPS SR	70.156		
12	Captive Power Plants	70.160		
13	Co-generation	70.170		
14	Wind Energy	70.190		
15	G.M.R.Power Corporation Private Limited	70.191		
16	Samalpatti Power Corporation Private Limited	70.192		
17	P P N Power generating Company Private Limited	70.193		
18	Madurai Power Corporation Private Limited	70.194		
19	STC-MS Electric Company Private Limited	70.195		
20	ABAN Power CO.	70.196		
21	Penna Electricity Ltd	70.197		
22	Power Purchase from Traders	70.600		
23	Power Trading Corporation	70.152		
24	NTPC NVVN	70.155		
25	Wheeling charges	70.400 & 70.800		
26	ABTPGCIL	70.500 & 70.503		
27	PGCIL Reactive account	70.501		
	Total		0	0

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
GENERATION OF POWER			SCHEDULE –7.	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
	FUEL CONSUMPTION			
1	Coal	71.110		
2	Oil	71.120	0	
3	Gas	71.130		
4	Naptha	71.140 to 71.199		
5	TOTAL 1 to 4		0	
6	Other fuel related costs	71.200 to 211		
7	Shortages found on physical verification of fuel stock	71.400		
8	Excess found on physical verification of fuel stock	62.700		
9	SUB-TOTAL		0	
10	SUB-TOTAL FOR FUEL COST(5+6)		0	
	OPERATING EXPENSES			
11	Cost of Water-Hydel Power	71.501		
12	Cost of Water-Thermal Power - Gas	71.502 & 504		
13	Lubricants & consumable stores	71.600		
14	Station Supplies	71.700		
15	Sub – Total for Operating expenses (11 to 14)		0	
16	Total Cost of Generation of Power (10 + 15)		0	
17	Fuel related losses	72.100		
	TOTAL (16+17)		0	0

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
REPAIRS AND MAINTENANCE			SCHEDULE –8.	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
	Repairs and Maintenance to:			
1	Plant & Machinery	74.110	8,29,50,378	5,21,42,533
2	Buildings	74.210	47,24,976	1,58,315
3	Civil Works	74.310	23,66,422	18,63,029
4	Hydraulic Works	74.410		6,950
5	Lines, Cables & Networks etc.	74.510	2,80,31,446	1,63,58,302
6	Vehicles	74.600	41,99,424	31,24,433
7	Furniture & Fixtures	74.701	36,637	24,200
8	Office Equipments	74.801	31,93,172	16,67,635
	TOTAL		12,55,02,455	7,53,45,397

EMPLOYEE COST			SCHEDULE – 9	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Salaries	75.100	209,26,62,848	185,95,18,457
2	Overtime	75.200	1,68,26,627	1,30,52,156
3	Dearness Allowance	75.300	184,90,32,463	132,40,64,659
4	Other Allowance	75.400	16,66,28,539	14,36,62,700
5	Bonus	75.500	6,96,31,706	6,16,35,584
	Sub-Total (1 to 5)		419,47,82,183	340,19,33,556
6	Medical Expenses Reimbursement	75.611	52,57,982	33,12,500
7	Leave Travel Assistance	75.612	1,68,232	2,89,795
8	Earned Leave Encashment	75.617	23,44,88,390	20,15,06,274
9	Payment Under Workmen's Compensation Act	75.629	2,92,40,042	
	Sub-Total: Other Staff Costs(6 to 9)		26,91,54,646	20,51,08,569
10	Staff Welfare Expenses	75.700	18,15,285	11,04,930
11	Terminal Benefits	75.800	246,18,88,171	214,45,99,543
12	Board's Contribution to CPS	75.870	7,24,35,191	4,61,06,456
13	Other staff costs	75.600-610		
14	Thermal/Performance/Commissioning/Golden Jubilee Incentive	75.503-510		
	SUB TOTAL (10 to 12)		253,61,38,647	219,18,10,929
	Grand Total		700,00,75,476	579,88,53,054

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
ADMINISTRATION AND GENERAL EXPENSES			SCHEDULE -10	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Rent/Rates and Taxes	76.101,103	69,76,744	87,72,829
2	Insurance	76.104,106, 107	7,39,905	7,00,574
3	Insurance(1%on the Assets of generation stations)	76.109	98,13,13,679	
4	Telephone/Postage/Telegram/ Telex charges	76.111 to 119	1,09,13,740	1,15,80,894
5	Legal Charges	76.120,121	1,00,98,929	65,01,506
6	Audit Fees	76.122	5,50,000	5,00,000
7	Consultancy Charges	76.123	2,64,02,553	54,69,851
8	Technical Fees	76.124	6,41,839	2,57,602
9	Other Professional Charges	76.125,126 & 129	5,58,933	3,34,671
10	Conveyance & Travel	76.131 to 140	10,27,99,579	10,94,69,808
	Sub-Total		114,09,95,901	14,35,87,735
	OTHER EXPENSES			
1	Fuel for operating machines	76.108	0	
2	Fees & Subscription	76.151	65,258	1,55,163
3	Books & Periodicals	76.152	41,151	39,601
4	Printing & Stationery	76.153	42,22,897	52,16,827
5	Training Expenses	76.154	7,63,544	3,04,583
6	Advertisement Expenses	76.155	7,94,743	6,88,496
7	Subscriptions/Contributions to Books & Periodicals	76.157		
8	Electricity Charges	76.158	1,27,63,562	47,19,546
9	Water Charges	76.160	19,70,719	13,61,225
10	Entertainment/Recreations for employees	76.162		
11	Watch and Ward Expenses.	76.163	5,33,28,590	5,01,35,544
12	Petty Office Maintenance Expenses.	76.164	14,73,025	67,06,193
13	Miscellaneous Expenses	76.190	81,53,321	28,09,028
	Sub-Total		8,35,76,810	7,21,36,206
14	Freight	76.210 to 240	1,86,01,389	1,27,27,821
15	Other Purchase related Expenses.	76.270 to 281	41,45,644	14,33,329
16	Honorarium (Food Allow.) for SO in Chennai	76.194		

TAMIL NADU TRANSMISSION CORPORATION LIMITED

17	Reward for theft of energy/ Spl reward vigilance	76.127 & 76.128		
18.	Material related expenses	76.200-76.209		
19	Registrar of Companies	76.300 to 899	2,06,583	28,58,136
20	Fringe Benefit Tax	76.193		
	Sub-Total		2,29,53,616	1,70,19,286
	GRAND TOTAL		124,75,26,327	23,27,43,227

DEPRECIATION AND RELATED DEBITS(NET) SCHEDULE -11

SL NO	Particulars	Account Code	This year 2013-14	Previous year 2012-13
			Rs.	Rs.
1	Depreciation	77.100,200	312,32,54,147	299,51,35,264
2	Asset decommissioning costs	77.500		
3	Small and low value items	77.600		
4	Sub-Total (1 to 3)		312,32,54,147	299,51,35,264
5	Written down value of assets scrapped	77.710		
6	Write off of deficits of fixed assets observed upon Physical verification	77.720		
7	Loss on sale of Fixed assets	77.730		
8	Others	77.300 to 77.499		
9	Sub-Total (5 to 8)		0	0
10	Total Debits (4+9)		312,32,54,147	299,51,35,264
11	LESS: Gain on sale of Assets.	62.400		
	TOTAL		312,32,54,147	299,51,35,264

INTEREST AND FINANCE CHARGES			SCHEDULE –12.	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Interest on State Govt. Loan	78.100		
2	Interest on bonds	78.200	127,46,70,259	130,01,65,876
3	Interest on Debentures	78.300		
4	Interest on Foreign Currency Loans/credits	78.400		
5	Interest on other Loans/ Deferred credits	78.500	552,75,55,124	1155,84,53,243
6	Penal Interest in respect on Capital liabilities	78.591 to 78.599	6,05,75,742	11,31,70,823
7	Interest on Security deposit from consumers	78.600		
8	Interest on MCD	78.610		
	TOTAL INT.ON CAPITAL LIABILITIES		686,28,01,125	1297,17,89,942
9	Interest on borrowings for Working Capital	78.700		
	OTHER INT.& FINANCE CHARGES			
10	Other Interest and Finance Charges	78.820 to 839		
11	Interest on Hydro Balancing Fund	78.841 to 845		
12	Interest on General provident Fund	78.852	20,11,29,529	19,70,78,501
13	Other Interest	78.853 to 860	5,16,53,610	3,80,68,659
14	Cost of raising finance	78.861 to 873	3,63,73,307	
15	Other Bank Charges/Penal int for E.tax	78.874 to 883	3,86,047	3,78,983
16	Guarantee commission to State Government	78.884 to 899	8,66,78,575	9,12,00,000
	TOTAL		723,90,22,193	1329,85,16,085

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
INTEREST AND FINANCE CHARGES CAPITALISED			SCHEDULE-13	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
	INTEREST CHARGES CAPITALISED			
1	Normal Interest Capitalised	78.910	1,42,11,603	2,44,59,718
2	Interest during Construction stage	78.900	222,49,58,494	269,24,85,473
	TOTAL		223,91,70,097	271,69,45,191

