TAMIL NADU TRANSMISSION CORPORATION LIMITED

6th ANNUAL REPORT
2014-15

Regd. Office : NPKRR MAALIGAI (TNEB Office), No.144, Anna Salai, Chennai - 600 002.

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TAMILNADU TRANSMISSION CORPORATION LTD

No.144, Anna Salai, Chennai - 600 002.

NOTICE

NOTICE is hereby given that the Sixth Annual General Meeting of the Company will be held at the Registered office of the Company at NPKRR Maaligai, No. 144, Anna Salai, Chennai – 600 002 on Tuesday the 29th December, 2015 at 4.45 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 2015 and the Profit and Loss Account of the Company for the period from 1st April 2014 to 31st March 2015, together with the Director's Report, CAG's Report and Statutory Auditors's Report thereon and Secretarial Auditor's Report 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 FURTHER that pursuant to the requirement of Section 139 (5) of the Companies Act, 2013, M/s. Padmanabhan Prakash & Co., Chartered Accountants, Chennai is appointed as Statutory Auditors 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."

"RESOLVED FURTHER THAT the proposal to file name of Thiru.C.T.Sridhar, Cost Accountant proposed for appointment of Cost Auditor for Tamil Nadu Transmission Corporation Ltd., for the Financial year 2015-16 approved by the Board of TANTRANSCO in its 58th meeting held on 7.5.2014 is hereby approved and ratified."

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modifications, the following resolutions as ordinary Resolution:

"RESOLVED THAT the Authorised Share Capital of the Company be increased from Rs. 5000,00,00,000/- (Rupees Five Thousand crores only) divided into 500,00,00,000 (Five Hundred crores) Equity shares of Rs.10/- (Rupees ten only) each to Rs. 10,000,00,00,000/- (Rupees Ten Thousand crores only) divided into 1000,00,00,000 (One Thousand crores)

Equity shares of Rs.10/- (Rupees ten only) each by creation of 500,00,00,000 (Five Hundred crores) Equity shares of Rs.10/- each ranking in all respects pari passu with the existing equity shares."

4. To consider and if thought fit, to pass with or without modifications, the following resolutions as ordinary Resolution:

"RESOLVED FURTHER THAT the Company's Memorandum of Association be and is hereby altered by substituting the following to the present Clause V thereof :

V. "The Authorised share capital of the Company is Rs. 10,000,00,00,000/- (Rupees Ten Thousand crores only) divided into 1000,00,00,000 (One Thousand crores) Equity shares of Rs.10/- (Rupees ten only) each with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being. The Company has power from time to time to increase or decrease its capital and to divide the shares in the original or increased capital for the time into several classes and to attach thereto such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the company and to vary, modify or abrogate any such rights, privileges or conditions as may be permitted by law."

5. To consider and if thought fit, to pass with or without modifications, the following resolutions as special Resolution:

"RESOLVED FURTHER THAT the Company's Articles of Association be and is hereby altered by substituting the following to the present Article 3 thereof:

"The Authorised share capital of the Company is Rs. 10,000,00,00,000/- (Rupees Ten Thousand crores only) divided into 1000,00,00,000 (One Thousand crores) Equity shares of Rs.10/- (Rupees ten only) each. The Company may from time to time by Ordinary Resolution increase the Share Capital by such amount and of such class as may be specified in the resolution".

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

Place : Chennai
Date : 29.12.2015

(K.Muthupandian)
Company Secretary

DIRECTORS' REPORT

Dear Members,

The Board of Directors of Tamil Nadu Transmission Corporation Limited (TANTRANSCO) have immense pleasure in presenting its 6th Annual Report for the Year 2014-15.

2.0 FORMATION OF TANTRANSCO

The company was formed with restructuring of erstwhile Tamil Nadu Electricity Board, and as a subsidiary of TNEB Limited which is a State Government Company. Tamil Nadu 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. The Govt. of Tamil Nadu vide G.O. Ms. No.49 Energy (B1) Dept. dt. 13.8.2015 has issued orders for amendment to the erstwhile Tamil Nadu Electricity (Re-organisation and Reforms) Transfer Scheme, 2010 for giving effect to transfer of Assets & liabilities to successor entities of erstwhile TNEB as on 1.11.2010. Since the audit on the Accounts for the FY 2014-15 has already been completed, the effect of the final transfer will be given on 1.4.2015.

4.0 TRANSFER OF EMPLOYEES

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 basis is.

4.2 The information under Section 134 of Companies Act, 2013 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 authorized 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 31st March 2015	Year ended 31st March 2014
	INCOME		
1	Revenue from Transmission of Power	177606.64	276494.75
2	Other income	16014.91	11216.14
		193621.55	**287710.89**
	EXPENDITURE		
1	Repairs & Maintenance	1101.91	1255.02
2	Employee Cost	83008.35	70000.75
3	Administrative and General Expenses	15297.15	12475.26
4	Other Expenses	0	4.00
	Less: Expenses Capitalised	(13758.26)	(11986.43)
		85649.15	**71748.60**
	Profit/(Loss) Before Depreciation and Interest	107972.40	215962.03
	Less: Depreciation	(56788.96)	(31221.81)
	Profit/(Loss) Before Interest and Tax	51183.44	184740.48
	Less : Interest and other Bank Charges	(92734.86)	(72390.22)
	Add : Interest charges capitalised	29135.08	22391.70
	Less: Extra ordinary expenses		0.00
	Less: Prior Period Charges	1123.23	(3938.15)
	Profit/(Loss) Before Tax		0.00
	Less : Provision for Taxation		------
	Profit/(Loss) after Tax	**(11293.11)**	**130803.81**

6.0 DETAILS OF OPERATIONAL PERFORMANCE DURING 2014-15

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	1460.00	---		2	1460.00
2.	230 KV	4	700.00	---		4	700.00
3.	110 KV	38	637.00	2	20.00	40	657.00
4.	33 KV	19	152.00	3	24.00	22	176.00
	Total	**63**	**2949.00**	**5**	**44.00**	**68**	**2993.00**

6.2 **Lines Energized:**

Sl. No.	Description	Distance (in Circuit KM)
1.	400 KV OH Line	1468.180
2.	230 KV OH Line	95.970
	230 KV UG Cable	---
3.	110 KV OH Line	1059.260
4.	110 KV Cable	10.737
	Total	**2634.147**

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

Sl. No.	No. of Transformers	Capacity in MVA
1.	130	2409.70

i. The 'All time high' demand for the financial year 2014-15 of 13775 MW was reached on 24.06.2014.

ii. The 'All time high' consumption for the financial year 2014-15 of 293.969 MU was recorded on 20.6.2014.

iii. The minimum demand of 5439 MW was recorded on 23.10.2014 whereas the minimum consumption was 160.967 MU on 22.10.2014.

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.

During the financial year 2014-15, 48 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 within Tamil Nadu under intrastate open access transactions.

- **Third Party:**

  During the Financial Year 2014-15, 405 Nos of HT consumers purchased power to the quantum of 864 MU.

- **Captive Wheeling:**

  During the financial year 2014-15, 400 HT consumers have been permitted for captive wheeling for the quantum of 760 MU under Intra-state short term open access transactions.

- **Interstate Open Access**

a) Interstate open access is being permitted to all the willing HT consumers to purchase power more than 1 MW from outside Tamil Nadu 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 2014-15, there were 5 HT consumers who purchased power to the quantum of 11.815 MU through inter-state short-term open access bilateral transactions and 293 nos. of HT consumers who purchased power to a quantum of 310.64 MU from power exchanges under inter-state short term open access collective transactions.

Renewable Energy Certificate Mechanism:

a) Based on CERC Orders, TNERC has designated the State Load Despatch Centre (SLDC), Chennai-2 as State Agency for Accreditation of Renewable Energy Generators. The process of accreditation of Renewable Energy Generators and recommending the projects to National Load Despatch (NLDC) New Delhi, for Registration is being carried out by the Superintending Engineer/LD & GO, Chennai.

b) 263 numbers of Renewable Energy Generators (Wind, Solar PV and Biomass) for a capacity of 1190 MW were Accreditated under REC Mechanism upto the financial year 2014-15 after collecting the necessary charges. As per CERC approved procedures the Energy Injection Reports and self retention of RECs on monthly basis are being issued to all the registered Renewable Energy Generators. All correspondences with MNRE, CERC, NLDC, TNERC, TANGEDCO and Renewable Energy Generators etc. in respect of REC mechanism are handled.

7.0 **STATUTORY AUDITORS**:

In terms of section 139(5) of the Companies Act, 2013, 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 2014-15.

7.1 **COST AUDITOR:**

The Govt. of India, Ministry of Corporate Affairs Cost Audit Branch, New Delhi in exercise of the power conferred u/s.148 of the Companies Act, 2013 issued Cost Audit orders to audit the Cost Accounting records and books of Accounts maintained by the company. Accordingly, in terms of Section 148 of the Companies Act 2013, the Board of Directors appointed Thiru. C.T.Sridhar, Cost and Management Accountant as the Cost Auditor for the financial year 2014-15 which has been approved by the Ministry of Corporate Affairs Cost Audit Branch, New Delhi.

7.2 **SECRETARIAL AUDITOR:**

The Board of TANTRANSCO has appointed M/s. V.Mahesh & Associates, Company Secretaries as Secretarial Auditor of Tamil Nadu Transmission Corporation Ltd. to conduct the Secretarial Audit for the financial year 2014-15 in compliance with the provisions of Section 204(1) of the Companies Act, 2013.

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 2014-15 is Nil.

9.0 **Directorate (Financial Year ending 31.03.2015) :**

Sl.No.	NAME	DESIGNATION
1	Thiru. K. Gnanadesikan, IAS (upto 2.12.2014) Dr. M. SAI KUMAR, I.A.S., (from 2.12.2014)	Chairman, TANTRANSCO.
2	Thiru S. Akshayakumar (upto31.5.2014) Thiru. R.V. Sundararaman (from 2.6.2014 to 17.7.2014) Thiru. R.V. Sundararaman (from 17.7.2014 to 31.12.2014)	Managing Director/TANTRANSCO(a/c) Managing Director/TANTRANSCO(a/c) Managing Director/TANTRANSCO

	Thiru. K. Rangaraj (from 31.12.2014 to 4.2.2015) Thiru. P. Annadurai (from 10.2.2015 to 16.3.2015) Thiru. K. Rangaraj (from 16.3.2015)	Managing Director/TANTRANSCO(a/c) Managing Director/TANTRANSCO(a/c) Managing Director/TANTRANSCO
3	Thiru S.SEKKIZHAR	Director/ Finance/TANTRANSCO
4	Thiru S. Akshayakumar (upto 31.5.2014) Thiru. K. Rangaraj (from 9.6.2014 to 17.7.2014) Thiru. K. Rangaraj (from 17.7.2014 to 20.2.2015) Thiru R. Kalaiselvan (from 20.2.2015)	Director/Transmission Projects Director/Transmission Projects(a/c) Director/Transmission Projects Director/Transmission Projects
5	Thiru. P.S. Ganesh (from 21.2.2015)	Director/Operation, TANTRANSCO
6	Thiru. N. Sankar (upto 30.6.2014) Thiru. P. Annadurai (from 1.7.2014 to 17.7.2014) Thiru. S. Devarajan (from 17.7.2014)	Part Time Director, TANTRANSCO Director (Generation), TANGEDCO Part Time Director, TANTRANSCO Director(Generation)(a/c), TANGEDCO Part Time Director, TANTRANSCO Director(Generation), TANGEDCO
7	Thiru. P. Annadurai	Part Time Director, TANTRANSCO Director (Distribution) , TANGEDCO
8	Thiru. Rajesh Lakhoni, I.A.S.	Secretary to Government (a/c), Energy Department Ex-officio Director/TANGEDCO, TANTRANSCO & TNEB Ltd.
9	Thiru. K.Shanmugam, I.A.S.	Principal Secretary to Government, Finance Department. Ex-officio Director, TANGEDCO, TANTRANSCO & TNEB Ltd.
10	Thiru. C.V. Sankar, I.A.S.	Principal Secretary to Government, Industries Department, Ex-officio Director, TANTRANSCO.

10.0 **Audit Committee :**

In compliance with the provisions of Section 292A of the Companies Act, 1956 an Audit Committee was constituted by the Company with Chairman and three Ex-Officio Directors of TANTRANSCO. With regard to appointment of Independent Director, the Govt. of Tamil Nadu has been addressed and hence in compliance with the provisions of Section 177 of the

Companies Act, 2013 (as amended), an Audit Committee was re-constituted by the Company with the same Chairman and Members till the appointment of Independent Director by the Govt. of Tamil Nadu.

11.0 **Directors' responsibility statement :**

In accordance with Section 134(3)(c) of the Companies Act, 2013, 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 2015; and of the revenue account for that period. The rates of depreciation adopted are as per the Gazette notification issued by the Hon'ble Tamil Nadu Electricity Regulatory Commission from time to time.

ii) the directors had selected such accounting policies and applied them consistently and made judgements 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, REC, 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 endeavour 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.

Sd/-

Date : 22.12.2015 Chairman

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/15-16/Report/III Dated:29 December 2015

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

Sir,

Sub : Comments of the C&AG of India u/s 143(6) (b) of the Companies Act, 2013 on the accounts of Tamil Nadu Transmission Corporation Ltd for the year ended 31st March, 2015 – reg.

The comments of the Comptroller and Auditor General of India under section 143(6) (b) of the Companies Act, 2013 on the accounts of Tamil Nadu Transmission Corporation Ltd., for the year ended 31st March, 2015 are forwarded herewith.

A copy of the minutes of Annual General Meeting in which comments of Comptroller and Auditor General of India are placed 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/-
Senior Deputy Accountant General/ES-II

Encl: As stated.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF TAMIL NADU TRANSMISSION CORPORATION LIMITED, CHENNAI FOR THE YEAR ENDED 31st MARCH 2015.

The preparation of financial statements of Tamil Nadu Transmission Corporation Limited, Chennai for the year ended 31st March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30th September 2015.

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

A. Revenue Account

Income

1. Revenue from Transmission Charges (Schedule –I) - ₹ 1,776.07 crore

This includes ₹ 2.25 crore being revenue towards Loss component charges. The actual revenue to TANTRANSCO is only ₹ 0.95 crore and the balance of ₹ 1.30 crore is due to be paid to TANGEDCO. This has resulted in overstatement of Income and understatement of amount owing to TANGEDCO to the extent of ₹ 1.30 crore.

2. Other Income (Schedule - 5) – ₹ 160.15 crore

This does not include ₹ 3.12 crore being the O&M charges collected by TANGEDCO, but not transferred to TANTRANSCO. This has resulted in understatement of income by ₹ 3.12 crore and amount receivable from TANGEDCO by a like amount.

Expenditure

3. Interest and Finance charges (Schedule - 12) - ₹ .927.35 crore

The above head is understated by ₹ 1.47 crore due to non-accounting of interest adjusted by Life Insurance Corporation of India towards loan interest due on 15th January 2015. This has resulted in short accounting of interest and finance charges by ₹ 1.47 crore and under statement of deficit by the same amount.

B. Balance Sheet

4. Fixed Assets and Provision for Depreciation (Schedule - 19)

Gross Block – ₹ 17, 643.58 crore

a) This includes ₹ 34.34 crore, being the expenditure incurred in respect of five partially completed works capitalised under fixed assets in the Operation Circle at Coimbatore. This has resulted in overstatement of Fixed Assets and understatement of Capital Expenditure in Progress (Schedule-21) by a like amount.

b) The above head does not include an amount of ₹ 109 crore being cost of completed work relating to Pugalur-Pandiankuppam 400 KV line not capitalised in the Operation Circle at Salem. This has resulted in understatement of Fixed Assets and overstatement of Capital Expenditure in progress by ₹ 109 crore.

