

SIXTH ANNUAL REPORT 1994-95

REPORT OF THE MANAGING DIRECTOR

The financial year 1994-95, was a challenging year for the Board as scanty rainfall in and around the catchment areas of the main reservoirs continued for the fourth consecutive year. Rainfall in Ranga Reddy and Medak Districts was 723mm and 861mm against a normal of 812mm and 959mm respectively. This affected inflows into Osmansagar and Himayatsagar, restricting extension of water supply to new areas. Water continued to be supplied on alternate days. To face the summer of 1995, the Board devised an action plan to minimise inconvenience to the public with emphasis on equity and quality.

Financial Results

The financial results for 1994-95 showed a surplus of Rs.262.79 lakhs before depreciation, and a deficit of Rs.23.34 lakhs after providing for depreciation to the tune of Rs.286.13 lakhs.

Following is a brief summary.

Revenue, Expenditure and Water supplied

The cumulative excess of income over expenditure till the financial year 1993-94 was Rs.139.30 lakhs. After adjusting the net deficit for 1994-95, the cumulative excess of income over expenditure as on 31st March, 1995 was reduced to Rs.115.96 lakhs.

Finances

During the year under review, HMWSSB received Rs.2405.85 lakhs (Rupees Twenty four crores five lakhs and eighty five thousands only) towards capital grants, out of which Rs.478.00 lakhs (Rupees Four crores seventy eight lakhs only) was transferred to Rehabilitation and Re-settlement Scheme, being implemented by the District Collector, Medak District, Government of Andhra Pradesh. The balance was utilised towards implementation of the World Bank programme. The Government of Andhra Pradesh had also released RS.1355.00 lakhs (Rupees Thirteen crores fifty five lakhs only) towards continuing plan schemes being implemented by HMWSSB.

For the different schemes being financed by HUDCO, the third instalment of Rs.196.00 lakhs (Rupees One crore ninety six lakhs only) was availed by HMWSSB during 1994-95. As Debt Servicing for major loans availed by the Board will commence only in 1996-97, funds were not a constraint for operation during the year.

Operations

General

As already indicated, short-fall inflows due to lack of rains around the catchment areas of the main reservoirs of the city, reduced the Board's ability to service its consumers adequately. Alternate day supplies introduced on 19-4-93 was continued. As part of the Board's commitment to meeting the requirements of the poor in unserved and ill-served areas, 596 new borewells were drilled at a cost of Rs. 90 lakhs. This brought the number of borewells in the twin cities to 5307. Non-functioning borewells were repaired on a crash basis. The number of water tankers supplying water to ill-served and unserved areas was increased from 193 to 268. The expenditure was met out of the grant given by the Government of Andhra Pradesh. An additional sewerage cleaning machine was purchased bringing the total number in operation to 8. These machines are strategically deployed in the twin cities to enable minimum response time to public complaints. They are also being used for routine cleaning of sewers.

Progress on implementation of various projects

World Bank Project

Component 1: Manjira Water Supply Phase IV: This component was successfully completed and

commissioned in December, 1993, three months ahead of schedule. However, due to lack of sufficient storage in Singur reservoir, the full benefits of this could not be reaped. One advantage was the Board could decommission the Phase III line for repairs.

Component 2: Rehabilitation and Strengthening of Existing Water Supply Systems: During the current year, the conceptual design for the water supply requirements of the twin cities upto the year 2021 were finalised. This involved extensive discussions with our consultants M/s. Tata Consulting Engineers and the World Bank. Though this process did take some time, the Board now has a set of priorities and a corresponding list of works to be implemented over the next twenty years. These works have been dovetailed into the requirements of the Krishna Water Project. It is estimated that this component will cost Rs.11,840 lakhs (Rupees One hundred eighteen crores and forty lakhs). Component 2 mainly consists of the works related to (I) construction of various reservoirs for a total capacity of 101 ML (ii) providing inlet mains to all reservoirs covering a total length of twenty seven kilometers (iii) procurement of Bulk Flow Meters, Bulk Consumer Meters and Leak Detection Equipment etc., and (iv) commencement of Unaccounted for Water (UFW) works in 8 zones including maintenance of domestic consumer meters, replacement of RCC/AC pipes with CI pipes, supply and laying of MDPE pipe connections. Individual work specifications and designs were finalised during the year.