OTHER EXPENSES CAPITALISED			SCHEDULE-14	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Repair and Maintenance Capitalised	74.900	2,27,08,750	63,37,965
2	Employee cost Capitalised	75.900	78,46,54,340	65,71,09,614
3	Fabrication charges added to the stock	76.282	51,138	
4	Administration and General Expenses Capitalised	76.900	39,12,29,192	21,56,51,962
5	Depreciation and other related costs capitalised	77.900	10,73,268	17,27,327
6	Other debits capitalised	79.900		
7	Capitalisation of cost of gen. during Trial stage	71.900		
	TOTAL		119,97,16,688	88,08,26,868

OTHER DEBITS			SCHEDULE –15.	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Material Cost Variance	79.100		
2	Research & Development Expenses	79.200		
3	Bad and Doubtful Debts Written off/provided for	79.400		
4	Miscellaneous losses and write off	79.500	4,00,000	6,27,40,288
5	Sundry Expenses/Rebate on SOP/Tr.charges	79.700/ 79.610		
6	Intangible asset written off	79710		
7	Provision for Hydro Balancing Fund	79750		
	TOTAL		4,00,000	6,27,40,288

WORKING OF INTEREST DURING CONSTRUCTION 2013-14			
		ACS	BNA
Particulars based on	(Rupees in thousand)		
1.(a) and (b)			
Net Assets shown in Balance Sheet	13,84,71,562		
Asset at Constn. Stage as per schedule 21 (prior to charging IDC)	4,90,62,181	4,90,62,181	8,94,09,381
2. Reducing of ACS due to excess }			
Liab.over stores & Payment. }			
Liab.for Cap.Supply and Works schedule 28 item 3 A	67,74,616		
Current Assets Cap.Stores schedule 26 a item 4 1	24,07,291		
Adv.for Cap.Supply schedule 21 item 6 2	16,72,772		
B(1+2)	40,80,063		
As 'B' is more than 'A' no reduction is necessary			
3. BNA includes current Assets/ Liabilities			
Hence no further adjustment			
4.Classification of Funds as per Balance Sheet			
Borrowing for Working Capital schedule 30	62,74,220		
Payment due on Capital Liabilities schedule 31	498645		
Loan having int.holiday and other int. free Liab.sch.34	0		
Reserve Funds			
Reserve Fund Sch.35	36,11,637		
Reserves	39,49,307		
Int. bearing Cap.liab.Sch.32	9,33,81,339		
Consumer contribution & grants towards cost of capital assets	6,57,510		
Equity sch.33	3,00,98,904		
Total	13,84,71,562		
TALLY WITH TOTAL ASSET SIDE	13,84,71,562		
Adjustment to ACS & BNA based on para 5	13,84,71,562	4,90,62,181	8,94,09,381
5. a. Deducting borrowing for working capital and payment due on Cap.liabilities from BNA	62,74,220		62,74,220
SUBTOTAL (5-5a) I	13,21,97,342	4,90,62,181	8,31,35,161
5.b. Payments due on Capital Liabilities	0		0
5.c. Int. free Loans, int. holiday Funds} spread over ACS & BNA }	0	0	0
SubTotal I-5.c II	13,21,97,342	4,90,62,181	8,31,35,161
5.d. Investment against funds	0	0	0
5.e. Determination of own Funds:			
1 Reserves fund over Investment	36,11,637		
2 Reserves	39,49,307		
3 Equity Share Capital	3,00,98,904		

4 Consumer contribution & grants towards cost of capital assets	6,57,510		
SUBTOTAL (5e(1+2+3+4)) III	3,83,17,358	1,35,76,312	2,30,04,866
Net Total II-III	9,38,79,984	3,54,85,869	6,01,30,295
6.BNA AND ACS MATCHED WITH INT. BEARING LIAB.			
7. Averaging ACS&BNA on OB&CB.		ACS	BNA
Balance at the beginning of the year	8,51,09,981	2,31,06,558	6,20,03,423
Balance at the closing of the year	9,56,16,164	3,54,85,869	6,01,30,295
AVERAGE VALUE OF ACS&BNA	9,03,63,073	2,92,96,213	6,10,66,859
8. Int.payable on Cap.Liab.as per Sch.12	68,62,801	22,24,958	46,37,843
THEREFORE IDC TO BE CHARGED	Rs.	222,49,58,494	

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
EXTRA ORDINARY ITEMS			SCHEDULE-16	
Extra-ordinary items are defined as "Those items which arise from events or transactions outside the ordinary activities of the Board and which are both materials and expected not to recur frequently or regularly". They do not include items, which though exceptional in terms of amount and occurance (and which may therefore require separate disclosure) arise from the events or transctions within the ordinary activities of the Board. Similarly prior period items are not extra ordinary items merely because they relate to the prior year.				
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Extra-ordinary credits (including subsidies against loss on account of flood, fire cyclone etc.,)	63.200		
	Total credits			
2	Extra-ordinary debits (including subsidies against loss on account of flood, fire cyclone etc.,)	79.800	0	0
	TOTAL DEBITS		0	0
3	Extra Ordinary items (Net)		0	0

PROVISION FOR INCOME TAX			SCHEDULE –17	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Provision for income tax	46.800	-	-
	TOTAL		-	-

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
NET PRIOR PERIOD CREDITS/CHARGES			SCHEDULE-18	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Income relating to previous year			
a.	Fuel related gains	65.100		
b.	Receipts from consumers	65.200	18,30,59,488	3,73,85,957
c.	Interest Income	65.400		6,31,539
d.	Excess provision for I.T.	65.500	1,43,310	2,92,945
e.	Excess provision for Depreciation	65.600		
f.	Excess provn. for Int.& Fin. charges	65.700	2,07,00,126	9,14,47,946
g.	Other excess provision	65.800	18,29,82,280	1,52,63,090
h.	Other income	65.900	212,98,70,200	10,16,47,747
	Total		251,67,55,404	24,66,69,224
2	Prior Period Expenses/losses			
a.	Short provision for power purchase	83.100		
b.	Fuel related losses and expenses	83.200		
c.	Operating expenses	83.300	4,38,921	19,425
d.	Material related expenses	83.400	29,756	41,495
e.	Employees cost	83.500	61,12,75,863	290,06,03,540
f.	Depreciation under provided	83.600		
g.	Interest & Finance charges	83.700	1,17,45,382	13,46,44,363
h.	Other charges	83.800	228,70,80,383	13,08,87,336
	Total		291,05,70,305	316,61,96,159
3	Net Prior period credits (A/C Code 65)		0	0
	Net Prior period charges (A/C Code 83)		39,38,14,901	291,95,26,935

TAMIL NADU TRANSMISSION CORPORATION LIMITED						
FIXED ASSETS AND PROVISION FOR DEPRECIATION GROSS BLOCK				SCHEDULE-19		
"Sl. No"	Asset Group	Ac-count Code No.	At the end of previous year 2012-13 Rs.	Additions during 2013-14 Rs.	Deductions during 2013-14 Rs.	At the end of the year 31.03.2014 Rs.
1	Land and Land rights	10.100	28,78,11,26,092 (28,67,00,15,187)	5,31,42,359 (11,11,10,905)	 (0)	28,83,42,68,451 (28,78,11,26,092)
2	Buildings	10.200	338,00,53,559 (330,81,77,476)	22,02,98,816 (720,15,373)	20,01,329 (1,39,290)	359,83,51,046 (3,38,00,53,559)
3	Hydraulic works	10.300	2,24,93,226 (22,326,311)	27,402 (1,66,915)	0	2,25,20,628 (2,24,93,226)
4	Other civil works	10.400	125,16,71,729 (1,21,79,27,667)	95,37,07,414 (34,541,933)	48,71,057 (7,97,871)	220,05,08,086 (1,25,16,71,729)
5	Plant & Machinery	10.500	43,90,17,71,322 (41,61,03,93,310)	518,25,17,089 (2,30,30,22,421)	1,21,19,165 (1,16,44,409)	49,07,21,69,246 (43,90,17,71,322)
6	Lines & Cables Net-work	10.600	50,48,28,77,804 (48,67,08,00,172)	692,42,61,109 (1,81,21,42,835)	1,06,99,648 (65,203)	5739,64,39,265 (50,48,28,77,804)
7	Vehicles	10.700	25,25,55,973 (25,25,19,479)	16,82,158 (55,234)	21,76,372 (18,740)	25,20,61,759 (25,25,55,973)
8	Furniture & Fixtures	10.800	20,81,76,446 (20,77,87,706)	59,61,777 (3,96,185)	47,740 (7,445)	21,40,90,483 (20,81,76,446)
9	Office Equipment	10.900	67,10,95,108 (66,95,74,887)	97,38,861 (15,89,866)	1,94,271 (69,645)	68,06,39,698 (67,10,95,108)
	Sub-Total		128,95,18,21,259 (124,62,95,22,195)	13,35,13,36,985 (433,50,41,667)	3,21,09,582 (12,742,603)	142,27,10,48,662 (128,95,18,21,259)
10	Capital Expenditure Resulting in an asset not belonging to the Board	11.100	6,31,617 (631,617)		0 (0)	6,31,617 (631,617)
11	Spare Units	11.200				0
12	Capital Spares at Generating Station	11.300				0
13	Assets taken over from Licencees pending Final Valuation	11.400				0
14	Leased Assets	11.700				0
	TOTAL		6,31,617 (631,617)	0 (0)	0 (0)	6,31,617 (631,617)
	GRAND TOTAL		12895,24,52,876 (124,630,153,812)	1335,13,36,985 (4,335,041,667)	3,21,09,582 (12,742,603)	14227,16,80,279 (128,952,452,876)
Note: Figures shown in brackets relates to previous year.						