5. Capital Expenditure in Progress (Schedule - 21) - ₹ 4,884.84 crore

a) This includes Capital Works being executed on Deposit Contribution Works (DCW) basis by the General Construction Circle, Trichy basis amounting to ₹ 35.99 crore as on 31st March 2015. Most of these works related to erection of 110 KV evacuation feeders carried out for Captive Power Plants/Co-gen Plants etc. Though the cost of erection of such evacuation feeders were charged on the applicants, the title of the property belongs to TANGEDCO/TANTRANSCO now. Continued exhibition of these completed works under capital expenditure in progress resulted in overstatement of the above head and understatement of Receivables from TANGEDCO/Fixed Assets. The quantum of such overstatement could not be worked out due to absence of details relating to such works.

b) This is overstated by ₹ 44.13 crore being the value of Sub-stations and Transmission lines, which were commissioned before 31st March 2015. but still shown under Work In Progress in General Construction Circle at Madurai. Consequently, Fixed Assets (Schedule-19) stand understated by a like amount.

6. Other Current Liabilities (Schedule - 28) – ₹ 25,247.64 crore

a) This does not includes ₹ 6.27 crore being the value of land purchased from Salem Municipal Corporation for construction of 110/22 KV Kitchipalayam Substation, the payment

for which was made by adjusting pending Belated Payment Surcharge and Current Consumption charges in the year 2013-14 by TANGEDCO on behalf of TANTRANSCO. The above asset so far has not been included in TANTRANSCO Accounts. This has resulted in understatement of Fixed Assets (Schedule-19) and understatement of amount owing to TANGEDCO (Schedule-28) by ₹ 6.27 crore.

b) Liability for Capital supplies /works – ₹ 539.71 crore

(i) The above head is understated by ₹ 21.32 crore due to non-provision of liability for the amount payable to Power Grid Corporation of India Ltd. for execution of 400 KV Bay extension works at the PGCIL sub-stations in Karaikudi, Pugalur, Kalivanthapattu and Tirunelveli. This has resulted in understatement of other Current Liabilities and understatement of Capital Expenditure in Progress (Schedule-21) by ₹ 21.32 crore.

ii) Provision for liability does not exist for an amount of ₹ 2.47 crore being the value of materials supplied against Purchase Orders before 31st March 2015 in GCC Madurai. Consequently, the above head as well Schedule-26(A) - Stocks are understated by ₹ 2.47 crore.

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

Place : Chennai
Date : 29.12.2015

(K. SRINIVASAN)
PRINCIPAL ACCOUNTANT GENERAL

TAMILNADU TRANSMISSION CORPORATION LTD

Sl.No.	AG Audit Comment	Management Reply
1	**A.Revenue Account** **Income** **Revenue from Transmission Charges (Schedule –I) - Rs. 1,776.07 crore** This includes Rs. 2.25 crore being Loss component charges. The actual revenue to TANTRANSCO is only 0.95 crores and the balance of 1.30 crores is due to be paid to TANGEDCO. This has resulted in overstatement of Income and understatement of amount owing to TANGEDCO to the extent of Rs. 1.30 crores.	The same will be rectified in the accounts 2015-16.
2	**Other Income (Schedule - 5) – Rs.160.15 crore** This does not include Rs. 3.12 crore being the O&M charges collected by the TANGEDCO but not transferred to TANTRANSCO This has resulted in understatement of income by Rs. 3.12 crore and amount receivable from TANGEDCO by a like amount.	The same will be rectified in the accounts 2015-16.
3	**Interest and Finance charges (Schedule - 12) - Rs.927.35 crore** The above head is understated by Rs.1.47 crore due to non-accounting of interest adjusted by Life Insurance Corporation of India towards loan interest due on 15 January 2015. This has resulted in short accounting of interest and finance charges by Rs.1.47 crore and understatement of deficit by the same amount.	The same will be rectified in the accounts 2015-16.

4(a)	**Fixed Assets and Provision for Depreciation (Schedule - 19)** **Gross Block – Rs.17, 643.58 crore** This includes Rs.34.34 crore being the expenditure incurred in respect of five partially completed works capitalised under fixed assets in the Operation Circle at Coimbatore. This has resulted in overstatement of fixed assets and understatement of Capital Expenditure in Progress (Schedule – 21) by a like amount.	The same will be rectified in the accounts 2015-16.
4(b)	The above head does not include an amount of Rs.109 crore being cost of completed capital work relating to Pugalur-Pandiankuppam 400 KV line not capitalized in the Operation Circle at Salem. This has resulted in understatement of Fixed Asset and overstatement of capital expenditure in progress by Rs.109 crore.	The same will be rectified in the accounts 2015-16
5(a)	**Capital Expenditure in Progress (Schedule - 21) - Rs. 4,884.84 crore** This includes Capital Works being executed on Deposit Contribution Work (DCW) basis by the General Construction Circle, Trichy amounting to Rs.35.99 crore as on 31.03.2015. Most of these works related to erection of 110 KV evacuation feeders carried out for Captive Power Plants/Co-gen Plants etc. Though the cost of erection of such evacuation feeders were charged on the applicant, the title of the property belonged to TANGEDCO / TANTRANSCO now. Continued exhibition of these completed works under capital expenditure in progress	The same will be rectified in the accounts 2015-16

	resulted in overstatement of the above head and understatement of receivable from TANGEDCO/Fixed assets. The quantum of such overstatement could not be worked out due to absence of details relating to such works.	
5(b)	This is overstated by Rs. 44.13 crore being the value of Substations and Transmission lines, which were commissioned before 31 March 2015 but still shown under Work In Progress in General Construction Circle at Madurai. Consequently, fixed assets (Schedule – 19) stand understated by a like amount.	The same will be rectified in the accounts 2015-16.
6(a)	**Other Current Liabilities (Schedule - 28) – Rs.25,247.64 crore.** This does not includes Rs.6.27 crore being the value of land purchased from Salem Municipal Corporation for construction of 110/22 KV Kitchipalayam Substation, the payment was made by adjusting pending BPSC and CC charges in the year 2013-14 by TANGEDCO on behalf of TANTRANSCO. The above asset so far has not been included in TANTRANSCO Accounts. This has resulted in understatement of fixed assets (Schedule-19) and under statement of Amount owing to TANGEDCO (Schedule-28) by Rs.6.27 crore.	The same will be rectified in the accounts 2015-16.
6(b)(i)	**Liability for Capital supplies /works – Rs. 539.71 crore** The above head is understated by Rs.21.32 crore due to non-provision of liability for the amount payable to	The same will be rectified in the accounts 2015-16.

	Power Grid Corporation of India Ltd., for execution of 400 KV Bay extension works at the PGCIL sub-stations in Karaikudi, Pugalur, Kalivanthapattu and Tirunelveli. This has resulted in understatement of Other Current Liabilities and understatement of Capital Expenditure in progress (Schedule-21) by Rs.21.32 crore.	
6(b)(ii)	Provision for liability does not exist for an amount of Rs.2.47 crore being the value of materials supplied against Purchase orders before 31 March 2015 in GCC Madurai. Consequently, the above head as well Schedule-26(A) –Stocks are understated by Rs. 2.47 crore .	The same will be rectified in the accounts 2015-16.

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INDEPENDENT AUDITOR'S REPORT

To
The Members of **TAMILNADU TRANSMISSION CORPORATION LIMITED, CHENNAI.**

Report on the Financial Statements:

1. We have audited the accompanying financial statements of **TAMILNADU TRANSMISSION CORPORATION LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements :

2. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material Mis-statement, whether due to fraud or error.

Auditor's Responsibility :

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical Requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material mis-statement.

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

6. **QUALIFIED OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act/ESAAR in the manner so required and ***SUBJECT TO OUR REMARKS BELOW AND IN ANNEXURE (I) AND CONSEQUENTIAL IMPACT ON THE LOSS FOR THE YEAR AND RELEVANT ITEMS IN THE BALANCE SHEET WHICH ARE NOT ASCERTAINABLE/NOT QUANTIFIABLE,*** give a true and fair view in conformity with the accounting principles Generally Accepted in India, SUBJECT TO OUR REMARKS ELSEWHERE IN THE REPORT GIVES the state of affairs of the Company as at 31st March, 2015 and its Loss and tows cash flows for the year ended on that date.

7. **Report on Other Legal and Regulatory Requirements**

1. As required under section 143(5) of the Companies Act, 2013, we give in the Annexure I our report on the directions issued by the Comptroller and Auditor General of India.

2. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure II a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

1) ***SHARE CAPITAL DIFFERENCE : The Share Capital for the year ended 31.03.2015 shows excess amount of Rs.60.57 Crores for which allotment has been made by the Company in May 2015.***

2) ***We are not in a position to verify the details of addition to fixed assets, corresponding depreciation in many cases (Account Group 10 & 14) made during the year in the absence of supporting records.***

3) ***The advances to staff generally show credit balance instead of debit balance. Hence, we are not in a position to certify the correctness or otherwise of these accounts in the Balance Sheet.***

4) ***In the absence of full details of the expenses reimbursable to TANTRANSCO Ltd. from TANGEDCO Ltd and vice-versa, we are not in a position to certify the correctness or otherwise of these figures in the Profit & Loss Account and Balance Sheet respectively.***

5) ***In the absence of full details of the Revenue / Income reimbursable to TANTRANSCO Ltd from TANGEDCO Ltd, we are not in the position to certify the correctness or otherwise of these figures in the Profit & Loss account and Balance Sheet respectively.***

6) ***The pension payments of existing pensioners of erstwhile TNEB are being paid by TANGEDCO since no segregation of pensioners' liability has been finalised in the provisional transfer scheme. The payments of pension to those who have retired from 1.4.2014 to 31.03.2015 are made by TANGEDCO and one seventh towards TANTRANSCO's share for the FY 2014-15 to the tune of Rs.262.93 Crs. has been made in the accounts.***

7) ***<u>Capitalisation of Assets :</u> 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 31.03.2015 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) ***We are not in a position to certify the correctness of the inter unit / HQ since the reconciliation has not been carried out.***

10) ***We are not in a position to certify the correctness of the Liability for supply material as the account shows debit balance instead of credit. We are informed this is due to non-incorporation of opening balances from TNEB at the time of incorporation of TANTRANSCO.***

11) *Since adequate records are not maintained for DCW works, reconciliation of figures shown in the statement of accounts could not be carried out.*

12) *General Ledger : There is no general ledger maintained in the Head Office / Operation / GCCs and other units. Only monthly statement of account was maintained and general ledger is not maintained.*

13) *In certain Operation / GCC circles, the cash balance and bank balance as on 31.03.2015 shows Negative balance. This is due to non-incorporation of opening balance from T N E B while TANTRANSCO Ltd was formed.*

14) *Details of service tax payable by the company from 01.07.2012 are not ascertainable in the absence of proper records by the GCCs/Operation/P&C NCESs and Head Office. The Company is reimbursing Service Tax on production of receipts of actual payment by the contractors concerned under the reverse charges mechanism as per the Service Act.*

15) *The Land is purchased by TANTRANSCO Ltd. for establishment of substations, the title deeds are registered in the name TANGEDCO Ltd/TNEB Ltd. and not in the name of TANTRANSCO Ltd in many cases.*

16) *The Opening Balance of TNEB Ltd is not brought forward in the accounts of TRANSCO Ltd, the stock registers maintained in GCCs includes carried forward balance of TNEB Ltd.*

17) *MEDIUM TERM LOAN amounting to Rs.1760.43 Crores do not show any movement during the year and no provision has been made in the accounts neither towards interest nor towards repayment in the accounts.*

18) *Rs. 627.42 Crores being borrowings for working capital which has been taken in the accounts as per the provisional transfer scheme did not show movement during the last 6 years. No provision has been made in the accounts neither towards interest nor towards principal.*

19) *Security Deposit, EMD & Other Deposits received from suppliers and contractors: Due to non-maintenance of proper records towards Security Deposit, EMD & Other Deposits received from suppliers and contractors, we are not in a position to certify whether proper accounting towards Revenue and Deposits.*

20) *ACCOUNTING OF LUMPSUM AMOUNT PAID BY WIND ENERGY PROMOTERS TOWARDS OPERATION AND MAINTENANCE CHARGES: Accounting/Adjustment of entries in respect of lumpsum amount paid by WIND ENERGY promoters towards Operation and Maintenance Charges has not been accounted properly as per the circular issued in this regard.*

21) CALCULATION OF DEPRECIATION: Depreciation on Assets have been calculated as per the regulations of TNERC and not as per COMPANIES ACT, 2013.

22) SERVICE TAX ON HIRED VEHICLES: The Service tax paid by the Company on vehicles taken on hire is not in uniform.

23) POSTINGS IN INVENTORY RECORD BY GCC-CHENNAI: Postings in Stock Register is not subject to verification.

In 'D' Section, of the said store, while valuing inventories, the value as given in the Stock Ledger is not in conformity with the rate adopted by the company. During the course of Audit certain rectification entries have been passed, under the circumstances the correctness or otherwise of the value adopted by the Chennai GCC could not be certified. Also its impact on the Profit & Loss Account and Balance Sheet is not Ascertainable / Quantifiable.

24) CASH SECTION:

a) The account code 46:103-EMD shows a debit balance of Rs.5,19,64,057/-which is unexplainable

b) In CANARA BANK Account (code no. 24:301) account no.22266, there are 65 Credit entries aggregating Rs. 32,93,304 /- is yet to be identified.

c) Drawing Account (22:401) No.22264 : An Amount of Rs.l0,23,024/-being payment made on 26.11.2013 is still appears in Reconciliation Statement.

d) RTGS Credited by Bank: There are two entries found in Credit side of Bank Statement on 05.12.2014 and 10.02.2015 for Rs.22,64,985/- & Rs.64,61,828/-respectively is yet to be identified.

25) TDA pending acceptance (code no. 32:210) Coimbatore GCC : An amount of Rs. 15,49,33,930/- being TDA raised on KUNDAH HYDEL GENERATION STATION during 2010 is yet to be identified and accounted.

26) Since the company follows the provisions of ESAAR, 1985 the Balance Sheet and Statement of Profit & Loss and cash flow are not prepared as per the Companies Act, 2013.

27) Regarding employee subscription and the employer contributions towards provident fund and other funds, the company has not invested outside as generally done by similar company.

28) LOAN RECEIVED FROM JICA: TANTRANSCO has been sanctioned an amount of 60 Billion and 740 million of Japanese Yen from Japan International Cooperative Agency, JAPAN through Government of INDIA for execution of certain transmission schemes.

During the year an amount of Rs. 128.01 Crores have been drawn under this. The provision of interest and commitment charges have been made in the accounts as per the Communique received from JICA.

29) *In all nodal circles separate cash book is maintained since there is a separate bank account operated in the nodal circles only. Other than nodal circles, no separate cash book is maintained for TANTRANSCO .*

30) *It is ascertained that obtaining formal approval of the Board for the loan availed from Tamil Nadu Power Finance Corporation is under process.*

31) *There is no independent Director, Key Managerial Personnel (CEO) and Chief Financial Officer (CFO) appointed and No C S R Committee has been constituted to the Board as per the Companies Act, 2013.*

32) *During the year No Internal Auditors have been appointed by the Company as per the Companies Act, 2013.*

33) *Register of Members and Register of Directors has not been updated.*

34) *EVENTS OCCURING AFTER BALANCE SHEET DATE: The Government of TAMILNADU has approved and notified the TAMILNADU ELECTRICITY (RE-ORGANISATION AND REFORMS) TRANSFER SCHEME, 2010 as per the provisions of Electricity Act, 2003 on 13.08.2015. Since compilation of Accounts and Audit of accounts has reached Finalisation, the incorporation of Opening balances of TNEB Ltd (Parent Company) has been deferred to the next Financial Year.*

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

Non Compliance of Following 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 ascertained 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 (Standard - 6) 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".*

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 contrary to Accounting standard - 15 "Employee benefits", the effects of which is not ascertained 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".

The provisions of section 164 (2)of the Companies Act,2013, on the disqualification of the directors are not applicable to the company as per paragraph serial no 19 chapter 11 notification dated 5 th June of the Department of Company Affairs, Government of India;

35. In our opinion and to the best of our information and according to the explanation given to us, subject to:

(a) Note No.l of Notes to Accounts Part-ll on Difference in share capital which is subject to reconciliation.

(b) Note No.4 of Notes to Account Part -II on Provisional transfer of Assets under the scheme and the same may change after incorporating the impacts of the Final Transfer Scheme issued vide G.O.Ms. No. 49, dated 13.8.2015.

