

Audited Project Financial Statements

Project Number: 47100

Loan Number: 3066

Period covered: 1 April 2013 to 31 March 2014

IND: Madhya Pradesh Power Transmission and Distribution System Improvement Project

Prepared by Madhya Pradesh Power Transmission Company Limited, Jabalpur

For the Asian Development Bank

Date received by ADB: 2 January 2015

The audited project financial statements are documents owned by the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff. These documents are made publicly available in accordance with ADB's Public Communications Policy 2011 and as agreed between ADB and the Madhya Pradesh Power Transmission Company Limited, Jabalpur.

Report of Independent Auditor

To

Madhya Pradesh Power Transmission Company Limited

Report on the Project Financial Statements

We have audited the accompanying financial statements of the MP Power Transmission & Distribution System Improvement Project financed under Asian Development Bank Loan No. **3066**, which comprise the Statement of Receipts and Payments, the Statement of expenditure by Category and Financier, the Statement of Disbursement' and related notes for the year ended 31.03.2014

These statements are the responsibility of the Project's management. Our responsibility is to express an opinion on the accompanying financial statements based on our audit.

We conducted our audit in accordance with the Auditing Standards promulgated by the Comptroller & Auditor General of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit examines, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the sources and applications of funds of Project for the year ended 31.03.2014 in accordance with Government of India Accounting Standards.

Date:- 26.12.2014

Place: Jabalpur

For P.C. Bardia & Co.
Chartered Accountants

Pde
CA P.C. Bardia
(Partner)
M.No. 015055
F.R.N. 000422C



Madhya Pradesh Power Transmission Co. Ltd.
Madhya Pradesh Power Transmission and Distribution System Improvement Project
Loan/Grant No.: 3066

STATEMENT OF RECEIPTS & PAYMENTS
REPORT FOR THE YEAR/PERIOD ENDED 31st March 2014

In (INR) '000

Particulars	Notes	Current Year (2013-14)	Previous Year (2012-13)	Cumulative Project to date (As at 31/03/2014)
	1	2	3	4
Opening balance (A)		0.00	0.00	0.00
Receipts				
Funds received from Government		0.00	0.00	0.00
ADB Loan		0.00	0.00	0.00
ADB Grant		0.00	0.00	0.00
Co-financier 1		0.00	0.00	0.00
Co-financier 2		0.00	0.00	0.00
Beneficiary contribution (if any)		0.00	0.00	0.00
Other receipts		0.00	0.00	0.00
Total Receipts (B)		0.00	0.00	0.00
Total (C=A+B)		0.00	0.00	0.00
Payments				
Investment Costs				
Civil Works		0.00	0.00	0.00
Mechanical and Equipment		0.00	0.00	0.00
Environment and Social Mitigation		0.00	0.00	0.00
Consultants :				
A. Project Management		0.00	0.00	0.00
B. Capacity Development		0.00	0.00	0.00
Others		0.00	0.00	0.00
Subtotal (D)		0.00	0.00	0.00
Recurrent Costs				
Salaries		0.00	0.00	0.00
Accommodation		0.00	0.00	0.00
Equipment Operation and Maintenance		0.00	0.00	0.00
Others		0.00	0.00	0.00
Subtotal (E)		0.00	0.00	0.00
Total Payments(D+E)		0.00	0.00	0.00
Financing Charges During Implementation		0.00	0.00	0.00
Total Project Cost (G=D+E+F)		0.00	0.00	0.00
Closing Balance (C-G)		0.00	0.00	0.00


Joint Director (P&PF)
O/o Chief Financial Officer
M.P.P.T.C.L., Jabalpur

Madhya Pradesh Power Transmission Co. Ltd.
Madhya Pradesh Power Transmission and Distribution System Improvement Project
Loan/Grant No.: 3066