TAMIL NADU TRANSMISSION CORPORATION LIMITED						
FIXED ASSETS AND PROVISION FOR DEPRECIATION				SCHEDULE-19		
DEPRECIATION						
"Sl. No"	Asset Group	Account Code No.	At the end of previous year 2012-13 Rs.	Additions during 2013-14 Rs.	Deductions during 2013-14 Rs.	At the end of the year 31.03.2014 Rs.
1	Land and Land rights	12.100	0			0
2	Buildings	12.200	56,60,76,724	5,99,26,735		62,60,03,459
			(50,74,43,757)	(586,32,967)		(56,60,76,724)
3	Hydraulic works	12.300	68,24,178	5,54,431		73,78,609
			(62,74,037)	(5,50,141)		(68,24,178)
4	Other civil works	12.400	22,07,67,797	2,15,93,786		24,23,61,583
			(19,97,81,404)	(2,09,86,393)		(22,07,67,797)
5	Plant & Machinery	12.500	18,97,11,39,043	1,54,23,22,608	9,12,068	2051,25,49,583
			(17,51,17,93,300)	(1,45,93,48,803)	(3,060)	(18,97,11,39,043)
6	Lines & Cables Network	12.600	20,57,35,18,290	143,79,37,171	90,25,454	22,00,24,30,007
			(19,18,30,07,151)	(1,39,06,09,989)	(98,850)	(20,57,35,18,290)
7	Vehicles	12.700	26,43,88,665	1,97,27,680	18,56,372	28,22,59,973
			(24,61,79,285)	(1,82,26,246)	(16,866)	(26,43,88,665)
8	Furniture & Fixtures	12.800	14,63,81,326	89,88,810	41,616	15,53,28,520
			(13,60,51,165)	(1,03,31,281)	(1,120)	(14,63,81,326)
9	Office Equipment	12.900	27,78,58,653	3,36,15,346	1,40,284	31,13,33,715
			(24,14,60,807)	(3,64,15,527)	(17,681)	(27,78,58,653)
	Sub-Total		41,02,69,54,676	3,12,46,66,567	1,19,75,794	44,13,96,45,449
			(38,03,19,90,906)	(2,99,51,01,347)	(1,37,577)	(41,02,69,54,676)
10	Capital Expenditure Resulting in an asset not belonging to the Board	13.100	5,91,225			5,91,225
			(5,91,225)			(5,91,225)
11	Spare units	13.200	37,829	37,829		75,658
				(37,829)		(37,829)
12	Capital Spares at Generating Station	13.300				0
13	Assets taken over from Licencees pending Final Valuation	13.400				0
14	Leased Assets	13.700				0
	TOTAL		6,29,054	37,829	0	6,66,883
			(5,91,225)	(37,829)	(0)	(6,29,054)
	GRAND TOTAL		41,02,75,83,730	3,12,47,04,396	1,19,75,794	44,14,03,12,332
			(38,03,25,82,131)	(2,99,51,39,176)	(1,37,577)	(41,02,75,83,730)
Note: Figures shown in brackets relates to previous year.						

Note: Figures shown in brackets relates to previous year.

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
FIXED ASSETS AND PROVISION FOR DEPRECIATION NET BLOCK			SCHEDULE-19	
Sl. No.	Asset Group	Account Code No.	At the end of the year 31.03.2014 Rs.	At the end of the year 31.03.2013 Rs.
1	Land and Land rights	10.100	28,83,42,68,451	28,78,11,26,092
			(28,78,11,26,092)	(28,67,00,15,187)
2	Buildings	10.200	297,23,47,587	281,39,76,835
			(281,39,76,835)	(2,80,07,33,719)
3	Hydraulic works	10.300	1,51,42,019	1,56,69,048
			(1,56,69,048)	(160,52,274)
4	Other civil works	10.400	195,81,46,503	103,09,03,932
			(103,09,03,932)	(1,01,81,46,263)
5	Plant & Machinery	10.500	28,55,96,19,663	24,93,06,32,279
			(24,93,06,32,279)	(24,09,86,00,010)
6	Lines & Cables Network	10.600	35,39,40,09,258	29,90,93,59,514
			(2990,93,59,514)	(29,48,77,93,021)
7	Vehicles	10.700	-301,98,214	-118,32,692
			-(118,32,692)	(63,40,194)
8	Furniture & Fixtures	10.800	5,87,61,963	6,17,95,120
			(6,17,95,120)	(717,36,541)
9	Office Equipment	10.900	36,93,05,983	39,32,36,455
			(39,32,36,455)	(42,81,14,080)
	Sub-Total		9813,14,03,213	8792,48,66,583
			(8792,48,66,583)	(8659,75,31,289)
10	Capital Expenditure Resulting in an asset not	11.100	40,392	40,392
			(40,392)	(40,392)
11	Spare units	11.200	-75,658	-37,829
			-(37,829)	(0)
12	Capital Spares at Generating Station	11.300	0	0
			(0)	(0)
13	Assets taken over from Licencees pending Final	11.400	0	0
			(0)	(0)
14	Leased Assets	11.700	0	0
			(0)	(0)
	TOTAL		9813,13,67,947	8792,48,69,146
			(8792,48,64,020)	(8659,75,71,681)
Note: Figures shown in brackets relates to previous year.				

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
CAPITAL EXPENDITURE IN PROGRESS			SCHEDULE -21	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Capital work in progress	14&18	4552,70,54,998	2899,88,58,406
2	Contract in progress	15.1		
	SUB-TOTAL		4552,70,54,998	2899,88,58,406
3	Revenue Expenses pending allocation over capital works	15.2	377,93,22,167	397,17,67,994
4	Provision for completed work	15.5	30,70,13,492	2,19,77,154
5	Construction facilities	15.6	9,76,608	9,76,608
	Assets at construction stage (1 to 5)		4961,43,67,265	3299,35,80,162
6	Advances for suppliers/ Contractors (Capital)	25.100 to 25.900	167,27,71,923	116,33,88,266
	TOTAL		5128,71,39,188	3415,69,68,428
Note: - Under the standard rate based valuation, certain fast moving items of stores are charged to works at their standard rates and not at actual cost. For the year as a whole, the variance between the standard rate and the actual cost is transferred to Material Cost Variance A/C. The balance in the MCV A/C at the year end will be transferred to MCV Reserve. For the current year MCV A/C shows excess of actual over the standard cost to the extent of Rs.0.00 lakhs on the total purchases of materials .(for use for both capital and O&M) - Contracts in progress represents the portion of interim payments made to contractors for Capital works executed. Capital works to the tune of Rs.282.36 cr is in progress. The title of the assets is to pass on to the Board only upon completion of the contract. - Depreciation on construction facilities charged during the year is NIL.				

TAMIL NADU TRANSMISSION CORPORATION LIMITED									
ASSETS NOT IN USE					SCHEDULE -22				
Balance in the beginning of the year 1.4.2012 Rs.	Additions during the year 2012-13 Rs.	Deductions during the year 2012-13 Rs.	SI No.	Asset Group	Account Code	Balance in the beginning of the year 1.4.2013 Rs.	Additions during 2013-14 Rs.	Deductions during the year 2013-14 Rs.	Balance at the end of the year 31.03.2014 Rs.
9,717	2,19,367	2,20,425	1	Written down Value of obsolete scrapped Assets	16.100	8,659	49		8,708
9,717	2,19,367	2,20,425		Total		8,659	49	0	8,708
DEFERRED COSTS									
SCHEDULE-23					SCHEDULE-23				
Balance in the beginning of the year 1.4.2012 Rs.	Cost deferred during the pr. year 2012-13 Rs.	Cost charged to Revenue during pr. Year 2012-13 Rs.	SI No.	Particulars	Account Code	Balance in the beginning of the year 1.4.2013 Rs.	Cost deferred during the year 2013-14 Rs.	Cost charged to Revenue during the year 2013-14 Rs.	Balance at the end of the year 31.03.2014 Rs.
			1	Deferred Revenue Expr compensation for premature take over of licensee	17.200				
			2	Total Deferred Revenue expr.	17.221				
0	17,300	17,300	3	Expenditure on survey/feasibility studies of projects not yet sanctioned	17.300	0			0
0	17,300	17,300		Total		0	0	0	0

TAMIL NADU TRANSMISSION CORPORATION LIMITED									
INTANGIBLE ASSETS					SCHEDULE-24				
Balance in the beginning of the year 1.4.2012 Rs.	Cost incurred during the pre.year 2012-13 Rs.	Cost charged to Revenue during pr.Year 2012-13 Rs.	Sl No.	Intangible Assets	Account Code	Balance in the beginning of the year 1.4.2013 Rs.	Cost incurred during the year 2013-14 Rs.	Cost charged to Revenue during the year 2013-14 Rs.	Balance at the end of the year 31.03.2014 Rs.
-	-	-	1	Payment to acquire right to receive power from other bodies	18.100	-	-	-	-
-	-	-							-
-	-	-	2	Expenses for forming and organising the Board	18.200	-	-	-	-
0	0	0		TOTAL		0	0	0	0