(c) Note No.5 of Notes to Accounts Part-ll on confirmation for the nonavailability of balances for Secured loans, Sundry Creditors, Sundry Debtors, and Loan and Advances, other Deposits, Advances, Amount due to GEDCO and Amount due from GEDCO and all Staff Advances.

(d) Note No.6 of Notes to Accounts Part-ll on income from services the company has not accounted and provided for its service tax fully as the amount is not quantified and provision for the same has not been made.

(e) Note No.7 of Notes to Accounts Part-ll on Inter unit account value of Rs.286.50 Crores which is subject to reconciliation.

(f) Note No.11 of Notes to Accounts Part-ll, the transmission charges receivable from TANGEDCO and other open access customers have been limited to the extent of Rs. 1776.07crores for the year 2014-15.

(g) Note No.15 of Notes to Accounts Part-ll on Terminal benefits not provided as per accounting standard.

(h) Note No.20 of Notes to Accounts Part-ll on adjustment of certain erstwhile TNEB Liabilities subsequently paid by TRANSCO after the opening balance as on 01.11.2010 transferred in the final transfer scheme.

(i) Note No.22 Non-provision of Terminal benefits such as Gratuity/Leave Encashment of EL/Commutation of Pension on accrual basis.

[j) NoteNo.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 Govt. on account of Transmission/Wheeling and Reactive energy charges.

36 . As required by section 143 (3) of the Companies Act 2013, 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 and other Ledgers are not maintained.

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 section 133 read with rule 7 of the Companies Act 2014 , subject to our report elsewhere to the extent they are not inconsistent with the provisions of ESAAR, 2003 adopted by the Company, except as stated in Annexure ' A " to this report.

In our opinion, the Balance Sheet and Statement of Profit and Loss, comply with the Accounting Standards referred to in subsection of section 133 of the Companies Act, 2013 with exceptions referred in Note 2 of Notes to Accounts.

For Padmanabhan Prakash & Co
Chartered Accountants
FRN:002509S

CA E. PRAKASH
(Partner)
Membership No. : 019388

Place : Chennai
Date : 30th September 2015

8. As required under section 143(5) of the Companies Act, 2013, we give in the **Annexure I** our report on the directions issued by the Comptroller and Auditor General of India.

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure II** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a Director in terms of Section 164(2) of the Act.

    (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

Annexure - I

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 8 of our report of even date

On the basis of checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

(a) The Company has not been selected for disinvestment and hence reporting on this direction does not arise.

(b) There were no cases of waiver/write off of debts, loans/interest etc, during the year.

(c) Whether proper records are maintained for inventories lying with third parties YES

(d) Age wise analysis of pending legal / arbitration cases are not made available to us.

(e) Whether land acquisition is involved in setting up sub-stations an erecting transmission lines:

The Company acquires land for setting up sub-stations. Normally this is executed through TNEB Ltd/GEDCO. The lands are normally in the name of either in TNEB Ltd/or in the name of GEDCO and in the name of TRANSCO in majority of the cases. Rates of land are being fixed by the Revenue Department.

(f) Whether the Company has an effective system for recovery of revenue as per the contractual terms and the revenue is properly accounted. -—YES.

(g) Whether system of evacuation of power commensurate with power available for transmission with TANGEDCO.

We being technically not qualified in this field we are not in a position to offer our comments on this point.

(h) Transmission Loss in excess of prescribed norms has been incurred during the year and whether the same is properly accounted for in the books:

The transmission loss for the year was 4.09 % which appears to be reasonable. The same is properly accounted while collecting transmission related charges.

(i) Whether sub-stations and line works constructed and completed by G C Cs on behalf of GEDCO or on DCW basis have been properly handed over to agencies have been properly accounted for in the books ? -— YES.

Annexure - II

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 9 of our report of even date

On the basis of checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

(i) In respect of Fixed Assets:

a. The transfer of assets and liabilities from the holding Company TNEB Ltd 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. The Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.

c. In our opinion and according to the explanation and information given to us, the company has not disposed off substantial part of fixed assets,

(ii) In respect of Inventories:

While the Company is maintaining the records for inventory, pending transfer of assets from holding company TNEB Ltd. including inventories which have been done provisionally, we are unable to comment on physical verification of Stock and adequacy of procedures for the physical verification by the company. ***The reconciliation between value of inventories as per stock registers and accounts are not carried out from TNEB Ltd. Further in our opinion maintenance of stores ledgers/records and their valuation need to be strengthened. Also in our opinion Systems and Procedures in the maintenance of stores ledger/records and their valuation needs strengthening.***

(iii) We are informed that there is no Company, firm or party to be listed in the register referred to in section 189 of Companies Act, 2013 and hence we have no comments to offer in this respect.

(iv) In our opinion and according to the information and explanation given to us, though there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of services expect for Revenue accounting and Cash & Bank Balances as given in Note in our opinion Systems/Controls/General Controls/Information Technology controls required to be Strengthened/Developed to

make the same commensurate with the size, Volume and Nature of Business of the Company.

(v) The company has not accepted any deposits from public. Hence we have no comments to offer in respect of the same.

(vi) We have broadly reviewed the books of accounts maintained for the year 2014-15 by the company pursuant to the rules made by the Central Government for maintenance of cost records under Sec 148(1) of the Companies Act 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

(vii) In respect of Statutory Dues:

(a) ***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.***

(b) We are informed that there are no employees who are eligible to be covered under Employees State Insurance scheme.

(c) The Company has been generally regular in depositing with appropriate authorities undisputed applicable statutory dues.

(d) ***The details of Service tax payable under reverse charges mechanism as per Service Tax Act from 1.7.2012 is not ascertainable.*** The company is reimbursing service tax on production of receipt of actual payments by the contractor concerned.

(e) We understand the company did not have disputed dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty, Value added Tax, cess and other material statutory dues with the appropriate authorities during the year applicable to it as on 31.3.2015.

viii) ***The accumulated losses of the company as at 31st March 2015 is Rs.2600.31 Crores. The Company has not incurred cash loss during the financial year.***

(ix) ***No repayment has been accounted neither towards Principal nor towards interest for the MEDIUM TERM LOAN of Rs. 1,760.43 Crores and borrowings for working capital to the extent of Rs. 627.42 crores for the Years 2013-14 & 2014-15 and as per the provisional transfer scheme.***

(x) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Hence we have no comments to offer, in this regard.

(xi) During the year, the Company has received the following loans from various Financial Institutions and other International Agencies

a)	Rural Electrification Corporation Ltd., New Delhi	Rs.1464.43 Crores
b)	Power Finance Corporation Ltd., New Delhi	Rs.1089.42 Crores
c)	Japanese International Co-Operative Agency, Japan	Rs. 128.01 Crores
	TOTAL :	Rs.2681.86 Crores

(xii) According to the information given to us the Term loans were utilized for the purpose for which the loans were obtained.

(xiii) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Padmanabhan Prakash & Co
Chartered Accountants
FRN:002509S

CA E. PRAKASH
(Partner)
Membership No. : 019388

Place : Chennai
Date : 30th September 2015

FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION / COMMENTS OF THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2014-15		
Sl.No.	**OBSERVATION OF STATUTORY AUDITOR**	**MANAGEMENT REPLY**
	Annexure A to Audit Report **Report on Other Legal and Regulatory Requirements** As required under section 143(5) of the Companies Act, 2013, we give in the Annexure I our report on the directions issued by the Comptroller and Auditor General of India.	
	As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure II a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.	
1	***SHARE CAPITAL DIFFERENCE : The share Capital for the year ended 31.03.2015 shows excess amount of Rs. 60.57 Crores for which allotment has been made by the Company in May 2015.***	***The funds were received from the State Government through TNEB Ltd. during the FY 2014-15 itself. Hence the same has been accounted under "Funds received from the Government pending allotment of Shares to TNEB Ltd.***
2	***We are not in a position to verify the details of addition to fixed assets, corresponding depreciation in many cases (Account Group 10 &14) made during the year in the absence of supporting records.***	***The assets registers are reconstructed in all units and updating is in progress.***
3	***The advances to staff generally show credit balance instead of debit balance. Hence, we are not in a position to certify the correctness or otherwise of these accounts in the Balance Sheet.***	***In the provisional transfer scheme notified by Government of Tamil Nadu vide G.O. Ms.2 dt. 2.1.2012, considered the opening balances as on 31.3.2010 of erstwhile TNEB 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. The negative balance will be set right during final transfer of assets and liabilities to the Company.***
4	***In the absence of full details of the expenses reimbursable to TANTRANSCO Ltd. from TANGEDCO Ltd and vice-versa, we are not in a position to certify the correctness or otherwise of these figures in the Profit & Loss Account and Balance Sheet respectively.***	***The inter-company transaction details are available in both TANTRANSCO and TANGEDCO circles; however the reconciliation will be completed in Head Quarter on incorporation of Final Transfer Scheme during the FY 2015-16.***

Sl.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
5	*In the absence of full details of the Revenue/Income reimbursable to TANTRANSCO Ltd from TANGEDCO Ltd, we are not in the position to certify the correctness or otherwise of these figures in the Profit & Loss account and Balance Sheet respectively.*	*The inter-company transaction details are available in both TANTRANSCO and TANGEDCO circles; however the reconciliation will be completed in Head Quarter on incorporation of Final Transfer Scheme during the FY 2015-16.*
6	*The pension payments of existing pensioners of erstwhile TNEB are being paid by TANGEDCO since no segregation of pensioners' liability has been finalised in the provisional transfer scheme. The payments of pension to those who have retired from 1.4.2014 to 31.03.2015 are made by TANGEDCO and one seventh towards TANTRANSCO's share for the FY 2014-15 to the tune of Rs.262.93 Crs. has been made in the accounts.*	*Factual*
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 the FY 2015-16 accounts.*
8	*In certain GCCs/EDCs the closing stock value as on 31.03.2015 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	*We are not in a position to certify the correctness of the inter unit / HQ since the reconciliation has not been carried out.*	*Factual. Steps are being taken to reconcile the same and will be completed in FY 2015-16 accounts.*
10	*We are not in a position to certify the correctness of the Liability for supply material as the account shows debit balance instead of credit. We are informed this is due to non-incorporation of opening balances from TNEB at the time of incorporation of TANTRANSCO.*	*Factual. 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.*

Sl.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
11	*Since adequate records are not maintained for DCW works, reconciliation of figures shown in the statement of accounts could not be carried out.*	*The required records in respect of DCW works are maintained at all the TANTRANSCO circles. However, as stated by the audit, necessary reconciliation of account will be done in the FY 2015-16.*
12	*General Ledger : There is no general ledger maintained in the Head Office/Operation/GCCs and other units. Only monthly statement of account was maintained and general ledger is not maintained.*	*General ledger is being maintained. However the same will be updated.*
13	*In certain Operation/GCC circles, the cash balance and bank balance as on 31.03.2015 shows Negative balance. This is due to non-incorporation of opening balance from T N E B while TANTRANSCO Ltd was formed.*	*Factual. 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.*
14	*Details of service tax payable by the company from 01.07.2012 are not ascertainable in the absence of proper records by the GCCs/Operation/P&C NCES and Head Office. The Company is reimbursing Service Tax on production of receipts of actual payment by the contractors concerned under the reverse charges mechanism as per the Service Act.*	*The company is reimbursing the Service Tax on production of receipt of actual payment by the contractors concerned under the reverse charges mechanism as per the Service Tax Act. The actual liability towards contractor's portion will be discharged on production of payment proof by the contractor.*
15	*The 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 in many cases.*	*Necessary action will be taken to get registered the land in the name of TANTRANSCO that are coming under the purview of TANTRANSCO.*
16	*The Opening Balance of TNEB Ltd is not brought forward in the accounts of TRANSCO Ltd, the stock registers maintained in GCCs includes carried forward balance of TNEB Ltd.*	*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.*

Sl.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
17	*MEDIUM TERM LOAN amounting to Rs.1760.43 Crores do not show any movement during the year and no provision has been made in the accounts neither towards interest nor towards repayment in the accounts.*	*1. 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 Repayment of MTL and interest on MTL have not been taken in TRANSCO's books of accounts since eintire repayment and interest have been taken in TANGEDCO's books of accounts in the FY 2013-14 and 2014-15. The accounting of MTL will be considered on incorporation of the Final Transfer Scheme.*
18	*Rs. 627.42 Crores being borrowings for working capital which has been taken in the accounts as per the provisional transfer scheme did not show movement during the last 6 years. No provision has been made in the accounts neither towards interest nor towards principal.*	*Factual. This will be dealt with during incorporating the Final Transfer Scheme.*
19	*Security Deposit, EMD & Other Deposits received from suppliers and contractors: Due to non-maintenance of proper records towards Security Deposit, EMD & Other Deposits received from suppliers and contractors, we are not in a position to certify whether proper accounting towards Revenue and Deposits.*	*Necessary records are being maintained at TANTRANSCO circles and the circles will be instructed to update the same.*
20	*ACCOUNTING OF LUMPSUM AMOUNT PAID BY WIND ENERGY PROMOTERS TOWARDS OPERATION AND MAINTENANCE CHARGES: Accounting / Adjustment of entries in respect of lumpsum amount paid by WIND ENERGY promoters towards Operation and Maintenance Charges has not been accounted properly as per the circular issued in this regard.*	*The accounting of amount collected from the Wind Energy promoters towards O & M charges as per the circulars issued by the Board i.e. Charging 1/7 of the total amount collected from the generators to revenue account not done for the previous years have been identified and rectified during the FY 2014-15.*
21	*CALCULATION OF DEPRECIATION: Depreciation on Assets have been calculated as per the regulations of T N E R C and not as per COMPANIES ACT, 2013.*	*Factual*
22	*SERVICE TAX ON HIRED VEHICLES: The Service tax paid by the Company on vehicles taken on hire is not in uniform.*	*Suitable instructions will be given to all TANTRANSCO circles to ensure the service tax paid by the company is uniform and to give instructions to the contractors for adhering the provisions of the Service Tax Act strictly.*

Sl.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
23	*POSTINGS IN INVENTORY RECORD BY GCC-CHENNAI: Postings in Stock Register is not subject to verification.*	
	In 'D' Section, of the said store, while valuing inventories, the value as given in the Stock Ledger is not in conformity with the rate adopted by the company. During the course of Audit certain rectification entries have been passed, under the circumstances the correctness or otherwise of the value adopted by the Chennai GCC could not be certified. Also its impact on the Profit & Loss Account and Balance Sheet is not Ascertainable / Quantifiable.	*The defects pointed out by the audit were rectified durig the course of audit itself. Hence the value adopted in the stock ledger by the GCC Chennai is in confirmity with the rate adopted by the Company.*
24	*CASH SECTION:*	
(a)	*The account code 46:103-EMD shows a debit balance of Rs.5,19,64,057/- which is unexplainable*	*The same will be set right while incorporating opening Balances as per the Final Transfer Scheme.*
(b)	*In CANARA BANK (Account code no. 24:301) account no.22266, there are 65 Credit entries aggregating Rs. 32,93,304 /- is yet to be identified.*	*The 65 credit entries have been identified and will be properly accounted in the accounts for the FY 2015-16.*
(c)	*Drawing Account (22:264) An Amount of Rs.10,23,024/- being payment made on 26.11.2013 is still appears in Reconciliation Statement.*	*This will be rectified in the accounts for the FY 2015-16.*
(d)	*RTGS Credited by Bank: There are two entries found in Credit side of Bank Statement on 05.12.2014 and 10.02.2015 for Rs.22,64,985/- & Rs.64,61,828/- respectively is yet to be identified.*	*The entries are related to the invokation of Bank guarantee given by the Contractor for the non-fullfilment of contractual obligation and necessary entries will be made in the accounts for the FY 2015-16.*
25	*TDA pending acceptance (code no. 32:210) Coimbatore GCC : An amount of Rs. 15,49,33,930/- being TDA raised on KUNDAH HYDEL GENERATION STATION during 2010 is yet to be identified and accounted.*	*The assets have identified and necessary acceptance was obtained from SE / Civil / Hydro project, TANGEDCO, Vendipalayam during the FY 2015-16.*
26	*Since the company follows the provisions of ESAAR, 1985 the Balance Sheet and Statement of Profit & Loss and cash flow are not prepared as per of the Companies Act, 2013.*	*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.*
27	*Regarding employee subscription and the employer contributions towards provident fund and other funds, the company has not invested outside as generally done by similar company.*	*Factual*

