

TRANSMISSION CORPORATION OF TELANGANA LIMITED



ANNUAL REPORT FY 2023-24

TRANSMISSION CORPORATION OF TELANGANA LIMITED
BOARD OF DIRECTORS

S.No.	Sarva Sri	Designation
1)	D. RONALD ROSE, IAS	Chairman & Managing Director (FAC)
2)	K. RAMAKRISHNA RAO, IAS	Director (Non-Whole time)
3)	C. SRINIVASA RAO, IRAS (Retd)	Joint Managing Director (Finance, Commercial & HRD)
4)	G. NARSING RAO	Director (Projects)
5)	T. JAGATH REDDY	Director (Transmission)
6)	J. SURYA PRAKASH	Director (Lift Irrigation Schemes)
7)	B. NARSING RAO	Director (Grid Operation)

Company Secretary

: **Sri. RAVI KUMAR SULUVA**

Bankers

: **STATE BANK OF INDIA**

AUDITORS:

Statutory Auditors

: **Ramamoorthy (N) & Co.,**
Chartered Accountants (FRN.002899S)
4-1-1229, Gulshan Manzil
Bogulkunta,
HYDERABAD - 500 001

Cost Auditors

: **Mrs.M.Madhavi Latha,**
Cost Accountant,
Flat No.528, Land Mark Apartment,
Raja Rajeshwari Nagar,
Behind Saket Towers, ECIL Post,
HYDERABAD – 500 062.

Internal Auditors

: **Eswar & Co.,**
Chartered Accountants
Flat No.103, Matha Residency,
Raghavendra Nagar, Nacharam,
HYDERABAD – 500 076.

Registered Office

: 6-3-572, Vidyut Soudha,
Khairatabad, HYDERABAD
TELANGANA – 500 082.

Web site

: www.tgtransco.com

CIN

: U40102TG2014SGC094248

PAN

: AAFCT0166J

GSTIN

: 36AAFCT0166J1Z9

TRANSMISSION CORPORATION OF TELANGANA LIMITED
BALANCE SHEET AS AT 31st MARCH 2024

(Rs. in lakhs)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-Current Assets			
Property, plant and equipment	1A	15,17,412.54	14,97,786.09
Capital work in progress	1B	4,23,485.46	4,08,223.91
Intangible assets	1C	535.79	227.82
Financial assets			
Investments	2	37,215.62	37,011.94
Loans	3A	74,375.32	1,32,693.12
Others	10A	4.96	4.85
Provisions	4A	6,361.31	4,478.75
Other non-current assets	5A	3,542.90	6,977.60
Total non-current assets		20,62,933.90	20,87,404.08
Current assets			
Inventories	7	13,596.70	15,422.78
Financial assets			
Trade receivables	8	2,51,390.56	2,08,651.76
Cash and cash equivalents	9	1,485.24	1,321.37
Loans	3B	58,819.59	61,846.39
Others	10B	63,959.94	57,619.24
Provisions	4B	469.98	462.84
Current tax assets (net)	6	19,205.22	17,045.40
Other current assets	5B	1,916.80	2,807.07
Total current assets		4,10,844.03	3,65,176.85
Total assets		24,73,777.93	24,52,580.93
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11A	5.00	5.00
Other equity	11B	1,97,955.04	1,86,682.12
Total equity		1,97,960.04	1,86,687.12
Reorganisation resultant reserve	36	46,341.45	46,341.45
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	12A	8,85,217.57	9,92,987.75
Other financial liabilities	14A	1,97,929.25	63,316.33
Lease liabilities	14 ia	-	-
Provisions	15A	1,06,821.06	98,158.28
Grants and consumer contributions towards property, plant and equipment	16	4,13,653.13	3,48,537.21
Deferred tax liabilities (net)	17	76,779.60	70,003.04
Other non-current liabilities	18A	2,22,205.22	2,94,409.82
Total non-current liabilities		19,02,605.83	18,67,412.42
Current liabilities			
Financial liabilities			
Borrowings	12B	1,58,521.35	1,60,003.78
Trade payables			
Due to Micro, Small & Medium Enterprises		96.57	21.76
Others	13	8,942.22	5,976.79
Other financial liabilities	14B	1,18,955.30	1,44,467.13
Lease liabilities	14 ia	-	-
Other current liabilities	18B	4,288.16	4,288.34
Provisions	15B	10,337.93	8,791.18
Grants and consumer contributions towards property, plant and equipment	16	25,729.08	28,590.96
Total current liabilities		3,26,870.61	3,52,139.94
Total liabilities		22,75,817.89	22,65,893.81
Total equity and liabilities		24,73,777.93	24,52,580.93

See accompanying notes forming part of the financial statements.

In terms of our report attached
for Ramamoorthy (N) & Co.,
Chartered Accountants (Firm Regn. No.002899S)

Surendranath Bharathi
Partner
Membership No.023837
UDIN:

24023837BKERUM328



Place: Hyderabad
Date : 02-09-2024

for and on behalf of the Board of

Transmission Corporation of Telangana Limited

D.Ronald Rose, IAS
Chairman & Managing Director
DIN No.08930580

C.Srinivasa Rao
Joint Managing Director
(Fin., Comm. & HRD)
DIN No.00196179

VBS Kumara Gupta
FA&CCA (Accounts) & CFO

Ravi Kumar Suluva
Company Secretary

TRANSMISSION CORPORATION OF TELANGANA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2024

(Rs. in lakhs)

Particulars	Notes	For the year ended 31st March 2024	For the year ended 31st March 2023
REVENUE			
Revenue from operations	19	3,21,541.53	3,36,938.05
Other income	20	23,244.40	16,123.06
Total Income		3,44,785.93	3,53,061.11
EXPENDITURE			
Employee benefit expense	21	1,02,560.05	1,02,751.79
Finance costs	22	96,657.51	93,553.04
Depreciation and amortisation expense	23	1,07,493.06	1,03,795.90
Other expenses	24	12,834.20	11,603.13
Total Expenditure		3,19,544.82	3,11,703.86
Profit/(loss) before exceptional items and tax		25,241.11	41,357.25
Profit/(loss) before tax		25,241.11	41,357.25
Tax expense	25(a)		
(i) Current tax (net of MAT credit entitlement)		-	-
(ii) Earlier year tax		-	-
(ii) Deferred tax		10,802.34	10,912.40
Profit/(loss) for the year		14,438.77	30,444.85
Other comprehensive income/(Expense)			
Other comprehensive income/(Expense) to be charged to profit or loss in subsequent periods		-	-
Other comprehensive income /(Expense) not to be Charged to profit or loss in subsequent periods		-	-
Re-measurement (losses)/gains on employee defined benefit plans	11B(v)	(3,655.25)	(17,947.56)
Income tax effect		-	-
Net other comprehensive income/(Expense) not to be Charged to profit or loss in subsequent periods		(3,655.25)	(17,947.56)
Total other comprehensive income/(Expense) for the year, net of tax		(3,655.25)	(17,947.56)
Total comprehensive income for the year		10,783.52	12,497.30
Earnings per equity share - par value of Rs.10/- per share			
Basic	34	28,877.53	60,889.70
Diluted	34	28,877.53	60,889.70

See accompanying notes forming part of the financial statements.

In terms of our report attached
for Ramamoorthy (N) & Co.,
Chartered Accountants (Firm Regn. No.002899S)

Surendranath Bharathi
Partner

Membership No.023837

UDIN:

24023837BKERUM3287

Place: **Hyderabad**

Date : **02-09-2024**



for and on behalf of the Board of
Transmission Corporation of Telangana Limited

D.Ronald Rose, IAS

Chairman & Managing Director
DIN No.08930580

VBS Kumara Gupta

FA&CCA (Accounts) & CFO

C.Srinivasa Rao

Joint Managing Director
(Fin., Comml. & HRD)

DIN No.00196179

Ravi Kumar Suluva

Company Secretary

TRANSMISSION CORPORATION OF TELANGANA LIMITED
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31st MARCH 2024

(Rs. in lakh)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Cashflows from operating activities		
Profit before tax	25,241.11	41,357.25
<i>Adjustments for</i>		
Depreciation and amortisation expense	1,07,493.06	1,03,795.90
Income from investments	(902.29)	(955.00)
Income from investments against contingency reserve	104.60	(489.39)
Loss/(Gain) on fair valuation of investments	(203.68)	17.15
Amortisation of staff loans and advances (net of prepaid)	(11.62)	39.48
Amortisation of deferred consumer contributions	(25,729.08)	(28,590.96)
Interest on term loans from banks	7,323.10	6,561.71
Interest on term loans from financial institutions and others	89,233.11	93,025.83
Profit on sale of property plant and equipment	-	7.67
Provision towards material cost variance	622.03	(329.35)
Provision Doubtful Debts	(4.05)	109.56
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(42,734.75)	(20,006.63)
(Increase)/Decrease in inventories	1,204.05	1,246.85
(Increase)/Decrease in other assets	194.34	(684.36)
(Increase)/Decrease in loans	61,356.22	(9,050.86)
(Increase)/Decrease other financial assets	(6,336.42)	15,601.74
Increase/(Decrease) in other financial liabilities	1,25,761.39	36,316.72
Increase/(Decrease) in other liabilities	(76,230.55)	(2,510.33)
Increase/(Decrease) in trade payables	3,040.24	(1,192.74)
Increase/(Decrease) in provisions	4,664.59	1,850.74
Cash generated from operations	2,74,085.40	2,36,120.98
Income taxes paid	1,200.00	2,050.00
Net cash from operating activities	2,72,885.40	2,34,070.98
Cashflows from investing activities		
Purchase of property, plant and equipment and	(1,56,250.40)	(1,73,834.49)
Increase/(Decrease) in capital work in progress		
Interest income from investments	1,282.70	1,498.51
Net cash used in investing activities	(1,54,967.69)	(1,72,335.98)
Cashflows from financing activities		
Proceeds from borrowings	56,393.20	1,71,307.15
Repayment of Borrowings	(1,65,645.82)	(1,59,558.60)
Deferred grants received	87,983.13	46,490.86
Interest paid on borrowings	(96,484.34)	(1,22,772.10)
Net cash used in financing activities	(1,17,753.84)	(64,532.69)
Net increase/(decrease) in cash and cash equivalents	163.87	(2,797.69)
Cash and cash equivalents at the beginning of the year	1,321.37	4,119.06
Cash and cash equivalents at the end of the year	1,485.24	1,321.37
Reconciliation of cash and cash equivalents as per the cashflow statement		
Cash in hand	0.16	0.11
Balances with scheduled banks		
- Current accounts	825.27	1,295.98
- Deposit accounts	659.81	25.28
Total	1,485.24	1,321.37

See accompanying notes forming part of the financial statements.

In terms of our report attached
for Ramamoorthy (N) & Co.,
Chartered Accountants (Firm Regn. No.002899S)

Surendranath Bharathi
Partner
Membership No.023837
UDIN:



Place: Hyderabad
Date : 02-09-2024

for and on behalf of the Board of
Transmission Corporation of Telangana Limited

D.Ronald Rose, IAS
Chairman & Managing Director
DIN No.08930580

C.Srinivasa Rao
Joint Managing Director
(Fin., Comm. & HRD)
DIN No.00196179

VBS Kumara Gupta
FA&CCA (Accounts) & CFO

Ravi Kumar Suluva
Company Secretary

TRANSMISSION CORPORATION OF TELANGANA LIMITED
STATEMENT OF CHANGES IN EQUITY AS AT 31st MARCH 2024

(Rs. in lakh)

A. Equity share capital

Particulars	31st March 2024	31st March 2023
Balance at the beginning of current reporting period	5.00	5.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of current reporting period	-	-
Changes in Equity Share Capital during the current year	-	-
Balance at the end of current reporting period	5.00	5.00

B. Other equity

Particulars	Reserves and Surplus					Total
	Capital Reserve	Contingency Reserve	Restructuring Reserve	Retained Earnings	Other comprehensive income/ (Expense)	
As at 1st April 2023	459.59	5,577.54	13,885.63	2,14,054.48	(47,295.12)	1,86,682.10
Amount added during the year	-	489.40	-	14,438.77	(3,655.25)	11,272.92
Amount deducted during the year	-	-	-	-	-	-
As at 31st March 2024	459.59	6,066.94	13,885.63	2,28,493.25	(50,950.37)	1,97,955.02

Particulars	Reserves and Surplus					Total
	Capital Reserve	Contingency Reserve	Restructuring Reserve	Retained Earnings	Other comprehensive income/ (Expense)	
As at 1st April 2022	459.59	5,259.16	13,885.63	1,83,927.98	(29,347.56)	1,74,184.81
Amount added during the year	-	318.38	-	30,444.85	(17,947.56)	12,815.67
Amount deducted during the year	-	-	-	(318.38)	-	(318.38)
As at 31st March 2023	459.59	5,577.54	13,885.63	2,14,054.48	(47,295.12)	1,86,682.10

See accompanying notes forming part of the financial statements.

In terms of our report attached
for Ramamoorthy (N) & Co.,
Chartered Accountants (Firm Regn. No.002899S)

Surendranath Bharathi
Partner
Membership No.023837
UDIN:



24023837BKERUM3287

Place: Hyderabad
Date : 02-09-2024

for and on behalf of the Board of
Transmission Corporation of Telangana Limited

D.Ronald Rose, IAS
Chairman & Managing Director
DIN No.08930580

VBS Kumara Gupta
FA&CCA (Accounts) & CFO

C.Srinivasa Rao
Joint Managing Director
(Fin., Comm. & HRD)
DIN No.00196179

Ravi Kumar Suluva
Company Secretary

TRANSMISSION CORPORATION OF TELANGANA LIMITED

Profile of the Company and Significant Accounting policies

1 Corporate information

The Andhra Pradesh State Electricity Board (APSEB) which came into existence in 1959 was responsible for Generation, Transmission and Distribution of Electricity. Under Electricity sector Reforms agenda, the then Government of Andhra Pradesh promulgated Electricity Reforms Act, 1998. Consequently, the erstwhile APSEB was unbundled into one Generating Company (GENCO), one Transmission Company (TRANSCO) along with Distribution activity as part of the reform process on 01.02.1999. Further, APTRANSCO was unbundled into APTRANSCO and four-distribution Companies (DISCOMS) w.e.f. 31.03.2000.

Subsequently, in accordance with the Third Transfer Scheme notified by the then Government of Andhra Pradesh, APTRANSCO ceased to do power trading activities and has retained powers of controlling system operations of Power Transmission. Accordingly, Trading activities were entrusted to four Distribution Companies under Third transfer Scheme in compliance with Electricity Act 2003 w.e.f. 09.06.2005.

Transmission Corporation of Telangana Limited (TGTRANSCO) was incorporated on 29th May, 2014 under the Companies Act, 2013 by the then Government of Andhra Pradesh with the principal objective of succeeding to the demerged undertaking of the power transmission business in the State of Telangana from the erstwhile Transmission Corporation of Andhra Pradesh Limited (APTRANSCO) pursuant to the provisions of The Andhra Pradesh Reorganisation Act, 2014 and with the objectives as set out in the Objects Clause of the Memorandum of Association of the Company.

2 Basis of preparation

2.1. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the Act) and other relevant provisions of the Act besides the pronouncements/guidelines of the Institute of Chartered Accountants of India and the provisions of the Electricity (Supply) Act, 2003 and the rules made there under.

The financial statements have been prepared on accrual basis in accordance with the Schedule-III of the Companies Act, 2013 to the extent applicable, except for the directions of the Ministry of Power with regard to the computation of depreciation as stated in the Accounting Policy on Depreciation till FY 2019-20. However from FY 2020-21, the depreciation has been calculated as per the guidelines specified by Central Electricity Regulatory Commission. The balances of various assets and liabilities are taken over as at 2nd June, 2014 from APTRANSCO as per Section 53 of the Andhra Pradesh Reorganisation Act, 2014 applicable to the Corporations mentioned in the Schedule-IX of the Andhra Pradesh Reorganisation Act, 2014.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakh, (except the shares data which is given in numbers) unless otherwise stated.

2.3. Basis of measurement

The financial statements have been prepared on accrual basis following historical cost convention except for the following items:



TRANSMISSION CORPORATION OF TELANGANA LIMITED

Items	Measurement basis
<u>Investments: #</u>	
1 Quoted Equity Shares of GVK Power & Infrastructure Limited	Fair Value
2 Net defined benefit (asset)/ liability	Present value of defined benefit obligations

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

2.4. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, and disclosures as on the date of the financial statements and the reported amounts of the revenue and expenses for the years presented. The estimates and associated assumptions are based on the historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis, revisions to accounting estimates are recognised in the period in which estimate is revised. If the revisions affect only that period, or in the period of the revision and future periods if the revision affects both the current and future periods.

Critical judgement:

In the process of applying company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements.

Discount rates used to determine the carrying amounts of the Company's defined benefit obligations:

In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in Indian currency for estimation of post-employment benefit obligation.