INVESTMENTS							SCHEDULE-25			
Balance in the beginning of the year 1.4.2012 Rs.	Further investment dur. pr.year 2012-13 Rs.	Investment realised dur.pr.year 2012-13 Rs.	Sl No.	Investments	Account Code	Balance in the beginning of the year 1.4.2013 Rs.	Additions during the year 2013-14 Rs.	Deductions during the year 2013-14 Rs.	Balance at the end of the year 31.03.2014 Rs.	
			1	Investments against fund	20.1	0	-	-	0	
0	-	-		SUB-TOTAL		0	-	-	0	
			2	Investment other than fund invst.	20.2	0	0		0	
0	0	0		SUB-TOTAL		0	0	0	0	
			3	Investment in subsidiaries	20.3	-	-	-	-	
-	-	-		SUB-TOTAL		-	-	-	-	
			4	Investments Partnership joint ventures	20.4	0			0	
0	0	-		SUB-TOTAL		0	0	0	0	
0	0	0		GRAND TOTAL		0	0	0	0	

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
TOTAL CURRENT ASSETS			SCHEDULE –26	
SL NO	Particulars	Schedule No.	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Stocks	26(a)	441,76,33,042	444,39,70,770
2	Receivables against supply of power	26(b)	6741,02,72,616	5207,82,09,365
3	Cash and Bank Balances	26(c)	32,18,04,719	42,51,93,586
4	Loans and Advances	26(d)	10,59,09,979	10,19,51,775
5	Sundry Receivables	26(e)	8308,28,58,109	4401,33,50,093
	TOTAL		15533,84,78,465	10106,26,75,589
6	Inter Unit Balance		-2,53,53,22,348	1,02,26,33,257
	TOTAL		15280,31,56,117	10208,53,08,846
STOCKS			SCHEDULE –26(A)	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Fuel Stocks - Coal	21.101		
	Fuel Stocks - Oil	21.105		
2	Coal in Transit	21.121		
3	Coal Shortages to be written off	21.130		
4	Stock of materials at construction stores	22.60 & 22. 61	240,72,91,295	253,48,25,265
5	Stock of Materials at other stores	22.62 & 22. 63	-12,11,43,136	-12,39,32,081
6	Materials at site	22.64 & 22.65		
7	Materials pending Inspection	22.66 & 22.67	4,88,36,438	-1,59,81,441
8	Materials in Transit	22.68 & 22.69		
9	Other Materials accounts	22.7	208,26,20,445	204,90,59,027
10	Fuel Stock Excess/shortages pending Investigation	21.2		
11	Materials stock Excess/ Shortages pending Invgn.	22.8	28,000	0
	TOTAL		441,76,33,042	444,39,70,770

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
RECEIVABLES AGAINST SUPPLY OF POWER			SCHEDULE –26(B)	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Sundry Debtors for Sale for Power	23.1	6739,93,61,766	5206,76,55,218
2	Sundry debtors for Inter state sale of power	23.6	1,05,54,147	1,05,54,147
3	Sundry debtors for Electricity Tax	23.2		
4	Provision for unbilled Revenue	23.4	3,56,703	0
5	Sundry Debtors for sale of power to traders	23.121 to 129		
6	Dues from permanently disc.consumers(net of SD forfeited)	23.5		
7	Sundry Debtors- Miscellaneous Receipts from consumers	23.7		
8	Other Receivables	23.8		
	SUB-TOTAL		6741,02,72,616	5207,82,09,365
9	Less: Provision for doubtful dues from consumers	23.9		
	TOTAL		6741,02,72,616	5207,82,09,365

CASH AND BANK BALANCES			SCHEDULE –26(C)	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Cash on hand	24.1	3,43,34,760	5,75,88,700
2	Cash Imprests with staff	24.2	1,10,14,675	-2,63,23,126
3	Balance with Banks:			
	Collection Account	24.3	4,67,23,467	22,30,72,566
	Drawing Account	24.4	17,31,68,817	16,25,88,446
4	Cash in Transit	24.5 & 24.6	5,65,63,000	82,67,000
	TOTAL		32,18,04,719	42,51,93,586

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
LOANS AND ADVANCES			SCHEDULE –26(D)	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Advance for O&M Supplies/ Works	26.1 to 26.7	1,86,228	2,02,581
2	Advance for Fuel Supplies	26.8		
	Sub-Total (1 & 2)		1,86,228	2,02,581
3	Loans and Advances to Staff	27.1&27.2	10,39,17,432	9,99,96,248
4	Loans and Advances to Licensees	27.3		
5	Advance Income Tax/ deduction at source	27.4	18,06,319	17,52,946
6	Central Payment Control Account	27.5		
7	Loans and Advances	27.8		
	Sub-Total (3 to 7)		10,57,23,751	10,17,49,194
8	Less Provision for doubtful Loans and Advances	27.9		
	TOTAL (1 to 7 (-) 8)		10,59,09,979	10,19,51,775
SUNDRY RECEIVABLES			SCHEDULE –26(E)	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Sundry Debtors/Trading account	28.100	-32,45,118	-49,29,549
2	Income accrued and due on Investments	28.210 to 240		
3	Other income accrued and due	28.290		
4	Income accrued but not due	28.300		
5	Amount recoverable from Employees/Ex-Employees	28.400	11,15,524	4,47,884
6	Fuel related receivable and claims. Grade difference of coal (Net provision for loss on grade difference)	28.511&		0
		28.512		0
7	Railway claim for Coal	28.513 & 514		0
8	Other Accounts	under 28.500		0
9	Other claims and Receivables and Deposits	28.700 - 28.899	8307,20,95,336	4401,05,88,226
		28.900	1,28,92,367	72,43,532
	TOTAL		8308,28,58,109	4401,33,50,093

SECURITY DEPOSITS FROM CONSUMERS			SCHEDULE – 27	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Security Deposits from Consumers (in cash)	48.1	0	-149,279
2	Security Deposits from Consumers (other than in cash)	48.2	0	
3	Interest Payable on Consumer's Deposits	48.3	0	
4	Interest Payable on MCD	48.4	0	
	TOTAL		0	-149,279

TAMIL NADU TRANSMISSION CORPORATION LIMITED				
OTHER CURRENT LIABILITIES			SCHEDULE – 28	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Other Fuel related Liabilities, Un-paid Coal bill & liab.	40.000		
2	Liability for Purchase of power	41.100		
3	Liability for Capital Supplies/ works	42.100	677,46,15,991	398,43,37,939
4	Liability for O&M supplies/ works	43.1,43.2 &300	2,13,13,469	2,04,80,403
5	Staff related liabilities and provisions	44.1 to 44.4	133,91,69,162	71,24,53,703
6	Deposits & Retention from Suppliers and Contractors	46.100& 200	518,96,97,612	237,63,08,476
	(net of Deposits recd.in the form of Investment etc.)	28.930		0
7	Electricity duty and other levies payable to Government	46.300	43,63,232	1,14,749
8	Liability for Expenses	46.400	17,70,77,389	6,32,30,416
9	Amount owing to Licensees	46.600	17411,99,69,598	13202,26,17,323
10	Accrued/unclaimed Amounts relating to Borrowing	46.700	51,99,463	-15,94,97,023
11	Provision for Income Tax	46.800		0
12	Other Liabilities and provisions	46.9&991	12,72,80,217	4,13,58,745
13	Tariff subsidy received in advance (relating to succeeding year)	46.990		0
14	Excess Tariff subsidy to be adjusted in future subsidy	46.992		0
	SUB-TOTAL		18775,86,86,133	13906,14,04,731
15	Deposits for Electrification/ Service connection etc.	47.000	86,52,04,134	89,05,37,732
	TOTAL		18862,38,90,267	13995,19,42,463

SUBSIDY RECEIVABLE FROM GOVERNMENT			SCHEDULE – 29	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Capital Subsidy/Grant Receivable	28.61		
2	Revenue Subsidy/Grant Receivable	28.62	0	
	TOTAL		0	0

BORROWING FOR WORKING CAPITAL			SCHEDULE -30	
SL NO	Particulars	Account Code	This year 2013-14 Rs.	Previous year 2012-13 Rs.
1	Cash Credits/Bank Overdraft	50.100 & 50.200	102,96,39,402	102,96,39,402
2	Short Term Loan	50.300	524,45,80,246	524,45,80,246
	TOTAL		627,42,19,648	627,42,19,648