Sl.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
28	*LOAN RECEIVED FROM JICA: TANTRANSCO has been sanctioned an amount of 60 Billion and 740 million of Japanese Yen from Japan International Co-operative Agency, JAPAN through Government of INDIA for execution of certain transmission schemes. During the year an amount of Rs.128.01 Crores have been drawn under this. The provision of interest and commitment charges have been made in the accounts as per the Communique received from JICA.*	*Factual*
29	*In all nodal circles separate cash book is maintained since there is a separate bank account operated in the nodal circles only. Other than nodal circles, no separate cash book is maintained for TANTRANSCO.*	*Factual*
30	*It is ascertained that obtaining formal approval of the Board for the loan availed from Tamil Nadu Power Finance Corporation is under process.*	*Factual*
31	*There is no independent Director, Key Managerial Personnel (C E O) and Chief Financial Officer (C F O) appointed and No C S R Committee has been constituted to the Board as per the Companies Act, 2013.*	*In respect of appointment of Independent Director, the Govt. of Tamil Nadu has been addressed by TNEB Ltd. Appointment of Key Managerial Personnel viz.CEO and CFO, and constitution of CSR Committee are under process.*
32	*During the year No Internal Auditors have been appointed by the Company as per the Companies Act, 2013.*	*There is already an inhouse Internal Audit Department. However, compliance to the respective provisions of the Companies Act is under process.*
33	*Register of Members and Register of Directors has not been updated.*	*The same will be updated.*
34	*EVENTS OCCURING AFTER BALANCE SHEET DATE: The Government of TAMILNADU has approved and notified the TAMILNADUELECTRICITY (RE-ORGANISATION AND REFORMS) TRANSFER SCHEME, 2010 as per the provisions of Electricity Act, 2003 on 13.08.2015. Since compilation of Accounts and Audit of accounts has reached Finalisation, the incorporation of Opening balances of TNEB Ltd (Parent Company) has been deferred to the next Financial Year.*	*Factual*
35	*Attention also is invited to the following notes as stated in Note No. 2 to the accounts of the Company:*	
	Non Compliance of Following Accounting Standards	

Sl.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
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 ascertained 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 (Standard – 6) 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 consistantly 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 contrary to Accounting standard – 15 "Employee benefits", the effects of which is not ascertained 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.*
	The provisions of section 164 (2)of the Companies Act,2013, on the disqualification of the directors are not applicable to the company as per paragraph serial no 19 chapter 11 notification dated 5th June of the Department of Company Affairs, Government of India;	*Factual*

Sl.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
35	*In our opinion and to the best of our information and according to the explanation 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 Account Part–II on Provisional transfer of Assets under the scheme and the same may change after incorporating the impacts of the Final Transfer Scheme issued vide G.O.Ms. No. 49, dated 13.8.2015.*	*Factual*
(c)	*Note No.5 of Notes to Accounts Part-II on confirmation for the non-availability of balances for Secured loans, Sundry Creditors, Sundry Debtors, and Loan and Advances , other Deposits, Advances, Amount due to GEDCO and Amount due from GEDCO and all Staff Advances*	*Factual. However steps will be taken to obtain the confirmations by 31.03.2016.*
(d)	*Note No.6 of Notes to Accounts Part-II on income from services the company has not accounted and provided for its service tax fully as the amount is not quantified and provision for the same has not been made.*	*Factual*
(e)	*Note No.7 of Notes to Accounts Part-II on Inter unit account value of Rs.286.50 Crores which is subject to reconciliation.*	*Factual*
(f)	*Note No.11 of Notes to Accounts Part-II, the transmission charges receivable from TANGEDCO and other open access customers have been limited to the extent of Rs. 1776.07crores for the year 2014-15.*	*Factual*
(g)	*Note No.15 of Notes to Accounts Part-II on Terminal benefits not provided as per accounting standard.*	*Factual*
(h)	*Note No.20 of Notes to Accounts Part-II on adjustment of certain erstwhile TNEB Liabilities subsequently paid by TRANSCO after the opening balance as on 01.11.2010 transferred in the final transfer scheme.*	*Factual*
(i)	*Note No.22 Non-provision of Terminal benefits such as Gratuity/Leave Encashment of EL/Commutation of Pension on accrual basis.*	*Factual*
(j)	*NoteNo.25(i) Receipt of transmission charges and wheeling charges on account of KAIGA share and MAP share to other SR constituents.*	*Factual*

Sl.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
(k)	*Non reconciliation of dues payable to Karnataka and Andhra Pradesh Govt. (s) on account of Transmission/Wheeling and Reactive energy charges.*	*Factual*
36	As required by section 143 (3) of the Companies Act 2013, 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.*	*Factual*
(b)	*In our opinion, since General Ledger, Parties and other Ledgers are not maintained.*	*Refer the reply to para 12 above*
(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.*	*Factual*
(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 section 133 read with rule 7 of the Companies Act 2014 , subject to our report elsewhere to the extent they are not inconsistent with the provisions of ESAAR, 2003 adopted by the Company, except as stated in Annexure 'A" to this report*	*Factual*
	In our opinion, the Balance Sheet and Statement of Profit and Loss, comply with the Accounting Standards referred to in subsection of section 133 of the Companies Act, 2013 with exceptions referred in Note 2 of Notes to Accounts.	*Factual*
8	*As required under section 143(5) of the Companies Act, 2013, we give in the Annexure I our report on the directions issued by the Comptroller and Auditor General of India.*	*Factual*
9	*As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure II a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.*	*Factual*
10	*As required by Section 143 (3) of the Act, we report that:*	
(a)	*We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.*	*Factual*
(b)	*In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.*	*Factual*

Sl.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
(c)	*The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.*	*Factual*
(d)	*In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.*	*Factual*
(e)	*On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.*	*Factual*
(f)	*With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:*	*Factual*
	Annexure - I ANNEXURE TO INDEPENDENT AUDITOR'S REPORT	
	Referred to in paragraph 8 of our report of even date *On the basis of checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:*	
(a)	*The Company has not been selected for disinvestment and hence reporting on this direction does not arise.*	*Factual*
(b)	*There were no cases of waiver/write off of debts, loans/interest etc, during the year.*	*Factual*
(c)	*Whether proper records are maintained for inventories lying with third parties : YES*	*Factual*
(d)	*Age wise analysis of pending legal / arbitration cases are not made available to us.*	*Factual*
(e)	*Whether land acquisition is involved in setting up sub-stations an erecting transmission lines:*	*Factual*
	The Company acquires land for setting up sub-stations. Normally this is executed through TNEB Ltd/GEDCO. The lands are normally in the name of either in TNEB Ltd/or in the name of GEDCO and in the name of TRANSCO in majority of the cases. Rates of land are being fixed by the Revenue Department.	*Refer reply to Para No.15*
(f)	*Whether the Company has an effective system for recovery of revenue as per the contractual terms and the revenue is properly accounted. ----YES.*	*Factual*

Sl.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
(g)	***Whether system of evacuation of power commensurate with power available for transmission with TANGEDCO.*** ***we being technically not qualified in this field we are not in a position to offer our comments on this point.***	***Factual***
(h)	***Transmission Loss in excess of prescribed norms has been incurred during the year and whether the same is properly accounted for in the books:*** ***The transmission loss for the year was 4.09 % which appears to be reasonable. The same is properly accounted while collecting transmission related charges.***	***Factual***
(i)	Whether sub-stations and line works constructed and completed by G C Cs on behalf of GEDCO or on DCW basis have been properly handed over to agencies have been properly accounted for in the books ? ---- YES.	
	Annexure - II **ANNEXURE TO INDEPENDENT AUDITOR'S REPORT**	
	Referred to in paragraph 9 of our report of even date ***On the basis of checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:***	
(i)	***In respect of Fixed Assets:***	
(a)	***The transfer of assets and liabilities from the holding Company TNEB Ltd 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***	***Refer Reply to Para 2 above.***
(b)	***The Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.***	***Refer Reply to Para 2 above.***
(c)	***In our opinion and according to the explanation and information given to us, the company has not disposed off substantial part of fixed assets.***	***Factual***
(ii)	**In respect of Inventories:** While the Company is maintaining the records for inventory, pending transfer of assets from holding company TNEB Ltd. including inventories which have been done provisionally, we are unable to comment on physical verification of Stock and adequacy of procedures for the physical verification by the company. ***The reconciliation between value***	***Periodical physical verification of inventories is being done by Head quarters Stores verification Department.***

Sl.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
	of inventories as per stock registers and accounts are not carried out from TNEB Ltd. Further in our opinion maintenance of stores ledgers/records and their valuation need to be strengthened. Also in our opinion Systems and Procedures in the maintenance of stores ledger/records and their valuation needs strengthening.	
(iii)	*We are informed that there is no Company, firm or party to be listed in the register referred to in section 189 of Companies Act, 2013 and hence we have no comments to offer in this respect.*	*Factual*
(iv)	*In our opinion and according to the information and explanation given to us, though there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of services except for Revenue accounting and Cash & Bank Balances as given in Note in our opinion Systems / Controls / General Controls / Information Technology controls required to be strengthened/Developed to make the same commensurate with the size, Volume and Nature of Business of the Company.*	*A comprehensive information technology package through Enterprice Resource Planning (ERP) will be implemented shortly.*
(v)	*The company has not accepted any deposits from public. Hence we have no comments to offer in respect of the same.*	*Factual*
(vi)	*We have broadly reviewed the books of accounts maintained for the year 2014-15 by the company pursuant to the rules made by the Central Government for maintenance of cost records under Sec 148(1) of the Companies Act 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.*	*Factual*
(vii)	In respect of Statutory Dues:	
(a)	*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.*	*Factual*
(b)	*We are informed that there are no employees who are eligible to be covered under Employees State Insurance scheme.*	*Factual*
(c)	*The Company has been generally regular in depositing with appropriate authorities undisputed applicable statutory dues.*	*Factual*

Sl.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
(d)	***The details of Service tax payable under reverse charges mechanism as per Service Tax Act from 1.7.2012 is not ascertainable. The company is reimbursing service tax on production of receipt of actual payments by the contractor concerned.***	***Please refer reply to para 14 above.***
(e)	***We understand the company did not have disputed dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty, Value added Tax, cess and other material statutory dues with the appropriate authorities during the year applicable to it as on 31.3.2015.***	***Factual***
(viii)	***The accumulated losses of the company as at 31st March 2015 is Rs.2600.31 Crores. The Company has not incurred cash loss during the financial year.***	***Factual***
(ix)	***No repayment has been accounted neither towards Principal nor towards interest for the MEDIUM TERM LOAN of Rs. 1,760.43 Crores and borrowings for working capital to the extent of Rs. 627.42 crores for the Years 2013-14 & 2014-15 and as per the provisional transfer scheme.***	***Refer the reply to para no. 17 & 18***
(x)	***In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Hence we have no comments to offer, in this regard.***	***Factual***
(xi)	***During the year, the Company has received the following loans from various Financial Institutions and other International Agencies***	***Factual***
(a)	Rural Electrification Corporation Ltd., New Delhi Rs.1464.43 Crores	
(b)	Power Finance Corporation Ltd., New Delhi- Rs. 1089.42 Crores	
(c)	Japanese International Co-Operative Agency, Japan Rs. 128.01 Crores	
	TOTAL : ***Rs. 2681.86 Crores*** ***According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.***	

CS V. MAHESH & ASSOCIATES
COMPANY SECRETARIES

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SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2015

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

To,
The Members,
Tamilnadu Transmission Corporation Limited,
NPKRR MAALIGAI, (TNEB OFFICE),
144, ANNA SALAI,
CHENNAI – 600 002.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Tamilnadu Transmission Corporation Limited** (hereinafter called the **''Company''**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the financial year ended on 31st March 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in Annexure – A for the financial year ended on 31st March 2015 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

However during the year under purview there was no instance attracting the following laws/regulations:

(i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(iii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(vi) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

During the period under review and based on the documents provided and declarations given by the Company, we are of the opinion that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc, mentioned above, except the following.

1. The Register of Charges has not been updated for the financial year under review.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For V. Mahesh & Associates

V. Parthasarathy
Practicing Company Secretary
M. No. A 2727
C.P No. : 8355

Place : Chennai
Date : 07/11/2015

ANNEXURE – B

To
Tamilnadu Transmission Corporation Limited,
NPKRR MAALIGAI, (TNEB OFFICE),
144, ANNA SALAI,
CHENNAI – 600 002.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We were not required to verify the correctness and appropriateness of financial records and Books of Accounts of the Company and we have relied on the Audited Accounts certified by the Statutory Auditors.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For V. Mahesh & Associates

V. Parthasarathy
Practicing Company Secretary
M. No. A 2727
C.P No. : 8355

Place : Chennai
Date : 07/11/2015

CS V. MAHESH & ASSOCIATES
COMPANY SECRETARIES

39/19, Aspen Court, 3rd Floor,
6th Main Road, R.A. Puram,
Chennai – 600 028.
Telefax : 91 (44) 2435 4113
Phone : 91 (44) 4317 4474
E-mail : chennaiho@vmacs.co.in

To
The Board of Directors,
Tamilnadu Transmission Corporation Limited,
NPKRR MAALIGAI, (TNEB OFFICE),
144, ANNA SALAI,
CHENNAI – 600 002.

Dear Sir,

In furtherance to the Secretarial Audit Report dated 07th Nov 2015, we hereby confirm that the Register of Charges has been updated by the Company for the Charges pertaining to financial year 2014-15.

For V. Mahesh & Associates

Date : 21/12/2015
Place : Chennai

V. Parthasarathy
C.P No. : 8355

TAMIL NADU TRANSMISSION CORPORATION LIMITED

REVENUE ACCOUNT FOR THE YEAR 2014-15					STATEMENT-1
Sl. No.	Particulars	This Year 2014-15		Previous year 2013-14	
		(Rupees in lakhs)			
	UNITS SOLD (in MU)	0		0	
	INCOME				
1	Revenue from Transmission charges	177607		276495	
4	Revenue subsidies & Grants	0		0	
5	Other Income	16015		11216	
	Total Income "A"		**193622**		**287711**
	EXPENDITURE				
6	Purchase of power			0	
7	Generation of Power			0	
8	Repairs & Maintenance	1102		1255	
9	Employee costs	83008		70001	
10	Admn.& Genl.Expenses	15297		12475	
11	Depreciation & other related debits	56802		31233	
12	Interest and Finance charges	92735		72390	
	Sub Total "B"		**248945**		**187354**
	Less: Expenses capitalised:				
13	Interest & finance charges capitalised	29135		22392	
14	Other expenses capitalised	13772		11997	
	Total expenses capitalised "C"		**42907**		**34389**
	Sub Total (B) - (C)		**206038**		**152965**
15	Other Debits	0		4	
16	Extra ordinary items	0	**0**	0	**4**
	Total (D)		**206038**		**152969**
	Profit before Tax (A)-(D)		**-12416**		**134742**
17	Provision for income tax		**-**		**-**
	Profit after tax		**-12416**		**134742**
18	Net prior period charges/Credit	-1123	**-1123**		**3938**
	SURPLUS/DEFICIT		**-11293**		**130803**

Surplus as a percentage of the value of fixed assets of the Board in service at the beginning of the year: -1.15% 14.99%

M.MAHESWARI BAI
Chief Financial Controller
TANTRANSCO

S.SEKKIZHAR
Director/Finance
TANTRANSCO

R. KALAISELVAN
Managing Director (a/c)
TANTRANSCO

Dr.K.MUTHUPANDIAN
Company Secretary
TANTRANSCO

For Padmanabhan Prakash & Co.,
Chartered Accountants
Firm No.002509S

(E. PRAKASH)
Partner
M.No. 019388

Date : 30th Sep. 2015
Place: Chennai

TAMIL NADU TRANSMISSION CORPORATION LIMITED

NET REVENUE AND APPROPRIATION ACCOUNT FOR THE YEAR 2014-15			STATEMENT-2
Sl. No.	Particulars	This Year 2014-15	Previous year 2013-14
		(Rupees in lakhs)	
1	Balance brought forward from last year	-248738	-379542
2	Surplus from Revenue Account	-11293	130804
3	Credits Transferred from General Reserve.	-	-
4	Appropriations - i) Contributions to Reserve and Reserve Funds ii) Contribution to Development Fund	 - -	 - -
	Balance carried forward	-260031	-248738