Contingencies and commitments:

In the normal course of business, contingent liabilities may arise from litigations and other claims against the company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, the same have been treated as contingent liabilities. Such liabilities are disclosed in the notes but not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have materially adverse impact on the Company's financial position or profitability.

Allowance for doubtful debts:

The company makes allowance for doubtful debts based on the assessment of the recoverability of the receivables. The identification of the doubtful debts requires use of judgments and estimates. When the expectation is different from the original estimate, such difference will impact the carrying value of the receivables and doubtful debt expenses in the period in which such estimates has been made. The major part of the company's receivables are from rate regulated industries, it does not expect any difficulty in recovery of the same.

Allowance for inventories:

The Management reviews the inventory age listing on periodic basis. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow moving items. The management is satisfied that adequate allowance of obsolete and slow moving inventories has made in the financial statements.



TRANSMISSION CORPORATION OF TELANGANA LIMITED

2.5. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (Unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes: '-
Note 2.6 (a) - financial instruments.

2.6. Significant Accounting Policies

(a) Financial instruments

Non-derivative financial instruments

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payables are recognized net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets at amortized cost; non derivative financial liabilities at amortized cost.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Non- derivative financial assets

Financial assets are initially measured as per the Terms of the Agreement/Orders, and subsequently they are valued with effective Carrying cost, wherever applicable.

The company's financial assets include security deposits, cash and cash equivalents, employee and other advances, trade receivables and eligible current and non-current assets.

Non-derivative financial liabilities

Financial liabilities initially recognized as per Purchase Order/Agreements and will be cleared after the completion of Contract without any Carrying Cost (Interest free).

The company has the following financial liabilities: loans and borrowings, trade and other payables including Earnest Money Deposits, Security deposits, Retention amounts and Advances collected from various parties.



TRANSMISSION CORPORATION OF TELANGANA LIMITED

Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(b) Property, plant and equipment

(i) Recognition and measurement

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

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in the statement of profit and loss.

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

(ii) Subsequent expenditure

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

(iii) Depreciation

Depreciation is provided on straight line method with the rates notified by the Ministry of Power, Government of India through Gazettee Notifications from time to time from the date of asset put to use upto FY 2019-20. However, from FY 2020-21, depreciation is being calculated as per the guidelines specified by Central Electricity Regulatory Commission.. The Company is charging depreciation up to 90% of cost of the Property, Plant and Equipment. Accordingly, useful life of the assets have been considered as follows:

Asset Block	Life (Yrs)
I. Buildings & Civil Works	50
II. Plant and Machinery	
(i) PTR's, SGE, LA's and MRT equipment	25
(ii) ACs, Metering and Telecom equipment	15
III. Lines and Equipment	
(i) Lines, towers, conductors, cables & allied items	35
(ii) Cable Duct Support	50
(iii) Other lines on steel or rcc supports	25
IV. Vehicles	10
V. Office Furniture	15
VI. Office Equipments	15
VII. Computers & Intangible assets	7



TRANSMISSION CORPORATION OF TELANGANA LIMITED

(c) Intangible assets and amortization

Intangible assets acquired separately are measured on initial recognition cost and are amortized on straight line method based on the estimated useful life. The intangible assets are fully amortized over a period of 7 years.

(d) Inventories

Inventories are valued at cost or net realisable value, whichever is lower at weighted average cost.

(e) Impairment of assets

i. Impairment of financial instruments

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

ii. Impairment of non-financial assets

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

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

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

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



TRANSMISSION CORPORATION OF TELANGANA LIMITED

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

(f) Employee benefits

i) Short-term employee benefits

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

ii) Defined contribution plans

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

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

iii) Defined benefit plans

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

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

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

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.



TRANSMISSION CORPORATION OF TELANGANA LIMITED

'Pension and Gratuity': The Company provides for Pension and Gratuity, a defined benefit retirement plan covering eligible employees recruited before 01.02.1999. The Pension and Gratuity Plan provides a lump-sum payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Corporation. Liabilities with regard to the Pension and Gratuity Plan are determined by actuarial valuation at each Balance sheet date using the projected unit credit method. The company contributes towards liabilities as per actuarial valuation to the TG Transco Pension and Gratuity Trust.

'Gratuity': The Company provides for gratuity, a defined benefit retirement plan covering eligible employees who have been recruited on or after 01.02.1999. The Gratuity Plan provides a lump-sum payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Corporation. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance sheet date using the projected unit credit method. The company contributes towards liabilities as per actuarial valuation to the TG Transco Gratuity Trust. The Company has adopted Actuarial Valuation reports for the first time towards Gratuity Liability in respect of Artisans.

Trustees administer contributions made to the Trusts for above plans and contributions are invested in specific investments as permitted by the law.

The Company recognizes the net obligation of the 'Gratuity Plan' and 'Pension and Gratuity Plan' in the Balance Sheet as an asset or liability, respectively in accordance with Ind AS 19 - "Employee Benefits".

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss in the period in which they arise.

Earned Leave Encashment: The employees of the Company are entitled to earned leave which are both accumulating and non-accumulating in nature. The expected cost of accumulating earned leave is determined by actuarial valuation based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date.

The Trustees of the respective trusts will administer the contributions made to the Trusts towards the above plans and contributions are invested as per the investments specified by the Govt. of India. The Company recognizes the net obligation to the 'Pension & Gratuity Plan', 'Gratuity Plan' and 'Earned Leave Encashment' in the Balance Sheet as an asset or liability respectively in accordance with Ind AS 19.

Short Term Medical Benefits: The employees of the Company are entitled to medical benefits. The expected cost of Short term medical benefits is determined by actuarial valuation based on the medical policy of the Company.

(g) Contribution towards Property, plant and equipment

(i) Lift Irrigation Schemes and REMC Project: Contributions received from the State/Central Government towards execution of Lift Irrigation Schemes and REMC Project are taken to "Capital Grants from State/Central Government" from "LIS Deposit Account" upon satisfaction of conditions attached to the Grant. Subsequently, the grant is amortised through Statement of Profit and Loss in proportion of depreciation charged on the assets acquired/constructed out of the amount of Grant.

(ii) Other than Lift Irrigation Schemes: Contributions received from various other agencies are taken to "Consumer's Contribution Account" from "Deposit Contribution Works Account" upon satisfaction of conditions attached to the Grants/Contributions. These Grants/Contributions are amortized over a period of 15 years due to complexity in identification of particular Property, Plant & Equipment.



TRANSMISSION CORPORATION OF TELANGANA LIMITED

(iii) Development Charges and Grants towards cost of capital assets: The Development charges and Grants towards cost of capital assets (including Lift Irrigation Schemes) collected are being amortized over a period of 15 years in the absence of identification particular Property, plant and equipment.

(iv) PSDF Grants: The Grants received from the Central Government towards Power System development Fund (PSDF) for implementation of the projects proposed by entity that have bearing on Grid safety and Security provided these are not covered under any other scheme of Government of India. These Grants are accounted under "PSDF Grants" and it is amortised through Statement of Profit & Loss over a period of 15 years.

(h) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue is net of amounts collected on behalf of third parties.

The Company recognizes revenue when the significant risks and rewards of the ownership have been transferred to the customer, amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

The Company has evaluated the applicability of "Ind AS115 - Revenue from Contract with Customers" and there is no impact on the financial statements.

(i) **Rendering of services:** Revenue is recognised when the outcome of the services rendered can be estimated reliably. Revenue is recognised in the period when the service is performed by reference to the contract stage of completion at the reporting date.

(ii) Other Income :

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

b) Fines and penalties levied on suppliers/contractors for delay in executing the works are recognized as income immediately and upon settlement of final bill if any amount is repaid to the suppliers/contractors is recognised as expense in the books in same financial year.

(i) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the lessee by the company are classified as operating leases. Payments received under operating leases (net of any discounts allowed to the lessee) are charged to profit or loss on a straight-line basis over the period of the lease unless the same are structured to increase in line with expected general inflation.



TRANSMISSION CORPORATION OF TELANGANA LIMITED

(j) Income-tax

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

i) Current tax

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

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

ii) Deferred tax

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

(k) Segment reporting

Operating segments are identified in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). As the transmission of power is considered as only one reportable segment, no separate financial disclosure has been provided for the segment reporting. However the Statement of Assets and Liabilities and Function wise revenue and expenditure of Transmission and State Load Despatch Centre (SLDC) transactions are shown separately.

(l) Earnings per share

The basic earnings per share ("EPS") for the year is computed by dividing the net profit/ (loss) after tax before Other Comprehensive Income (OCI) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has no potentially dilutive equity shares.

(m) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits wherever necessary to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

(n) Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalize as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.



TRANSMISSION CORPORATION OF TELANGANA LIMITED
Notes to the financial statements (continued)

(Rs. in lakh)

1. Property, Plant and Equipment

Particulars	Land	Buildings	Other Civil Works	Plant and Equipment	Lines and Cable Network	Vehicles	Furniture and Fixtures	Office Equipment	Total (A)	Intangible Assets (Computer Software) Total (C)
Gross carrying amount										
Balance at 1st April 2023	5,331.54	59,807.29	41,867.66	7,30,437.06	11,97,106.11	107.98	1,746.39	14,841.01	20,51,245.04	1,356.41
Additions (net) during the year	-	4,280.44	2,087.40	45,340.15	72,083.43	3.65	137.23	1,140.46	1,25,072.76	441.64
Balance at 31st March 2024	5,331.54	64,087.73	43,955.06	7,75,777.21	12,69,189.54	111.63	1,883.62	15,981.47	21,76,317.80	1,798.05
Accumulated depreciation/ amortisation										
Balance at 1st April 2023	-	8,615.17	5,146.64	2,31,116.58	3,04,478.92	30.48	580.75	3,490.41	5,53,458.95	1,128.59
Depreciation for the year	-	2,069.33	1,462.22	37,021.05	63,832.40	0.02	122.63	938.66	1,05,446.31	133.67
Balance at 31st March 2024	-	10,684.50	6,608.86	2,68,137.63	3,68,311.32	30.50	703.38	4,429.07	6,58,905.26	1,262.26
Net carrying amount	5,331.54	53,403.23	37,346.20	5,07,639.58	9,00,878.22	81.13	1,180.24	11,552.40	15,17,412.54	535.79
Gross carrying amount										
Balance at 1st April 2022	5,328.30	55,058.39	38,400.00	6,94,396.45	10,90,364.40	140.51	1,490.21	5,720.36	18,90,898.62	1,310.11
Additions (net) during the year	3.24	4,748.90	3,467.66	36,040.61	1,06,741.71	(32.53)	256.18	9,120.65	1,60,346.42	46.30
Balance at 31st March 2023	5,331.54	59,807.29	41,867.66	7,30,437.06	11,97,106.11	107.98	1,746.39	14,841.01	20,51,245.04	1,356.41
Accumulated depreciation/ amortisation										
Balance at 1st April 2022	-	6,616.31	3,764.00	2,04,470.98	2,42,373.15	65.98	476.11	2,904.22	4,60,670.74	944.23
Depreciation for the year	-	1,998.86	1,382.64	26,645.60	62,105.77	(35.50)	104.64	586.19	92,788.21	184.36
Balance at 31st March 2023	-	8,615.17	5,146.64	2,31,116.58	3,04,478.92	30.48	580.75	3,490.41	5,53,458.95	1,128.59
Net carrying amount	5,331.54	51,192.12	36,721.02	4,99,320.48	8,92,627.19	77.50	1,165.64	11,350.60	14,97,786.09	227.82
B. Capital work in progress:										
As at 31st March 2024										4,23,485.46
As at 31st March 2023										4,08,223.91

1.1 CWIP Ageing Schedule

CWIP	CWIP for the period of				Total
	Less than 1 year (*)	1-2 years	2-3 years	More than 3 years	
Projects in Progress	1,20,733.69	1,32,383.28	1,18,680.10	51,688.39	4,23,485.46

As per Ind AS 16 on property, plant and equipment, the stores procured for construction activity have been grouped under Capital work-in-progress.

* CWIP Balance of less than 1 year includes Unbilled provision of Rs.1,323.59 Lakhs for FY 2023-24

1.2 The Capital Work In Progress (CWIP) consists various schemes involves number of small projects under each scheme. Company pursuing the details of Projects which are time overrun with the technical wing to comply the Schedule-III requirement and compilation is under process as at Balance Sheet date.



1.3 Intangible Assets Under Development Ageing Schedule					
Intangible Assets under Development	CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	--	--	--	--	0

1.4.Intangible Assets under Development Completion Schedule					
Intangible Assets under Development	To be Completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	Nil				

1.5. The Company has capitalised interest of Rs.10667.79 lakh (Previous Year Rs.11668.55 lakhs) towards interest cost upto the date of completion of assets/projects. Out of Rs.10667.79 lakhs an amount of Rs. 1049.50 lakhs charged to the Fixed Assets.

1.6. The lands apportioned to the Company as per demerger plan which are acquired with effect from 01.04.2000 from the State Government/ individuals were on payment of cash through Revenue Department and got registered in the name of the Company. The registered documents are available with the territorial administrative offices i.e, Circle Offices concerned. The sub-stations which were erected in the consumers/clients premises are in the possession of the company are vested through Transfer Scheme upto 31st January 1999 and for the subsequent acquisitions of land which are in possession, the execution of documents in the name of the Company are in process. The value of land received by way of gift subsequent to 01.04.2000 are in the process of ascertainment.

1.7 In respect of property, plant and equipment apportioned to the Company pursuant to A.P.Reorganisation Act, 2014 with effective from 2nd June 2014, the carrying amounts of such assets in the books of APTRANSCO as at the end of office hours on 1st June, 2014 have been adopted as cost of additions. In respect of assets acquired by the Company, the cost acquisition, installation and other expenses to make the assets ready for their intended use have been adopted as the cost of additions/acquisition.

1.8 Current year depreciation includes prior period depreciation and the same is not adjusted against the retained earnings due to it's impact on Company's Aggregate Revenue Requirement(ARR).

1.9.The Company is in the process of obtaining of title deeds of immovable properties from the concerned Construction Divisions.

1.10. During the year, there is no impaired property, plant and equipment as per Ind AS 36.

1.11. During the year company has not revalued any of its property, plant & equipment.

1.12. As per CEA notified Regulations on 27.12.2022, on technical standards for construction of Electrical Plants and Electric Lines wherein a provision regarding the usage of Geographical Information System (GIS) platform for mapping of the Transmission Assets was Incorporated. Accordingly TGTRANSCO has already mapped the Transmission Assets on the Bhuvan Platform of National Remote Sensing Center.

1.13.During the year, there are no projects suspended by the Company.



TRANSMISSION CORPORATION OF TELANGANA LIMITED

Notes to the financial statements (continued)

(Rs. in lakh)

2. Investments

Particulars	31st March 2024	31st March 2023
Non-Current Investments		
Unquoted debt securities		
Redeemable bonds measured at amortized cost		
Investment in redeemable bonds		
10% APCPDCL Power Bonds - Series 3/2014	17,825.00	17,825.00
10% APNPDCL Power Bonds - Series 3/2014	6,142.00	6,142.00
9.95% APCPDCL Power Bonds - Series 1/2014	5,166.00	5,166.00
9.95% APNPDCL Power Bonds - Series 1/2014	3,170.00	3,170.00
Investment against contingency reserve fund	3,483.02	3,483.02
Quoted equity shares		
Equity shares at FVTPL		
26,38,344 (26,38,344) equity shares of GVK Power & Infrastructure Limited	258.29	54.61
Unquoted equity shares		
Equity shares at cost		
65,68,101 (65,68,101) equity shares of Andhra Pradesh Gas Power Corporation Limited	1,171.31	1,171.31
Total	37,215.62	37,011.94
Aggregate amount of quoted investments	351.78	351.78
Aggregate market value of quoted investments	258.29	54.61
Aggregate amount of unquoted investments	36,957.33	36,957.33

Investment in Andhra Pradesh Gas Power Corporation Limited are not carried at fair value .

3. Loans

A. Non-Current

Particulars	31st March 2024	31st March 2023
Secured, Considered good		
Loans and advances to Staff	119.36	311.90
Unsecured, Considered good		
Loans and advances to Staff	480.22	483.06
Inter Corporate Deposits to DISCOMs	73,775.74	1,31,898.16
Total	74,375.32	1,32,693.12

3.1 The Company has not made fair value of some of the staff loans/advances amounting to Rs.28.02 lakh (39.30 lakh) which are under reconciliation.