Water Supply – the challenge of the future

Component-3: Rehabilitation and Strengthening of Existing Sewerage Systems: Complementary to the water supply plan, the sewerage conceptual design for the time horizon of 2021 was also finalised after extensive discussions with our consultants, M/s, AIC, Bombay and the World Bank. As our present sewage treatment capacity is only 118 mld, the requirement and location of additional sewerage plants over the next 20 years were finalised. The HMWSSB proposes to establish 4 new sewerage treatment plants at Amberpet, Nagole, Nallachervu and Attapur during the 9th plan period. Preliminary survey for land acquisition has commenced. This component is estimated to cost Rs.4482 lakhs (Rupees Forty four crores and eighty two lakhs) only. Component 3 mainly consists of the works related to (I) abatement of pollution of Hussainsagar Lake, (ii) construction of 25 MLD UASB Sewerage Treatment Plant at Amberpet and (iii) providing of about 4.80 km of sewers. Diversion arrangement works at Kukatpally and Balkapur nallah relating to purifying of Hussain Sagar lake were taken up.

Component-4: Low Cost Sanitation Programme: Under the component, preliminary survey for 14,064 and final survey for 12,482 households have been completed. The Board has also completed construction of 5,100 LCS toilets out of the target of 20,000. Certain constraints were felt in the implementation of this programme such as the presence of rocky and waterlogged soils, and the preference for sewers by the beneficiaries. The Board is examining a strategy to implement this programme outside the municipal limits where the targeted households are expected to be more responsive.

Component-5: Resettlement and Rehabilitation of Persons Displaced by the Singur Dam Reservoir: This component is being implemented by the Government of Andhra Pradesh, through the District Collector, Medak District. The economic rehabilitation programmes have been designed imaginatively and innovatively with the complete involvement of the beneficiaries. While the infrastructural works in all the initially notified villages were fully completed, the Economic Rehabilitation for these villages were fully completed, the Economic Rehabilitation for these villages was completed to the extent of only 50%. All other works under this component are expected to be completed in the next financial year.

Component-6: Institutional Strengthening: This component of the World Bank project is targeted towards institutional strengthening. Seven consultancy studies were commissioned as part of this component. Three have been completed and the remaining four will be completed by the end of the next year. Training programmes have been designed for different categories of employees and are well received. On behalf of the Board I would like to acknowledge the wholehearted support extended by the RCUES, Osmania University, Hyderabad, in the implementation of these well conceived and conducted programmes.

Sewerage Remodelling Schemes

Duplicate K&S Main: This main is proposed to substitute the existing K&S Main which has become largely dysfunctional due to corrosion. It starts from IDPL premises and passing through the city, joins the treatment plant at Amberpet. The total length of the main is 18.95 Km. The work of laying this line in water logged soils adjoining the Hussain Sagar was difficult and time consuming. I am glad to state that the full length of the pipe-line was laid and commissioned during the year.

Duplicate Kalasiguda Main: This Main is proposed to relieve the load on the existing Kalasiguda Main. It starts from Regimental Bazar, opposite to Secunderabad station and joins the

Duplicate K&S Main at Sanjeevaiah Park Road. The total length of the main is 2.75 Km. By the end of March 1995, a length of 1.83 Km had been laid. This work is slated for completion during the next year.

Extention of H&L Main: The existing H&L Main which was connected to the storm water drain at Yakutpura Railway under-bridge, is now being extended to join the S.I.S. Main at Kamal Talkies. The total length of the main is 1.95 Km. By the end of March 1995 a total length of 1.49 Km was completed.

Duplicate "A" Main: This Main is proposed to relieve the load on the existing "A" Main. It starts from Kandikal gate and joins the S.I.S. Main at Kamal Talkies. The total length of the main is 4.98 Km. By the end of March 1995 a total length of 3.68 Km was completed.

Duplicate outfall Sewer: This Main is proposed to relieve the load on the existing outfall sewer. It starts from Chaderghat bridge and joins the treatment plant at Amberpet. The total length of the main is 3.22 Km. By the end of March 1995, a total length of 3.05 km was completed.