STATEMENT OF EXPENDITURE BY CATEGORY & FINANCIER
FOR THE PERIOD ENDED 31st March 2014

In (INR) '000

Particulars	ADB			Co-Financier		Benefeciary Contribution			Total Expenditure
	Percentage of financing	Actual Expenditure		Actual Expenditure		Actual Expenditure			
		1	2	3	Amount	%	Amount	%	
Investment Costs									
Civil Works									
Mechanical & Equipment		0.00		0.00		0.00		0.00	
Environment & Social Mitigation		0.00		0.00		0.00		0.00	
Consultants :									
A. Project Management		0.00		0.00		0.00		0.00	
B. Capacity Development		0.00		0.00		0.00		0.00	
Others		0.00		0.00		0.00		0.00	
Subtotal (A)		0.00		0.00		0.00		0.00	
Recurrent Costs									
Salaries									
Accommodations		0.00		0.00		0.00		0.00	
Equipment Operation and Maintenance		0.00		0.00		0.00		0.00	
Others		0.00		0.00		0.00		0.00	
Subtotal (B)		0.00		0.00		0.00		0.00	
Total Project Cost C=(A+B)		0.00		0.00		0.00		0.00	
% Total Project Cost	0.00		0.00		0.00		0.00		
Total Project Cost for FY 2012-13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	


 Joint Director (P&PE)
 O/o Chief Financial Officer
 M P P T C L - Jabalpur

Madhya Pradesh Power Transmission Co. Ltd.
Madhya Pradesh Power Transmission and Distribution System Improvement Project
Loan/Grant No.: 3066

STATEMENT OF DISBURSEMENT
REPORT FOR THE YEAR/PERIOD ENDED 31st March 2014

In (INR) '000

Statement of Disbursement	Note	Current Year (2013-14)	Prior Year (2012-13)	Cumulative Project to Date
ADB Fund claimed during the year				
Reimbursement	6.1	0.00	0.00	0.00
Imprest Fund	6.2	0.00	0.00	0.00
Direct Payment	6.3	0.00	0.00	0.00
Commitment Letter	6.4	0.00	0.00	0.00
Subtotal (A)	(A)	0.00	0.00	0.00
Total Expenditure made during the year (B)	(B)	0.00	0.00	0.00
Less :		0.00	0.00	0.00
Expenditure not yet claimed	(C)	0.00	0.00	0.00
Borrower's share	(D)	0.00	0.00	0.00
Total Eligible Expenditure claimed (B - C - D = E =A)	(E)	0.00	0.00	0.00



Joint Director (F&PF)
 O/o Chief Financial Officer
 M.P.P.T.C.L., Jabalpur

Name of Executing Agency: Madhya Pradesh Power Transmission Co. Ltd.

Name of Project: Madhya Pradesh Power Transmission and Distribution System Improvement Project

Loan/Grant No.: 3066

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR/PERIOD ENDED 31st March 2014

1 Project Nature and Activities

1.1 Description of the Project :	The Overall objective of the Madhya Pradesh Power Transmission and Distribution System Improvement Project is to increase capacity and operational efficiency in the electricity transmission and distribution system in the State.
The nature of activities :	<p>The Project consist of the following components :</p> <p>Component A : Transmission System Improvement, comprising augmentation of substation capacity and transmission line lengths, and includes the provision of :</p> <ul style="list-style-type: none"> i) Approximately 1,800 circuit-km of transmission lines. ii) 2 new and 3 upgraded 400kV substations. iii) 4 new and 5 upgraded 220kV substations. iv) 26 new 132kV substations. <p>Component B : Distribution System Improvement, comprising augmentation of substation capacity and distribution line lengths, and includes the provision of :</p> <ul style="list-style-type: none"> i) Approximately 3,125 circuit-km of distribution lines. ii) 149 new 33/11kV substations. iii) 328 upgraded 33/11kV substations. <p>Component C : Capacity building, comprising training for staff of MP Transco and the DISCOMs on such matters as Project management, procurement, monitoring and evaluation, financial management and safeguards, and the provision of related support and associated facilities, including a hostel and laboratory.</p>
Commencement date :	17th February 2014
Expected completion date :	31st Dec.2018
Mention location :	The Project will be carried out within the state of Madhya Pradesh .
Brief nature of the project outputs :	The aim of the Project is to improve Transmission system & Distribution System in the State.

2 STATEMENT OF COMPLIANCE :

These financial statement have been prepared in accordance with approved accounting standards, as applicable in India.

3 SIGNIFICANT ACCOUNTING POLICIES :

3.1 Financial Statements :

This comprises of the Statement of Receipts and Payments, the Statements of Expenditure by Category and Financier, the Statement of Disbursement and related notes and appendices to the financial statements.

3.2 Basis of Measurement :

Financial statements have been prepared under the historical cost convention and on accrual basis of accounting.

3.3 Changes in Accounting policies :

There has been no change in the accounting policies for the preparation of the Project Financial Statements.

3.4 Fund Flow Mechanism :

Company has not incurred any expenditure under this loan during F.Y. 2013-14.