3.2 The Company has not given any Loans and Advances to the promoters, Directors, KMPs and Related Parties .

B. Current

Particulars	31st March 2024	31st March 2023
Unsecured, Considered good		
Loans and advances to Staff	190.69	169.31
Inter Corporate Deposits to DISCOMs	58,628.90	61,677.08
Total	58,819.59	61,846.39

4. Provisions

A. Non-current

Particulars	31st March 2024	31st March 2023
Provision for employee benefits		
Gratuity	6,361.31	4,478.75
Total	6,361.31	4,478.75

B. Current

Particulars	31st March 2024	31st March 2023
Provision for employee benefits		
Gratuity	469.98	462.84
Total	469.98	462.84



TRANSMISSION CORPORATION OF TELANGANA LIMITED

Notes to the financial statements (continued)

(Rs. in lakh)

5. Other Assets**A. Non-Current**

Particulars	31st March 2024	31st March 2023
Advance to suppliers towards capital assets	70.54	3,241.34
Deposits with others	3,122.64	3,407.74
Prepaid employee cost	349.72	328.52
Total	3,542.90	6,977.60

B. Current

Particulars	31st March 2024	31st March 2023
Other claims and receivables	250.64	268.02
Advance for O&M supplies/works	75.28	23.61
Prepaid expenses	185.11	1,089.13
Prepaid employee cost	-	20.54
Income tax paid under protest	1,405.77	1,405.77
Total	1,916.80	2,807.07

6. Current tax assets (net)

Particulars	31st March 2024	31st March 2023
Advance income tax/deduction at source (net of provision for income tax)	19,205.22	17,045.40
Total	19,205.22	17,045.40

7. Inventories

Particulars	31st March 2024	31st March 2023
Power Transformer Equipments	7,086.14	8,064.77
Tower and tower parts	3,831.36	3,828.93
Other Spares	3,447.83	3,674.73
Materials stock excess/(shortage) pending investigation (net)	(18.58)	(17.63)
Provision for obsolete, non-moving and unserviceable inventory	(750.05)	(128.02)
Total	13,596.70	15,422.78

7.1. The above inventories are held for operation and maintenance purposes and hence, accounted at cost.

7.2. During the year Company has recognised for obsolete, non-moving and unserviceable inventory and made provision for Rs.750.05 lakhs at cost.

7.3. During the year Company has not writeoff any inventories nor has made any reversal of any written-off inventories.

7.4. The Company has not made any pledge of inventories as security for liabilities.

8. Trade Receivables

Particulars	31st March 2024	31st March 2023
Trade receivables, considered good - Unsecured	2,51,496.07	2,08,651.76
Less: Allowance for expected credit losses	-	-
Trade receivables with Significant increase in Credit Risk - Unsecured	-	-
Less: Allowance for Significant increase in Credit Risk	-	-
Trade receivables, credit impaired - Unsecured	-	109.56
Less: Allowance for credit impairment	105.51	109.56
Total	2,51,390.56	2,08,651.76

8.1. The above include Rs.11375.95 lakh receivable from APTRANSCO. FA&CCA/TSPCC on behalf of TGDISCOMs has informed that the dues payable by TGDISCOMs to APTRANSCO upto 02.06.2014 were already paid to APTRANSCO. Since, these dues were allocated to the Company consequent to demerger, the Company has accounted the same as receivable from APTRANSCO. The Company has not estimated any provision in this regard, pending final settlement of demerger balances.



TRANSMISSION CORPORATION OF TELANGANA LIMITED

Notes to the financial statements (continued)

(Rs. in lakh)

8.2 - Ageing Schedule as on 31st March 2024

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good(*)	2,14,664.73	25,349.88	-	-	11,375.95	2,51,390.56
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-

*Unbilled dues of Rs.27,449.98 Lakhs included in less than 6 months

9. Cash and cash equivalents

Particulars	31st March 2024	31st March 2023
Cash in hand	0.16	0.11
Bank balances		
Balances in current accounts	825.27	1,295.98
Term deposits - Corporate Liquid Term Deposits	659.81	25.28
Total	1,485.24	1,321.37

9.1. Balances in current accounts include an amount of Rs.11.29 lakh allocated to the Company consequent to demerger of APTRANSCO. The details are not furnished and is pending review.

9.2. During the year, the Company has grouped Corporate Liquid Term Deposits whose maturity period is more than 365 days as Non-Current Financial Assets and the necessary regrouping was made for FY 2022-23.

10. Financial assets - others

A. Non-current

Particulars	31st March 2024	31st March 2023
Term deposits - Corporate Liquid Term Deposits	4.96	4.85
Receivable from Govt. of Telangana towards vidyut bonds liability	-	-
Receivable towards pass through gains on variation as per Tariff Order	-	-
Total	4.96	4.85

During the year, the Company has grouped Corporate Liquid Term Deposits whose maturity period is more than 365 days as Non-Current Financial Assets and the necessary regrouping was made for FY 2022-23.

B. Current

Particulars	31st March 2024	31st March 2023
Amount receivable from Govt. of Telangana towards vidyut bonds liability	15,754.22	15,754.22
Amount receivable from Govt. of Telangana - others	117.03	98.39
Amount receivable from Govt. of India - PSDF Grant	1,169.72	612.12
Receivable from APTRANSCO	37,757.21	33,295.99
Receivable from APDISCOMs	265.36	265.02
Receivable from TGDISCOMs	2,575.62	2,195.94
Receivable from TGGENCO	442.76	453.92
Interest accrued and due	3.64	0.66
Interest accrued but not due	106.03	104.60
Amount recoverable from employees/ex-employees	145.34	141.59
Other receivables	5,623.01	4,696.79
Total	63,959.94	57,619.24



TRANSMISSION CORPORATION OF TELANGANA LIMITED

Notes to the financial statements (continued)

(Rs. in lakh)

10.1 During the year, Company has not made provision towards accrued interest on Vidyut Bonds amount receivable from Government of Telangana on account of delay in release of Bonds amount in view of pending confirmation from State Government and also final remarks of C&AG for FY 2022-23.

10.2. The Common expenditure such as electricity charges, water charges, property tax and other expenses in respect of Vidyut Soudha building is not accounted as receivable from APTRANSCO based on the decision taken at High level meeting dated 19.08.2019 between APTRANSCO and the Company.

11A. Equity share capital

Particulars	31st March 2024	31st March 2023
Authorised Share Capital 15000,00,000 (15000,00,000) shares of Rs.10/- each	1,50,000.00	1,50,000.00
Issued, Subscribed and paid up share capital 50,000 (50,000) shares of Rs.10/- each	5.00	5.00
Total	5.00	5.00

(i) Movement in share capital

Particulars	Number of shares	Number of shares
As at 31st March 2023	50000	50000
Issue of shares during the year	-	-
As at 31st March 2024	50000	50000

Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	31st March 2024	31st March 2023
Government of Telangana	50,000 No. of Shares	50,000 No. of Shares
	100%	100%

As per the records of the Company including its register of shareholders and other declarations received from shareholders regarding beneficial interest the above shareholding represents both legal and beneficial interest.

(iii) Details of shareholding pattern of promoters in the Company

Shares held by promoters at the end of 31st March 2024			% Change during the year
Promoter Name	No. of shares	% of total shares	
Government of Telangana	50,000	100	-Nil-

11B. Other equity

Particulars	31st March 2024	31st March 2023
Capital reserve	459.59	459.59
Contingency reserve	6,066.94	5,577.54
Restructuring reserve	13,885.63	13,885.63
Retained earnings	2,28,493.25	2,14,054.48
Other comprehensive income/(Expense)	(50,950.37)	(47,295.12)
Total	1,97,955.04	1,86,682.12

i) Capital reserve

Particulars	31st March 2024	31st March 2023
Opening balance	459.59	459.59
Add: Additions during the year	-	-
Less : Deductions during the year	-	-
Closing Balance	459.59	459.59

This reserve represents amount allocated on account of demerger of AP TRANSCO.



TRANSMISSION CORPORATION OF TELANGANA LIMITED

Notes to the financial statements (continued)

(Rs. in lakh)

ii) Contingency reserve

Particulars	31st March 2024	31st March 2023
Opening Balance	5,577.54	5,259.16
Add: Additions during the year	489.40	318.38
Less : Deductions during the year	-	-
Closing balance	6,066.94	5,577.54

As directed by the State Electricity Regulatory Commission through Tariff Orders from time to time, the funds relating to Contingency Reserve were invested in various securities/bonds etc. by APTRANSCO. The funds are not at the disposal of the Company and as such the interest earned is being credited (net of tax) to Contingency Reserve. As per the demerger plan of APTRANSCO, the investments made against Contingency Reserve by APTRANSCO as on 02nd June 2014 were bifurcated between APTRANSCO and the Company. Pending finalisation of demerger plan, the entire investments are in the name of APTRANSCO. However, the interest portion pertaining to investments allocated to the Company has been accounted and transferred (net of tax) to Contingency Reserve.

The Interest earned/accrued on Contingency Reserve Investments is arrived on notional basis at the Interest rate of 7.5%, as there is no communication from APTRANSCO and the same is accounted as Receivable from APTRANSCO without charging to Statement of Profit and Loss to comply the C&AG Remarks.

iii) Restructuring reserve

Particulars	31st March 2024	31st March 2023
Opening balance	13,885.63	13,885.63
Add: Additions during the year	-	-
Less : Deductions during the year	-	-
Closing balance	13,885.63	13,885.63

This reserve represents amount allocated on account of demerger of AP TRANSCO.

iv) Retained earnings

Particulars	31st March 2024	31st March 2023
Opening balance	2,14,054.48	1,83,928.01
Add: Profit/(loss) for the year	14,438.77	30,444.85
Add: Special appropriation allowed by commission transferred to reserves and surplus	-	-
Less: Appropriation to contingency reserve	-	(318.38)
Closing balance	2,28,493.25	2,14,054.48

This reserve represents the cumulative profits of the Company.

v) Other comprehensive income/(Expense)

Particulars	31st March 2024	31st March 2023
Opening balance	(47,295.12)	(29,347.56)
Add: Additions during the year	(3,655.25)	(17,947.56)
Less : Deductions during the year	-	-
Closing balance	(50,950.37)	(47,295.12)

12. Borrowings

A. Non-current

Particulars	31st March 2024	31st March 2023
Term loans		
Secured		
from banks	1,12,625.55	1,74,230.97
from financial institutions	7,72,592.02	8,18,756.78
Unsecured		
from State Government	-	-
Total	8,85,217.57	9,92,987.75

12.1. The long term loans apportioned by APTRANSCO which are availed from various Banks/Financial Institutions continue to be in the name of APTRANSCO. Some of the assets continue to be charged to the Banks/Financial Institutions against Secured Loans sanctioned in the name of APTRANSCO, pending completion of documentation for release/ modification of such charge.



TRANSMISSION CORPORATION OF TELANGANA LIMITED

Notes to the financial statements (continued)

(Rs. in lakh)

B. Current

Particulars	31st March 2024	31st March 2023
Term Loans		
Secured		
from banks	6,499.07	12,287.69
from Financial Institutions		
Current maturities of long term borrowings - Banks	12,930.06	12,926.06
Current maturities of long term borrowings - Financial Institutions	1,39,092.22	1,34,790.03
Current maturities of long term borrowings - State Government	-	-
Total	1,58,521.35	1,60,003.78

12.2. During the year, the Company has availed Short Term Loan of Rs.130.00 crores (Outstanding balance as on 31.03.2024 Rs.64.99 crores) from Karur Vysya Bank secured against trade receivables of Telangana State Discoms namely TSNPDCL.



TRANSMISSION CORPORATION OF TELANGANA LIMITED

Notes to the financial statements (continued)

(Rs. in lakh)

C. Details of Borrowings

Particulars	Nominal Interest rate	Carrying amount as at 31st March 2024	Carrying amount as at 31st March 2023
Secured Loans from			
Rural Electrification Corporation Limited (REC Ltd.)	9.00% to 9.50 %	3,92,039.51	4,19,962.05
Power Finance Corporation Limited (PFC Ltd.)	9.25% to 9.75 %	5,19,644.73	5,33,584.76
National Bank for Agriculture and Rural Development(NABARD)	10.30%	2,023.78	2,449.84
PTC India Financial Services (PTC Ltd)	10.50% to 11.30%	20,416.73	35,750.00
Karur Vysya Bank	9.50% to 9.90%	6,499.07	12,287.69
Canara Bank	9.00% to 10.75%	36,448.43	48,957.20
Indian Renewable Energy Development Agency (IREDA)	10.50%	66,666.67	1,00,000.00
Total:		10,43,738.92	11,52,991.54
Current		1,58,521.35	1,60,003.78
Non-current		8,85,217.57	9,92,987.75

D.Term Loans - Repayment Details

Particulars	Outstanding as at 31st March 2023	Received during the year	Repaid during the year	Outstanding as at 31st March 2024
Secured Loans from				
Rural Electrification Corporation Limited	4,19,962.05	28,963.00	56,885.54	3,92,039.51
Power Finance Corporation Limited	5,33,584.76	14,430.20	28,370.23	5,19,644.73
National Bank for Agriculture and Rural Development	2,449.84	-	426.06	2,023.78
PTC India Financial Services (PTC Ltd)	35,750.00		15,333.27	20,416.73
Karur Vysya Bank(*)	12,287.69	13,000.00	18,788.62	6,499.07
Canara Bank	48,957.20	-	12,508.77	36,448.43
Indian Renewable Energy Development Agency	1,00,000.00		33,333.33	66,666.67
Total:	11,52,991.54	56,393.20	1,65,645.82	10,43,738.92

(*) Loan from Karur Vysya Bank as at 31st March 2024 Rs. 6499.07 (in Lakhs) is short term loan.

E. Security Details:

(i) The Secured loans availed from Rural Electrification Corporation Limited and Power Finance Corporation Limited are secured by way of Escrow mechanism and hypothecation of future assets created out of the loan.

(ii) The Secured loans availed from banks are secured by way of an exclusive first charge by way of hypothecation of specified property, plant and equipment and/or trade receivables from TSDISCOM's namely TSSPDCL & TSNPDCL.



TRANSMISSION CORPORATION OF TELANGANA LIMITED

Notes to the financial statements (continued)

(Rs. in lakh)

F) Loans from Financial Institutions and Banks:

Name of the Bank / Financial Institution	Rate of Interest as on 31.03.2024	Balance Outstanding as on 31.03.2024	Type (Monthly / Quarterly / Half Yearly/ Yearly)	No of remaining installments	Installment Amount	Name of the Project
REC Ltd	9.25% to 10.25%	3,13,723.14	Monthly	47-120	0.73-563.14	Financial Assistance for various system improvement, Power evacuation and Augmentation works across the state of Telangana
REC Ltd	9.25% to 10.00%	78,316.37	Monthly	28-102	2.26-988.64	Financial Assistance for various system improvement, Power evacuation and Augmentation works across the state of Telangana
PFC Ltd.	9.83%	21,846.59	Quarterly	9 -34	84.05-771.20	Financial Assistance for various system improvement, Power evacuation and Augmentation works across the state of Telangana
PFC Ltd.	9.75% to 10.25%	4,97,798.14	Monthly	101-180	1.73-752.63	Financial Assistance for various system improvement, Power evacuation and Augmentation works across the state of Telangana
PFS	11.80%	20,416.73	Monthly	40	510.41	Financial Assistance for meeting investment requirements for development of network in the state of Telangana
KVB	9.75%	6,499.07	Monthly	6	1083.33	To meet out the working capital requirements of the company.
NABARD	10.30%	2,023.78	Quarterly	19	106.51	Erection of 132/33 kv SS at Yeldurthy in Medak Yeddumailaram, Nizamsagar Banswada DC/SC 2 Nos. 132 kv Bays & Erection of 2nd circuit on existing 132kv Minpur
Canara Bank	11.10%	36,448.43	Monthly	35	1041.67	For meeting operational expenses of substations situated at various locations across the state of Telangana.
IREDA	10.50%	66,666.67	Monthly	20	3333.33	Renew and Modernization and Strengthening of existing transmission network of solar and wind projects in the state of Telangana.
Total		10,43,738.92				



TRANSMISSION CORPORATION OF TELANGANA LIMITED

Notes to the financial statements (continued)

G. Current Maturities of Loans from various Banks/Financial Institutions.

(Rs. in lakh)

Sl. No.	Name of the Institution	Closing Balance as on 31.03.2024	0-1 years	2-3 Years	4-5 Years	5 Years & Above	Total
1	Rural Electrification Corporation Limited (REC Ltd.)	3,92,039.52	60,774.36	1,27,750.74	1,02,550.03	1,00,964.39	3,92,039.52
2	Power Finance Corporation Limited (PFC Ltd.)	5,19,644.73	32,192.96	73,529.64	74,595.65	3,39,326.48	5,19,644.73
3	PTC India Financial Services (PTC Ltd)	20,416.73	6,124.90	12,249.80	2,042.03	-	20,416.73
4	National Bank for Agriculture and Rural Development (NABARD)	2,023.78	426.06	852.12	745.60	-	2,023.78
5	Canara bank	36,448.43	12,504.00	23,944.43	-	-	36,448.43
6	Indian Renewable Energy Development Agency (IREDA)	66,666.67	40,000.00	26,666.67	-	-	66,666.67
7	Karur Vysya Bank	6,499.07	6,499.07	-	-	-	6,499.07
TOTAL		10,43,738.92	1,58,521.35	2,64,993.40	1,79,933.31	4,40,290.86	10,43,738.92



TRANSMISSION CORPORATION OF TELANGANA LIMITED

Provisional Notes to the financial statements (continued)

(Rs. in lakh)

13. Trade Payables

Particulars	31st March 2024	31st March 2023
Dues to Micro and Small Enterprises (Note)	96.57	21.76
Dues to Others	8,942.22	5,976.79
Total	9,038.79	5,998.55

13.1. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	31st March 2024	31st March 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	96.57	21.76
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

Particulars	Ageing Schedule				
	Less than 1 year*	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	96.57				96.57
(ii) Others	6,712.29	909.64	-	1,320.29	8,942.22
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

*Trade Payables balance of less than 1 year includes Unbilled provision of Rs.294.31 Lakhs

14. Other financial liabilities

A. Non-current

Particulars	31st March 2024	31st March 2023
Security deposits from suppliers	2,152.04	1,712.69
Retention money from suppliers	48,301.09	47,209.62
Security deposit - Operating charges	1,572.33	1,527.18
Liability towards pass through gains on variation as per Tariff Order	1,45,903.78	12,866.85
Total	1,97,929.25	63,316.33

14.1 Other Financial Liabilities above includes interest free Security Deposits and Retention money from Suppliers which are not accounted at fair value due to uncertainty in terms of repayment and contract completion date.