HUDCO Project

This project with a total outlay of Rs.15 crores, covering twenty-two water supply works and 47 sewerage works was commenced in January 1993. These works were suitably modified to be in consonance with the conceptual water supply and sewerage plans referred to earlier. Nine water supply works and 19 sewerage works under this project were completed by the end of the year under review. Keeping in view the progress of work, it is proposed to avail the next instalment of loan during the next year.

Sewerage Remodelling Plant

Four acres of land earmarked for location of the future sewerage treatment plant at Amberpet was acquired during the year.

Krishna Water Project

The modalities of implementing this Project are still under discussion with various authorities including the World Bank. However, in anticipation of approval, land acquisition for reservoirs, pumping stations etc., was initiated and the pipeline alignment surveyed.

Employees Relations

During the year under review, relations with employees continued to be cordial. The much awaited staff assessment and sanction of required cadre strength were completed during the current year. These proposals were approved by the Government of Andhra Pradesh vide G.O.Ms.No.582 M.A dated 17.11.94. The plan is now being implemented. On behalf of the Board I would like to record with gratitude the excellent co-operation and unstinted support received from the employees during the year.

Training

The Board attaches considerable importance to updating professional skills of its employees. It has, therefore, prepared a comprehensive training plan was formally launched in January 1994, with an orientation module for all categories of employees. As the Board has not yet established its own training facilities, it has been extensively utilising the services of the Regional Centre for

Urban & Environmental studies, at Osmania University. Despite his busy schedule, prof.V. Lakshmi pathy of RCUES has been closely involved with the Board in evolving suitable study material, selection of topics, providing an experienced faculty and finally providing the right ambience to make the training programmes extremely successful.

Auditors

The Government of Andhra Pradesh has entrusted the audit of the accounts of the Board to the Comptroller and Auditor General of India for a period of 5 years from the financial year 1990-91. Accordingly, the audit was conducted by the principal Accountant General (Audit)-1, A.P., and as in previous year there were no comments on the Accounts for the year 1994-95.

Acknowledgements

On behalf of the Board, I would like to acknowledge our deep gratitude to the Government of Andhra Pradesh, the Government of India, World Bank, HUDCO and LIC for their unfailing support, encouragement and counsel during the year.

Hyderabad,
December 26, 1995

V. Bhaskar, IAS
Managing Director

Audit Certificate

I have examined the Receipt & Payment Account, Income & Expenditure Account for the year ended 31st March, 1995 and the Balance sheet as on 31st March, 1995 of Hyderabad Metropolitan Water Supply & Sewerage Board. I have obtained all the information and explanations that I have required, and subject to the observations in the appended Audit Report, I certify, as a result of my audit that, in my opinion, these accounts and Balance Sheet are properly drawn up so as to exhibit a true and fair view of the state of affairs of the Hyderabad Metropolitan Water Supply & Sewerage Board according to best of information and explanations given to me and as shown by the books of the organisation.

Hyderabad,
Date: 26.12.95

S.Lakshmi Narayanan
Principal Accountant General

Audit Report on the Hyderabad Metropolitan Water Supply & Sewerage Board for the year 1994-95

Introductory

The Metropolitan Water Supply & Sewerage Board was constituted by an Act of Legislature (Act no. 15 of 1989) for provision of water supply and sewerage treatment in the Hyderabad Metropolitan area and for matters connected therewith and it came into being w.e.f. 1.11.1989.

The Audit of the Board was conducted under Section 20(1) of Comptroller and Auditor General's (DPC) Act 1971.

The source of receipts of the Board were grants from the Government of Andhra Pradesh, loans from Government of Andhra Pradesh, and Housing and Urban Development Corporation (HUDCO) and other operational revenues.