M.MAHESWARI BAI
Chief Financial Controller
TANTRANSCO

S.SEKKIZHAR
Director/Finance
TANTRANSCO

R. KALAISELVAN
Managing Director (a/c)
TANTRANSCO

Dr.K.MUTHUPANDIAN
Company Secretary
TANTRANSCO

For Padmanabhan Prakash & Co.,
Chartered Accountants
Firm No.002509S

(E. PRAKASH)
Partner
M.No. 019388

Date : 30th Sep. 2015
Place: Chennai

TAMIL NADU TRANSMISSION CORPORATION LIMITED

BALANCE SHEET AS AT 31.3.2015					STATEMENT-3
Sch. No.	Particulars	This year as at 31st March 2015		Previous Year as at 31st March 2014	
		(Rupees in lakhs)			
	NET ASSETS				
19	Gross Block		1764358		1422717
	Less: Accumulated Depreciation		498038		441403
	NET FIXED ASSETS		**1266320**		**981314**
21	Capital Expenditure in Progress		488484		512872
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	2136081		1528031	
	Less: TOTAL CURRENT LIABILITIES				
27	Security Deposits from Consumers	0		0	
28	Other Current Liabilities	2524764		1886239	
	TOTAL CURRENT LIABILITIES	**2524764**		**1886239**	
	NET CURRENT ASSETS		**-388682**		**-358208**
29	Subsidy Receivable from Govt.		0		0
	Deficit	260031	260031		248738
	NET ASSETS		**1626152**		**1384715**
	FINANCED BY				
30	Borrowings for Working Capital		62742		62743
31	Payments due on Capital Liabiliites		2619		4986
32	Capital Liabilities		1071010		933813
33	Funds from State Government		388099		300989
34	Contributions,Grants and Subsidies		8096		6575
35	Reserves and Reserve Funds		93585		75609
	Surplus		-		-
	TOTAL FUNDS		**1626152**		**1384715**

M.MAHESWARI BAI
Chief Financial Controller
TANTRANSCO

S.SEKKIZHAR
Director/Finance
TANTRANSCO

R. KALAISELVAN
Managing Director (a/c)
TANTRANSCO

Dr.K.MUTHUPANDIAN
Company Secretary
TANTRANSCO

For Padmanabhan Prakash & Co.,
Chartered Accountants
Firm No.002509S

(E. PRAKASH)
Partner
M.No. 019388

Date : 30th Sep. 2015
Place: Chennai

TAMIL NADU TRANSMISSION CORPORATION LIMITED

REVENUE FROM TRANSMISSION CHARGES					SCHEDULE-1
Sl. No.	Particulars	Tariff	Account Code	This year 2014-15 Rs.	Previous year 2013-14 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	1776,06,63,733	2764,88,53,479
26	Misc.charges from consumers (Testing Fees)		61.900		6,21,620
	GROSS REVENUE			**1776,06,63,733**	**2764,94,75,099**
27	Electricity Duty Payable		61.541 to 61.579		
	GRAND TOTAL			**1776,06,63,733**	**2764,94,75,099**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

REVENUE SUBSIDIES AND GRANTS				SCHEDULE-4
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 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 2014-15 Rs.	Previous year 2013-14 Rs.
1	Interest on staff loans and advances	62.210 to 62.219	1,07,33,738	75,11,962
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	1,46,872	3,30,136
5	Interest on Advances to Suppliers/Contractors	62.260	1,188	
6	Interest from Banks (Other than Fixed Deposit)	62.270	1,84,313	
7	Income from Trading	62.300	1,44,69,291	4,46,86,182
8	Rebate on Power Purchase Bills	62.365	5,86,500	3,07,260
9	Income from Staff Welfare activities	62.600	1,68,523	1,37,535
10	Miscellaneous Receipts	62.900	157,52,00,259	106,86,40,680
	Total		**160,14,90,684**	**112,16,13,755**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

REPAIRS AND MAINTENANCE				SCHEDULE-8
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
	Repairs and Maintenance to:			
1	Plant & Machinery	74.110	6,63,25,614	8,29,50,378
2	Buildings	74.210	52,97,900	47,24,976
3	Civil Works	74.310	61,33,453	23,66,422
4	Hydraulic Works	74.410		
5	Lines, Cables & Networks etc.	74.510	2,50,55,648	2,80,31,446
6	Vehicles	74.600	43,89,171	41,99,424
7	Furniture & Fixtures	74.701	27,572	36,637
8	Office Equipments	74.801	29,61,658	31,93,172
	TOTAL		**11,01,91,016**	**12,55,02,455**

EMPLOYEE COST				SCHEDULE-9
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Salaries	75.100	229,74,13,962	209,26,62,848
2	Overtime	75.200	6,66,90,593	1,68,26,627
3	Dearness Allowance	75.300	234,65,56,131	184,90,32,463
4	Other Allowance	75.400	16,71,25,266	16,66,28,539
5	Bonus	75.500	7,07,26,155	6,96,31,706
	Sub-Total (1 to 5)		**494,85,12,107**	**419,47,82,183**
6	Medical Expenses Reimbursement	75.611	39,39,478	52,57,982
7	Leave Travel Assistance	75.612	1,65,566	1,68,232
8	Earned Leave Encashment	75.617	26,70,64,489	23,44,88,390
9	Payment Under Workmen's Compensation Act	75.629	4,78,73,064	2,92,40,042
	Sub-Total:Other Staff Costs(6 to 9)		**31,90,42,597**	**26,91,54,646**
10	Staff Welfare Expenses	75.700	60,19,389	18,15,285
11	Terminal Benefits	75.800	293,63,39,909	246,18,88,171
12	Board's Contribution to CPS	75.870	9,09,20,796	7,24,35,191
13	Other staff costs	75.600-610		
14	Thermal/Performance/Commissioning/Golden Jubilee Incentive	75.503-510		
	SUB TOTAL (10 to 12)		**303,32,80,094**	**253,61,38,647**
	Grand Total		**830,08,34,798**	**700,00,75,476**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

ADMINISTRATION AND GENERAL EXPENSES				SCHEDULE-10
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Rent/Rates and Taxes	76.101,103	67,39,664	69,76,744
2	Insurance	76.104,106,107	4,20,180	7,39,905
3	Insurance(1%on the Net fixed Assets)	76.109	126,63,19,754	98,13,13,679
4	Telephone/Postage/Telegram/Telex charges	76.111 to 119	1,04,56,261	1,09,13,740
5	Legal Charges	76.120,121	23,56,054	1,00,98,929
6	Audit Fees	76.122	6,80,000	5,50,000
7	Consultancy Charges	76.123	25,62,416	2,64,02,553
8	Technical Fees	76.124	6,01,038	6,41,839
9	Other Professional Charges	76.125,126 & 129	17,547	5,58,933
10	Conveyance & Travel	76.131 to 140	12,66,68,250	10,27,99,579
	Sub-Total		**141,68,21,164**	**114,09,95,901**
	OTHER EXPENSES			
1	Fuel for operating machines	76.108		
2	Fees & Subscription	76.151	27,021	65,258
3	Books & Periodicals	76.152	31,694	41,151
4	Printing & Stationery	76.153	41,14,569	42,22,897
5	Training Expenses	76.154	25,99,845	7,63,544
6	Advertisement Expenses	76.155	12,04,031	7,94,743
7	Subscriptions/Contributions to Books & Periodicals	76.157		
8	Electricity Charges	76.158	89,54,431	1,27,63,562
9	Water Charges	76.160	19,59,615	19,70,719
10	Entertainment/Recreations for employees	76.162		
11	Watch and Ward Expenses.	76.163	6,19,22,349	5,33,28,590
12	Petty Office Maintenance Expenses.	76.164	15,34,805	14,73,025
13	Miscellaneous Expenses	76.190	1,16,34,579	81,53,321
	Sub-Total		**9,39,82,939**	**8,35,76,810**
14	Freight	76.210 to 240	1,71,73,416	1,86,01,389
15	Other Purchase related Expenses.	76.270 to 281	17,37,816	41,45,644
16	Honororium (Food Allwo.) for SO in Chennai	76.194		
17	Reward for theft of energy/Spl reward vigilance	76.127 & 76.128	0	
18	Materials related expenses	76.200-76.209		
19	Registrar of Companies	76.300 to 899	0	2,06,583
20	Fringe Benefit Tax	76.193		
	Sub-Total		**1,89,11,232**	**2,29,53,616**
	GRAND TOTAL		**152,97,15,335**	**124,75,26,327**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

DEPRECIATION AND RELATED DEBITS (NET)				SCHEDULE-11
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Depreciation	77.100,200	568,02,26,551	312,32,54,147
2	Asset decommissioning costs	77.500		
3	Small and low value items	77.600		
4	**Sub-Total (1 to 3)**		**568,02,26,551**	**312,32,54,147**
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)**		**568,02,26,551**	**312,32,54,147**
11	LESS: Gain on sale of Assets.	62.400		
	TOTAL		**568,02,26,551**	**312,32,54,147**

INTEREST AND FINANCE CHARGES				SCHEDULE-12
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Interest on State Govt. Loan	78.100		
2	Interest on bonds	78.200	120,72,29,216	127,46,70,259
3	Interest on Debentures	78.300		
4	Interest on Foreign Currency Loans/credits	78.400		
5	Interest on other Loans/Deferred credits	78.500	751,76,27,794	552,75,55,124
6	Penal Interest in respect on Capital liabilities	**78.591 to 78.599**	13,16,04,293	6,05,75,742
7	Interest on Security deposit from consumers	78.600		
8	Interest on MCD	78.610		
	TOTAL INT.ON CAPITAL LIABILITIES		885,64,61,303	686,28,01,125
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	23,01,22,297	20,11,29,529
13	Other Interest	78.853 to 860	6,97,40,448	5,16,53,610
14	Cost of raising finance/Commitment charges.	78.861 to 873	3,67,76,838	3,63,73,307
15	Other Bank Charges/Penal int for E.tax	78.874 to 883	4,71,433	3,86,047
16	Guarantee commission to State Government	78.884 to 899	7,99,14,000	8,66,78,575
	TOTAL		**927,34,86,319**	**723,90,22,193**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

INTEREST AND FINANCE CHARGES CAPITALISED				SCHEDULE-13
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
	INTEREST CHARGES CAPITALISED			
1	Normal Interest Capitalised	78.910	4,14,85,330	1,42,11,603
2	Interest during Construction stage	78.900	287,20,22,348	222,49,58,494
	TOTAL		**291,35,07,678**	**223,91,70,097**

OTHER EXPENSES CAPITALISED				SCHEDULE-14
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Repair and Maintenance Capitalised	74.900	1,46,23,251	2,27,08,750
2	Employee cost Capitalised	75.900	89,55,97,204	78,46,54,340
3	Fabrication charges added to the stock	76.282	45,144	51,138
4	Administration and General Expenses Capitalised	76.900	46,55,59,696	39,12,29,192
5	Depreciation and other related costs capitalised	77.900	13,31,626	10,73,268
6	Other debits capitalised	79.900		
7	Capitalisation of cost of gen.during Trial stage	71.900		
	TOTAL		**137,71,56,921**	**119,97,16,688**

OTHER DEBITS				SCHEDULE-15
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Material Cost Variance	79.100	0	
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	0	4,00,000
5	Sundry Expenses/Rebate on SOP/Tr.charges	79.700/79.610		
6	Intangable asset written off	79710		
7	Provision for Hydro Balancing Fund	79750		
	TOTAL		**0**	**4,00,000**

WORKING OF INTEREST DURING CONSTRUCTION 2014-15			
		ACS	BNA
Particulars based on		(Rs. in Thousand)	
1. (a) and (b) Net Assets shown in Balance Sheet	16,26,15,199		
Asset at Constn. Stage as per schedule 21 (prior to charging IDC)	4,44,77,921	4,44,77,921	11,81,37,279
2. Reducing of ACS due to excess } Liab.over stores & Payment. } Liab.for Cap.Supply and Works schedule 28 item 3 **A**	53,97,129		
Current Assets Cap.Stores schedule 26 a item 4 1	20,93,255		
Adv.for Cap.Supply schedule 21 item 6 2	14,98,426		
B(1+2)	35,91,681		
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	261863		
Loan having int.holiday and other int. free Liab.sch.34	0		
Reserve Funds Reserve Fund Sch.35	41,24,915		
Reserves	52,33,632		
Int. bearing Cap.liab.Sch.32	10,71,00,991		
Consumer contribution & grants towards cost of capital assets	8,09,646		
Equity sch.33	3,88,09,932		
Total	16,26,15,199		
TALLY WITH TOTAL ASSET SIDE	16,26,15,199		
Adjustment to ACS &BNA based on para 5	16,26,15,199	4,44,77,921	11,81,37,279
5. a. Deducting borrowing for working capital and payment due on Cap.liabilities from BNA	53,97,129		53,97,129
SUBTOTAL (5-5a) I	15,72,18,070	4,44,77,921	11,27,40,150
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	15,72,18,070	4,44,77,921	11,27,40,150
5.d. Investment against funds	0	0	0
5.e. Determination of own Funds:			
1 Reserves fund over Investment	41,24,915		
2 Reserves	52,33,632		
3 Equity Share Capital	3,88,09,932		
4 Consumer contribution & grants towards cost of capital assets	8,09,646		
SUBTOTAL (5e(1+2+3+4)) III	4,89,78,125	1,38,56,201	3,51,21,924
Net Total II-III	10,82,39,945	3,06,21,720	7,76,18,225
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	9,56,16,164	3,54,85,869	6,01,30,295
Balance at the closing of the year	10,82,39,945	3,06,21,720	7,76,18,225
AVERAGE VALUE OF ACS&BNA	10,19,28,055	3,30,53,794	6,88,74,260
8. Int. payable on Cap. Liab. as per Sch.12	88,56,461	28,72,022	59,84,439
THEREFORE IDC TO BE CHARGED	**Rs.287,20,22,348**		

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 transactions 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 2014-15 Rs.	Previous year 2013-14 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 2014-15 Rs.	Previous year 2013-14 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 2014-15 Rs.	Previous year 2013-14 Rs.
1	**Income relating to previous year**			
a.	Fuel related gains	65.100		
b.	Receipts from consumers	65.200	2,92,45,929	18,30,59,488
c.	Interest Income	65.400		
d.	Excess provision for I.T.	65.500	3,14,543	1,43,310
e.	Excess provision for Depreciation	65.600		
f.	Excess provn. for Int.& Fin.charges	65.700	8,16,22,637	2,07,00,126
g.	Other excess provision	65.800	10,90,45,288	18,29,82,280
h.	Other income	65.900	24,94,10,604	212,98,70,200
	Total		46,96,39,001	251,67,55,404
2	**Prior Period Expenses/losses**			
a.	Short provision for power purchase	83.100		
b.	Fuel related losses and expenses	83.200	0	
c.	Operating expenses	83.300		4,38,921
d.	Material related expenses	83.400	6,93,34,321	29,756
e.	Employees cost	83.500	23,99,95,924	61,12,75,863
f.	Depreciation under provided	83.600		
g.	Interest &Finance charges	83.700	1,50,150	1,17,45,382
h.	Other charges	83.800	4,78,35,144	228,70,80,383
	Total		**35,73,15,539**	**291,05,70,305**
3	**Net Prior period credits (A/C Code 65)**			**0**
	Net Prior period charges (A/C Code 83)		**-11,23,23,462**	**39,38,14,901**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