14.2 During the year, the Company has grouped the Interest payable to State Government on Lift Irrigation Scheme Funds as Other Liabilities along with Lift Irrigation Scheme deposits and the necessary regrouping was made for FY 2022-23.

B. Current

Particulars	31st March 2024	31st March 2023
Earnest Money Deposits from suppliers	1,197.52	475.53
Liability towards capital works	90,502.99	1,07,235.16
Employee related liabilities	15,542.14	25,782.38
Liability for expenses	6,824.79	6,354.23
Accrued interest liability on borrowings from Banks/FI's	2,980.83	2,908.96
Advance from customers	-	1.01
Deposit from customers	1,907.03	1,709.86
Total	1,18,955.30	1,44,467.13

14. ia. Lease Liabilities

Non-current

Particulars	31st March 2024	31st March 2023
Lease Liabilities	-	-
Total	-	-

Current

Particulars	31st March 2024	31st March 2023
Lease Liabilities	-	-
Total	-	-



TRANSMISSION CORPORATION OF TELANGANA LIMITED
Provisional Notes to the financial statements (continued)

(Rs. in lakh)

15. Provisions**A. Non-current**

Particulars	31st March 2024	31st March 2023
Provision for employee benefits		
Pension and gratuity	85,313.38	86,797.90
Gratuity for Artisans	2,997.68	1,559.32
Leave encashment	18,510.00	9,801.06
Total	1,06,821.06	98,158.28

B. Current

Particulars	31st March 2024	31st March 2023
Provision for employee benefits		
Pension and gratuity	7,768.25	6,796.98
Gratuity for Artisans	39.35	13.62
Leave encashment	1,611.82	1,098.58
Medical Benefits	918.51	882.00
Total	10,337.93	8,791.18

15.1 Company has made provision for Employee terminal benefits as per Actuarial valuation.

15.2 Short term Medical Benefits has been accounted as per Actuarial Valuation .

16. Grants and consumer contributions towards property, plant and equipment

Particulars	31st March 2024	31st March 2023
Capital Grants from State Government	3,47,713.96	3,12,939.51
Capital Grants from Central Government	20,668.13	15,774.33
Deferred consumer contributions towards property, plant and equipment	71,000.12	48,414.33
Total	4,39,382.21	3,77,128.17
Non-current	4,13,653.13	3,48,537.21
Current	25,729.08	28,590.96

17. Deferred tax liabilities (Net)

Particulars	31st March 2024	31st March 2023
Unused tax credit	40,243.43	36,217.66
a) Deferred Tax asset on account of		
Amortisation of deferred income	1,53,537.72	1,31,783.67
Expenses allowable on payment basis	28,575.85	29,573.51
Provisions	220.20	(67.38)
b) Deferred tax liability on account of		
Depreciation and amortisation	2,99,356.81	2,67,510.49
Total	76,779.59	70,003.03

Movement in deferred tax liabilities (net)

Particulars	Unused tax credit	Deferred Income amortised	Expenses allowable on payment basis	Others	Depreciation and amortisation	Total
As at 1st April, 2023	36,217.66	1,31,783.67	29,573.51	(67.38)	(2,67,510.49)	(70,003.04)
(Charged)/credited to statement of profit and loss	4,025.78	21,754.05	(997.67)	287.59	(31,846.32)	(6,776.56)
As at 31st March, 2024	40,243.43	1,53,537.72	28,575.85	220.20	(2,99,356.81)	(76,779.61)

18. Other liabilities**A. Non-current**

Particulars	31st March 2024	31st March 2023
Deposit contribution works	1,31,225.37	1,40,493.35
Lift Irrigation Scheme Deposits including interest	87,747.36	1,51,251.38
Grants from Central Governments - Power Systems Development Fund Grants	1,270.24	1,292.26
Group Insurance Scheme - Insurance and Savings Fund	390.19	345.28
Contribution towards Self Funding Medical Scheme	1,572.05	1,027.56
Total	2,22,205.22	2,94,409.82

During the year, the Company has grouped the Interest payable to State Government on Lift Irrigation Scheme Funds as Other Liabilities along with Lift Irrigation Scheme deposits and the necessary regrouping was made for FY 2022-23.

B. Current

Particulars	31st March 2024	31st March 2023
Other liabilities and provisions	311.74	312.11
Statutory liabilities	3,976.42	3,976.23
Total	4,288.16	4,288.34



TRANSMISSION CORPORATION OF TELANGANA LIMITED

Notes to the financial statements (continued)

(Rs. in lakh)

19. Revenue from operations

Particulars	31st March 2024	31st March 2023
Sale of services		
Transmission charges	2,78,333.16	2,92,990.63
State Load Despatch Centre (SLDC) charges	5,228.20	5,777.24
Other operating income		
Supervision charges	11,619.73	9,095.98
SLDC processing fee	35.65	55.00
Contributions towards depreciation on Lift Irrigation Scheme Assets	12,933.44	18,602.42
Amortisation of consumer contributions towards property, plant and equipments	12,795.64	9,988.54
Registration fees	63.40	12.32
Operating and maintenance/annual maintenance charges	532.31	415.92
Total	3,21,541.53	3,36,938.05

19.1. During the year company has passed an entry towards Regulatory Liability (Pass through) for an amount of Rs.108156.33 lakhs charged to Statement of Profit & Loss for Transmission Business activity.

19.2. During the year company has passed an entry towards Regulatory Asset (claim) for an amount of Rs.707.57 lakhs charged to Statement of Profit & Loss for SLDC Business activity.

19.3 In compliance to TSERC Directives of MYT for 4th control Period, Hon'ble TSERC has passed orders on Annual Performance Review for FY 2022-23 against Transmission & SLDC Business separately on Dt. 07.06.2024. The details of Orders are (i) True up Surplus for Transmission business approved by the Commission is Rs.57905.00 lakhs against Company's True-up surplus of Rs.25233.00 lakhs and (ii) True down for SLDC business approved by the Commission is Rs.942.00 lakhs as against Company's True down of Rs.1252.00 lakhs.

19.4 Company has filed a review petition with Hon'ble TSERC for review of Transmission APR Orders dt. 07.06.2024 for an amount of Rs.4111.00 Lakhs vide clause 16 of Regulation 5 of 2005 towards Income Tax paid against disallowed claim of Rs.32672.00 Lakh (Rs.57905.00 Lakh - Rs.25233.00 Lakh) for FY 2022-23.

19.5 During the year, the Company has made a reversal of revenue for an amount of Rs.6718.00 lakhs towards pending disallowed claim for FY 2021-22 and Rs.18560.00 lakhs for FY 2022-23 (Out of True-up Surplus of Rs.28561.00 lakhs (Rs.32672.00 lakhs - Rs.4111.00 lakhs) pending for adjustment) in Transmission business.

19.6 As per Annual Performance Review order dated 07.06.2024 in respect of Transmission business for the year FY 2022-23, the disallowed amount of Rs.10001.00 lakhs is yet to be adjusted in the books of Accounts of the Company.

19.7 During the year, the Company has made a reversal of revenue towards disallowed claim of Rs.310.00 lakhs for FY 2022-23 in SLDC business.

19.8 During the year, the Company has made the Provision relating to the POC (Inter State Transmission) Charges for an amount of Rs.26557.00 lakhs.



(Rs. in lakh)

20. Other Income

Particulars	31st March 2024	31st March 2023
Interest on staff loans and advances	124.00	63.16
Interest on Inter Corporate Deposits to DISCOMs	17,090.53	11,243.51
Interest on Vidyut Bonds	-	557.84
Interest on Income Tax refund	229.75	-
Income from investments in bonds and fixed deposits	902.29	955.00
Interest on investments under contingency reserve	(104.60)	489.39
Income from sale of scrap etc.,	477.93	-
Delayed payment charges from consumers	7.75	9.58
Gain on fair value changes - investments classified at FVTPL	203.68	-
Provision for Doubtful debts	4.05	(109.56)
Profit on sale of Fixed Asset	-	7.67
Fines and penalties collected	3,068.63	1,316.99
Income from Lease rentals	1,201.06	1,178.83
Miscellaneous receipts	39.33	410.65
Total	23,244.40	16,123.06

20.1. During the year, Company has not made provision towards accrued interest on Vidyut Bonds amount receivable from Government of Telangana on account of delay in release of Bonds amount in view of pending confirmation from State Government and also final remarks of C&AG for FY 2022-23.

20.02. The company has changed its accounting policy in the FY 2022-23 for recognising fines and penalties as against the earlier practice of recognising the same as liability. Due to the above change, the income has increased by Rs. 3068.63 Lakhs and liabilities have decreased by the same amount.

20.3. During the year, the Company has grouped Material Cost Variance as Other Expenses, as the Company has provided for provision of Rs.622.03 lakhs and necessary regrouping was made for FY 2022-23.

21. Employee benefits expense

Particulars	31st March 2024	31st March 2023
Salaries, wages and bonus	1,05,913.45	1,04,086.29
Contribution to pension and gratuity fund	8,236.83	7,037.47
Contribution to gratuity fund	85.67	191.10
Contribution to provident fund and ESI	5,247.40	4,219.83
Contribution to Artisans gratuity fund	606.02	366.74
Staff welfare expenses	1,399.17	1,099.84
Less: Employees cost capitalised	(18,928.49)	(14,249.48)
Total	1,02,560.05	1,02,751.79

21.1. The net defined benefits obligation towards Pension and Gratuity in respect of employees who are on roll as on 31.01.1999 lies with the Company and Master Trust in the ratio of 26:74 . Accordingly Company has obtained Actuarial Valuation reports and provided the liability in the books of accounts.

21.2. The expenditure accounted towards Leave encashment and Gratuity of employees joined after 31.01.1999 are accounted as per the actuarial valuation Reports. However, the actual contribution to Trusts towards Pension & Gratuity in respect of the employees appointed prior to 01.02.1999 was paid @33.15% and Contribution towards Gratuity in respect of employees appointed after 01.02.1999 was paid @6.08% on Pay plus D.A.



(Rs. in lakh)

21.3. During the year Company has provided the liability towards terminal benefits (including Gratuity to Artisans) as per the Actuarial Valuation reports in the books of accounts by adapting maximum Gratuity Ceiling of Rs. 16.00 lakh to GPF Employees as per T.O.O No.1623 dated 20.04.2023 (G.O.Ms.No.56, Dt. 11.06.2021) and Rs. 20.00 lakh in respect of EPF Employees and Artisans as per Gratuity Act, 1972.

21.4. Company has provided the Short-term medical liability as per Actuarial Valuation .

21.5. Plan Assets Value of TGTRANSCO portion in APTRANSCO Trusts is arrived by applying Interest rate @ 7.5% p.a. based on information provided by APTRANSCO previously.

A) Net employee benefit expense (recognised in Employee benefits expenses)

Particulars	Pension & Gratuity	Gratuity (EPF)	Gratuity (Artisans)
Current Service Cost	1,301.79	462.27	488.56
Interest Cost	7,025.55	(387.98)	117.46
Past service cost and loss/(gain) on curtailments and set	-	-	-
Total	8,327.35	74.29	606.02

B) Amount recognised in the Balance Sheet

Particulars	Pension & Gratuity	Gratuity	Gratuity (Artisans)
Defined benefit obligation	1,64,626.54	6,149.88	3,037.03
Fair value of plan assets	71,544.91	12,981.17	-
Total	93,081.63	(6,831.29)	3,037.03

C) Changes in the present value of the defined benefit obligation

Particulars	Pension & Gratuity	Gratuity	Gratuity (Artisans)
Opening defined benefit obligation	1,55,599.91	5,122.16	1,572.94
Current service cost	1,301.79	462.27	488.56
Past service cost	-	-	-
Interest cost	11,664.23	380.25	117.46
Benefits paid	(6,983.43)	(19.50)	(0.38)
Net Actuarial losses on obligation for the year recognised under OCI	3,044.03	204.69	858.45
Closing defined benefit obligation	1,64,626.53	6,149.87	3,037.03

D) Change in the fair value of plan assets

Particulars	Pension & Gratuity	Gratuity	Gratuity (Artisans)
Opening fair value of plan assets	62,005.04	10,063.75	-
Investment income	4,638.68	768.23	-
Employer's contribution	11,551.10	2,050.29	-
Benefits paid	(6,983.43)	(19.50)	-
Return on plan assets, excluding amount recognised in net interest expense	333.52	118.41	-
Closing fair value of plan assets	71,544.91	12,981.17	-

Remeasurement losses recognised in other comprehensive income:

(i) The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	Pension & Gratuity	Gratuity	Gratuity (Artisans)
Discount rate	7.50	7.20	7.20
Salary rise	7.00	7.00	7.00

The estimates of future salary increases, considered in the actuarial valuation by taking in to account of cost of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.



(Rs. in lakh)

(ii) Disclosure related to indication of effect of the defined benefit plan on the entity's future cashflows:

Year ending	Pension & Gratuity	Gratuity	Gratuity (Artisans)
Expected benefit payments for the year ending			
1 year	8,357.35	157.73	39.35
2-5 years	39,262.05	849.68	230.73
6-10 years	50,345.11	1,524.62	568.73

(iii) Sensitivity analysis:

Quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Pension & Gratuity(0.5%)	Gratuity (1%)
(a) Effect of % change in assumed discount rate		
- % increase	1,47,419.53	5,354.17
- % decrease	1,83,020.55	7,112.37
(b) Effect of % change in assumed salary escalation rate		
- % increase	1,66,890.41	6,284.50
- % decrease	1,60,434.53	6,062.41
(c) Effect of 10 % change in assumed withdrawal rate		
- 10% increase		6,198.14
- 10% decrease		6,101.82

(iv) Sensitivity analysis of Artisans

Quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	31st March 2024	31st March 2023
(a) Effect of 0.5% change in assumed discount rate		
- 0.5% increase	2,794.41	1,437.52
- 0.5% decrease	3,306.38	1,724.28
(b) Effect of 0.5% change in assumed salary escalation rate		
- 0.5% increase	3,197.90	1,682.50
- 0.5% decrease	2,886.32	1,461.12
(c) Effect of 10 % change in assumed withdrawal rate		
- 10% increase	3,045.11	1,575.74
- 10% decrease	3,030.19	1,570.52

22. Finance costs

Particulars	31st March 2024	31st March 2023
Interest		
On term loans from banks	7,323.10	6,561.71
On term loans from financial institutions and others	89,233.11	93,025.83
On short term loans from financial institutions	10,742.42	5,607.06
Other borrowing costs	26.67	26.99
Less: Interest capitalised	(10,667.79)	(11,668.55)
Total	96,657.51	93,553.04

22.1 The Company has capitalised interest of Rs.10,667.79 lakh (Previous Year Rs.11,668.55 lakh) towards interest cost upto the date of completion of assets/projects.