Summary of receipts and payments

A summary of receipts and payments of the Board for the year 1994-95 is given:

Receipts	Rupees in Lakhs
Opening Balance	2725.32
Grants from Govt. of A.P.	3760.85
Loans from Govt of A.P.	--

Loans from HUDCO	196.00
Receipts from consumers	5598.88
Receipts from consumers	300.80
Receipts from deposit works	219.68
Total	12801.53
Payments	Rupees in Lakhs
Establishment	2575.41
Expenditure on work including deposit work	1650.35
Office & other misc. expenses (including interest on loans)	801.35
Purchases	164.14
Repairs & Maintenance of water supply & sewerage system	1220.35
Other deposit and advances	426.91
Power and Electricity	2096.72
Assets	587.43
Transfers to District Collector, Medak from receipts of Govt. of A.P.	478.00
Closing Balance	2800.87
Total	12801.53

Finance of the Board

The expenditure incurred by the Board on various schemes was met mainly from World Bank assistance as well as grants and loans received from the Government of Andhra Pradesh.

Hyderabad,
Date: 26.12.95

S.Lakshmi Narayanan
Principal Accountant General

Balance Sheet as at 31st March, 1995

PARTICULARS	Sch Ref.	(Rs.)	Current Year (Rs)	Prev. Year (Rs.)
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NET WORTH				
Contribution from GOAP			1,368,561,496	1,368,561,496
Towards net value of assets			1,067,630,000	874,845,000
In cash by way of Grants-in-aid			282,298	282,298
Improvement Reserve			-----	-----
			2,436,473,794	2,243,688,794
Add/Less: Cumulative Balance of				
Income/Expenditure			11,596,117	13,930,058
			-----	-----
TOTAL			2,448,069,911	2,257,618,852
	1		-----	-----
REPRESENTED BY				
Fixed Assets		2,568,072,251		2,509,329,546
At cost		82,478,130		53,864,961
Less: Depreciation		2,485,594,121		2,455,464,585
Net Depreciation Value		522,471,087		285,423,472
Capital work in Progress				
			3,008,065,208	2,740,888,057
Current Assets, Loans and	2			
Advances	3		51,235,558	31,618,801
Inventories			275,720,218	257,583,193
Sundry Debtors	4		280,087,151	272,531,579
Cash and Bank Balances			70,354,402	53,253,744
Loans and Advances		391,647,171		
			-----	-----
			677,397,329	614,987,317
Less: Current Liabilities and				
Provisions			285,750,158	270,256,522
Net Current Assets			-----	344,730,795
			3,293,815,366	-----
Total			-----	3,085,618,852
			-----	-----
LESS: LIABILITIES			756,400,000	
Loan from Government of A.P.			38,945,455	756,400,000
Loans from LIC	11		50,400,000	40,800,000
Loans from HUDCO			-----	30,800,000
			845,745,455	-----
			-----	828,000,000
Total			2,448,069,911	-----
Notes on Accounts				2,257,618,852

On behalf of the Board

Hyderabad
8-12-1995

G.K. Rao
Director (Finance)

V.Bhaskar
Managing Director

Income and Expenditure account for the year ended 31st March, 1995

PARTICULARS	Sch Ref	Current Year (Rs.)	Prev. Year (Rs.)
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INCOME			
Water & Sewerage Cess		544,455,788	505,316,749
New connection charges		33,569,140	13,956,169
Interest		3,295,918	3,911,738
Others		14,958,528	14,700,913
		-----	-----
TOTAL		596,279,374	537,855,569
		-----	-----
EXPENDITURE		5	
Operating Expenses		6 335,357,320	292,010,567
Staff Cost		7 257,540,567	224,009,140
Administration Expenses		1 81,033,636	64,212,403
Depreciation		8 28,613,169	25,651,817
Finance Charges		95,876,446	80,570,125
		-----	-----
TOTAL		798,421,138	686,454,052
		-----	-----
Less: Expenses capitalised	10	145,640,405	126,474,888
Less: Expenses met from Grants received from Govt. of A.P.		54,167,418	50,323,403
		-----	-----
TOTAL		598,613,315	509,655,761
		-----	-----
Excess of Income/(Expenditure)	11		
Less: Transfer to Improvement Reserve		(2,333,941)	28,229,808
Adj: Upto the end of previous year		Nil	(282,298)
		13,939,058	(14,017,452)
		-----	-----
Carried to Balance Sheet			
Notes on Accounts		11,596,117	13,930,058
		-----	-----

On behalf of the Board

Hyderabad
8-12-1995

G.K. Rao
Director (Finance)