FIXED ASSETS AND PROVISION FOR DEPRECIATION **SCHEDULE-19**

GROSS BLOCK

Sl. No.	Asset Group	Account Code No.	At the end of previous year 31.3.2014 Rs.	Additions during 2014-15 Rs.	Deductions during 2014-15 Rs.	At the end of the year 31.03.2015 Rs.
1	Land and Land rights	10.100	**28,83,42,68,451**	**24,21,15,441**		**29,07,63,83,892**
			(28,78,11,26,092)	*(5,31,42,359)*	*(0)*	*(28,83,42,68,451)*
2	Buildings	10.200	**3,59,83,51,046**	**72,69,50,283**		**4,32,53,01,329**
			(3,38,00,53,559)	*(22,02,98,816)*	*(20,01,329)*	*(3,59,83,51,046)*
3	Hydraulic works	10.300	**2,25,20,628**	**2,31,881**	*0*	**2,27,52,509**
			(2,24,93,226)	*(27,402)*		*(2,25,20,628)*
4	Other civil works	10.400	**2,20,05,08,086**	**1,27,35,87,210**	**6,72,436**	**3,47,34,22,860**
			(1,25,16,71,729)	*(95,37,07,414)*	*(48,71,057)*	*(2,20,05,08,086)*
5	Plant & Machinery	10.500	**49,07,21,69,246**	**6,42,25,14,305**	**1,95,10,003**	**55,47,51,73,548**
			(43,90,17,71,322)	*(5,18,25,17,089)*	*(1,21,19,165)*	*(49,07,21,69,246)*
6	Lines & Cables Network	10.600	**57,39,64,39,265**	**25,51,51,29,255**	**6,49,162**	**82,91,09,19,358**
			(50,48,28,77,804)	*(6,92,42,61,109)*	*(1,06,99,648)*	*(57,39,64,39,265)*
7	Vehicles	10.700	**25,20,61,759**	**17,08,541**	**16,13,814**	**25,21,56,486**
			(25,25,55,973)	*(16,82,158)*	*(21,76,372)*	*(25,20,61,759)*
8	Furniture & Fixtures	10.800	**21,40,90,483**	**10,10,648**	**2,52,565**	**21,48,48,566**
			(20,81,76,446)	*(59,61,777)*	*(47,740)*	*(21,40,90,483)*
9	Office Equipment	10.900	**68,06,39,698**	**38,27,661**	**2,92,193**	**68,41,75,166**
			(67,10,95,108)	*(97,38,861)*	*(1,94,271)*	*(68,06,39,698)*
	Sub-Total		**1,42,27,10,48,662**	**34,18,70,75,225**	**2,29,90,173**	**1,76,43,51,33,714**
			(1,28,95,18,21,259)	*(13,35,13,36,985)*	*(3,21,09,582)*	*(1,42,27,10,48,662)*
10	Capital Expenditure Resulting in an asset not belonging to the Board	11.100	**6,31,617**		**0**	**6,31,617**
			(6,31,617)		*(0)*	*(6,31,617)*
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**	**0**	**0**	**6,31,617**
			(631,617)	*(0)*	*(0)*	*(6,31,617)*
	GRAND TOTAL		**1,42,27,16,80,279**	**34,18,70,75,225**	**2,29,90,173**	**1,76,43,57,65,331**
			(1,28,95,24,52,876)	*(13,35,13,36,985)*	*(3,21,09,582)*	*(1,42,27,16,80,279)*

Note : Figures shown in brackets relates to previous year.

TAMIL NADU TRANSMISSION CORPORATION LIMITED

FIXED ASSETS AND PROVISION FOR DEPRECIATION **SCHEDULE-19**

Sl. No.	Asset Group	Account Code No.	DEPRECIATION At the end of previous year 31.3.2014 Rs.	Additions during 2014-15 Rs.	Deductions during 2014-15 Rs.	At the end of the year 31.03.2015 Rs.
1	Land and Land rights	12.100	**0**	**4,931**		**4,931**
2	Buildings	12.200	**62,60,03,459**	**11,83,56,665**		**74,43,60,124**
			(56,60,76,724)	*(5,99,26,735)*		*(62,60,03,459)*
3	Hydraulic works	12.300	**73,78,609**	**11,40,136**		**85,18,745**
			(68,24,178)	*(5,54,431)*		*(73,78,609)*
4	Other civil works	12.400	**24,23,61,583**	**7,14,82,519**		**31,38,44,102**
			(22,07,67,797)	*(2,15,93,786)*		*(24,23,61,583)*
5	Plant & Machinery	12.500	**20,51,25,49,583**	**2,49,88,06,169**	**1,49,36,816**	**22,99,64,18,936**
			(18,97,11,39,043)	*(1,54,23,22,608)*	*(912,068)*	*(2,051,25,49,583)*
6	Lines & Cables Network	12.600	**22,00,24,30,007**	**2,91,17,54,137**	**4,50,673**	**24,91,37,33,471**
			(2,05,73,518,290)	*(14,37,9,37,171)*	*(9,025,454)*	*(22,00,24,30,007)*
7	Vehicles	12.700	**28,22,59,973**	**96,54,455**	**10,59,349**	**29,08,55,079**
			(26,43,88,665)	*(1,97,27,680)*	*(1,856,372)*	*(28,22,59,973)*
8	Furniture & Fixtures	12.800	**15,53,28,520**	**98,54,300**	**2,29,625**	**16,49,53,195**
			(14,63,81,326)	*(89,88,810)*	*(41,616)*	*(15,53,28,520)*
9	Office Equipment	12.900	**31,13,33,715**	**5,91,50,750**	**83,502**	**37,04,00,963**
			(2,778,58,653)	*(3,36,15,346)*	*(140,284)*	*(31,13,33,715)*
	Sub-Total		**44,13,96,45,449**	**5,68,02,04,062**	**1,67,59,965**	**49,80,30,89,546**
			(4,10,26,954,676)	*(31,246,66,567)*	*(11,975,794)*	*(44,13,96,45,449)*
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	**75,658**	**33,289**		**1,08,947**
				(75,658)		*(75,658)*
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		**6,66,883**	**33,289**	**0**	**7,00,172**
			(6,29,054)	*(75,658)*	*(0)*	*(7,04,712)*
	GRAND TOTAL		**44,14,03,12,332**	**5,68,02,37,351**	**1,67,59,965**	**49,80,37,89,718**
			(41,02,75,83,730)	*(3,12,47,42,225)*	*(11,975,794)*	*(44,14,03,50,161)*

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 31.03.2015 Rs.	At the end of the year 31.03.2014 Rs.
1	Land and Land rights	10.100	**29,07,63,78,961**	**28,83,42,68,451**
			(28,83,42,68,451)	*(2,87,81,126,092)*
2	Buildings	10.200	**3,58,09,41,205**	**2,97,23,47,587**
			(2,97,23,47,587)	*(2,81,39,76,835)*
3	Hydraulic works	10.300	**1,42,33,764**	**1,51,42,019**
			(1,51,42,019)	*(15,669,048)*
4	Other civil works	10.400	**3,15,95,78,758**	**1,95,81,46,503**
			(1,95,81,46,503)	*(103,09,03,932)*
5	Plant & Machinery	10.500	**32,47,87,54,612**	**28,55,96,19,663**
			(28,55,96,19,663)	*(24,93,06,32,279)*
6	Lines & Cables Network	10.600	**57,99,71,85,887**	**3539,40,09,258**
			(35,39,40,09,258)	*(29,909,359,514)*
7	Vehicles	10.700	**-38,698,593**	**-30,198,214**
			(30,198,214)	*(1,18,32,692)*
8	Furniture & Fixtures	10.800	**4,98,95,371**	**5,87,61,963**
			(5,87,61,963)	*(6,17,95,120)*
9	Office Equipment	10.900	**31,37,74,203**	**36,93,05,983**
			(36,93,05,983)	*(39,32,36,455)*
	Sub-Total		**1,26,63,20,44,168**	**98,13,14,03,213**
			(98,13,14,03,213)	*(87,92,48,66,583)*
10	Capital Expenditure	11.100		
	Resulting in an asset not		**40,392**	**40,392**
	belonging to the Board		*(40,392)*	*(40,392)*
11	Spare units	11.200	**-1,08,947**	**-75,658**
			-(75,658)	*(0)*
12	Capital Spares at	11.300	**0**	**0**
	Generating Station		*(0)*	*(0)*
13	Assets taken over from	11.400		
	Licencees pending Final		**0**	**0**
	Valuation		*(0)*	*(0)*
14	Leased Assets	11.700	**0**	**0**
			(0)	*(0)*
	TOTAL		**1,26,63,19,75,613**	**98,13,13,67,947**
			(98,13,14,38,479)	*(87,92,49,06,975)*

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 2014-15 Rs.	Previous year 2013-14 Rs.
1	Capital work in progress	14&18	42,74,60,83,699	45,52,70,54,998
2	Contract in progress	15.1		
	SUB-TOTAL		**42,74,60,83,699**	**45,52,70,54,998**
3	Revenue Expenses pending allocation over capital works	15.2	4,58,09,05,410	3,77,93,22,167
4	Provision for completed work	15.5	2,19,77,154	30,70,13,492
5	Construction facilities	15.6	9,76,608	9,76,608
	Assets at construction stage (1 to 5)		**47,34,99,42,871**	**49,61,43,67,265**
6	Advances for suppliers/Contractors (Capital)	25.100 to 25.900	1,49,84,25,504	1,67,27,71,923
	TOTAL		**48,84,83,68,375**	**51,28,71,39,188**

Note:

1. 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)
2. Contracts in progress represents the portion of interim payments made to contractors for Capital works executed. Capital works to the tune of Rs..... cr is in progress. The title of the assets is to pass on to the Board only upon completion of the contract.
3. Depreciation on construction facilities charged during the year is NIL.

ASSETS NOT IN USE — **SCHEDULE-22**

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.	Sl. No.	Asset Group	Account Code	Balance in the beginning of the year 1.4.2014 Rs.	Additions during 2014-15 Rs.	Deductions during the year 2014-15 Rs.	Balance at the end of the year 31.03.2015 Rs.
8,659	49	0	1	Written down Value of obsolete scrapped Assets	16.100	8,708	17,83,905	17,81,575	11,038
8,659	**49**	**0**		**Total**		**8,708**	**17,83,905**	**17,81,575**	**11,038**

DEFERRED COSTS — **SCHEDULE-23**

Balance in the beginning of the year 1.4.2013 Rs.	Cost defe-rred during the pr.year 2013-14 Rs.	Cost charged to Revenue during pr.year 2013-14 Rs.	Sl. No.	Particulars	Account Code	Balance in the beginning of the year 1.4.2014 Rs.	Cost defe-rred during the year 2014-15 Rs.	Cost charged to Revenue during the year 2014-15 Rs.	Balance at the end of the year 31.03.2015 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/feasibiity studies of projects not yet sanctioned	17.300	0			0
0	**17,300**	**17,300**				**0**	**0**	**0**	**0**

TOTAL CURRENT ASSETS				SCHEDULE-26
Sl. No.	Particulars	Schedule No.	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Stocks	26(a)	4,30,60,88,887	4,41,76,33,042
2	Receivables against supply of power	26(b)	81,14,62,73,918	67,41,02,72,616
3	Cash and Bank Balances	26(c)	85,65,66,196	32,18,04,719
4	Loans and Advances	26(d)	13,99,65,781	10,59,09,979
5	Sundry Receivables	26(e)	1,30,02,42,29,824	83,08,28,58,109
	TOTAL		2,16,47,31,24,606	1,55,33,84,78,465
6	Inter Unit Balance		-2,86,49,96,604	-2,53,53,22,348
	TOTAL		2,13,60,81,28,002	1,52,80,31,56,117

STOCKS				SCHEDULE-26(A)
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Fuel Stocks - Coal	21.101		
	Fuel Stocks - Oil	21.105		
2	Coal in Transit	21.121		
3	Coal Shortages tobe written off	21.130		
4	Stock of materials at construction stores	22.60 & 22. 61	2,09,32,55,089	2,40,72,91,295
5	Stock of Materials at other stores	22.62 & 22. 63	-12,11,43,136	-12,11,43,136
6	Materials at site	22.64 & 22.65		
7	Materials pending Inspection	22.66 & 22.67	25,55,85,832	4,88,36,438
8	Materials in Transit	22.68 & 22.69		
9	Other Materials accounts	22.7	2,07,83,91,102	2,08,26,20,445
10	Fuel Stock Excess/shortages pending Investigation	21.2		
11	Materials stock Excess/Shortages pending Invgn.	22.8	0	28,000
	TOTAL		**4,30,60,88,887**	**4,41,76,33,042**

RECEIVABLES AGAINST SUPPLY OF POWER				SCHEDULE-26(B)
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Sundry Debtors for Sale of Power	23.1	8113,50,15,150	6739,93,61,766
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	7,04,621	3,56,703
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		**8114,62,73,918**	**6741,02,72,616**
9	Less: Provision for doubtful dues from consumers	23.9		
	TOTAL		**8114,62,73,918**	**6741,02,72,616**

CASH AND BANK BALANCES				SCHEDULE-26(C)
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Cash on hand	24.1	20,37,39,855	3,43,34,760
2	Cash Imprests with staff	24.2	89,08,123	1,10,14,675
	Balance with Banks:			
3	Collection Account	24.3	34,22,42,890	4,67,23,467
4	Drawing Account	24.4	20,87,22,328	17,31,68,817
5	Cash in Transit	24.5& 24.6	9,29,53,000	5,65,63,000
	TOTAL		**85,65,66,196**	**32,18,04,719**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

LOANS AND ADVANCES				SCHEDULE-26(D)
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Advance for O&M Supplies/Works	26.1 to26.7	10,68,991	1,86,228
2	Advance for Fuel Supplies	26.8		
	Sub-Total (1 & 2)		**10,68,991**	**1,86,228**
3	Loans and Advances to Staff	27.1&27.2	13,70,90,471	10,39,17,432
4	Loans and Advances to Licensees	27.3		
5	Advance Income Tax/deduction at source	27.4	18,06,319	18,06,319
6	Central Payment Control Account	27.5		
7	Loans and Advances	27.8		
	Sub-Total (3 to 7)		**13,88,96,790**	**10,57,23,751**
8	Less Provision for doubtful Loans and Advances	27.9		
	TOTAL (1 to 7 (-) 8)		**13,99,65,781**	**10,59,09,979**

SUNDRY RECEIVABLES				SCHEDULE-26(E)
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Sundry Debtors/Trading account	28.100	-71,358,223	-3,245,118
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	12,24,405	11,15,524
6	Fuel related receivable and claims. Grade difference of coal (Net provision for loss on grade difference)	28.511 & 28.512		0 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 28.900	13007,58,61,493 1,85,02,149	8307,20,95,336 1,28,92,367
	TOTAL		**13002,42,29,824**	**8308,28,58,109**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

SECURITY DEPOSITS FROM CONSUMERS				SCHEDULE-27
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Security Deposits from Consumers (in cash)	48.1	0	0
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**	**0**

OTHER CURRENT LIABILITIES				SCHEDULE-28
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 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	539,71,29,279	677,46,15,991
4	Liability for O&M supplies/works	43.1,43.2 &300	1,95,14,910	2,13,13,469
5	Staff related liabilities and provisions	44.1 to 44.4	90,54,99,990	133,91,69,162
6	Deposits & Retention from Suppliers and Contractors	46.100& 200	535,19,20,855	518,96,97,612
	(net of Deposits recd. in the form of Investment etc.)	28.930		0
7	Electricity duty and other levies payable to Government	46.300	13,95,489	43,63,232
8	Liability for Expenses	46.400	62,48,77,736	17,70,77,389
9	Amount owing to Licensees	46.600	23918,79,58,069	17411,99,69,598
10	Accrued/unclaimed Amounts relating to Borrowing	46.700	-381,257	51,99,463
11	Provision for Income Tax	46.800		0
12	Other Liabilities and provisions	46.9&991	12,71,26,107	12,72,80,217
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		**25161,50,41,178**	**18775,86,86,133**
15	Deposits for Electrification/Service connection etc.	47.000	86,13,34,017	86,52,04,134
	TOTAL		**25247,63,75,195**	**18862,38,90,267**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

SUBSIDY RECEIVABLE FROM GOVERNMENT				SCHEDULE-29
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 Rs.
1	Capital Subsidy/Grant Receivable	28.61		
2	Revenue Subsidy/Grant Receivable	28.62	0	0
	TOTAL		**0**	**0**