(Rs. in lakh)

23. Depreciation and amortisation expense

Particulars	31st March 2024	31st March 2023
Depreciation of property, plant and equipment	1,07,359.38	1,03,611.55
Amortisation of intangible assets	133.68	184.35
Total	1,07,493.06	1,03,795.90

23.1 Depreciation for the year was calculated as per the guidelines specified by CERC.

24. Other expenses

Particulars	31st March 2024	31st March 2023
Repairs and Maintenance to:		
Plant and machinery	2,767.82	2,124.33
Transformers	221.24	390.74
Substation maintenance Charges	635.34	593.96
Buildings	292.69	255.79
Civil works	351.84	361.90
Lines, cable net works etc.,	402.40	619.03
Vehicles	10.96	17.06
Furniture and fixtures	6.88	6.74
Office equipment	377.62	430.57
Rent, rates and taxes	290.12	232.53
Telangana State Electricity Regulatory Commission (TS ERC) license fee	438.57	442.46
Insurance on fixed assets	16.51	14.28
Postage and telephone charges	68.20	77.47
Audit fees	7.83	7.08
Professional, consultancy and legal charges	91.88	81.20
Honorarium	17.23	15.62
Commission	0.02	0.09
Remuneration to internal auditors	24.93	17.16
Travelling and conveyance expenses	528.63	529.26
Vehicle running expenses	83.26	81.84
Vehicle hire charges	2,141.49	2,085.69
Employee/staff recruitment charges	2.51	2.87
Training and participation fee	41.03	32.50
Fees and subscription	56.35	38.78
Books and periodicals	9.44	4.07
Printing and stationery	62.88	67.61
Advertisement expenses	40.72	63.71
Electricity charges	191.69	199.31
Water charges	44.41	43.44
Entertainment expenses	36.04	29.56
Miscellaneous expenses	292.54	263.70
Outsourced staff wages	81.95	23.67
Loss on fair value changes - Investments classified at FVTPL	-	17.15
Corporate Social Responsibility Expenses	641.60	740.69
Refund of fines and penalties collected	1,546.02	1,879.70
Material cost variance (net)	622.03	(329.35)
Loss from sale of scrap etc.,	-	140.92
Loss from variation in Exchange Rate	389.53	-
Total	12,834.20	11,603.13



(Rs. in lakh)

24.1. Payment to auditors:

Particulars	31st March 2024	31st March 2023
Statutory auditors		
Statutory Audit	5.90	5.90
Certification	0.75	-
Out of pocket expenses	1.18	1.18
Total	7.83	7.08

24.2. During the year, the Company has charged Loss from Variation in Exchange rate of Rs.294.28 lakhs to Statement of Profit & Loss relating to prior periods. Due to regulatory requirements, it is not adjusted in retained earnings. Due to the above, the Other Non-Current assets are decreased by Rs. 294.28 Lakhs. Further, the Company has made a provision for Rs.95.25 lakhs towards remeasurement of exchange loss.

24.3. During the year, the Company has grouped Material Cost Variance as Other Expenses, as the Company has provided for provision of Rs.622.03 lakhs and necessary regrouping was made for FY 2022-23.

25. (a) Tax Expense

Particulars	31st March 2024	31st March 2023
Current tax	4,025.78	4,129.63
Earlier year tax	-	-
MAT credit entitlement	4,025.78	4,129.63
Reversal of MAT credit entitlement	-	-
Deferred tax	10,802.34	10,912.40
Total	10,802.34	10,912.40

25. (b) Reconciliation of tax expense and accounting profit multiplied by tax rate

Particulars	31st March 2024	31st March 2023
Profit/(Loss) before tax	21,585.86	23,409.69
Tax	4,025.78	4,129.63
Unused tax credit	(4,025.78)	(4,129.63)
Deferred income amortised	(21,754.05)	(6,254.94)
Expenses allowed on payment basis	997.67	(7,114.69)
Others	(287.59)	(195.32)
Depreciation and amortisation	31,846.32	24,477.35
Total	10,783.52	12,497.29



Transmission Corporation of Telangana Limited
Notes to the financial statements (continued)

(Rs. in lakh)

26 Financial instruments

A. Financial instruments by category

	31 March 2024		31 March 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Investments	258.29	36957.33	54.61	36957.33
Trade receivables	-	251390.56	-	208651.76
Loans	-	133194.91	-	194539.51
Cash and cash equivalents	-	1485.24	-	1321.37
Other financial assets at transactional value	-	63964.90	-	57624.09
Total financial assets	258.29	486992.94	54.61	499094.05
Financial liabilities				
Borrowings	-	1043738.92	-	1152991.53
Trade Payables	-	9038.79	-	5998.55
Other financial liabilities at transactional value	-	316884.55	-	207783.46
Total financial liabilities	-	1369662.26	-	1366773.53

Note : For the purpose of above abbreviations, FVTPL - fair value through profit and loss; amortised cost - fair value through amortised cost

Note: Financial assets and liabilities relate to level 3 financial instruments and the carrying value approximates to their fair value.

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value through profit and loss statement and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

Financial assets and liabilities which are measured at fair value-recurring fair value measurements

Financial assets

At 31 March 2024	Level 1	Level 2	Level 3	Total
Investments	258.29	-	-	258.29
Total financial assets	258.29	-	-	258.29

At 31 March 2023	Level 1	Level 2	Level 3	Total
Investments	54.61	-	-	54.61
Total financial assets	54.61	-	-	54.61

Financial assets and liabilities which are measured at amortised cost - for which fair values are disclosed

Financial assets

At 31 March 2024	Level 1	Level 2	Level 3	Total
Investments	-	-	36957.33	36957.33
Trade receivables	-	-	251390.56	251390.56
Loans	-	-	133194.91	133194.91
Cash and cash equivalents	-	-	1485.24	1485.24
Other financial assets at transactional value	-	-	63964.90	63964.90
Total financial asset	-	-	486992.94	486992.94

Financial liabilities

At 31 March 2024	Level 1	Level 2	Level 3	Total
Borrowings	-	-	1043738.92	1043738.92
Trade Payables	-	-	9038.79	9038.79
Other financial liabilities at transactional value	-	-	316884.55	316884.55
Total financial liabilities	-	-	1369662.26	1369662.26



Transmission Corporation of Telangana Limited
Notes to the financial statements (continued)

(Rs. in lakh)

Financial assets

At 31 March 2023	Level 1	Level 2	Level 3	Total
Investments	-	-	36957.33	36957.33
Trade receivables	-	-	208651.76	208651.76
Loans	-	-	194539.51	194539.51
Cash and cash equivalents	-	-	1321.37	1321.37
Other financial assets at transactional value	-	-	57624.09	57624.09
Total financial asset	-	-	499094.05	499094.05

Financial liabilities

At 31 March 2023	Level 1	Level 2	Level 3	Total
Borrowings	-	-	1152991.53	1152991.53
Trade Payables	-	-	5998.55	5998.55
Other financial liabilities at transactional value	-	-	207783.46	207783.46
Total financial liabilities	-	-	1366773.53	1366773.53

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

Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(ii) Valuation technique used to determine fair value

The Company has not adopted any fair value technique to measure its financial assets and financial liabilities. All of the resulting fair value estimates are included in level 3.

27 Financial risk management

Risk management framework

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

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

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

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

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

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

Further quantitative disclosures are included throughout these financial statements.



Transmission Corporation of Telangana Limited
Notes to the financial statements (continued)

(Rs. in lakh)

i. Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of financial assets represent the maximum credit risk exposure.

The Company's trade receivables comprise of dues from government parties, i.e., Discoms with an operating credit period of 30 days from the date of raising invoice and the management asserts that all the trade receivables are to be considered good and fully recoverable.

ii. Liquidity risk

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

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

iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

a) Foreign currency risk

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

b) Interest rate risk

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

28 Capital Management and Gearing Ratio

For the purpose of Company's capital management, capital includes issued Equity capital and all other equity reserves attributable to the equity holders. The Primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by total capital. The Company includes within debt, interest bearing loans and borrowings.

The Company's debt to adjusted capital ratio at the end of the reporting period was as follows:

	31 March 2024	31 March 2023
Borrowings		
Non current	885217.57	992987.75
Current	6499.07	12287.69
Current maturities of non current borrowings	152022.28	147716.09
Debt	1043738.92	1152991.53
Equity		
Equity Share capital	5.00	5.00
Other Equity	197955.02	186682.10
Total Capital	197960.02	186687.10
Gearing ratio in % (Debt/Capital)	527.25	617.61



(Rs. in lakh)

29 Ratios

Name of the Ratio	31 March 2024	31 March 2023	% Change in Ratio	Remark- Any change in the ratio by more than 25% as compared to the preceeding year.
1. Current Ratio (Current Assets/ Current Liabilities)	1.26	1.04	21.20%	
2. Debt Equity Ratio (Total Debt/Total Equity)	4.27	4.95	-13.65%	
3. Debt Service Coverage Ratio (Net PAT before OCI+Depreciation+Interest/Interest & Principal Repayment)	0.83	0.97	-14.09%	
4. Return on Equity Ratio (Earning available to Shareholders/Total Equity)	4.52%	5.51%	-18.01%	
5. Inventory Turnover Ratio (Net Sales/Average Inventory)	Not Applicable			
6. Trade Receivables Turnover Ratio (Net Credit Sales/Average Trade Receivables)	1.40	1.70	-17.56%	
7. Trade Payables Turnover Ratio (Net Purchases/Average Trade Payables)	Not Applicable			
8. Net capital Turnover Ratio(Net Sales/ Average Working Capital)	1.62	2.21	-26.57%	Due to adjustment of disallowed claim for FY 2021-22 and FY 2022-23(partial).
9. Net Profit Ratio (Net Profit after tax/ Total Revenue)	3.128	3.535	-11.53%	
10. Return on Capital Employed (EBIT/Capital Employed)	8.79%	9.73%	-9.64%	
11. Return on Investment	Not Applicable			

30 Related party transactions

a) Key Management Personnel:

- 1) Sri. D. Syed Ali Murtaza Rizvi, IAS, Chairman and Managing Director (FAC) (From 15.12.2023)
- 2) Sri. D. Prabhakar Rao , Chairman and Managing Director (FAC) (Upto 04.12.2023)*
- 3) Sri. Sandeep Kumar Jha, IAS, Joint Managing Director (From 22.03.2024)
- 4) Sri. C.Srinivas Rao , IRAS(Retd) , Joint Managing Director
- 5) Sri. G.Narsing Rao , Director (Projects)
- 6) Sri. T.Jagath Reddy , Director (Transmission)
- 7) Sri. J.Surya Prakash , Director (Lift Irrigation Schemes)
- 8) Sri. B.Narsing Rao, Director (Grid Operation)
- 9) Sri. VBS Kumara Gupta, FA&CCA(A/cs) & CFO
- 10) Sri. Ravi Kumar Suluva, Company Secretary (upto 24.07.2023 and from 29.07.2023)

* Sri D.Prabhakar Rao has resigned on 04.12.2023. The acceptance of Resignation by Government of Telangana is awaited.

b) Non-Whole Time Directors

- 1) Sri. K.Ramakrishna Rao, IAS
- 2) Sri. Sunil Sharma, IAS (Upto 29.12.2023)
- 3) Sri. D. Syed Ali Murtaza Rizvi, IAS (From 29.12.2023)



(Rs. in lakh)

c) Key management personnel compensation

Name of Key Management Personnel	31 March 2024	31 March 2023
Sri. C.Srinivas Rao , IRAS , Joint Managing Director	46.72	37.47
Sri. Sandeep Kumar Jha, IAS, Joint Managing Director (From 22.03.2024)	0.54	-
Sri. J.Surya Prakash , Director (Lift Irrigation Schemes)	42.14	39.39
Sri. T.Jagath Reddy, Director (Transmission)	45.63	41.05
Sri. G.Narsing Rao , Director (Projects)	46.72	39.59
Sri. B.Narsing Rao , Director (Grid Operation)	46.39	39.58
Sri. G Srinivas, FA&CCA(A/cs) & CFO (Upto 30.11.2022)	-	40.67
Sri. VBS Kumara Gupta, FA&CCA(A/cs) & CFO	71.46	9.07
Sri. Ravi Kumar Suluva, Company Secretary	24.7	17.99

d) Sitting fees paid to Non-Whole Time Directors :Rs.0.08 lakh (Rs.0.14 lakh)

e) During the year the Company has not made any kind of transactions such as borrowings, Guarantee, Financials commitments etc.with related parties other than those mentioned above .

31 Operating segments

a) The Company's Chairman & Managing Director (Chief Operating Decision Maker) examines the Company's performance function wise and have identified two operating segments viz., Transmission of power and State Load Despatch Center. However, the Company has only one reportable segment as per the criteria laid down under Ind AS 108. Hence, segment reporting is not given.

b) Information about the Company - Function wise Revenue from External Customers
-Transmission of power
-State Load Despatch Center

The Company has made external sales to the following customers meeting the criteria of 10% or more of the entity's revenue

For Transmission Business

Customer 1 - TG SPDCL - 267027.06 Lakh

Customer 2 - TG NPDCL -112629.39 Lakh

For State Load Despatch Center

Customer 1 - TG SPDCL - 3282.00 Lakh

Customer 2 - TG NPDCL -1370.00 Lakh

32 Contingent liabilities (to the extent not provided for)

Particulars	31 March 2024	31 March 2023
Up to 01.06.2014:		
(a) Cases for disputed liabilities of Sales Tax/VAT/CST/Entry Tax pending before the honorable High Court (Deposited Rs.1517.88 lakh)	13885.74	13885.74
(b) Employee State Insurance court case (Deposited Rs.20.00 lakh)	80.00	80.00
(c) Demand towards service tax	395.00	395.00
(d) Demand towards income tax (Deposited 15% of Rs.14567.00 lakh)	14567.00	14567.00
(e) Demand raised by municipal authorities towards disputed municipal taxes	584.00	584.00
(f) Other legal cases (Deposited Rs.347.00 lakh) allocated from APTRANSCO on Demerger		



Transmission Corporation of Telangana Limited
Notes to the financial statements (continued)

(Rs. in lakh)

(h) Contingent liabilities on or after 02.06.2014 (AS ON 31.03.2024)

(i) As per the demerger plan, future refunds and liabilities/commitments if any, arises in respect of the period prior to the bifurcation i.e., upto 01.06.2014 and not provided in the accounts (to end of 01.06.2014), such refunds and liabilities/commitments (if it relates to any particular territorial property/lines and sub-stations) shall be the liabilities/ commitments of the successor TRANSCO of the respective state in whose territories the property/lines and sub-stations are situated. In case of the refunds and liabilities/commitments specified above do not relate to a particular property/lines and sub stations/territory wise/common, and then the same shall be shared between the two State TRANSCOs in the Population Ratio.

(ii) The Company has received notices of assessment under Telangana Tax on Entry of Goods into Local Areas Act, 2001 for the financial years 2014-15 to 2017-18 (upto June 2017) levying an amount of Rs.11116.57 lakh. The Company has filed an appeal before the Hon'ble High Court for the State of Telangana. As per the directions of the Hon'ble High Court for the state of Telangana, the Company has deposited a total amount of Rs.2779.14 lakhs i.e for FY 2018-19 (Rs.959.37 lakhs) & FY2019-20 (Rs.1521.42 lakhs) and on 07.05.2021 (Rs.298.35 lakhs) towards 25% of the disputed demand amount.

(iii) The Company has received Income Tax Assessment Order Dt.22.12.2017 for FY 2014-15 (AY 2015-16) with a demand of Rs.2098.84 lakh. The Company has filed an appeal before the Hon'ble Commissioner of Income Tax (Appeals) -2, Hyderabad on 18.01.2018 against the additions made by the Assessing Officer. The Company has remitted an amount of Rs.419.77 lakh on 28.02.2018 towards 20% of demand under protest. The Commissioner of Income Tax (Appeals)-2 has issued Appellate Order Dt.04.12.2018 for deletion of certain additions made by the Assessing Officer. The Company has requested the Assessing Officer for issue of consequential order as per the Appellate Order issued by the Hon'ble Commissioner of Income Tax (Appeals)-2, Hyderabad. However, the Assessing Officer has filed an appeal before Hon'ble Income Tax Appellate Tribunal (ITAT), Hyderabad (Bench-A) on the Appellate Order issued by the Commissioner of Income Tax (Appeals)-2, Hyderabad. The Hon'ble ITAT has issued the order in favour of company on 13.07.2021. The Company has requested the Assessing Officer for issue of consequential order as per the Appellate Tribunal Order issued by the Hon'ble Income Tax Appellate Tribunal, Hyderabad. The Assessing Officer has filed an appeal before Hon'ble High Court of Telangana. The case is pending with High Court of Telanagana.

(iv) The Company has received Income Tax Assessment Order Dt.28.12.2018 for FY 2015-16 (AY 2016-17) with a demand of Rs.3904.99 lakh without giving credit for the TDS Amount of Rs.3581.58 lakh claimed by the Company in its return of income. The Company has requested the Assessing Officer for issue of modification order duly giving credit for the TDS Amount. Further, the Company has filed an appeal before the Commissioner of Income Tax (Appeals)-2, Hyderabad on 23.01.2019 against the additions made by the Assessing Officer and for not giving credit for TDS amount. The Assessing Officer has issued Rectification Order with a revised demand of Rs.208.93 lakh. The Commissioner of Income Tax (Appeals)-2, Hyderabad has issued Appellate Order Dt.30.04.2019 for deletion of additions made by the Assessing Officer. The Company has requested the Assessing Officer for issue of consequential order as per the Appellate Order issued by the Hon'ble Commissioner of Income Tax (Appeals)-2, Hyderabad. However, the Assessing Officer has filed an appeal before Hon'ble Income Tax Appellate Tribunal (ITAT), Hyderabad (Bench-2) on the Appellate Order issued by the Commissioner of Income Tax (Appeals)-2, Hyderabad. The Hon'ble ITAT has issued the order in favour of company on 13.07.2021. The Company has requested the Assessing Officer for issue of consequential order as per the Tribunal Order issued by the Hon'ble Income Tax Appellate Tribunal, Hyderabad. The Assessing Officer has filed an appeal before Hon'ble High Court of Telangana. The case is pending with High Court of Telangana.