V.Bhaskar
Managing Director

Schedules annexed to and forming part of the accounts for the year ended 31st March, 1995

Asset	Gross Block				Depreciation Block			Dep As on 31.3.95 (Rs.)
	As on 31.3.94 (Rs.)	Additions (Rs.)	Transfer (Rs.)	As on 31.3.95 (Rs.)	Up to 31.3.94 (Rs.)	For the Year (Rs.)	Up to 31.3.95 (Rs.)	
Land	33,339,29	50,740,399		84,079,691				84,079,691
Roads	29,620,315			29,620,315	46,013	45,551	91,564	29,574,262
Buildings	99,473,771	332,231		99,806,002	5,050,408	1,929,475	6,979,883	92,826,117

Bridges &	25,190,000	57,130		25,247,130	2,458,990	852,230	3,311,220	21,93
Barrages	157,460,336			157,460,336	3,779,032	1,779,761	5,558,793	151,90
Reservoirs	167,238,779	1,406,410		168,645,189	4,434,133	1,987,837	6,421,970	162,22
Water	229,333,283			229,333,283	5,704,413	2,735,492	8,439,905	220,89
Pumping	1,616,810,068			1,616,810,068	20,171,704	12,250,701	32,422,405	1,584,38
Plants	53,421,885			53,421,885	1,788,544	628,241	2,416,785	51,00
Water	888,000	39,014		888,000	75,785	26,251	102,036	78
Treatment	1,452,624	178,759		1,452,624	48,489	13,393	61,882	1,39
Plants	62,942,807	5,988,762		62,981,821	4,592,142	3,100,012	7,692,154	55,28
Water Pipe	6,687,674			6,866,433	2,270,409	874,614	3,145,023	3,72
Lines	25,470,712			31,459,474	3,444,899	2,389,611	5,834,510	25,62
Power Stations & Equipment								
Sewerage Pumping Plant								
Sewerage Pipe Lines								
Sewerage Equipment								
Vehicles								
Other Assets								
Total	2,509,329,546	58,742,705		2,568,072,251	53,864,961	28,613,169	82,478,130	2,485,59
Capital Work in Progress	91,622,594	204,897,767		296,520,361				296,52
Water Supply	193,800,878	32,149,848		225,950,726				225,950
Sewerage								
Total	285,423,472	237,047,615		522,471,087				522,471
Total Fixed Assets	2,794,753,018	295,790,320		3,090,543,338	53,864,961	28,613,169	82,478,130	3,008,06

Scheduled forming part of accounts for the year ended 31st March, 1995 (Continued)

PARTICULARS	Current Year (Rs.)	Prev. Year (Rs.)
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2. Cash and Bank Balances		
	201,131	197,533
Cash on hand	238,386,020	210,834,046
Cash at Bank	41,500,000	61,500,000
In Fixed Deposits	-----	-----
	280,087,151	272,531,579
Total	-----	-----
3. Loans and Advances	15,122,375	11,114,131
	15,901,938	15,800,586
Loans and Advances to Staff	39,330,089	26,339,027
Advances to others	-----	-----
Deposits	70,354,402	53,253,744
	-----	-----
Total	2,214,815	3,480,293
4. Current Liabilities & Provisions	105,069,972	23,737,391
	35,044,363	85,737,442
Creditors	249,318,021	157,301,396
Unspent Grants received from GOAP	-----	-----
Deposits	391,647,171	270,256,522
Other Liabilities	-----	-----
	209,671,621	189,969,902
Total	15,148,544	14,749,915
	17,179,549	1,252,508
5. Operating Expenses		
	93,357,606	86,038,242
Power	-----	-----
Chemicals	335,357,320	292,010,567
Other Operating Expenses	-----	-----
Repairs & Maintenance of Water Supply And Sewerage Systems	244,210,223	214,681,623
	3,907,845	3,214,551
Total	9,422,499	6,112,966
	-----	-----
6. Staff Cost	335,357,320	292,010,567
	-----	-----
Salaries, Wages & Overtime		
Provident Fund		
Staff Welfare Expenses	86,066	129,556
	4,139,574	232,882
Total	2,197,780	1,982,457
	4,071,645	2,574,234
7. Administration and other expenses	2,843,771	2,204,391
	3,352,991	1,174,699
Rents		
Licenses, taxes and fees		
Travelling and conveyance		