BORROWING FOR WORKING CAPITAL				SCHEDULE-30
Sl. No.	Particulars	Account Code	This year 2014-15 Rs.	Previous year 2013-14 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 1.4.2013 Rs.	Becoming due during the previous year 2013-14 Rs.	Payments made during previous year 2013-14 Rs.	Sl. No.	Particulars	Acc-ount code	Due at the beginning of the year 1.4.2014 Rs.	Becoming due during 2014-15 Rs.	Payments made during 2014-15 Rs.	Due at the end of the year 31.03.2015 Rs.
			I.	Principal accrued and due on Capital Liabilities.					
-	60,28,00,000	60,28,00,000	1	TNEB Bonds	51.150	-	74,78,00,000	74,78,00,000	-
16,66,66,000	56,65,38,667	56,65,38,667	2	LIC	51.101	16,66,66,000	46,89,98,662	46,89,98,662	16,66,66,000
-	479,92,01,125	479,92,01,125	3	REC	51.113	-	241,86,24,048	241,86,24,048	0
-	0	0	4	New India Assurance	51.126	-			0
-	0		5	RGGY	51.171	-			-
-	77,50,523	77,50,523	6	Power Finance Corpn.	51.116	-	504,61,95,514	504,61,95,514	-
-	606,88,96,826	606,88,96,826	7	Tamil Nadu POWERFIN	51.129	-	380,99,39,449	380,99,39,449	0
-			8	Lease Finance TNPFC	51.134	-			-
-			9	ICICI	51.161	-			-
-			10	Nabard	51.114	-			-
20,01,7337.0	81,82,24,351	63,71,40,571	11	Hudco	51.166	20,11,01,117	60,74,40,411	80,85,41,528	0
-			12	Medium term loan	51.164	-			-
18,66,83,337	**1286,34,11,492**	**1268,23,27,712**	**Total repayment of Loan (A)**			**36,77,67,117**	**1309,89,98,084**	**1330,00,99,201**	**16,66,66,000**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

PAYMENT DUE ON CAPITAL LIABILITIES — **SCHEDULE-31**

Due at the beginning of the previous year 1.4.2013 Rs.	Becoming due during the previous year 2013.14 Rs.	Payments made during previous year 2013.14 Rs.	Sl. No.	Particulars	Acc-ount code	Due at the beginning of the year 1.4.2014 Rs.	Becoming due during 2014-15 Rs.	Payments made during 2014-15 Rs.	Due at the end of the year 31.03.2015 Rs.
			II.	Interest accrued and due on 51.201 to 51.299					
-			a)	ICICI	51.261	-			-
-	301,96,19,937	301,96,19,937	b)	REC	51.213	-	477,69,62,132	477,69,62,132	0
-	130,17,30,701	130,17,30,701	c)	TNEB Bonds	51.250	-	123,53,67,226	123,53,67,226	-
15,62,47,083	30,39,80,391	32,93,49,632	d)	LIC	51.201	13,08,77,842	22,94,30,866	26,51,11,359	9,51,97,349
-	41,58,74,989	41,58,74,989	e)	PFC	51.216	-	123,94,04,512	123,94,04,512	-
-			f)	RGGY	51.271	-	0		-
-	89,75,41,115	89,75,41,115	g)	TNPFC	51.229	-	39,88,41,964	39,88,41,964	0
-	0		h)	New India Assurance	51.226	-			0
-			i)	Lease Rent TNPFC	51.234	-			-
-			j)	PMGY	51.270	-			-
54,81,59,282		54,81,59,282	k)	Medium term loan	51.264	0			-
-			l)	APDRP	51.265	-			-
-			m)	Nabard	51.214	-			-
1,50,83,186	77,44,40,692	78,95,23,878	n)	HUDCO	51.266	0	98,12,67,619	98,12,67,619	0
71,94,89,551	**671,31,87,825**	**730,17,99,534**	**Total payment of Interest (B)**			**13,08,77,842**	**886,12,74,319**	**889,69,54,812**	**9,51,97,349**
90,61,72,888	**1957,65,99,317**	**1998,41,27,246**	**Grand Total {A+B}**			**49,86,44,959**	**2196,02,72,403**	**2219,70,54,013**	**26,18,63,349**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

CAPITAL LIABILITIES **SCHEDULE 32**

Outstanding at the beginning of the previous year 1.4.2013 Rs.	Amount received during the previous year 2013-14 Rs.	Repayments due during the previous year 2013-14 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 31.03.2014 Rs.	Amount received during 2014-15 Rs.	Repayments due during the year 2014-15 Rs.	Outstanding at the end of the year 31.03.2015 Rs.
1414,18,82,742		60,28,00,000	1	Public Loan TNEB Bonds	13.02%	52.110	1353,90,82,742		74,78,00,000	1279,12,82,742
345,85,58,880		56,65,38,667	2	Loan from Life Insurance Corpn.	9.05%	52.501	289,20,20,213		46,89,98,662	242,30,21,551
2152,82,78,667	1425,78,40,483	479,74,36,689	3	Loan from Rural Elecn.Corpn.	11.65%	53.310	3098,86,82,461	1464,43,06,954	241,86,24,048	4321,43,65,367
			4	Loan from Central Elecy. Authory.		53.702				0
			5	Loan from SIDBI & IDBI	13.50%	53.801				0
660,34,28,804	889,68,73,760	77,50,523	6	Power Finance Corporation	11.00%	53.710	1549,25,52,041	1089,42,23,731	504,61,95,514	2134,05,80,258
			7	Power Finance Corporation (ADB)	10.50%	53.712				0
1531,09,33,783	55,10,88,043	606,88,96,826	8	Loan Tamil Nadu POWERFIN	10.65%	53.729	979,31,25,000		380,99,39,449	598,31,85,551
			9	NABARD	10.50%	53.400				0
			10	TNPFC Lease	13.00%	53.850				-
1760,43,14,979			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	Japan International Co-operation Agency (JICA)	12.50%	53.865		128,01,19,381		128,01,19,381
			14	RGGVY	10.40%	53.871				0
			15	PMGY	12.00%	53.870				0
388,97,86,344	0	81,82,24,351	16	HUDCO	10.25%	53.720	307,15,61,993		60,74,40,411	246,41,21,582
8253,71,84,199	**2370,58,02,286**	**1286,16,47,056**		**TOTAL**			**9338,13,39,429**	**2681,86,50,066**	**1309,89,98,084**	**10710,09,91,411**

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 31.03.2014)	9338,13,39,429
3	Borrowings during this year 2014-15	2681,86,50,066
4	Total borrowings upto the end of 2014-15	12019,99,89,495
5	Less: Repayments made during 2014-15	1309,89,98,084
6	**Total Borrowings (Net 4-5)**	10710,09,91,411
7	**Balance of the borrowings limit to the end 2014-15 (1-6)**	4289,90,08,589

FUNDS FROM STATE GOVERNMENT **SCHEDULE-33**

Outstanding at the beginning of the previous year 1.4.2013	Amount received during the previous year 2013-14	Repay -ments made during previous year 2013-14	Sl. No.	Parti culars	Interest rate applicable at the end of the year	Acco -unt code	Outstanding at the end of the previous year 31.03.2014	Amount received during the year 2014-15	Repayments due during the year 2014-15	Outstanding at the end of the year 31.03.2015
Rs.	Rs.	Rs.					Rs.	Rs.	Rs.	Rs.
2840,92,04,000	168,97,00,000		1	Equity Share capital		54.500	3009,89,04,000	871,10,28,000		3880,99,32,000
2840,92,04,000	**168,97,00,000**	-		**Total**			**3009,89,04,000**	**871,10,28,000**	-	**3880,99,32,000**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

CONTRIBUTIONS, GRANTS AND SUBSIDIES TOWARDS COST OF CAPITAL ASSETS **SCHEDULE-34**

Balance at the beginning of the previous year 1.4.2013 Rs.	Received during previous year 2013-14 Rs.	Sl. No.	Particulars	Account Code	Balance at the end of the previous year 31.03.2014 Rs.	Additions during current year 2014-15 Rs.	Total at the end of the year 31.03.2015 Rs.
47,67,66,620	18,07,43,634	1	Consumer's Contribution	55.100	65,75,10,254	15,21,36,084	80,96,46,338
47,67,66,620	**18,07,43,634**		**Total Consumer's Contribution**		**65,75,10,254**	**15,21,36,084**	**80,96,46,338**
		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 (Kuthirjyothi)	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**	**0**
47,67,66,620	**18,07,43,634**		**GRAND TOTAL**		**65,75,10,254**	**15,21,36,084**	**80,96,46,338**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

RESERVE AND RESERVE FUND — SCHEDULE-35

Balance at the beginning of the previous year 1.4.2013 Rs.	Additions 2013-14 Rs.	Deductions 2013-14 Rs.	Sl. No.	Particulars	Account Code	Balance at the end of previous year 31.03.2014 Rs.	Additions 2014-15 Rs.	Deductions 2014-15 Rs.	Balance at the end of the year 31.03.2015 Rs.
				RESERVES					
-			1	General Reserves	56.100	-			-
-			2	Capital Reserves	56.200	-			-
-			3	Other Reserves	56.600	-			-
46,55,68,286	45,23,14,006	6,08,44,658	4	Res. for Material Cost variance	56.610	85,70,37,634	9,82,55,128	8,02,49,928	87,50,42,834
0	309,22,68,932		5	1% Property Insurance Reserve	56.660	309,22,68,932	126,63,19,754		435,85,88,686
0			6	Hydro Balancing Fund	56.750	0			0
46,55,68,286	**354,45,82,938**	**6,08,44,658**		***Total Reserves(A)***		**394,93,06,566**	**136,45,74,882**	**8,02,49,928**	**523,36,31,520**
				RESERVE FUNDS					
230,70,94,635	110,06,82,792	88,98,92,648	1	TNEB GPF (incl. Int.)	57.120	251,78,84,779	134,93,76,704	106,03,62,732	280,68,98,751
8,69,94,593	28,66,28,777	17,46,18,030	2	Staff Pension Fund	57.140	19,90,05,340	16,21,05,191	16,21,05,191	19,90,05,340
10,51,53,124	95,58,961	58,45,507	3	Special TNEB PF cum Gratuity	57.135	10,88,66,578			10,88,66,578
11,73,60,155	1,02,11,234	46,69,774	4	Family Benefit Fund	57.155	12,29,01,615	1,28,83,429	46,92,259	13,10,92,785
94,71,674	9,63,372	1,09,390	5	HBA Spl. Family Benefit Fund	57.160	1,03,25,656	13,65,214	16,28,665	1,00,62,205
70,88,934	15,65,130	8,01,751	6	Medical Health Fund	57.165	78,52,313	1,42,834	1,42,834	78,52,313
-	0	0	7	Anti theft award	57.166	0			0
38,63,090			8	Pensioner's health fund	57.167	38,63,090			38,63,090
1,63,64,452	596	596	9	TNEB Pen.FBF	57.168	1,63,64,452			1,63,64,452
0			10	Special Reward Vigiliance	57.169	0	0	0	0
44,70,15,811	23,41,36,540	5,65,79,275	11	Contributory Pension Scheme	57.170	62,45,73,076	29,75,90,845	8,12,54,265	84,09,09,656
310,04,06,468	**164,37,47,402**	**113,25,16,971**		***Total Reserve Fund (B)***		**361,16,36,899**	**182,34,64,217**	**131,01,85,946**	**412,49,15,170**
356,59,74,754	**518,83,30,340**	**119,33,61,629**		**GRAND TOTAL (A+B)**		**756,09,43,465**	**318,80,39,099**	**139,04,35,874**	**935,85,46,690**

TAMIL NADU TRANSMISSION CORPORATION LIMITED

PROFIT AND LOSS APPROPRIATION ACCOUNT					SCHEDULE - 36
Sl. No.	Particulars	Tariff	Account Code	This year 2014-15	Previous year 2013-14
				Rs.	Rs.
1	Opening Balance		58.210	*-24,87,37,80,075*	*-37,95,41,60,215*
2	Profit/Loss of Current Year			*-1,12,93,11,541*	*13,08,03,80,140*
3	Credits transferred from General Reserve				
4	Appropriations				
	(i) Contribution to Reserve & Reserve Funds				
	(ii) Contribution to Development Funds				
5	Balance Carried forward			***-26,00,30,91,616***	***-24,87,37,80,075***

NOTES TO ACCOUNTS

CORPORATE INFORMATION:

Tamil Nadu Transmission Corporation Limited is a State Government 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

(1) Basis of preparation (AS -1)

Financial statements have been prepared under historical cost convention on a going concern and accrual basis. The financial statements have been prepared in compliance with Provision of Electricity Act 2003, Electricity (Supply Annual Accounts Rules 1985). The accounting policies 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.

(2) 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 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 not 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 Company 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.

(3) Cash Flow:- (AS– 3)

Cash flow is presented under indirect method.

(4) Contingencies and Events Occurring after the Balancesheet:- (AS– 4)

The company has commenced operation from 01st November 2010, since the provisional 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 and subsequent amendment to the said GO vide G.O.(Ms).No. 2 dated 2.1.2012.

The Government of Tamil Nadu has issued the G.O. for the Final Transfer Scheme with certain amendments vide G.O.(Ms.) No. 49, dated 13.8.2015. As the Annual accounts for the FY 2014-15 and Balance sheet as on 31.3.2015 of TANTRANSCO has already been audited by the Statutory auditors, the necessary impact consequent to the issuance of above G.O. for the Final Transfer Scheme would be taken into account during the FY 2015-16.

(5) Prior Period Items:- (AS – 5)

The Prior Period items are defined as those items which arise from retrospective change in the basis of accounting, on correction of fundamental error in accounts of the prior period and on account of short or excess provision made in the previous years.

However AS 5 deals with income or expenses which arise in the current period as a result of error or omission in the prior period.

(6) Depreciation (AS – 6)

Depreciation on assets are those described below are provided on the straight line method at the rates and in the manner prescribed under Regulation 24 of Tamil Nadu Electricity Regulatory Commission's (Terms and Conditions of Determination of Tariff) Tariff Regulations 2005 and as amended vide TNERC Notification no. TNERC/TR/5/2-11, dt. 13.3.2014.

Assets are depreciated upto 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 into use.

Individual assets costing up to Rs.500/- are fully depreciated in the year in which they are put into 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	3.34
	Office Buildings	3.34
	Residential Colony for Staff	3.34
	Other Buildings	3.34
3	**Hydraulic Works**	
	Plant & Pipe lines for water supply in residential colony	5.28
	Drainage and sewage in residential colony	5.28
4	**Other Civil Works**	
	Pucca Roads	3.34
	Kutcha Roads	3.34
5	**Plant and Machinery**	
	Transformers of 100KVA & above	5.28
	Other Transformers	5.28
	Other Fixed Apparatus	5.28
	Switch Gear including cable connection	5.28
	Batteries including charging equipments	5.28
	Batteries	5.28
	Lightning Arrestors Pole Type	5.28
	Lightning Arrestors Station Type	5.28
	Communication Equipment Radio & HF Carrier System	6.33
	Static machine tools and equipment	5.28
	Meter Testing Tools	5.28
	Tools and Tackles	5.28
	Other Miscellaneous	5.28
6	**Line, Cables Net Works etc.**	
	O.H. Lines, Towers, Poles, etc Higher than 66 KVA	5.28
	O.H. Lines, Towers, Poles, etc 13.2 below 66 KVA	5.28
	O. H. lines Towers Poles conductors etc	5.28

	O. H. lines Towers Poles etc on treated wood	5.28
	Underground cables incl. Joint Boxes &Discon. Box	5.28
	Service Connections	5.28
	Temporary Connection for supply of power	5.28
	Metering Equipments	5.28
	Street lighting & Signal System	5.28
	Miscellaneous Equipments	5.28
7	**Vehicles**	
	Trucks, Tempos, Trekkers	9.50
	Jeeps and Motor Cars	9.50
	Other Vehicles	9.50
8	**Furniture & Fixtures**	6.33
9	**Office Equipments**	6.33
	Calculators	6.33
	Typewriters	6.33
	Cash Registers in Cash Office	6.33
	Other Office Equipments	6.33
	Computers & Peripherals	15.00

(7) 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 the works 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.

(8) 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.

(9) The effects of changes in Foreign Exchange Rates:- (AS-11)

When foreign currency transaction are being first recorded in the company's books of accounts, the assets, liabilities, income or expenses arising from the foreign currency transactions are translated at the official exchange rate in force on the transaction date.

(10) Accounting for Retirement Benefits of Employees (AS-15)

The Terminal benefits such as Gratuity, Encashment of Earned Leave and Contribution of Pension etc are being accounted on cash basis. A fixed 3.742% of salary has been provided for pension payments.