(v) The Company has received Income Tax Assessment Order Dt.07.11.2019 for FY 2016-17 (AY 2017-18) with a demand of Rs.3488.21 lakh. The Company has filed an appeal before the Commissioner of Income Tax (Appeals)-2, Hyderabad on 25.11.2019 against the additions made by the Assessing Officer and for not giving entire credit for the TDS amount. The Company has remitted an amount of Rs.698.00 lakh on 28.11.2019 towards 20% of demand amount under protest. The Commissioner of Income Tax (Appeals)-2 has issued Appellate Order Dt.27.12.2019 for deletion of additions made by the Assessing Officer. The Company has requested the Assessing Officer for issue of consequential order as per the Appellate Order issued by the Hon'ble Commissioner of Income Tax (Appeals)-2, Hyderabad. Assessing Officer filed an appeal before Hon'ble Income Tax Appellate Tribunal (ITAT), Hyderabad (Bench-2) on the Appellate Order issued by the Commissioner of Income Tax (Appeals)-2, Hyderabad. The case is pending with ITAT. During the FY 2023-24, Assessing Officer has issued an order u/s. 143(3) with the tax payable/refund is NIL. However, Assessment Unit has issued an order u/s. 147 read with section 144B of Income Tax Act, 1961 which disallowed an amount of Rs. 273.84 lakhs towards License Fee paid to Telangana Electricity Regulatory Commission (TERC). Company has filed an Appeal (Appeal No. NFAC/2016-17/10275474) on 26.06.2023. The appeal filed by the Company is pending with Joint Commissioner (Appeals) or Commissioner of Income Tax (Appeals), Income Tax Dept.



Transmission Corporation of Telangana Limited
Notes to the financial statements (continued)

(Rs. in lakh)

- (vi) The Company has received Income Tax Assessment Order Dt.31.01.2020 for FY 2017-18 (AY 2018-19) with a demand of Rs.1437.86 lakh. The Company has filed an appeal before the Commissioner of Income Tax (Appeals)-2, Hyderabad on 22.02.2020 against the additions made by the Assessing Officer. The Company has remitted an amount of Rs.288.00 lakh on 13.02.2020 towards 20% of demand amount under protest. The appeal filed by the Company is pending with Commissioner of Income Tax (Appeals)-2, Hyderabad. However, Assessing Officer issued an order u/s. 154 r.w.s 143(3) on 25.03.2024 with a refund due for an amount of Rs. 1,42,79,466. The refund amount is yet to be received.
- (vii) The Company has filed its revised return of Income for FY 2018-19 (AY 2019-20) on 30.03.2020. The assessment of the same is under process.
- (viii) The Company has filed its original return of Income for FY 2019-20 (AY 2020-21) on 29.10.2020 and revised return of Income for FY 2019-20 (AY 2020-21) on 31.03.2021. However, Income Tax Department has processed the original return filed by the Company for FY 2019-20 (AY 2020-21), which was based on provisional accounts, and issued a refund of Rs.30,74,20,130/- (including 244A interest) under section 143(1) of Income Tax Act, 1961. Out of the amount refunded, the Income Tax Department has adjusted a sum of Rs.13,10,45,131/- against the demand of Rs.14,37,85,535/- for FY 2017-18 (AY 2018-19) and the balance amount of Rs. 17,63,74,999/- was refunded to the Company's Bank Account on 31.03.2021. Pursuant to this, the Company has remitted back the said refunded amount of Rs. 17,63,74,999/- to Income Tax Department immediately vide challan no.02995 dated 03.04.2021 as the Company had already filed an appeal before CIT(Appeals)-2, Hyd With regard to Rs.13,10,45,131/- as against the demand of Rs.14,37,85,535/- for FY 2017-18 (AY 2018-19) which was raised by the Assessing Officer and remitted Rs.2.88 crores (20% of demand amount) and obtained grant of stay against the demand proceedings vide File No.DC-2(2)/stay/2019-20 dated 13.02.2020. The said case is still pending with CIT (Appeals)-2, Hyderabad.
- (ix) The Company has filed its return of Income for FY 2020-21 (AY 2021-22) on 28.01.2022. Income Tax Department has issued a rectification order under section 154 for AY 2021-22 on 07.11.2023 by disallowing the TDS Credit for an amount of Rs.3,56,90,580/- An Appeal (Appeal No. NFAC/2020-21/10303597) has been filed on 07.12.2023 against disallowance of TDS Credit. The appeal filed by the Company is pending with Joint Commissioner (Appeals) or Commissioner of Income Tax (Appeals), Income Tax Dept.
- (x) The Company has filed its return of Income for FY 2021-22 (AY 2022-23) on 29.09.2022. Intimation Order dated 29.07.2023 received with refund due for an amount of Rs. 31,01,57,200 (Received on 01.09.2023) and Rectification Order dated 19.03.2024 received with refund due for an amount of Rs. 6,03,390 (Yet to be received).
- (xi) The Company has filed its return of Income for FY 2022-23 (AY 2023-24) on 29.09.2023. Intimation Order received with refund due for an amount of Rs. 55,67,01,440. The refund amount is yet to be received.
- (xii) The Company has received demand from APTRANSCO on 03.03.2018 towards reimbursement of salaries to TS relieved employees for an amount of Rs.2839.91 lakhs (Including Interest of Rs.441.15 lakh upto 01.02.2018) from October 2015 to May 2016. The Company has not accounted the same as the hearings are pending before Hon'ble Supreme Court of India.
- (xiii) The Company has issued a notice to M/s.Ganapathi Sugars Industries Limited for collection of Bay and Line Maintenance Charges for an amount of Rs.86.63 lakhs with simple interest @ 10.7% per annum. Since, the issue is under dispute the Company has not recognized it as the revenue.
- (xiv) M/s.Sree Rayalaseema Power Constructions, Hyderabad has filed cases against the Company claiming Rs.112.63 lakh along with interest. The cases are pending with Hon'ble High Court of Telangana.
- (xv) M/s. Kallam Spinning Mills Lts. Has filed a case for collection of Transmission charges of Rs.79.01 lakh for 3rd control period (FY 2014-15 to 2018-19) in High court, vide Case no.23986 of 2018. High Court has passed interim orders issuing a stay orders vide IA NO.01 and 02 of 2018. The Company has filed vacate stay petition on 15.02.2019, and is pending as on date.
- (xvi) Certain cases were filed by various petitioners for not paying adequate crop compensation for erection of transmission lines. The amount involved is not quantifiable.
- (xvii) Company has received a show cause notice from Commissioner of Central Tax for short/non payment of service tax to extent of Rs.425.71 lakhs. However, the Company has disputed the demand and replied to the notice.
- (xviii) M/s. Suguna Metals Pvt. Ltd, M/s. Jairaj Ispat Ltd, M/s. Jeevaka Industries Pvt. Ltd and M/s. VBC Ferro Alloys Pvt. Ltd have filed a cases against the Company to refund the development charges paid to TGTRANSCO Rs. 210.00 lakhs, Rs. 100.00 lakhs, Rs. 100.00 lakhs and Rs. 38 lakhs respectively. Company has filed counter affidavits and these cases are pending before Hon'ble High Court for the State of Telangana.
- (xix) The Company has received a show cause notices from Addl. Director, DGGI for FY 2017-18 to 2020-21 for Goods & Service Tax of Rs.50975.00 lakhs and Addl. Commissioner of Central Tax for FY 2018-19 & 2019-20 for Goods & Service Tax of Rs.276.00 lakhs, pursuant to this, the Company had filed a writ petition vide WP No.19438/2024, dt:31.07.2024 and WP No. 2123/2024, dt:24.07.2024 respectively. The cases are pending at the HON'ble High Court for the State of Telangana.



(Rs. in lakh)

(xx) M/s. Bodapati Control Systems Pvt. Ltd., filed a suit in the Commercial Court at City Civil Court, Hyderabad duly claiming an amount of Rs. 483.65 lakhs along with the interest pertaining to Supply, Construction, Erection, Testing and Commissioning of i) 132/33 GIS SS at Patigadda, ii) 132/33kV GIS SS at Moosarambagh in Hyderabad District and iii) 220kV Dindi - Chandrayangutta DC line passing through the Land allotted to M/s. TCS in survey No.225, Adibatla (V) in Ranga Reddy District on Turnkey basis. The cases are pending with Hon'ble City Civil Court, Hyderabad.

(xxi) During the year, the Company has arrived the liability as per Agreements relating Lease Charges upto FY 2023-24 of Rs.904.60 lakhs.

33 Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognized as liabilities is as follows:

Particulars	31 March 2024	31 March 2023
Estimated amount of contracts not executed and not provided for (net of advances)	375718.57	481890.08

34 Earnings per share (EPS)

A. Computation of basic and diluted EPS

Basic earnings per share amounts are calculated by dividing the profit/(loss) for the year attributable to equity shareholders before OCI of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is based on profit/(loss) attributable to equity shareholders and weighted average number of equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares. The Company does not have any potentially dilutive shares for year ended 31 March 2024 and 31 March 2023.

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

B. Profit/(loss) attributable to equity shareholders

Particulars	31 March 2024	31 March 2023
Profit/(loss) for the year, attributable to the equity share holders	14438.77	30444.85

C. Weighted average number of equity shares

Particulars	31 March 2024	31 March 2023
Opening balance	0.50	0.50
Effect of shares issued for cash (if any)	-	-
Weighted average number of shares for the year	0.50	0.50

D. Earnings per share

Particulars	31 March 2024	31 March 2023
Basic earnings per share (Rs.)	28877.53	60889.70
Diluted earnings per share (Rs.)	28877.53	60889.70

35 Assets & Liabilities apportioned under Andhra Pradesh Reorganisation Act, 2014:

(i) On 1st March, 2014, the Andhra Pradesh Reorganization Act, 2014 received the assent of President of India for formation of Telangana State. The new state came into existence with effect from 2nd June, 2014.

As per the Andhra Pradesh Reorganization Act, 2014, the Companies and Corporations specified in the Ninth Schedule constituted for the existing State of Andhra Pradesh shall, on and from the appointed day, continue to function in those areas in respect of which they were functioning immediately before that day.

The assets, rights and liabilities of the companies and corporations referred to in sub-section (1) shall be apportioned between the successor States in the manner provided in Section 53.

(ii) As per Section 53 of the Andhra Pradesh Reorganisation Act, 2014

(a) The assets and liabilities relating to any commercial or industrial undertaking of the existing State of Andhra Pradesh, where such undertaking or part thereof is exclusively located in, or its operations are confined to a local area, shall pass to the State in which that area is included on the appointed day, irrespective of the location of its headquarters: Provided that where the operation of such undertaking becomes inter- state by virtue of the provisions of Part II, the assets and liabilities of -



Transmission Corporation of Telangana Limited
Notes to the financial statements (continued)

(Rs. in lakh)

- b) the operational units of the undertaking shall be apportioned between the two successor States on location basis; and
- c) the headquarters of such undertaking shall be apportioned between the two successor States on the basis of population ratio.
- (iii) Upon apportionment of the assets and liabilities, such assets and liabilities shall be transferred in physical form on mutual agreement or by making payment or adjustment through any other mode as may be agreed to by the successor States.
- (iv) Section 65 of Andhra Pradesh Reorganisation Act, 2014 empowers the successor States of Andhra Pradesh and Telangana to mutually agree upon the apportionment of assets and liabilities between themselves in a manner other than that provided in the Act. No such final agreement has been arrived at in so far as may be applicable to the affairs of APTRANSCO and the Company.
- (v) Consequent to bifurcation of State of Andhra Pradesh, the Government of Andhra Pradesh has issued orders vide G.O.Ms.No.26 (Energy), Dt.29.05.2014 for creation of separate TRANSCO for the State of Telangana. Accordingly, a separate entity has been incorporated and got registered with Registrar of Companies with the name of Transmission Corporation of Telangana Limited (the Company).
- (vi) With regard to apportionment of assets and liabilities of Transmission Corporation of Andhra Pradesh Limited (hereinafter referred to as APTRANSCO) to the Company as on 02.06.2014, APTRANSCO has submitted its draft demerger plan to the Expert Committee vide Lr.No.CMD/Dir (Fin. & Rev.) / FA&CCA (A/cs)/SAO (BS)/D.No.200/15, Dt.28.05.2015 with a copy to the Company.
- (vii) Further, APTRANSCO has submitted its final demerger plan to the Secretary, Expert Committee vide letter No FA&CC(Accounts)/SAOB,B/S and Costing/D.No.96/18 dated 20.03.2018 with a copy to the Company.
- (viii) In this regard draft dissent note was placed before the Board of the Company in its 28th Board Meeting held on 23.05.2018. Based on the minutes of the Board, the Company has submitted its dissent notes to the Secretary, Expert Committee on the demerger plan submitted by APTRANSCO.
- (ix) The Expert Committee has reviewed the proposal submitted by APTRANSCO and dissent notes thereon submitted by the Company in its meeting held on 13.08.2018. The Expert Committee has submitted its recommendations vide D.O.Lr.No.5614/Expert Committee/2014, Date: 15.11.2018.
- (x) Material variations of certain assets and liabilities apportioned as per final demerger plan and as assessed by the Company.**
- a) Investment in GVK Power & Infrastructure Limited and Andhra Pradesh Gas Power Corporation Limited is considered as geographical location wise asset to Andhra Pradesh by APTRANSCO. Whereas, the Company opined that since it is Headquarter's asset it is to be apportioned on population basis. However, the Company stands with its view of allocation of these investments on population ratio basis. The Expert Committee has recommended that the shares of these two companies purchased by APTRANSCO were in the form of location specific investments and must be apportioned on the basis of location to APTRANSCO. The Board and State Government has to take its view on the recommendations of the Expert Committee.
- b) In respect of differences between assets and liabilities apportioned to the Company, APTRANSCO has shown as demerger adjustment account (receivable from the Company). Whereas, the Company has taken the difference between the assets and liabilities (including equity) to "Reorganization Resultant Reserve". Pending finalisation of demerger plan, the Company has continued the difference between the assets and liabilities (including equity) under "Reorganization Resultant Reserve". On finalisation, necessary entries will be incorporated accordingly. The Expert Committee has recommended that the difference between the total of the debits and credits shall be adjusted under the head "Reserves and Surplus" in the books of the transferee company. The Board and State Government have to take its view on the recommendations of the Expert Committee.
- c) **Vidyut Soudha Building** : As per the Expert Committee, the book value of the Headquarters building of APTRANSCO as it appears in the audited Balance Sheet as on 02.06.2014 has to be apportioned between the two organizations on the basis of the population ratio as per the AP Reorganization Act. The physical division of this asset is also to be done on the basis of the population ratio. However, the Company is of the view that the book value of Vidyut Soudha building has to be apportioned on population basis as mandated in Section 53 (1) (b) of the A.P.Reorganisation Act, 2014. The Expert Committee has recommended that the asset of the APTRANSCO at the Headquarters in Vidyut Soudha building must be apportioned on the population basis. The Board and State Government has to take its view on the recommendations of the Expert Committee.
- d) **Corporate Training Institute Building** : The Company is of the view that the Corporate Training Institute building at Hyderabad is an independent unit and is to be allocated to the Company on location basis. The Expert Committee has recommended that the Corporate Training Center should be transferred to the Company.
- (xi) The demerger plan and the recommendations of the Expert Committee have to be agreed by the respective Board of Directors of the Company and APTRANSCO and are to be approved by both the State Governments. Any variation to the Company assessed assets and liabilities will be considered in the books of account of the Company in the year in which the said plan is approved and notified.



Transmission Corporation of Telangana Limited
Notes to the financial statements (continued)

(Rs. in lakh)

(xii) Pending approval of demerger plan, all the investments are in the name of APTRANSCO and physical possession of all such documents are with APTRANSCO.