TAMIL NADU TRANSMISSION CORPORATION LIMITED									
PAYMENT DUE ON CAPITAL LIABILITIES					SCHEDULE-31				
Due at the beginning of the previous year 1.4.2012 Rs.	Becoming due during the previous year 2012.13 Rs.	Payments made during previous year 2012.13 Rs.	Sl. No.	Particulars	Account code	Due at the beginning of the year 1.4.2013 Rs.	Becoming due during 2013-14 Rs.	Payments made during 2013-14 Rs.	Due at the end of the year 31.03.2014 Rs.
			I	Principal accrued and due on Capital Liabilities.					
-			1	TNEB Bonds	51.150	-	60,28,00,000	60,28,00,000	-
19,66,99,338.00	60,32,05,343	63,32,38,681	2	LIC	51.101	16,66,66,000	56,65,38,667	56,65,38,667	16,66,66,000
-	313,34,57,788	313,34,57,788	3	REC	51.113	-	479,92,01,125	479,92,01,125	0
-	9,45,73,205	9,45,73,205	4	New India Assurance	51.126	-	-	-	0
-	-	-	5	RGGY	51.171	-	-	-	-
-	523,82,59,950	523,82,59,950	6	Power Finance Corpn.	51.116	-	77,50,523	77,50,523	-
-	673,58,68,151	673,58,68,151	7	Tamil Nadu POWERFIN	51.129	-	606,88,96,826	606,88,96,826	0
-	-	-	8	Lease Finance TNPFC	51.134	-	-	-	-
-	-	-	9	ICICI	51.161	-	-	-	-
-	-	-	10	Nabard	51.114	-	-	-	-
24,88,74,862.00	83,24,73,166	106,13,30,691	11	Hudco	51.166	2,00,17,337	81,82,24,351	63,71,40,571	20,11,01,117
-	950,14,55,555	950,14,55,555	12	Medium term loan	51.164	-	-	-	-
-	2613,92,93,158	2639,81,84,021	Total repayment of Loan (A)			18,66,83,337	1286,34,11,492	1268,23,27,712	36,77,67,117
			II	Interest accrued and due on 51.201 to 51.299					
-	-	-	a)	ICICI	51.261	-	-	-	-
-	251,80,55,188	251,80,55,188	b)	REC	51.213	-	301,96,19,937	301,96,19,937	0
-	130,18,49,000	130,18,49,000	c)	TNEB Bonds	51.250	-	130,17,30,701	130,17,30,701	-
18,42,42,823.00	37,94,17,094	40,74,12,834	d)	LIC	51.201	15,62,47,083	30,39,80,391	32,93,49,632	13,08,77,942
-	52,23,30,678	52,23,30,678	e)	PFC	51.216	-	41,58,74,989	41,58,74,989	-
-	-	-	h)	RGGY	51.271	-	-	-	-
-	216,66,63,185	216,66,63,185	f)	TNPFC	51.229	-	89,75,41,115	89,75,41,115	0
-	0	0	g)	New India Assurance	51.226	-	-	-	0
-	-	-	h)	Lease Rent TNPFC	51.234	-	-	-	-
-	-	-	i)	PMGY	51.270	-	-	-	-
-	489,80,43,497	434,98,84,215	j)	Medium term loan	51.264	54,81,59,282	-	54,81,59,282	-
-	-	-	k)	APDRP	51.265	-	-	-	-
-	-	-	l)	Nabard	51.214	-	-	-	-
-	111,24,36,130	109,73,52,944	m)	HUDCO	51.266	1,50,83,186	77,44,40,692	78,95,23,878	0
-	1289,87,94,772	1236,35,48,044	Total payment of Interest (B)			71,94,89,551	671,31,87,825	730,17,99,534	13,08,77,842
-	3903,80,87,930	3876,17,32,065	Grand Total {A+B}			90,61,72,888	1957,65,99,317	1998,41,27,246	49,86,44,959

TAMIL NADU TRANSMISSION CORPORATION LIMITED										
CAPITAL LIABILITIES						SCHEDULE 32				
Outstanding at the beginning of the previous year 1.4.2012 Rs.	Amount received during the previous year 2012-13 Rs.	Repayments due during the previous year 2012-13 Rs.	Sl. No.	Particulars	Interest rate applicable at the end of the year	Account code/ sub account under 52&53	Outstanding at the end of previous year 31.03.2013 Rs.	Amount received during 2013-14 Rs.	Repayments due during the year 2013-14 Rs.	Outstanding at the end of the year 31.03.2014 Rs.
1414,18,82,742	5,624	5,624	1	Public Loan TNEB Bonds	13.02%	52.110	1414,18,82,742		60,28,00,000	1353,90,82,742
406,17,64,223		60,32,05,343	2	Loan from Life Insurance Corpn.	9.05%	52.501	345,85,58,880		56,65,38,667	289,20,20,213
2181,61,60,659	284,55,75,796	313,34,57,788	3	Loan from Rural Elecn. Corpn.	11.65%	53.310	2152,82,78,667	1425,78,40,483	479,74,36,689	3098,86,82,461
			4	Loan from Central Elecy. Authority.		53.702				0
			5	Loan from SIDBI & IDBI	13.50%	53.801				0
886,53,99,763	295,06,76,901	521,26,47,860	6	Power Finance Corporation	11.00%	53.710	660,34,28,804	889,68,73,760	77,50,523	1549,25,52,041
			7	Power Finance Corporation (ADB)	10.50%	53.712				0
2084,87,20,877	119,80,81,057	673,58,68,151	8	Loan Tamil Nadu POW-ERFIN	10.65%	53.729	1531,09,33,783	55,10,88,043	606,88,96,826	979,31,25,000
			9	NABARD	10.50%	53.400				0
			10	TNPFC Lease	13.00%	53.850				-
2710,57,70,534		950,14,55,555	11	Medium Term Loan	10.50%	53.864	1760,43,14,979			1760,43,14,979
			12	Loan from ICICI	13.00%	53.861				-
			13	APDRP loan	12.50%	53.865				0
			14	RGVY	10.40%	53.871				0
			15	PMGY	12.00%	53.870				0
472,22,59,510	0	83,24,73,166	16	HUDCO	10.25%	53.720	388,97,86,344		81,82,24,351	307,15,61,993
10156,19,58,308	699,43,39,378	2601,91,13,487		TOTAL			8253,71,84,199	2370,58,02,286	1286,16,47,056	9339,13,39,429

TAMIL NADU TRANSMISSION CORPORATION LIMITED		
Annexure to Schedule 32		
SL NO	PARTICULARS	AMOUNT Rs.
1	Maximum limit of borrowings power of the Board (As per Minutes of I AGM held during December 2010)	15000,00,00,000
2	Amount borrowed upto the close of the previous year (ie. to the end of 31.03.2011)	8253,71,84,199
3	Borrowings during this year 2011-12	2370,58,02,286
4	Total borrowings upto the end of 2011-12	10624,29,86,485
5	Less: Repayments made during 2011-12	1286,16,47,056
6	Total Borrowings (Net 4-5)	9338,13,39,429
7	Balance of the borrowings limit to the end 2011-12 (1-6)	5661,86,60,571

FUNDS FROM STATE GOVERNMENT					SCHEDULE-33					
Outstanding at the beginning of the previous 1.4.2012	Amount received during the previous year 2012-13	Repayments made during previous year 2012-13	Sl. No	Particulars	Interest rate applicable at the end of the year	Account code	Outstanding at the end of the previous year 31.03.2013	Amount received during the year 2013-14	Repay-ments due during the year 2013-14	Outstanding at the end of the year 31.03.2014
Rs.	Rs.	Rs.					Rs.	Rs.	Rs.	Rs.
2334,01,04,000	506,91,00,000		1	Equity Share capital		54.500	2840,92,04,000	168,97,00,000		3009,89,04,000
2334,01,04,000	506,91,00,000	-		Total			2840,92,04,000	168,97,00,000		3009,89,04,000

TAMIL NADU TRANSMISSION CORPORATION LIMITED						
SCHEDULE-34						
CONTRIBUTIONS, GRANTS AND SUBSIDIES TOWARDS COST OF CAPITAL ASSETS						
Balance at the beginning of the previous year 1.4.2012 Rs.	Received during previous year 2012-13 Rs.	Sl. No.	Particulars	Account Code	Balance at the end of the previous year 31.03.2013 Rs.	Additions during current year 2013-14 Rs.
2,79,13,752	44,88,52,868	1	Consumer's Contribution	55.100	47,67,66,620	18,07,43,634
2,79,13,752	44,88,52,868		Total Consumer's Contribution		47,67,66,620	18,07,43,634
		2	Subsidies towards cost of capital Assets TEDA	55.200	0	0
		3	Grants towards cost of Capital Assets	55.300	0	0
		a.	P.W.D. Contribution for Servalar Projects	55.310	0	0
		b.	Grant from Govt. of India			
			Research and Development	55.311	0	0
		c.	Grant from Govt. of Tamil Nadu	55.312	0	0
		d.	Grant in-aid from GOI	55.314	0	0
		e.	Wind Farm Project	55.315	0	0
		f.	Grant from Micro Hydel Projects	55.316	0	0
		g.	Grant from Central Electricity Authority (Kuthiriyothi)	55.317	0	0
		h.	Grant from Energy Conservation Programme	55.318	0	0
		i.	Grant for Western Ghat Progm.	55.319	0	0
		j.	Grant for St. light	55.320	0	0
		k.	Prathan Mantri Gramodya Grant	55.321	0	0
		l.	APDRP Grant	55.322	0	0
		m.	RGGVY Grant	55.324	0	0
0	0		Total		0	0
2,79,13,752	44,88,52,868		GRAND TOTAL		47,67,66,620	18,07,43,634
						65,75,10,254