3.5 Advance and other receivables :

Transco has not taken any advance from ADB under this loan during the F.Y. 2013-14, hence not applicable.


 Joint Director (P&PF)
 O/o Chief Financial Officer
 M.P.P.T.C.L., Jabalpur

3.6 Cash and cash Equivalents :

As there was no transaction in this loan for F.Y. 2013-14 and hence not applicable.

3.7 Accrued and other liabilities :

As there is no transaction in this loan for F.Y. 2013-14 and hence not applicable.

3.8 Income :

I) Not applicable for F.Y. 2013-14.

3.9 Foreign currency transactions and translation :

Items included in the Financial Statements of the Projects are measured in Indian Rupee (INR).

3.10 Allocation of Common Costs :

As there is no transaction in this loan for F.Y. 2013-14 and hence not applicable.

3.1 Interest Expenses and Financial Charges :

Not applicable for F.Y. 2013-14.


4 Funds Received from the Government :

Government Counterpart funding
Amount Reimbursable to
Government

In (INR) '000		
Current Year	Prior Year	Cumulative Project to date
NIL		

5 DATE OF AUTHORIZATION

The financial statements of the company are approved and adopted in the 12th adjourned AGM held on 24th December 2014.


Joint Director (P&PF)
O/o Chief Financial Officer
M.P.P.T.C.L., Jabalpur

Madhya Pradesh Power Transmission Co. Ltd.

Name of Project: Madhya Pradesh Power Transmission and Distribution System Improvement Project

Loan/Grant No.: 3066

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31.03.2014

6 Funds Received from ADB

Give key terms and conditions of the loan :

1 Date of Loan Agreement : 17th February 2014

2 Effectiveness date : 21st March 2014

3 Key terms and conditions are as follows

3.1 Disbursement schedule : Disbursement can be taken up to 31.12.2018

Commitment charges is 0.15 %p.a. on full amount of the loan less amount withdrawn from time to time.

Interest will paid on the principal amount of the loan withdrawn and outstanding from time to time at a rate for each interest period equal to the sum of

3.2 Commitment fee and Interest rates :

(a) LIBOR

(b) 0.60% less a credit of 0.20% as provided by the Loan Regulations.


(c) a maturity premium of 0.10% as provided by the Loan Regulations.

In (INR) '000

ADB Source of Fund-Method of Withdrawal	Note Reference	During the Current year (2013-14)	During the Previous year (2012-13)	Cumulative Project to date
ADB Loan				
-By Reimbursement Method	6.1	0.00	0.00	0.00
-By Imprest account ¹	6.2	0.00	0.00	0.00
- By Direct payment	6.3	0.00	0.00	0.00
- By commitment procedure	6.4	0.00	0.00	0.00
ADB Loan total		0.00	0.00	0.00
ADB Grant and	6.5	0.00	0.00	0.00
ADB Loan and Grant Total		0.00	0.00	0.00

6.1 Funds received from ADB through Reimbursement method

NIL



Joint Director (P&PF)
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M.P.P.T.C.L., Jabalpur

Madhya Pradesh Power Transmission Co. Ltd.

Name of Project: Madhya Pradesh Power Transmission and Distribution System Improvement Project
 Loan/Grant No.: 3066
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31.03.2014

6.2 Reconciliation of the Imprest Account and the Bank Statement is given below :

STATEMENT OF IMPREST ACCOUNT
REPORT FOR THE YEAR/PERIOD ENDED 31st March 2014

		Prior Period	Current Year
			In (INR) '000
Balance brought forward from previous period		0	0
Add : Advance		0	0
Replenishment received during the year/period			
Interest earned		0	0
Subtotal (A)		0	0
Deduct			
Payments made during the year/period		0	0
Replenishment/Liquidation	0		
Expenditure yet to be claimed	0		
Amount refunded during the year/period		0	0
Subtotal(B)		0	0
Closing Balance (C = A-B)		0	0
a. As per bank statement		0	0

6.2.1 The US \$ equivalent notional amount held at the RBI in respect of the above Imprest balance is 0 US \$

6.3 Details of Payment made directly by ADB :

NIL

6.4 Details of Payment made through commitment procedure

NIL

6.5 Details of Grants

NIL

Joint Director (P&PF)
 O/o Chief Financial Officer
 M.P.T.C.L., Jabalpur

Madhya Pradesh Power Transmission Co. Ltd.