(xiii) The following is the position of Assets and Liabilities apportioned to Telangana State Government pursuant to Andhra Pradesh Reorganisation Act, 2014 as per Demerger Plan proposed by APTRANSCO and that of the same assessed/adopted by the Company as on 2nd June, 2014 in anticipation of and pending formal vesting by the Government of Telangana:

Particulars	As per APTRANSCO Revised draft Demerger Plan	As per Company	Adjustments made by the Company during FY 2015-16	As per the Company as at 31 March 2016	Adjustments made by Company during FY2016-17 to FY 2023-24	As per the Company as at 31 March 2024
<u>FIXED ASSETS :</u>						
Gross Block of Assets	488338.87	488338.87	-	488338.87	-	488338.87
Less: Accumulated Depreciation	217645.77	217641.41	-	217641.41	-	217641.41
<u>Net Fixed Assets</u>	270693.10	270697.46	-	270697.46	-	270697.46
Capital work-in progress	164692.12	164692.12	-	164692.12	-	164692.12
Deferred Cost	15699.78	15699.78	-	15699.78	-	15699.78
Intangible Assets	260.03	260.03	-	260.03	-	260.03
Investments	34263.00	38897.60	(2442.00)	36455.60	-	36455.60
Total Current Assets	140305.78	153216.37	(3086.73)	150129.64	-	150129.64
Less: Current Liabilities	167163.45	167389.35	-	167389.35	-	167389.35
<u>Net Current Assets</u>	(26857.67)	(14172.98)	(3086.73)	(17259.71)	-	(17259.71)
Demerger Adjustment Account	(9657.32)	-	0.00	-	-	-
<u>NET ASSETS:</u>	449093.04	476074.01	(5528.73)	470545.28	-	470545.28
Borrowings for working capital	-	-	-	-	-	-
Payments due on Capital Liabilities	-	-	-	-	-	-
Capital Liabilities	171520.60	171520.60	-	171520.60	-	171520.60
Funds from State Government	-	-	-	-	-	-
- Loans	69591.63	69591.63	-	69591.63	-	69591.63
- Equity	32477.79	-	-	-	-	-
Contributions, Grants and Subsidies towards cost of Capital Assets	67119.37	67119.37	-	67119.37	-	67119.37
Reserve and Reserve Funds	17517.19	17517.19	-	17517.19	-	17517.19
Surplus/(Deficit)	35600.18	-	-	-	-	-
Deferred Tax Liability (Net)	4872.61	4872.61	-	4872.61	-	4872.61
Liability for Pension & Gratuity, Gratuity and Leave Encashment Trusts	50393.67	50393.67	-	50393.67	-	50393.67
Reorganisation Resultant Reserve	-	95058.94	(5528.73)	89530.21	-	89530.21
<u>TOTAL FUNDS:</u>	449093.04	476074.01	(5528.73)	470545.28	-	470545.28



Transmission Corporation of Telangana Limited
Notes to the financial statements (continued)

(Rs. in lakh)

36 Movement in reorganisation resultant reserve

Particulars	Demerger Adjustments	Adjustments made by the Company	Total
Opening Balance adopted by the Company			
Equity	32477.79	-	32477.79
Accumulated Surplus	62581.14	-	62581.14
Opening Balance as on 2 June 2014	95058.93	-	95058.93
2014-15			
<u>Adjustments made during the year</u>			
Writing off of Deferred Revenue Expenditure	-	(15699.78)	(15699.78)
Depreciation relating to the period prior to incorporation	-	(553.36)	(553.36)
Closing Balance as on 31 March 2015	95058.93	(16253.14)	78805.79
<u>Adjustments made during the year</u>			
Reduction in allocation of Transmission & SLDC Charges Receivables	(3086.73)	-	(3086.73)
Reduction in Bonds issued against Receivables towards Transmission & SLDC Charges	(2442.00)	-	(2442.00)
Depreciation relating to the period prior to incorporation	-	(113.82)	(113.82)
Towards adjustment of certain unidentified balances	-	4891.21	4891.21
Closing Balance as on 31 March 2016	89530.20	(11475.75)	78054.45
Adjustments made during the year	-	-	-
Closing Balance as on 31 March 2017	89530.20	(11475.75)	78054.45
Adjustments made during the year			
Towards accounting for regulatory liability for the 2nd Control Period (FY 2009-10 to FY 2013-14)	-	(31713.00)	(31713.00)
Closing Balance as on 31 March 2018	89530.20	(43188.75)	46341.45
Adjustments made during the year	-	-	-
Closing Balance as on 31 March 2019	89530.20	(43188.75)	46341.45
Adjustments made during the year	-	-	-
Closing Balance as on 31 March 2020	89530.20	(43188.75)	46341.45
Adjustments made during the year	-	-	-
Closing Balance as on 31 March 2021	89530.20	(43188.75)	46341.45
Adjustments made during the year	-	-	-
Closing Balance as on 31 March 2022	89530.20	(43188.75)	46341.45
Adjustments made during the year	-	-	-
Closing Balance as on 31 March 2023	89530.20	(43188.75)	46341.45
Adjustments made during the year	-	-	-
Closing Balance as on 31 March 2024	89530.20	(43188.75)	46341.45



(Rs. in lakh)

- 37 As per the salient features of Ind-AS 20, Government grants are not recognized until there is reasonable assurance that the entity will comply with the conditions attached to them. Accordingly, the entire funds received by the Company from Government of Telangana for extension of power supply/connectivity to the various Lift Irrigation Schemes, were recognised as Capital Grants.

Since the works are at various stages the unutilised funds were kept with DISCOMs as Inter Corporate Deposits (ICDs). During the year, the Company has earned an amount of Rs.3128.71 lakhs (Rs.4551.06 lakh) on unutilised Lift Irrigation Scheme funds of Govt. of Telangana. Since, the funds are released by the State Government for specific purpose (Tagged Grants) i.e, towards erection of Lines and Sub-stations for extension of power supply to various Lift Irrigation Schemes taken up by the Govt. of Telangana, the interest earned on such unutilised funds was recognised as liability to State Government and accounted to a separate account i.e, "Interest on GoTS LIS Deposits" Account.

The details of LIS deposits received from State Government and the utilization thereof are as follows :

Particulars	Balance as at 01.04.2023	FY 2023-24	Balance as at 31.03.2024
1) Deposits received from State Govt	6,17,292.85	-	6,17,292.85
2) Interest payable to State Govt. on LIS deposits	1,19,213.17	3,128.71	1,22,341.88
3) Total (1+2)	7,36,506.02	3,128.71	7,39,634.73
4) Amount of Lift Irrigation Assets put to use transferred to "Capital Grants from State Government"	3,53,743.19	45,395.27	3,99,138.46
5) Amount transferred to "Development charges towards cost of capital assets"	77,198.91	6,969.55	84,168.46
6) Supervision charges transferred to Statement of Profit and Loss	34,556.28	4,002.06	38,558.34
7) Amount paid to DISCOMs	35,896.70	-	35,896.70
8) Total expenditure (4 to 7)	5,01,395.08	56,366.88	5,57,761.96
9) Balance deposits at the end of the year (3-8)	2,35,110.94	(53,238.18)	1,81,872.76
10) Less: Capital works in progress	1,91,514.63	5,630.69	1,97,145.32
11) Balance deposits at the end of the year (9-10)	43,596.31	(58,868.87)	(15,272.55)

Till date, all Lift Irrigation Assets irrespective of bulk load works or deposit contribution works were taken into books of the Company. However, the Company is in the process of identification of assets capitalized under deposit contribution works.

Consequent to demerger of composite APTRANSCO, the Lift Irrigation Funds kept with DISCOMs amounting to Rs.8867.24 Lakh were allocated to the Company based on the leftover LIS works, on which the interest receivable is being accounted as receivables from APTRANSCO.

- 38 The Government of India has sanctioned grant to the Company under Power System Development Fund (PSDF) towards execution of certain specified schemes. As per the sanction, grant will be released equivalent to 90% of expenditure. The details of grants received and expenditure incurred under the said schemes are as follows:

Name of the Scheme	Amount receivable (unspent) at the beginning of the year	Receivable during the year (towards 90% of expenditure incurred)	Grant received during the year	Amount receivable (unspent) as at the end of the year
Power System Development Fund - HTLS Scheme	50.00	-	-	50.00
Power System Development Fund - OPGW Scheme	(472.62)	372.15	0.01	(100.48)
Power System Development Fund - 14 Nos Reactors Scheme	562.12	6,057.63	5,500.03	1,119.72

- 39 During the year there are no theft cases reported .



Transmission Corporation of Telangana Limited
Notes to the financial statements (continued)

(Rs. in lakh)

40 Expenditure on Corporate Social Responsibility activities:

Particulars	Amount
Gross amount required to be spent by the Company during the year	641.59
Amount spent during the year	641.59
Shortfall at the end of the year	-
Total of previous years shortfall	-
Reason for shortfall	Not Applicable
Nature of CSR activities	1. Revival and Renovation of Heritage structure development of Metla Bavi (Step well) in Shivanagar, warangal and Improvement of Gundu Chervu at Fort Warangal (100.00 Lakhs). 2. Construction of new SC hostel for girls at Kosgi town, Narayanpet District and construction of boys SC hostel at Gundumal village & Mnadal at Narayanpet (341.59 Lakhs). 3. Construction of Class Rooms & providing amenities at Govt. Degree college, Madhira (200.00 Lakhs).
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NIL
where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NIL

- 41** Consequent to demerger of APTRANSCO, certain unidentified balances of Rs.1474.82 lakhs were apportioned to the Company. Pending finalisation of demerger issues, no adjustments have been carried out in the books of accounts.
- 42** Deferred tax asset of Rs.11501.00 lakhs allocated to the Company by APTRANSCO towards employee terminal benefits is not recalculated using the present enacted tax rates at the end of the reporting period pending receipt of necessary details for carrying out adjustments.
- 43** As at balance sheet date, the Company has created provision for an amount of Rs. 622.03 lakh (Rs.-329.35 lakh) towards Non-moving, obsolete, unserviceable material lying at various stores at fair value. The provision towards obsolete material was provided for the material which are not useful due to change of process/design or technology. The provision towards non-moving and unserviceable was made based on the physical verification against which there is no movement since long time.
- 44** The balances shown under advances, trade payables and creditors for capital supplies and others are subject to confirmation/ reconciliation and consequential adjustments, if any.
- 45** The Company did not hold any benami properties as at Balance sheet date.
- 46** There are no pending registration of charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.
- 47** The Company was never declared as willful defaulter by any Bank/Financial institutions/any other lender.
- 48** The Company does not have any transactions with Struck off Companies.
- 49** (A) The Company has not advanced/loaned/invested out of borrowed funds in any other person(s)/entity(s) including intermediaries with the understanding to lend or invest or provide security/guarantee in/to other person(s)/entities or behalf of the Company.
(B) The Company has not received any funds from any person(s)/entity(s) or any funding party with the understanding to lend or invest or provide security/guarantee in/to other person(s)/entities or behalf of the Funding Party.
- 50** The Company has no undisclosed income during the financial year.
- 51** The Company has not traded/invested in Crypto/Virtual currency during the current financial year.
- 52** The Company has no subsidiaries, associates and Joint ventures etc.



Transmission Corporation of Telangana Limited
Notes to the financial statements (continued)

(Rs. in lakh)

53 During the year Company has not made any Compromises, Arrangements and Amalgamations*, that covers compromise or arrangements, mergers and amalgamations, Corporate Debt Restructuring, demergers, fast track mergers for small companies/holding subsidiary companies, cross border mergers, takeovers, amalgamation of companies in public interest etc.

54 Previous year figures have been regrouped/recast wherever necessary.

In terms of our report attached
for Ramamoorthy (N) & Co.,
 Chartered Accountants (Firm Regn. No.002899S)

Surendranath Bharathi
 Partner

Membership No.023837

UDIN:

24023837BKERUM3287

Place: **Hyderabad**

Date : **02-09-2024**



for and on behalf of the Board of
Transmission Corporation of Telangana Limited

D.Ronald Rose, IAS
 Chairman & Managing Director
 DIN No.08930580

VBS Kumara Gupta
 FA&CCA (Accounts) & CFO

C.Srinivasa Rao
 Joint Managing Director
 (Fin., Comm. & HRD)
 DIN No.00196179

Ravi Kumar Suluva
 Company Secretary

FUNCTION WISE ANALYSIS OF ASSETS AND LIABILITIES AS AT 31st MARCH 2024

49

(Rs. in Lakh)

Particulars	Transmission	SLDC	Total
ASSETS			
Non-Current Assets			
Property, plant and equipment	15,16,393.67	1,018.87	15,17,412.54
Capital work in progress	4,23,484.65	0.81	4,23,485.46
Intangible assets	129.41	406.38	535.79
Financial assets	-	-	-
Investments	37,215.62	-	37,215.62
Loans	74,375.32	-	74,375.32
Provisions	6,361.31	-	6,361.31
Others	4.96	-	4.96
Other Non-Current Assets	3,542.90	-	3,542.90
Total non-current assets	20,61,507.84	1,426.06	20,62,933.90
Current assets			
Inventories	13,596.70	-	13,596.70
Financial assets	-	-	-
Trade receivables	2,51,038.99	351.57	2,51,390.56
Cash and cash equivalents	1,428.12	57.12	1,485.24
Loans	58,819.59	-	58,819.59
Others	63,794.16	165.78	63,959.94
Provisions	469.98	-	469.98
Current tax assets (net)	18,394.67	810.55	19,205.22
Other Current Asstes	1,438.75	478.05	1,916.80
Total current assets	4,08,980.95	1,863.08	4,10,844.03
Total assets	24,70,488.79	3,289.14	24,73,777.93
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	5.00	-	5.00
Other equity	1,96,913.71	1,041.33	1,97,955.04
Total equity	1,96,918.71	1,041.33	1,97,960.04
Reorganisation resultant reserve	46,341.45	-	46,341.45
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	8,85,217.57	-	8,85,217.57
Lease liabilities	-	-	-
Other financial liabilities	1,97,681.88	247.37	1,97,929.25
Lease liabilities	-	-	-
Provisions	1,06,821.06	-	1,06,821.06
Grants and consumer contributions towards property, plant and equipment	4,12,631.11	1,022.02	4,13,653.13
Deferred tax liabilities (net)	76,779.60	-	76,779.60
Other non-current liabilities	2,22,205.22	-	2,22,205.22
Total non-current liabilities	19,01,336.44	1,269.39	19,02,605.83
Current liabilities			
Financial liabilities			
Borrowings	1,58,521.35	-	1,58,521.35
Trade payables			
Due to Micro, Small & Medium Enterprises	96.57	-	96.57
Others	8,814.20	128.02	8,942.22
Other financial liabilities	1,18,955.30	-	1,18,955.30
Lease liabilities	-	-	-
Other current liabilities	4,288.16	-	4,288.16
Provisions	9,487.53	850.40	10,337.93
Grants and consumer contributions towards property, plant and equipment	25,729.08	-	25,729.08
Total current liabilities	3,25,892.19	978.42	3,26,870.61
Total liabilities	22,73,570.08	2,247.81	22,75,817.89
Total equity and liabilities	24,70,488.78	3,289.14	24,73,777.93



TRANSMISSION CORPORATION OF TELANGANA LIMITED
FUNCTION WISE ANALYSIS OF REVENUE AND EXPENDITURE

(Rs. in Lakh)

Sl. No.	Particulars	TRANSMISSION	SLDC	TOTAL
	REVENUE			
1	Revenue from Transmission & SLDC Charges	3,16,313.33	5,228.20	3,21,541.53
2	Revenue Subsidies and Grants	-	-	-
3	Other Income	23,180.08	64.32	23,244.40
	TOTAL INCOME	3,39,493.41	5,292.52	3,44,785.93
	EXPENDITURE			
4	Repairs and Maintenance	-	-	-
5	Employee Costs	1,16,187.20	5,301.34	1,21,488.54
6	Other expenses	12,691.77	142.43	12,834.20
7	Depreciation and Related Debits (Net)	1,07,334.32	158.74	1,07,493.06
8	Interest and Finance Charges	1,07,325.30	-	1,07,325.30
9	Special Appropriation	-	-	-
	Sub-Total:	3,43,538.59	5,602.52	3,49,141.11
	Less: Expenses Capitalised			
10	Interest and Finance Charges Capitalised	10,667.79	-	10,667.79
11	Other Expenses Capitalised	18,928.49	-	18,928.49
	Sub-Total:	29,596.29	-	29,596.29
12	Adjustment of pass through gain/loss	-	-	-
13	Exceptional items	-	-	-
	TOTAL EXPENDITURE	3,13,942.30	5,602.52	3,19,544.82
	PROFIT/(LOSS) BEFORE TAX	25,551.11	(310.00)	25,241.11



TRANSMISSION CORPORATION OF TELANGANA LIMITED
STATEMENT OF TECHNICAL PARTICULARS

Sl. No.	Particulars	Unit	FY 2023-24	FY 2022-23
1	Input Energy from State Generators (132kv and above)	MU	41774.12	43615.62
2	Central Generating Stations (CGS) (Ex-Bus)	MU	42427.59	30925.51
3	System input at 132kv & above (1+2)	MU	84201.71	74541.13
4	Energy Delivered by TRANSCO to DISCOMs	MU	81253.04	71546.93
5	Transmission Losses (3-4) inclusive of PGCIL Losses	MU	2948.67	2994.2
6	% of Transmission Losses on respective inputs (5/3*100) inclusive of PGCIL Losses	%	3.50	4.02
6a	% of Transmission Losses on respective inputs ((5-11/(3-11)*100) exclusive of PGCIL Losses	%	2.30	2.52
7	Net Wheeled Energy at 132kv & Above by third party developers	MU	-	-
8	Energy Delivered by TRANSCO to DISCOMs excluding Wheeled energy at 132kv & above (4-7)	MU	81253.04	71546.93
9	Drawals at 33kv & 11kv from third party developers	MU	1996.36	2001.25
10	Drawals at 33kv & 11kv from GENCO	MU	-3.11	12.05
11	External Losses (PGCIL Losses)	MU	1036.08	1146.07
12	Input Energy to DISCOMs (Incl. Drawals at 33kv & 11kv from third party developers and GENCO) (8+9+10)	MU	83246.29	73560.23



Independent Auditor's Report

To The Members of TRANSMISSION CORPORATION OF TELANGANA LIMITED

Qualified Opinion

We have audited the Standalone financial statements of TRANSMISSION CORPORATION OF TELANGANA LIMITED which comprise the Balance Sheet as at 31st March, 2024 and the statement of Profit and Loss (including Other Comprehensive income), the Statement of changes in Equity and Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the aforesaid Standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, its profit (Financial performance Including other comprehensive income), Changes in Equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- A) TSERC has disallowed Expenditure of Rs 57,905 Lakhs in the annual performance report for the transmission business for FY 2022-23. Out of this, Rs 43,793 Lakhs has already been charged to the Profit and Loss account, while ₹14112 Lakhs has not been charged. However, Company has filed a review petition under clause 16 of Regulation 5 of 2005 concerning the income tax paid amount Rs 4111 Lakhs against the disallowed claim.
- B) The depreciation of the prior period was charged to the profit and loss account of the current year amounting to Rs. 852.30 Lakhs on account of delay in capitalization though used in earlier years resulting in understatement of profits of the current period by Rs. 852.30 lakhs.
- C) The company has capitalized Lift Irrigation schemes including assets pertaining to deposit contribution works pertaining to Consumers i.e., beyond terminal and metering arrangement. The Company has not identified and segregated the assets capitalized under deposit contribution works. The impact on the accounts is not ascertainable.
- D) Deferred tax asset of Rs.11,501 Lakhs allocated to the Company by APTRANSCO on demerger towards employee terminal benefits is not reassessed using the present enacted tax rates at the end of the reporting period, pending receipt of necessary details from APTRANSCO (Refer Note No 42).