TAMIL NADU TRANSMISSION CORPORATION LIMITED									
RESERVE AND RESERVE FUNDS					SCHEDULE-35				
Balance at the beginning of the previous year 1.4.2012	Additions 2012-13	Deductions 2012-13	Sl. No.	Particulars	Account Code	Balance at the end of previous year 31.03.2013	Additions 2013-14	Deductions 2013-14	Balance at the end year 31.03.2014
Rs.	Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
				RESERVES					
-			1	General Reserves	56.100	-			-
-			2	Capital Reserves	56.200	-			-
-			3	Other Reserves	56.600	-			-
29,84,80,821	19,63,56,037	2,92,68,572	4	Res. for Material Cost variance	56.610	46,55,68,286	45,23,14,006	6,08,44,658	85,70,37,634
0			5	1% Property Insurance Reserve	56.660	0	309,22,68,932		309,22,68,932
0			6	Hydro Balancing Fund	56.750	0			0
29,84,80,821	19,63,56,037	2,92,68,572		Total Reserves(A)		46,55,68,286	354,45,82,938	6,08,44,658	394,93,06,566
				RESERVE FUNDS					
215,37,34,016	98,03,57,998	82,69,97,379	1	TNEB GPF (incl. Int.)	57.120	230,70,94,635	110,06,82,792	88,98,92,648	251,78,84,779
12,17,55,985	19,21,98,191	22,69,59,583	2	Staff Pension Fund	57.140	8,69,94,593	28,66,28,777	17,46,18,030	19,90,05,340
9,84,27,247	1,28,79,462	61,53,585	3	Special TNEB PF cum Gratuity	57.135	10,51,53,124	95,58,961	58,45,507	10,88,66,578
11,23,12,992	1,12,65,210	62,18,047	4	Family Benefit Fund	57.155	11,73,60,155	1,02,11,234	46,69,774	12,29,01,615
85,14,248	9,75,256	17,830	5	HBA Spl. Family Benefit Fund	57.160	94,71,674	9,63,372	1,09,390	1,03,25,656
51,83,064	23,95,347	4,89,477	6	Medical Health Fund	57.165	70,88,934	15,65,130	8,01,751	78,52,313
-	11,254	11,254	7	Anti theft award	57.166	0			0
38,63,090			8	Pensioner's health fund	57.167	38,63,090			38,63,090
1,63,64,596		144	9	TNEB Pen.FBF	57.168	1,63,64,452	596	596	1,63,64,452
0			10	Special Reward Vigilance	57.169	0			0
32,76,42,807	15,09,34,892	3,15,61,888	11	Contributory Pension Scheme	57.170	44,70,15,811	23,41,36,540	5,65,79,275	62,45,73,076
284,77,98,045	135,10,17,610	109,84,09,187		Total Reserve Fund (B)		310,04,06,468	164,37,47,402	113,25,16,971	361,16,36,899
314,62,78,866	154,73,73,647	112,76,77,759		GRAND TOTAL (A+B)		356,59,74,754	518,83,30,340	119,33,61,629	756,09,43,465

TAMIL NADU TRANSMISSION CORPORATION LIMITED					
PROFIT AND LOSS APPROPRIATION ACCOUNT				SCHEDULE - 36	
SL No	Particulars	Tariff	Account Code	This year 2013-14	Previous year 2012-13
				Rs.	Rs.
1	Opening Balance		58.210	-37,95,41,60,215	-40,31,85,45,580
2	Profit/Loss of Current Year			1308,03,80,140	236,43,85,365
3	Credits transferred from General Reserve				
4	Appropriations (i) Contribution to Reserve & Reserve Funds (ii) Contribution to Development Funds				
5	Balance Carried forward			-24,87,37,80,075	-37,95,41,60,215

NOTES TO ACCOUNTS

CORPORATE INFORMATION:

Tamil Nadu Transmission Corporation Limited is a Public Limited Company, domiciled in India and incorporated in June 2009 under the provisions of the Companies Act, 1956, and is headquartered in Chennai. The company is a subsidiary of TNEB Limited, which is a State Government Company. The company is emerged out of the scheme known as Tamil Nadu Electricity (Reorganisation and Reforms) Transfer Scheme notified by the Government of Tamil Nadu, and dealing in transmission of power over the State of Tamil Nadu.

I. SIGNIFICANT ACCOUNTING POLICY

Basis of preparation (AS -1)

Financial statements have been prepared under historical cost convention on a going concern and accrual basis, the financial statement have been prepared in compliance with Provision of Electricity Act 2003, Electricity (Supply Annual Accounts Rules 1985). The accounting policy have been consistently applied by the company, except for the change in the accounting policy discussed more fully below and are consistent with those used in the previous year.

a. Use of Estimates

The preparation of financial statement in conformity with the provision of Electricity Act 2003, Electricity (Supply Annual Accounts Rules 1985) that requires management to make an estimate and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the final statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

b. Fixed Assets (AS -10)

Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. Cost of fixed assets comprises of purchase price, duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use. Own Constructed assets are capitalized at cost including an appropriate share of overheads. Borrowing cost related to the acquisition or construction of the qualifying fixed assets for the period up to the completion of their acquisition or constructions were capitalized. Advances paid towards the acquisition of the assets outstanding at each balance sheet date and the cost of fixed assets not ready for the intended use before such date are disclosed as capital work in progress.

Assets constructed with the partnership between the company and the customer will be shown in the fixed assets and also in consumer's contribution towards cost of fixed assets in reserves/liabilities.

c. Revenue Recognition – (AS -9)

Revenue on transmission is recognized on accrual basis at the Transmission Tariff notified by Tamil Nadu Regulatory Commission from time to time.

Sales of products and services are recognised when significant risks and rewards of ownership of products are passed on to customers or service has been provided. In the case of large transformers, revenue is recognised on achievement of contractual mile stone. Revenue recognition in excess of billing is reflected under other current assets as receivable. Net sales are stated at contractual realisable values net of excise duty, sales tax, and service tax, value added tax and trade discounts.

Revenue from long term contracts are recognised on the percentage of completion method, in proportion that the contract cost incurred for work performed up to the reporting date bear to the estimated total contract costs.

Full provision is made for any loss in the year in which it is first foreseen.

Liquidated damages / penalties are provided for as per the contract terms wherever there is delayed delivery attributable to the company.

Commission income is recognised as per contracts/ receipt of income.

Interests from advances to suppliers are recognised as and when they accrue.

d. Depreciation (AS – 6)

Depreciation on assets are those described below is provided on the straight line method at the rates and in the manner prescribed Regulation 24 Tamil Nadu Electricity Regulatory Commission's (Terms and Conditions of Determination of Tariff) Tariff Regulations 2005.

Assets are depreciated at 90% of the cost of the asset and 10 % is retained as the residual value. Depreciation on additions to fixed assets is charged in the year subsequent to the year in which the asset is put in to use.

Individual assets costing up to Rs.500/- are fully depreciated in the year in which they are put in to use.

The following are the assets depreciated on the straight line basis at the rate mentioned below:-

Sl No.	Type of Asset	% of Depreciation
1.	Land	Infinity
2.	Buildings	
	Buildings containing Transmission Installations	1.80
	Office Buildings	1.80
	Residential Colony for Staff	1.80
	Other Buildings	1.80
3	Hydraulic Works	
	Plant & Pipe lines for water supply in residential colony	1.80
	Drainage and sewage residential colony	1.80
4	Other Civil Works	
	Pucca Roads	1.80
	Kutcha Roads	1.80
5	Plant and Machinery	
	Transformers of 100KVA & above	3.60
	Other Transformers	3.60
	Other Fixed Apparatus	3.60
	Switch Gear including cable connection	3.60
	Batteries including charging equipments	2.57
	Batteries	18.00
	Lightning Arrestors Pole Type	6.00
	Lightning Arrestors Station Type	3.60
	Communication Equipment Radio & HF Carrier System	6.00
	Static machine tools and equipment	6.00
	Meter Testing Tools	6.00
	Tools and Tackles	6.00
	Other Miscellaneous	6.00
6	Line, Cables Net Works etc.	
	O.H. Lines, Towers, Poles, etc Higher than 66 KVA	2.57
	O.H. Lines, Towers, Poles, etc 13.2 below 66 KVA	3.60
	O. H. lines Towers Poles conductors etc	3.60
	O. H. lines Towers Poles etc on treated wood	3.60
	Underground cables incl. Joint Boxes & Discon. Box	2.57

	Service Connections	6.00
	Temporary Connection for supply of power	3.60
	Metering Equipments	3.60
	Street lighting & Signal System	6.00
	Miscellaneous Equipments	6.00
7	Vehicles	
	Trucks, Tempos, Trekkers	18.00
	Jeeps and Motor Cars	18.00
	Other Vehicles	18.00
8	Furniture & Fixtures	6.00
9	Office Equipments	
	Calculators	6.00
	Typewriters	6.00
	Cash Registers in Cash Office	6.00
	Other Office Equipments	6.00
	Computers & Peripherals	6.00

e. Inventories (AS – 2)

The cost of various categories of inventories is arrived at as follows:-

Fast moving items of inventories are valued at standard rates determined by the Company from time to time.