Name of Project: Madhya Pradesh Power Transmission and Distribution System Improvement Project

Loan/Grant No. 3066

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31.03.2014

DISBURSEMENT CLAIMED UNDER STATEMENT OF EXPENDITURE (SOE) PROCEDURE
FOR THE YEAR ENDED 31st MARCH 2014

W/A No.	SOE Sheet No.	Category	Total Amount Paid	ADB Financing %	Net Eligible Expenses	Amount Reimbursed	Imprest Fund Replenished/ Liquidated	Total Disbursement Using SOE Procedure
1	2	3	4	5	6(4*5)	7	8	7+8=9
00001	1	Civil Works	0.00	0.00	0.00	0.00	0.00	0.00
	2	Mechanical and Equipment	0.00	0.00	0.00	0.00	0.00	0.00
00002	1	Consultants	0.00	0.00	0.00	0.00	0.00	0.00
	2	Salaries	0.00	0.00	0.00	0.00	0.00	0.00
	3	Accommodation	0.00	0.00	0.00	0.00	0.00	0.00
00005	1	Environment and Social Mitigation	0.00	0.00	0.00	0.00	0.00	0.00
	2	Equipment Operation and Maintenance	0.00	0.00	0.00	0.00	0.00	0.00
		Total	0.00	0.00	0.00	0.00	0.00	0.00
		Total for FY 2012-13	0.00	0.00	0.00	0.00	0.00	0.00

Joint Director (P&PF)
 O/o Chief Financial Officer
 M.P.P.T.C.L., Jabalpur

Madhya Pradesh Power Transmission Co. Ltd.**Name of Project: Madhya Pradesh Power Transmission and Distribution System Improvement****Loan/Grant No.: 3066****NOTES TO FINANCIAL STATEMENTS****FOR THE PERIOD ENDED 31st March 2014**

In (INR) '000

Current Year	Prior Year	Cumulative Project to date
NIL		

If any of the amounts given on the
Statements of Receipts and payments
required further detail or Break-down,
provide this here againsts relevant Note



Joint Director (P&PF)
O/o Chief Financial Officer
M.P.P.T.C.L., Jabalpur

Madhya Pradesh Power Transmission Co. Ltd.
Madhya Pradesh Power Transmission and Distribution System Improvement Project
Loan/Grant No.: 3066

STATEMENT OF APPROPRIATION Vs. ACTUAL

Cost Categories	For the Current Year Ended 31st March 2014				For the Prior Year Ended 31st March 2013				Cumulative to Date			
	Budgeted Expenditures INR '000	Actual Expenditures INR '000	Utilization Percentage %	Variance INR '000	Budgeted Expenditures INR '000	Actual Expenditures INR '000	Utilization Percentage %	Variance INR '000	Budgeted Expenditures INR '000	Actual Expenditures INR '000	Utilization Percentage %	Variance INR '000
Investment Costs												
Civil Works	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Mechanical and Equipment	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Environment and Social Mitigation	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Consultants :												
A. Project Management	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
B. Capacity Development	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Others (Tax & Duties)	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Subtotal (D)	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Recurrent Costs												
Salaries	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Accommodation	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Equipment Operation and Maintenance	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Others	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Subtotal (E)	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Total Payments(D+E)	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Financing Charges During Implementation (F)												
	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Total Project Cost (G=D+E+F)	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Grand total of expenditures in USD \$	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00

Joint Director (P&F)
 O/o Chief Financial Officer
 M.P.T.C.L., Jabalpur

Madhya Pradesh Power Transmission Co. Ltd.
Madhya Pradesh Power Transmission and Distribution System Improvement Project
Loan/Grant No.: 3066

EXPENDITURE BY OUTPUT COMPONENTS

In (INR) '000

	Unallocable Common Costs			Out Put 1			Total expenditure		
	Prior Year	Current Year	Cum to date	Prior Year	Current Year	Cum to date	Prior Year	Current Year	Cum to date
Investment Costs :									
Civil Works	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mechanical and Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Environment and Social Mitigation									
Consultants :									
A. Project Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. Capacity Development	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Others (Tax & Duties)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal (A)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Recurrent Costs									
Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accommodation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equipment Operation and Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal (B)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Cost(C=A+B)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
% Total Project Cost	-	-	-	-	-	-	-	-	-


 Joint Director (P&PF)
 O/o Chief Financial Officer
 M.P.P.T.C.L., Jabalpur