Printing and Stationery
Postage, telegrams and telephones
Advertisements & Tender Notifications

Schedules forming part of accounts for the year ended 31st March, 1995 (Continued)

PARTICULARS	Current Year (Rs.)	Prev. Year (Rs.)
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Administration and other expenses (Contd.)			
Legal & Professional Charges		15,708,579	14,247,346
Insurance		991,752	883,188
Afforestation Expenses		2,973,771	2,084,425
Audit Fees		198,435	133,300
Vehicle Maintenance			
Diesel and petrol	9,413,343		8,881,220
Hire Charges	21,969,489		16,063,059
Repairs	<u>4,381,765</u>		3,606,980
		35,764,597	
Repairs and Maintenance			
Buildings	4,263,249		2,629,995
Others	<u>2,852,021</u>		5,480,745
		7,115,270	
		1,589,405	1,903,926
Miscellaneous Expenses		-----	-----
Total		81,033,636	64,212,403
		-----	-----
Finance Charges			
Interest to GOAP		85,277,000	70,950,209
Interest to LIC & HUDCO		10,511,192	8,501,691
Bank Charges		88,254	1,118,225
		-----	-----
Total		95,876,446	80,570,125
		-----	-----
Amounts Capitalised			
Power		397,909	68,850
Salaries & Wages			21,111,864
Staff Welfare Expenses		22,558,764	292,113
Travelling & Conveyance		1,929,155	593,351
Advertisements & Tenders		518,417	647,004
Vehicle Maintenance Expenses		2,923,745	
Diesel & Petrol	1,032,936		995,363
Hire Charges	9,120		
Repairs	<u>1,032,953</u>		<u>756,865</u>
		2,075,009	1,752,228
Printing & Stationery		1,332,501	841,910
Postage, Telegrams & Telephones		254,001	194,751
Repairs & Maintenance			
Buildings	219,008	1,296,562	426
Others	1,077,554	15,406,625	<u>1,547,227</u>
		95,814,621	<u>1,547,653</u>
Legal & Professional fees		1,133,096	14,114,813
Finance Charges		-----	80,507,527
Miscellaneous Expenditure		145,640,405	4,802,824
		-----	-----
Total			126,474,88

Expenses met out of Grants		3,508,444	-----
Salaries & Wages		55,182	
Staff Welfare Expenses		24,530	3,106,840
Travelling & Conveyance			34,390
Vehicle Maintenance Expenses			12,784
Diesel & Petrol	2,239,307		
Hire Charges	16,189,136		1,121,610
Repairs	<u>102,058</u>	24,149,766	15,381,924
		7,661	<u>59,464</u>
Printing & Stationery		13,986	16,562,998
Postage, Telegrams & Telephones			5,491
Repairs & Maintenance			-----
Borewells	9,149,524	26,340,138	
Pipelines	16,189,136		10,348,241
Others	<u>1,001,478</u>		14,793,359
		67,711	<u>5,341,198</u>
		54,167,418	30,482,798
Legal & Professional fees			
Misc. expenses			1,000
Total			117,102
			50,323,403

**Schedules forming part of accounts for the year ended
31st March, 1995 (Continued)**

11. Notes on Accounts

1. The Hyderabad Metropolitan Water Supply & Sewerage Board (herein after referred to as 'Board') has come into existence by an enactment (Hyderabad Metropolitan Water Supply & Sewerage Act, 1989) of Government of Andhra Pradesh (XV of 1989). As per the provisions of the said Act, all assets, liabilities, rights and obligations of the erstwhile Hyderabad Metro Water Works Department of the Government (here in after referred to as 'Department') vest with the Board.
2. (a) The assets and liabilities of the Department including sundry debtors and current liabilities as on 1st November 1989 to the extent identified and/or ascertained were taken

into account by assigning an estimated value and wherever book values are available the same are adopted.