(11) 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.

(12) 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.

(13) Related Party Disclosures :- (AS-18)

TNEB Limited is a Holding Company, Tamil Nadu Generation and Distribution Corporation Ltd. (TANGEDCO) and Tamil Nadu Transmission Corporation Ltd. (TANTRANSCO) are its two subsidiary Companies.

(14) 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, 2015.

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.

(15) 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).

(16) 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.

II. NOTES TO ACCOUNT

1. During the year the company received a share capital of Rs. 871,10,28,000/- a share value of Rs.10/- per share by way of various Government Orders for consideration by way of cash and otherwise. Out of the said amount, allotment of shares for the value of Rs.810,53,28,000/- for 81,05,32,800 @ 10/- per share has been made during the FY 2014-15 and allotment of 6,05,70,000 number of shares for Rs. 60,57,00,000/- has been made in May 2015.

   The total share capital of the company as at the end of the year is 388,09,93,200 Equity Shares of Rs.10/- each for Rs.3880,99,32,000 (388,09,43,402 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. 3880,98,94,020/- 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 provisional 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 and subsequent amendment to the said GO vide G.O.(Ms).No. 2 dated 2.1.2012.

   The Government of Tamil Nadu has issued the G.O. for the Final Transfer Scheme with certain amendments vide G.O.(Ms.) No. 49, dated 13.8.2015. As the Annual accounts for the FY 2014-15 and Balance sheet as on 31.3.2015 of TANTRANSCO has already been audited by the Statutory auditors, the necessary impact consequent to the issuance of above G.O. for the Final Transfer Scheme would be taken into account during the FY 2015-16.

   The financial figures for the previous period are presented within the brackets.

3. The company has taken secured loans from various Banks & Financial Institutions and outstanding as on 31.03.2015 for a value of Rs. 10,710.10 Crores (Rs.9,338.13Crores). The same is secured against the fixed assets and current assets of the company. Further the Government of Tamil Nadu has also guaranteed the loans received from the financial institutions and Bond Holder during the period earlier to the re-organization of the erstwhile TNEB which were subsequently allotted to TANTRANSCO through provisional Transfer Scheme. The guaranteed amount of such borrowings as on 31.3.2015 is Rs. 1584.60 Crs.

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.

The updating of the fixed assets/loan/stock registers will be complied with while incorporating the assets and liabilities as per the Final Transfer Scheme and the company assets will be identified, physically verified and impairment if any could be assessed accordingly.

5. The balance as on 31.3.2015 in term loans, sundry creditors, Sundry debtors, and Loans & Advances are subject to confirmation.

6. In respect of income from services the company has accounted and paid its service tax wherever applicable.

7. Inter unit account for value of Rs. (-)286.50 Crores (Rs.(- 253.53 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.287.20 Crores (Rs.222.50 Crores).

9. CIF Value of Imports - NIL

10. Expenditure in Foreign currency - Nil

11. TANTRANSCO has collected the revenue towards transmission and other charges at the rate determined by the State Commission vide its Transmission Tariff Order T.P.No. 2 of 2013 dated 20.6.2013 effective from 21.6.2013 to 31.3.2014. The validity of the said order was extended beyond 31.3.2014 till the issuance of TNERC Suo-motu Transmission Tariff Order No. 8 dated 11.12.2014 effective from 12.12.2014.

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 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 from the FY 2013. The outstanding loan shown under Medium Term Loan Rs. 1760. 43 Crs. will be dealt with in accordance with the 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 Govt. of India for Rs. 3572.93Crs. (¥ 60740 million).

As per the terms and condition of the loan, TANTRANSCO has to pay commitment charges at 0.1% p.a on the undrawn loan portion and interest @ 0.55% p.a on the loan amount drawn which is payable half yearly. The said commitment and interest charges have been paid by the Comptroller of Aids, Accounts and Audit, Ministry of Finance, Department of Economic Affair and being adjusted in the budgetary provisions to the State of Tamil Nadu which in turn to be paid by TANTRANSCO to the Government of Tamil Nadu for which necessary liability has been provided in the books of accounts.

In some of the transmission schemes funded by JICA, Letter of Credits have been opened for the transactions involving the foreign currencies payments. For the charges relating to Letter of Credit, TANTRANSCO has provided liability towards outstanding charges to Bank of India, Tokyo to the tune of JPY 1,687,911 convertable exchange rate of Rs. 0.5186 per JPY prevailing on the date of Balance sheet ie. 31.3.2015.

14. The Statutory Audit Fees for the current financial year and previous financial year is as follows

FY 2013-14 ----- Rs. 5,50,000/-(including Out of pocket expenses of Rs. 1,50,000/- and excluding service tax)

FY 2014-15 ----- Rs. 6,00,000/-(including Out of pocket expenses of 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 pensioners' liability has been finalised in the provisional transfer scheme. The payments of pension to those who have retired from 1.4.2014 to 31.03.2015 are made by TANGEDCO and provision of one seventh of the total liability towards TANTRANSCO's share for the FY 2014-15 to the tune of Rs.262.93 Crs. has been made in the accounts.

16. The Capital work in Progress as on 31.03.2015 includes work in progress under taken on behalf of TANGEDCO.

17. TANTRANSCO provides 1% Insurance Reserve on Net Fixed Asset as on 31.3.2015 at Transmission circles which works out to Rs.126.64 Crores for the FY 2014-15.

18. Since the company has unabsorbed depreciation and carried forward losses under tax laws deferred tax is not recognised on the basis of prudence.

19. Value of Indigenous and imported stores spares and components consumed

SlNo	Particulars	Amount Rs. In Crs.
1	Indigeneous Materials	11.15 (2.63)
2	Imported Materials	NIL

20. **Quantitative details of Transmission and Loss of Energy**

Sl.No	Particulars	2014-15	2013-14
1.	Energy injected from Generator/Inter-State (in MU)	89609.05	84181.60
2	Energy fed to EHT/HT consumers and total consumption at SS end of 11/ 22 KV	85942.31	80737.80
3	**Total Transmission Loss**	3666.74	3443.90
4	**% of Loss**	4.09	4.09

21. 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 to TANTRANSCO while giving effect to the Final Transfer Scheme.

22. 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.

23. 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.

24. The provisions of section 164 (2) of the Companies Act,2013, on the disqualification of the directors are not applicable to the company as per paragraph serial no 19 chapter 11 notification dated 5th June of the Department of Company Affairs, Government of India.

25. 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	Dr. Sai Kumar Chairman/TANTRANSCO	Chairman cum Managing Director in TANGEDCO and TNEB Limited
2	Thiru.K.Rangaraj 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)		3880,99,32,000 (3009,89,04,000)
2	Revenue From Transmission of Power &Sundry Debtors for Transmission of Power		1373,70,45,872 (1533,17,00,000)	
3	Director's Remuneration & Amount Payable to TANGEDCO		84,58,885 (55,52,707)	
4	Funds received (in the forms of cash, materials etc.) & Amount payable to TANGEDCO		6506,79,88,471 (4904,73,10,543)	
5	Income Accrued & Amount Receivable from TANGEDCO & TNEB Limited		4699,09,70,056 (3905,40,36,531)	.....

26. 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.

Dues Payable to Karnataka

The reconciliation of the accounts has been completed and the finalization is under process.

Dues Payable to Andhra Pradesh

The amount payable towards transmission and wheeling charges is being adjusted towards the energy charges payable by TNEB.

Interest Payable

After settling down the payments/receivable of principal amount, the interest payable will be discussed.

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

This issue is being raised in various SRPC meetings

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

The matter is being continuously pursued with Western Regional Power Committee (WRPC), Maharashtra State Electricity Distribution Company Ltd., Madhya Pradesh Power Management Company Ltd. (MPPMCL) and Southern Regional Power Committee (SRPC) for early payment. In the WR-SR Meeting held on 28th October, 2014, MSEDCL informed that they had put up a note for approval to their Management. SRPC & WR forums are following the issue to resolve it soon.

27. The commitment on capital expenditure on contract pending execution as on 31.3.2015 is 2636.23 Crs. (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

Dr.K.MUTHUPANDIAN	**S.SEKKIZHAR**	**R. KALAISELVAN**
Company Secretary	Director/Finance	Managing Director (a/c)

As per our report of even date
For Padmanabhan Prakash & Co.,
Chartered Accountants
Firm No.002509S

Date : 30th Sep. 2015
Place: Chennai

Partner : E. Prakash
Membership No.019388

TAMILNADU TRANSMISSION CORPORATION LTD
CASH FLOW STATEMENT

Particulars	(Rupees in lakhs)	
	Period Ended **31.03.2015**	Period Ended **31.03.2014**
I. Cash Flows From Operating Activities		
Net loss before tax and Extraordinary items	-11293.12	130803.80
Adjustments For:		
Depreciation	56802.37	31247.04
Interest Income	0.00	
(Profit) / Loss on Sale of Asset		
Interest Paid	92734.86	72390.22
Extraordinary items:-		
Loss on account of flood, fire cyclone etc.,	0	0.00
Operating Profit Before Working Capital changes	**138244.12**	**234441.06**
Change in Trade and Other receivables	-603817.55	-508475.75
Change in Inventories	1115.44	263.38
Change in other Current Liabilities	638524.85	486720.97
Income Taxes Paid		
Net Cash Flow From Operating Activities (A)	**174066.87**	**212949.66**
II. Cash Flow from Investing Activities		
Purchase/sale of Fixed Assets	-317483.07	-304815.68
Deferred Revenue Expenditure		0.00
Investment in Shares		
Interest Income	0.00	0.00
Sale of Fixed Assets	62.30	201.94
Net Cash flow used in Investing Activities (B)	**-317420.77**	**-304613.74**
III. Cash Flow from Financing Activities		
Changes in Borrowings	134828.70	104366.26
Share Capital raised	87110.28	16897.00
Reserve Fund	19497.39	41757.11
Interest Paid	-92734.86	-72390.22
Net Cash Flow From Financing Activities (C)	**148701.51**	**90630.15**
Net Increase/(Decrease) in Cash and Cash Equivalents [D = (A+B+C)]	5347.61	-1033.89
Opening Balance of Cash & Cash Equivalents (E)	3218.05	4251.94
Closing Balance of Cash & Cash Equivalents [F = (D+E)]	8565.66	3218.05
# the cashflow has been prepared with the during the year transactions from 1st April 2014 to 31st MARCH 2015		

M.MAHESWARI BAI
Chief Financial Controller

S.SEKKIZHAR
Director/Finance

R. KALAISELVAN
Managing Director (a/c)

Dr.K.MUTHUPANDIAN
Company Secretary

For Padmanabhan Prakash & Co.,
Chartered Accountants
Firm No.002509S

(E. PRAKASH)
Partner
M.No. 019388

Date : 30th Sep. 2015
Place: Chennai

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No :	U40109TN2009SGC071948	State Code	18
Balance Sheet Date	31	03	2015
	Date	Month	Year

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

Public Issue	-	Rights Issue	-
Bonus Issue	-	Private Placement	8711028

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

Total Liabilities	Total Assets
162615200	**162615200**

Sources of Funds

Paid-up Capital	Reserves & Surplus
38809932	9358547
Secured Loans	Unsecured Loans
107362855	--------
Other Funds	
7083866	

Application of Funds

Net Fixed Assets	Investments
126631976	--------
Net Current Assets	Misc. Expenditure
9980132	----------
Accumulated Losses	
26003092	

IV. Performance of Company (Amount Rs. in Thousands)

Turnover	19362154	Total Expenditure	20491466
Profit/Loss before tax	**(-) 1129312**	Profit/Loss after tax	**(-) 1129312**
Earnings per Share in Rs.	-----	Dividend rate %	------

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

Product Description	Transmission of Power

Dr.K.MUTHUPANDIAN
Company Secretary

S.SEKKIZHAR
Director/Finance

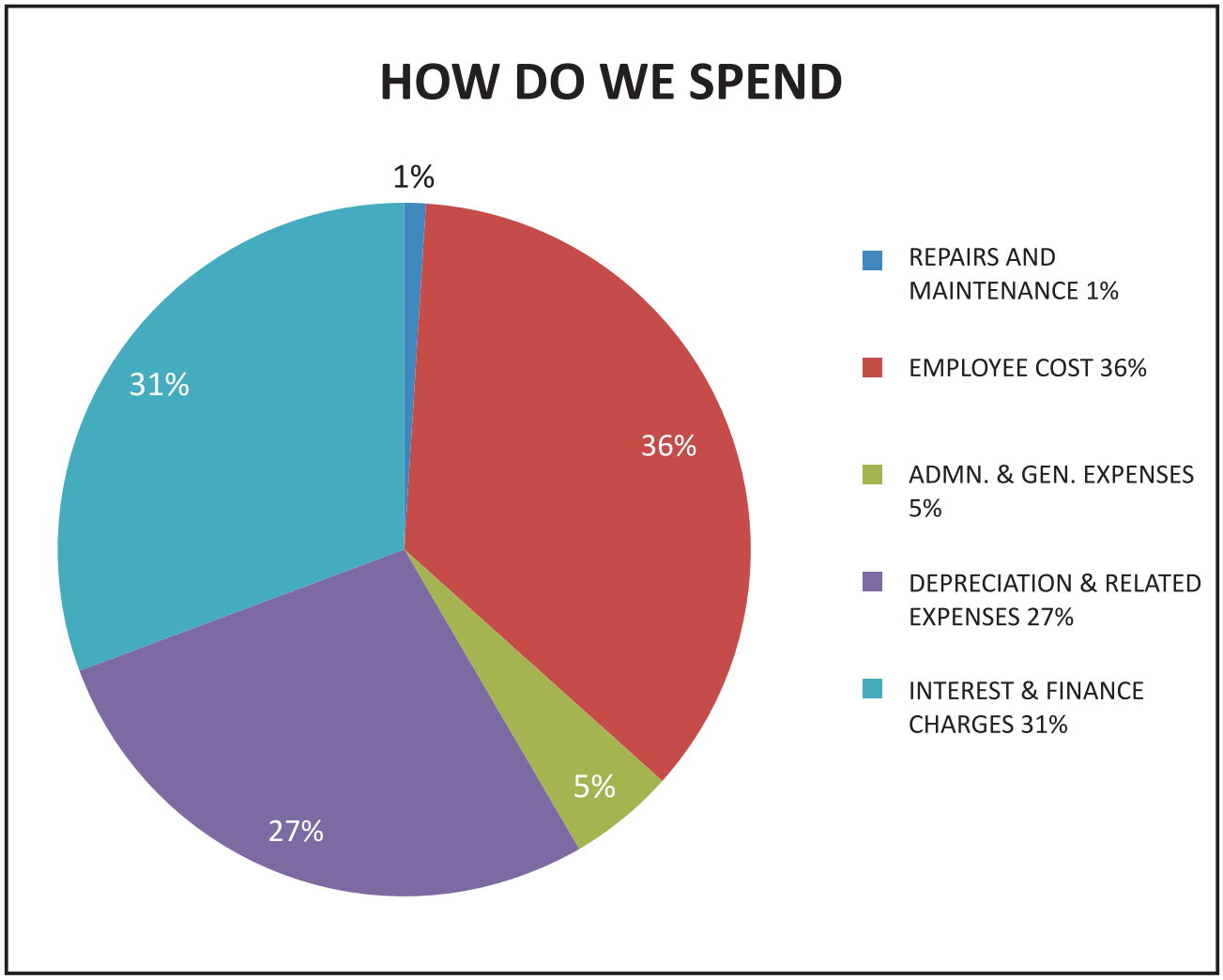
M.MAHESWARI BAI
Chief Financial Controller

R. KALAISELVAN
Managing Director (a/c)

As per our report of even date
For Padmanabhan Prakash & Co.,
Chartered Accountants
Firm No.002509S

Partner : E. Prakash
Membership No.019388

Date : 30th Sep. 2015
Place: Chennai


HOW DO WE SPEND
1%
36%
5%
27%
31%
REPAIRS AND MAINTENANCE 1%
EMPLOYEE COST 36%
ADMN. & GEN. EXPENSES 5%
DEPRECIATION & RELATED EXPENSES 27%
INTEREST & FINANCE CHARGES 31%