In case of items not covered by the Standard Rate system, the receipts are valued at Basic price plus Excise Duty plus Sales Tax. In such cases, the issues are valued at the weighted average rate applicable to the closing stock of the previous month. Where the closing stock of the previous month is nil, the valuation of issues are at the rate of first receipt of the month.

Subsequent increase/decrease in the cost of receipt shall be adjusted in the issue rate prospectively and no retrospective adjustment shall be made to the value of past issues made out of the concerned receipts or to the assets constructed out of such issues.

Freight on materials purchased (whether incurred and billed by supplier or incurred by the Board) are not be treated as materials cost and are recorded in the separate account provided for this purpose.

All other incidental costs such as packing charges, Octroi etc. are also not be treated as materials cost and are recorded in separate accounts provided for this purpose.

Returns of the materials issued in the past are valued at the issue rate applicable for the month in which the materials are returned.

The prescribed basis of valuation of issues and returns may lead to certain anomalies in stock values. Such anomalies, if any, are removed at the end of every quarter and the amount by which the stock values required adjustment are accounted for in a separate account prescribed for this purpose.

The liability to be created on the receipt of materials are made

- at the standard rate in case of fast moving items and
- at the purchase order rate in case of other items.

Accounting for advance adjusted and recoveries and deductions made from a supplier bill passed by the Board and recognition of the liability for the net amount due on that bill are not inferred till the actual discharge of the net liability.

Loss on shortage in materials stock is provided for in the period in which the shortages are observed.

Treatment of Materials Cost Variance :-

Under the standard rate system referred to above, materials cost variance if any, in respect of receipts at construction locations or at O&M locations are not charged to Revenue Account or to Capital Works.

The balance in the “Materials Cost Variance Account” at the year end shall be treated as follows:-

- (1) Credit balance shall be credited to a Reserve called “Reserve for Materials Cost Variance”.
- (2) Debit balance shall be debited to the “Reserve for Materials Cost Variance”. If as a result of such debit, the net balance in this Reserve account is a debit balance, the amount of debit balance shall be charged to Revenue account for the year.

Accounting treatment for materials cost variance prescribed above assumes that the standard rates are fixed appropriately and that a system exists for periodic revision of rates whenever significant variances are being observed.

f. Provisions (AS -29)

Provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle

the obligation, in respect of which reliable estimate can be made based on technical evaluation and past experience. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

g. Taxation (AS -22)

Tax expense comprises current tax, deferred tax. The current charge for income tax is measured at the amount expected to be paid to the tax authorities in accordance with The Indian Income Tax Act, 1961. Provisions for current income tax are made on the basis of the results of the year although the actual liability will be computed and paid on the basis of results for the period ending 31st March, 2014.

The deferred tax for timing difference between the book and tax profit for the year is accounted for using the future tax rates and loss that have been enacted and subsequently enacted as of the balance sheet date.

Deferred tax Asset arising from timing differences is recognised to the extent there is reasonable certainty that the asset can be realised in future. Deferred taxes Asset are reviewed at each balance sheet date for its reliability.

h. Segment Reporting :- (AS 17)

The company is operating in transmission of power which is the only segment and hence the segment reporting is not applicable to the company.

i. Impairment of Assets:- (AS 28)

The carrying amount of assets is reviewed at each balance sheet date for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount for which the asset carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset fair value less cost to sell and valuing the goods. For the purpose of assessing the impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating unit).

j. Cash Flow:- (AS 3)

Cash flow is presented under indirect method.

k. Borrowing Cost:- (AS 16)

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised. Other borrowing cost are recognised as expenses in the period in which they are incurred in determining the amount of borrowing cost eligible for capitalisation during the period any income earned on temporary investment on those borrowing is deducted from the borrowing cost.

I. Preliminary Expenses / Pre –operative Expenses :-

Preliminary expenses / pre-operative expenses will be written off in the same year in which it is incurred.

II. NOTES TO ACCOUNT

- 1 During the year the company has allotted shares for a value of Rs.168,97,00,000/- for 16,89,70,000 @ 10/- per share by way various Government Order for Consideration other wise than by way of cash. The Board had approved this allotment in the 43rd Board meeting held on 31.10.2013.

The total share capital of the company as at the end of the year is 300,98,90,400 Equity Shares of Rs.10/- each for Rs. 3009,89,04,000 (2840920400 Equity Shares of Rs. 10 each) represents 99.99% of total equity shares are being held by the holding company, M/s TNEB Limited, and the balance 50000 Equity shares of Rs.10/- each representing .01% by Government of Tamil Nadu. However as per registrar of companies allotment of shares to the extent of Rs. 3009,88,66,020/- has alone been made. The difference of Rs. 37,980 is yet to be made.

- 2 The company has commenced operation from 01st November 2010, since the transfer scheme transferring the assets, liabilities and employees of erstwhile TNEB are transferred with effect from 1st November vide Government of Tamil Nadu's Order No. 100 dated 19.10.2010. The financial figures for the previous period presented are for the period from 01.4.2012 to 31.03.2013.
- 3 The company has taken a secured loans from various Banks & Financial Institutions and outstanding as on 31.03.2014 for a value of Rs.9,338.13 Crores (Rs.8,253.74 Crores). The same is secured against the fixed assets and current assets of the company.
- 4 The assets & liabilities of TNEB has been taken in the company books at the provisional value mentioned in the G.O.Ms.02 dated 02.01.2012. This may subject to change after the finalisation of the entire re-organisation of erstwhile TNEB. For segregation purpose the audited accounts of erstwhile TNEB as on 31.03.2010 was being considered, and the same has been transferred to TANTRANSCO to be taken as opening balance as on 1.11.2010. Since the bifurcation of assets and liabilities of TNEB is under progress, the company is in the process of updating the fixed assets/loan/stock registers.
- 5 Confirmation for the term loans, sundry creditors, Sundry debtors, and Loans & Advances has not been obtained.

6. In respect of income from services the company has accounted and paid its service tax wherever applicable. As per the Reverse Charge Mechanism applicable from 1-07-2012, the company has not made any provision in the accounts towards the service tax liability .
7. Inter unit account for value of Rs(-) 253.53 Crores (Rs.102.26 Crores) is not reconciled.
8. The portion of interest payable on borrowing for the financing of capital asset at construction stage has been capitalised for the year is Rs..222.50 Crores (Rs.269.25 Crores).
9. CIF Value of Imports – NIL
10. Expenditure in Foreign currency – NIL
11. (a) The Hon'ble Tamil Nadu Electricity Regulatory Commission has allowed the Annual Transmission charges of Rs. 3,076 Crs. for the Financial Year 2012-13. Subsequently, the Commission vide its Transmission Tariff Order No. 2 of 2013, dated 20.6.2013 has determined the tariff for the period for the FY 2013-14 which was effective from 21.6.2013 wherein the revenue gap of Rs.694.89 crores was reckoned pertaining to the period from 2010-11 to 2012-13. The same has been accounted as advance against transmission charges for the FY 2012-13, now considered as the revenue from transmission charges for the FY 2013-14. TANTRANSCO has collected the revenue towards transmission and other charges at the rate determined by the State Commission vide its Transmission Tariff Order TP No.2 of 2012 dated 30.3.2012 upto 20.6.2013 and as per TP No.2 dated 20.6.2013 with effect from 21.6.2013.
- (b) The Hon'ble TNERC issued a comprehensive tariff order for Wind Energy Generators vide its order no. 6 dated 31.7.2012 effective from 1.8.2012. As there was dispute in the Court, a major portion of transmission charges pertaining to the FY 2012-13 remained uncollected. Subsequently the same has been collected during the Fy 2013-14 which reflects in the accounts under Prior Period Income.
12. The Government of India have formulated Financial Restructuring Plan (FRP) guidelines in order to rescue State Discoms from the financial crisis and accordingly the Government of Tamil Nadu has approved a Financial Restructuring Scheme for TANGEDCO vide GO MS No.142 Energy (D2) Department dated 21.12.2012. Due to this interest on total Term Loans from

Banks has not been provided in the accounts, also repayment of loan has not been accounted in the books of the Company. The outstanding loan shown under Medium Term Loan Rs.1760.43 crs. will be transferred to TANGEDCO in Final Transfer Scheme.

13. Certain Transmission Scheme of TANTRANSCO have been tied up with financial assistance from Japan International Co-operation Agency (JICA) through the Government of India for Rs.3572.93 crs. (Y 60740 million). As per the terms and condition of the loan, TANTRANSCO has to pay commitment charges at 0.1% p.a. on the outstanding loan amount payable half yearly for which necessary liability has been provided in the books of accounts.
14. The Statutory Audit Fees for the current financial year and previous financial year is as follows

FY 2012-13	Rs. 4,50,000/- (including out of pocket expenses Rs.1,50,000/- and excluding service tax)
FY 2013-14	Rs. 5,50,000/- (including out of pocket expenses Rs.1,50,000/- and excluding service tax)
15. The pension payments of existing pensioners of erstwhile TNEB are being paid by TANGEDCO since no segregation of pensioner's liability has been finalised in the provisional transfer scheme. The payments of pension to those who have retired from 1.4.2013 to 31.03.2014 are made by TANGEDCO and provision of one seventh of the total liability towards TANTRANSCO's share for the FY 2013-14 to the tune of Rs.221.43 Crores has been made in the accounts.
16. The Capital work in Progress as on 31.03.2014 includes work in progress under taken on behalf of TANGEDCO.
17. Value of Indigenous and imported stores spares and components consumed

SINo	Particulars	Amount Rs. In Crs.
1	Indigeneous Materials	2.63 (76.86)
2	Imported Materials	NIL

18. Once the transfer of assets is finalised, the company assets will be identified, physically verified and impairment if any could be assessed.