- b. Since identification as well as ascertainment of the extent and value of certain assets like land, distribution pipelines, sewerage pipelines, vehicles furniture etc., is in progress, the same are yet to be taken into account.
 - c. The net worth of the Department ascertained as above is treated as contribution by the Government in kind.
1. Liability on account of retirement benefits to the employees of the department as on transfer date is not ascertained and provided for in the statements. Payments towards pension and other retirement benefits are accounted for as expenditure on cash basis as and when paid.
 2. Additions to lands as shown in the fixed assets represent the payments made for lands acquired by the Department in earlier years.
 3. Accounting Policies: Pending finalisation of the accounting regulations under the Act, the following accounting policies are adopted by the Board for preparation and presentation of the Accounts.
 - a. Depreciation is provided on the assets of the Board as per First Schedule to the Act read with Section 14 of the Act. Depreciation is provided for the full year on additions during the year.
 - b. Contributions received from Government of Andhra Pradesh by way of grants for the purpose of execution of projects for creation of capital assets is treated as contributions from Government in cash. Grants received for other purposes, less utilised during the year out of such grants, is shown as liability as Unspent Grants.
 - c. Expenditure on power, staff cost (excluding retirement benefits) and interest is accounted for on accrual basis and all other revenue expenditure is accounted for on cash basis.
 - d. To the extent of demands raised on consumers for the water supplied during the accounting period are only accounted for as operating revenue irrespective of the quantum of water transmitted.
 - e. Grants and other receipts are accounted for on accrual basis.
 - f. Income on centage charges is accounted for on accrual basis.
 - g. Consumer deposits are treated as revenue in the year of receipt and the same are treated as an expenditure on repayment.
 - h. Only payments made for capital works including advances and material purchases are shown as capital work-in-progress till the asset is completed and capitalised.

Figures for the previous year are regrouped wherever necessary.

On behalf of the Board

Hyderabad
8-12-1995

G.K. Rao
Director (Finance)

V.Bhaskar
Managing Director

Receipts and Payments account for the year ended 31st March, 1995

Head of Account Payments (Rs.)	Receipts (Rs.)	Head of Account (Rs.) Payments(Rs.)	Receipts
Opening Balance		Brought Forward	710,764,406
Cash on hand	197,533	315,534,781	
Cash at Bank		Collections (Water cess etc.)	526,318,763
In current accounts	210,834,046	Connection charges	33,569,140
In fixed Deposits	61,500,000	Interest on FDs	3,022,096

	272,531,579	Interest income – others	273,822
Contributions from GOAP	376,085,000	Misc. income & receipts	6,204,674
Loan from HUDCO	19,600,000	R&M – machines & pipelines	93,357,606
	1,265,477	Other operating expenses	17,179,549
Creditors for purchase		Chemicals consumed	15,148,544
Liabilities for expenses	5,463,672	Salaries	244,210,223
Statutory liabilities	558,288	Provident fund & Welfare	13,330,344
Other liabilities	717,667	Expenses	
Contractors deposits	1,608,499	Rent, rates & taxes	4,225,640
Deposit works	30,079,839	Power & electricity	209,671,621
73,627,565		Insurance	991,752
Additions to fixed assets		Travelling & conveyance	33,580,612
58,742,705		Stationery & books	4,162,521
Capital works in progress		Telegraph, postage etc.	2,843,771
91,407,211		Advertisements	3,352,991
Construction materials	3,932,082	Audit fees	198,435
Consumable materials		Legal & professional fees	15,708,579
23,548,839		General expenses	4,472,300
Advances for capital works	187,780	R&M – buildings, vehicle etc.	11,497,035
Advances for expenses		Interest to Financial Institutions	10,511,192
289,133		Bank charges	88,254
Staff advances	4,008,244	Closing Balances	
Deposit with Govt. & others		Cash on hand	201,131
12,991,062			
Payments to R&R scheme			
47,800,000			
Repayment of LIC loan-1 st inst.			
1,854,545			

		Cash at bank	
		In current accounts	238,386,020
		In fixed Deposits	
		41,500,000	
Carried forward	710,764,406	Total	1,280,152,901
315,534,781		1,280,152,901	

On behalf of the Board

Hyderabad
8-12-1995

G.K. Rao
Director (Finance)

V.Bhaskar
Managing Director