- E) There are certain unidentified amounts / balances migrated from IFS Accounting Software to SAP accounting software amounting to Rs. 3559.55 Lakhs which needs to be identified and reconciled from the date of migration, i.e., 31.08.2016. The impact, if any, on the accounts is not ascertained.
- F) Company has not provided the details of CWIP Ageing w.r.t Cost over run and time over run in the financial statements as required under sch III of Companies Act 2013.

G) Issues relating to Non-Compliance of IND AS:

- a) The Company has not made fair value of other non-current financial liabilities of Rs 52,025.47 Lakhs (Refer note 14.1) and some of the staff loans/advances to the extent of Rs.28.02 Lakhs (Refer Note 3) as per Ind AS 109 – Financial Instruments. The likely impact, if any, on adjustments relating to fair value was not ascertainable.
- b) In respect of security deposits from suppliers Rs. 2152.04 Lakhs, retention money from suppliers Rs. 48301.09 Lakhs and security deposit – operating charges Rs. 1,572.33 Lakhs, the company has not classified into current and non-current portion as per Schedule III to the Companies Act, 2013. Further, the likely impact, if any, on adjustments relating to fair value was not ascertainable (Refer note 14).
- c) The company is of the view that the provision and disclosures are required only to the extent of their share of 26% of the Pension & Gratuity obligation in respect of employees on rolls as on 31.01.1999, as per the actuarial valuation. Master trust is contributing 74% of the obligation which in turn is being paid by way of floating interest on the bonds issued by AP Genco to match proportionate outflows on account of pension & gratuity obligations of their share. However, the disclosure is not in accordance with the requirements of Ind AS 19.
- d) Company is receiving grants from Central govt. towards PSDF schemes and are accounted as Liability till conditions specified in grant are met. Subsequently, on meeting the conditions, the company is amortizing such liability as income over a period of 15 years instead of amortization on systematic basis over the useful life of the asset which is in not in compliance with IND AS 20.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified opinion.



Emphasis of Matters

We draw attention to the following matters:

1. As per note 12.1 of the financial statements, the long-term loans apportioned by APTRANSCO and availed from various banks and financial institutions continue to be in the name of APTRANSCO. Debt service of such loans is met by the Company. Pending modification of charge created with Registrar of Companies, Hyderabad, some of the assets allocated to the Company continue to be charged against the borrowings made by APTRANSCO.
2. Demerger Issues:
 - a) Attention is drawn to Note 35, the financial statements are prepared based on the assets and liabilities allocated to the company pursuant to demerger plan as on 02.06.2014 which was subject to finalization by respective Board of Directors of AP TRANSCO and TG TRANSCO. Since the finalization of the process is in progress the impact of the finalization cannot be ascertained for the year.
 - i. Adjustment entries have not been passed for the unidentified balances of assets and liabilities of Rs.1474.82 Lakhs (net credit) which are transferred by APTRANSCO on demerger, pending finalization of the demerger issues (Refer Note 41).
 - ii. Bank balances include current account balance of Rs.11.29 Lakhs, allocated to the Company consequent to demerger of APTRANSCO, the details of which are not available. The impact on further adjustment, if any, on the accounts is not ascertained (Refer Note 9.1)

Our Opinion is not Modified in respect of the above matters.

Information other than the Standalone financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) Prescribed under section 133 of the Act read with the companies Rules, 2015 as amended. 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "Annexure B" on the directions issued by the Comptroller and Auditor General of India.

3. As required by Section 143 (3) of the Act, based on our Audit 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.





Ramamoorthy (N) & Co.,

Continuation Sheet

c) The Balance Sheet, the Statement of Profit and Loss (Including Other comprehensive Income), Statement of changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, Except for the effect of matters described in the Basis for Qualified Opinion paragraph, the aforesaid Standalone financial statements comply with the Indian Accounting Standards Prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

e) Being a Government Company, pursuant to the Notification No. GSR 463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India; the provisions of sub-section (2) of section 164 (2) of the Companies Act, 2013 are not applicable to the Company.

f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure C. Our report expresses a Disclaimer of opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) Pursuant to Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Companies Act, 2013, are not applicable to the Company, being a Government Company

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

- i. The Company has disclosed the pending litigations as at 31st March 2024 which may have impact on its financial position in its Standalone Financial statements (Refer Note no 32)
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a). The Management has represented- that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b). The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on





Ramamoorthy (N) & Co.,
Continuation Sheet


behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c). Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contain any material misstatement.

- v. Company has neither declared nor paid any dividend during the year.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the year ended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

For Ramamoorthy (N) & Co.,
Chartered Accountants
Firm's Registration Number: 028995


CA Surendranath Bharathi
(Partner)

Membership No. 023837

Place: Hyderabad

Date: 02-09-2024

UDIN: 24023837BKERUM3287



Annexure-A to the Auditors' Report

The Annexure referred to in our report to the members of the Company for the year ended on 31st March, 2024. We report that:

- i. (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Plant, Property and Equipment.

(B) The company has maintained the proper records showing full particulars of intangible assets.

(b) The physical verification of Plant, Property and Equipment is not being carried out. However, in association with Bhuvan Platform of National Remote Sensing Agency the location of power stations and lines are mapped on a real time basis.

(c) According to the information and explanations given to us, the land includes land apportioned to the Company pursuant to the Andhra Pradesh Reorganization Act, 2014 along with lands acquired by the Company. The company could not provide title deeds for our verification to ascertain whether the title is in the name of the company. (refer Note 1.10)

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year ended March 31, 2024

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made there under.

- ii. (a) In our opinion and based on the information and explanations provided to us, the company has a policy of continuous physical verification of inventory. However, we observed that these verifications have not been conducted at the regular intervals as envisaged by the policy. Consequently, we are unable to confirm whether all discrepancies, if any, between the physical inventory and the book records have been identified and appropriately dealt with in the financial statements

(b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns/statements filed by the company with such banks are in agreement with the books of account of the Company.



- iii. (a) The Company has provided Deposits in the nature of loans as given hereunder but did not make any investments, nor provided guarantee or security to any other entity. There were no advances granted in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

(Rs in Lakhs)

	Loans
Aggregate amount granted/provided during the year - Others	21700
Balance outstanding as at balance sheet date in respect of above cases - other	132404

(b) In our opinion and according to information and explanations given to us, the terms and conditions of the grant of deposits in the nature of loans are on the same terms as the loans obtained except deposits in the nature of loans of Rs 21700 Lakhs. Hence, the loans provided are not prejudicial to the company's interest.

(c) In respect of deposits in the nature of loans granted by the Company, wherever the schedule of repayment of principal and payment of interest has been stipulated, the repayments of principal and interest are regular.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect deposits in the nature of loans granted by the Company, there are no overdue amount remaining outstanding as at the balance sheet date.

(e) None of the deposits in the nature of loans granted by the Company have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties which had fallen due during the year.

(f) According to the information and explanation given to us the company has granted inter corporate deposit in the nature of loans of Rs 21700 Lakhs without specifying terms of repayment. However, the deposit was repaid within the year.



	(Rs in Lakhs)		
	All Parties	Promoters	Related Parties
Aggregate amount of advances in nature of loans: -			
(A) Repayable on demand		---	---
(B) Agreement does not specify any terms or period of repayment	21700	---	---
TOTAL (A+B)	21700	---	---
% of loans/ advances in nature of loans to the total loans	16.29%		

- iv. In our opinion and according to information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public & no amounts has been deemed to be deposits in accordance with the provisions of the sections 73 to 76 or any other relevant provisions of the Act, and the rules framed there under. Accordingly, paragraph 3(v) of the Order regarding deposits is not applicable to the company.
- vi. In our opinion and according to the information and explanations given to us, the maintenance of cost records is prescribed by the Central Government under section 148(1) of the Companies Act 2013 is applicable to the company. The cost records are produced for our verification and records have been examined by us.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, value added tax, wealth tax, service tax, customs duty, excise duty, goods and service tax, cess and any other statutory dues as at 31.03.2024 for a period of more than six months from the date they became payable except the following.

Nature of Dues	Amount in Rs.
Property Tax	644.64 Lakhs



(b) According to the information and explanations given to us and records of the Company examined by us, the particulars of income tax, sales tax, value added tax, wealth tax, service tax, customs duty, excise duty, goods and service tax or cess as at 31st March, 2024 which have not been deposited on account of dispute pending, are as under:

Name of the Statute	Nature of Dues	Amount (Rs.in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Telangana Tax on Entry of Goods into Local Areas Act, 2005	Entry tax	287.92	2014-15	High Court of Judicature at Hyderabad for the State of Telangana
Telangana Tax on Entry of Goods into Local Areas Act, 2001	Entry tax	2,200.70	2015-16	High Court of Judicature at Hyderabad for the State of Telangana
Telangana Tax on Entry of Goods into Local Areas Act, 2001	Entry tax	389.49	2016-17	High Court of Judicature at Hyderabad for the State of Telangana
Telangana Tax on Entry of Goods into Local Areas Act, 2001	Entry tax	4564.26	2017-18	High Court of Judicature at Hyderabad for the State of Telangana
Telangana Tax on Entry of Goods into Local Areas Act, 2001	Entry tax	33.94	Re-assessment 2014-15	High Court of Judicature at Hyderabad for the State of Telangana
Telangana Tax on Entry of Goods into Local Areas Act, 2001	Entry tax	93.04	Re-assessment 2015-16	High Court of Judicature at Hyderabad for the State of Telangana
Telangana Tax on Entry of Goods into Local Areas Act, 2001	Entry tax	768.09	Re-assessment 2016-17	High Court of Judicature at Hyderabad for the State of Telangana
The Income tax Act, 1961	Income Tax	1,679.07	2014-15	High Court of Judicature at Hyderabad for the State of Telangana
The Income Tax Act, 1961	Income Tax	208.93	2015-16	High Court of Judicature at Hyderabad for the State of Telangana
The Income tax Act, 1961	Income Tax	2,790.21	2016-17	Income Tax Appellate Tribunal, Hyderabad
The Income tax Act, 1961	Income Tax	1,149.86	2017-18	Commissioner of Income Tax Appeals, Hyderabad
Service Tax	Service Tax	31.42	2014-15	Commissioner of Central Tax, Hyderabad
Service Tax	Service Tax	42.5	2015-16	Commissioner of Central Tax, Hyderabad



Service Tax	Service Tax	54.59	2016-17	Commissioner of Central Tax, Hyderabad
Service Tax	Service Tax	5.4	2017-18	Commissioner of Central Tax, Hyderabad
Service Tax	Service Tax	289.17	2014-15 to 2017-18	Commissioner of Central Tax, Hyderabad
Service Tax	Service Tax	2.64	2015-16	Assistant Commissioner of Central Tax (Audit), Hyderabad
Goods & Service Tax	Goods & Service Tax	50975.13	2017-18 to 2020-21	High Court of Judicature at Hyderabad for the State of Telangana
Goods & Service Tax	Goods & Service Tax	275.55	2018-19	High Court of Judicature at Hyderabad for the State of Telangana

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans to any financial institutions and banks. investments made, guarantees provided and the terms and conditions of the grant of all loans and guarantees provided are not prejudicial to the company's interest.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The term loans were applied for the purpose for which the loans were obtained except an amount of Rs 8000 lakhs transferred to DISCOMS which was repaid within the year.

(d) According to the information and explanations given to us and on the basis of the records of the company examined by us, the Company has not used funds raised on short-term basis in the form of short-term loans, cash credits from Banks, commercial papers, Inter Corporate Deposits, and other financial liabilities for long-term purposes.

(e) According to the information and explanation given to us and based on our examination of the records, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

(f) According to the information and explanation given to us and based on our examination of the records, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.



- x. (a) According to the information and explanation given to us and based on our examination of the records, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, Clause 3(x) (a) of the order is not applicable.
- (b) According to the information and explanation given to us and based on our examination of the records, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, Clause 3(x) (b) of the order is not applicable.
- xi. (a) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.
- (b) There has not been any report filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) To the best of our knowledge and belief and according to the information and explanations given to us, no whistle blower complaints received by company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.
- xiii. Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.
- xiv. (a) The Company has an internal audit system which is not commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c), (d) of the Order is not applicable to the Company.
- xvii. According to the information and explanation given to us and based on our examination of the records of the Company, there have been no cash losses incurred in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and based on our examination of the records of the Company and financial ratios, ageing, and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



Ramamoorthy (N) & Co.,
Continuation Sheet

- xx. According to the information and explanations given to us and based on our examination of the records, the Company has spent the amount required as per section 135(5) of the Companies Act during the financial year. Accordingly, paragraph 3(xx)(a) & 3(xx)(b) are not applicable to the company.
- xxi. The reporting under clause (xxi) of the order is not applicable in respect of the audit of standalone financial statements of the company. Accordingly, no comment has been included in respect of the said clause under this report.

For Ramamoorthy(N) & Co.,
Chartered Accountants
Firm's Registration Number: 02899S


CA Surendranath Bharathi
(Partner)



Membership No: 023837

Place: Hyderabad

Date: 02-09-2024

UDIN: 24023837BKERUM3287

Annexure 'B' to the Independent Auditor's Report

Replies to the directions and sub-directions issued by the Controller and Audit General of India under Section 143(5) of the Companies Act, 2013.

Sl. No	Particulars	Auditors' Reply	Impact on Financial Statements
1	Directions		
a)	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	According to the information and explanations given to us, all the accounting transactions of the company are processed through IT System (SAP). Hence, reporting on the financial implications on accounting transactions outside the IT system is not required to be reported.	Nil
b)	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company).	According to the information and explanations given us, there were no instances of restructuring of existing loans or cases of waiver/ write off of debts/ loans/interest etc. by any lender to the Company during the year.	Nil
c)	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from central/ state government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	According to the information and explanations given us, the Company has properly accounted and utilized the funds/grants received/receivable from the Central and State Governments for specific schemes as per its terms and conditions. No deviations were noticed.	Nil
2	Sub-directions We were not issued any Sub-directions by the C&AG for the year under report.		

For Ramamoorthy(N) & Co.,
Chartered Accountants

Firm's Registration Number: 028995

CA Surendranath Bharathi
(Partner)

Membership No: 023837

Place: Hyderabad

Date: 02-09-2024

UDIN: 24023837BKERUM3287



Annexure 'C' to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Transmission Corporation of Telangana Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Disclaimer of Opinion

While there are some controls in SAP Enterprise resource Package the company yet to establish internal financial control over financial frame work on criteria based on or considering the essential components of internal financial control stated in the Guidance note on Audit of internal financial control over financial reporting issued by the Institute of Chartered Accountants of India.





Ramamoorthy (N) & Co.,
Continuation Sheet

The company needs to Document the internal financial controls in respect of its risk assessment process, risk analysis of different functional areas and incorporating the process flows at departmental levels including Risk mitigations. Hence, we are unable to state whether the company had adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024.

For Ramamoorthy (N) & Co.,
Chartered Accountants
Firm's Registration Number: 028995


CA Surendranath Bharathi
(Partner)



Membership No. 023837
Place: Hyderabad
Date: 02-09-2024
UDIN: 24023837BKERUM3287