19. Quantitative details of Transmission and Loss of Energy

Sl.No	Particulars	2013-14	2012-13
1	Energy Injected from Generator / Interstate (in MU)	84181.60	74760.70
2	Energy fed to EHT/HT consumers and total consumption at SS end of 11/ 22 KV	80737.80	71660.43
3	Total Transmission Loss	3443.90	3100.27
4	% of Loss	4.09	4.15

20. There are certain liabilities exist in erstwhile TNEB as on 31.10.2010, however payment has been made in TANTRANSCO subsequently. The same will get adjusted when the opening balance as on 31.10.2010 is transferred to TANTRANSCO in the final transfer scheme.
21. The employee subscriptions as well as the Board's matching contributions are not invested outside, since no specific instruction has been received from Government of Tamil Nadu regarding formation of Trust.
22. The Terminal Benefits such as gratuity, encashment of E.L., Commutation of Pension are paid from Revenue account consistently and no provision has been made.
23. The provisions of section 274(1) (g) of the Companies Act, 1956 are not applicable to a government company vide notification no GSR 829 (E), dated 21-10-2003.

24. Related Party Disclosure:-

(i) The company is a subsidiary of TNEB Ltd. Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) is another subsidiary of TNEB Ltd.

(ii) The following Directors of TANTRANSCO are also Directors of TANGEDCO and TNEB Limited.

Sl. No.	Name of the Director	Director in
1	Thiru K. Gnanadesikan Chairman/TANTRANSCO	Chairman cum Managing Director in TANGEDCO and TNEB Limited
2	Thiru R.V.Sundararaman Managing Director/TANTRANSCO	Part Time Director in TNEB Limited and TANGEDCO

(iii) Inter company transactions:

Amount (in Rs.)

Sl. No.	Description of Item	Government of Tamil Nadu	TANGEDCO	TNEB Ltd.
1	Share Capital	5,00,000 (5,00,000)		3009,89,04,000 (2840,92,00,000)
2	Revenue From Transmission of Power & Sundry Debtors for Transmission of Power		1533,17,00,000 (3075,99,00,000)	
3	Director's Remuneration & Amount Payable to TANGEDCO		55,52,707 (49,72,766)	
4	Funds received (in the forms of cash, materials etc.) & Amount payable to TANGEDCO		4904,73,10,543 (5741,93,21,483)	
5	Income Accrued & Amount Receivable from TANGEDCO & TNEB Limited		3905,40,36,531 (1484,33,62,713)	

25. Claims made by SR constituents on erstwhile TNEB**i. Transmission and wheeling Charges:**

The KPTCL and Tamil Nadu Electricity Board are wheeling Kaiga's share and MAP's share to other SR constituents through their 230KV system for which the SR constituents has to pay transmission and wheeling charges to Karnataka and Tamil Nadu respectively. As convergence could not be arrived in the Commercial Committee meeting the same will be discussed in the SRPC meeting. In the SRPC meeting held on 5.3.2013, the following deliberations were made:

Dues Payable to Karnataka

It was agreed by Karnataka, Tamil Nadu and Kerala that the principal amount with respect to transmission and wheeling charges and reactive energy charges would be reconciled soon.

Dues Payable to Andhra Pradesh

In respect of APTRANSCO, the amount payable towards wheeling charges is being adjusted towards the energy charges payable by TNEB and TNEB has to pay the balance due to APTRANSCO.

i. Interest Payable

Andhra Pradesh, TN, Kerala and Karnataka agreed that SBI PLR could be applied towards the rate of interest payable, wherever due. It was also agreed that the matter regarding payment of interest would be referred to the chairperson of the Utilities of the four States for further course of action.

ii. Frequency Linked Penalty/Incentive Scheme between SR constituents:

The issue of frequency linked penalty/incentive schemes between the states of Tamil Nadu, Kerala, Karnataka and Andhra Pradesh is still under

discussion in the SREB forum. TNEB will release the payment towards transmission & wheeling charges to SR Constituents on finalisation of the above.

iii. **Energy charges payable by MPSEB to erstwhile TNEB for the period from 10/2001 to 12/2002**

Meetings need to be convened with WRPC for resolving this issue at the earliest.

26. The erstwhile TNEB has not paid income tax on its income since it had unabsorbed business losses and depreciation reserve carried forward over the years. As per section 72A of the IT Act 1961 the carried forward losses can be allocated to the demerged companies in the ratio of assets transferred. Hence no provision has been made in the accounts for the purpose of income tax for the current year. Hence assessment of deferred tax Assets and deferred tax Liabilities could be made only when actual profit or loss is arrived besides the transfer of assets and liabilities are finalised.
27. The commitment on capital expenditure on contract pending execution as on 31.3.2014 is Rs.3518.17 crs.
28. Based on the information available with the company no sundry creditor has claimed under Micro, Small & Medium Enterprises (as defined in "The Micro, Small & Medium Enterprises Development Act, 2006").

M.MAHESWARI BAI
CHIEF FINANCIAL CONTROLLER
TANTRANSCO

K. MUTHUPANDIAN
COMPANY SECRETARY
TANTRANSCO

S.Sekkizhar
DIRECTOR/FINANCE
TANTRANSCO

R.V. SUNDARARAMAN
MANAGING DIRECTOR
TANTRANSCO

As per our report of even date
FOR PADMANABHAN PRAKASH & CO.
CHARTERED ACCOUNTANTS
Firm No.002509S

Date : 26-09-2014
Place: Chennai

(E. PRAKASH)
PARTNER
Membership No.019388

CASH FLOW STATEMENT		
	(Rupees in lakhs)	
Particulars	Period Ended 31.03.2014	Period Ended 31.03.2013
I. Cash Flows From Operating Activities		
Net Profit before tax and Extraordinary items	130803.80	23644.00
Adjustments For:		
Depreciation	31247.04	29951.35
Interest Income		
(Profit) / Loss on Sale of Asset		
Interest Paid	72390.22	132985.16
Extraordinary items:-		
Loss on account of flood, fire cyclone etc.,		0.00
Operating Profit Before Working Capital changes	234441.06	186580.51
Change in Trade and Other receivables	-508475.73	-460796.12
Change in Inventories	263.38	-7686.40
Change in other Current Liabilities	486720.97	656165.03
Income Taxes Paid		
Net Cash Flow From Operating Activities (A)	212949.68	374263.02
II. Cash Flow from Investing Activities		
Purchase / Sale of Fixed Assets	-304815.68	-113689.33
Deferred Revenue Expenditure		0.00
Investment in Shares		
Interest Income		0.00
Sale of Fixed Assets	201.94	126.05
Net Cash flow used in Investing Activities (B)	-304613.74	-113563.28
III. Cash Flow from Financing Activities		
Changes in Borrowings	104366.27	-187484.18
Share Capital raised	16897.00	50691.00
Reserve Fund	41757.12	8685.49
Interest Paid	-72390.22	-132985.16
Net Cash Flow From Financing Activities (C)	90630.17	-261092.85
Net Increase/(Decrease) in Cash and Cash Equivalents [D = (A+B+C)]	-1033.89	-393.11
Opening Balance of Cash & Cash Equivalents (E)	4251.94	4645.05
Closing Balance of Cash & Cash Equivalents [F = (D+E)]	3218.05	4251.94

the cashflow has been prepared with the during the year transactions from
1st April 2013 to 31st March 2014

M.MAHESWARI BAI
CHIEF FINANCIAL CONTROLLER
TANTRANSCO

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BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No:	U40109TN2009SGC071948	State Code:	18
Balance Sheet Date:	31	03	2014
	Date	Month	Year

II. Capital raised during the year (Amount Rs. in Thousands)

Public Issue	-	Rights Issue	-
Bonus Issue	-	Private Placement	1689700

III. Position of Mobilization and Deployment of Funds (Amount Rs. in Thousands)

Total Liabilities	Total Assets
132197342	132197342

Sources of Funds

Paid-up Capital	Reserves & Surplus
30098904	7560944
Secured Loans	Unsecured Loans
93879984	-
Other Funds	
657510	

Application of Funds

Net Fixed Assets	Investments
98131368	-
Net Current Assets	Misc. Expenditure
9192194	-
Accumulated Losses	
24873780	

Performance of Company (Amount Rs. in Thousands)

Turnover	28771088	Total Expenditure	15690708
Profit/Loss before tax	13080380	Profit/Loss after tax	13080380
Earnings per Share in Rs.	4.34	Dividend rate %	-

a. Generic Names of Principal Products / Services of Company (as per monetary terms)

Product Description	Transmission of Power
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HOW DO WE SPEND

