West Bengal State Electricity Transmission Company Ltd.
(A West Bengal Government Enterprise)
Vidyut Bhavan, Saltlake
Kolkata -700091

Ref. No. Dir(opr)/WBSETCL/ACE/RAC/Tariff/147 Date 17 /02/2014

To
The Secretary,
West Bengal Electricity Regulatory Commission,
FD-415A, Poura Bhawan,
3rd Flr, Sector-III, Bidhannagar,
Kolkata – 700 106.

Sub: Submission of petition for determination of Tariff / Charges for the financial Years 2014-15, 2015-16 and 2016-17 under fourth control period.

Ref: Your letter no WBERC / TP-60 / 13-14 / 1789 dated 10/02/2014.

Sir,

1. You have directed us vide above referred letter to submit the following:

   i. Annexure-1, Form 1.23 – Permitted Incentive.
   ii. Annexure-1, Form 1.24 – Benefits passed on to Consumers.
   iii. Copy of Proforma A to F under Cost Accounting Records (Electricity Industry).
   iv. Copy of Energy Audit and action plan for efficiency improvement, if any

2. Regarding Form 1.23 & 1.24 we would like to humbly submit that, pending quantification of actual Transmission system availability and T&D losses for the future years, no incentive has been claimed during the control period, nor have any benefits been considered for pass on to consumers.

   In this connection we would like to draw the kind attention of the Hon'ble Commission to our submissions made under paragraph 3.9.0 in page 18 of Volume -1 of the Tariff Petition for the years 2014-15, 2015-16 & 2016-17.

   Again in regulation 2.6.1 of WBERC (Terms and Conditions of Tariff) Regulations 2011 it is stated that,

   "....The generating company / licensee shall make an application seeking an annual performance review for annual fixed charges, incentives as per Schedule-10 and effects of gain sharing as per Schedule – 9B for an ensuing year or the base year with statutory audited data and a copy of the audited Annual Accounts for that year by November of the immediate next ensuing year of each such ensuing year or base year, as the case may be...."

   Pursuant to the same, no incentive as per Schedule -10 is being claimed. Kindly note that being a transmission utility no gain sharing is prescribed under Schedule- 9B.

   However, at present, we are filing the Forms (enclosed) as suggested by the Hon'ble Commission in his letter referred above with a prayer to allow us scope to provide actual data during filing of APR for the years concerned as stated in regulation 2.6.1 of WBERC (Terms and Conditions of Tariff) Regulations 2011.

17/2/14

RECEIVED
17 FEB 2014
CONTENTS NOT VERIFIED

3. Copy of Proforma A to F under Cost Accounting Records (Electricity Industry) is submitted as Annexure to this letter.

4. No energy audit has yet been undertaken by the Company, hence we are unable to submit any copy.

Hon'ble WBERC is requested to admit the above data and oblige.

Yours faithfully,

17.02.2014

(P. K. Sengupta)
Addl. Chief Engineer: RAC

Enclo: i) Form 1.23 of Annexure-1
ii) Form 1.24 of Annexure-1
iii) Copy of Proforma A to F under Cost Accounting Records.
(Total 22 pages)

Form 1.23 : Permitted Incentive

Rs. In Lakh

Ref.	Particulars	Basis	Previous Year				Base Year	Ensuing Year		
			Four	Three	Two	One		One	Two	Three
			Actuals	Actuals	Actuals	Actuals	Estimated	Projected		
			2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
(3)	Incentive for Transmission						NIL			
(i)	Annual Availability			99.90%	99.88%	99.91%				
(ii)	Target Availability			98.00%	98.00%	98.00%				
(iii)	Excess availability over Target, if >0	iii = (i - ii)		0.15%	0.13%	0.16%				
(iv)	Equity	Form 1.20 (a)		117096.53	138208.27	148483.47				
(v)	Incentive for additional availability	(v)=(iv x iii)		175.64	200.91	237.57				

(P. K. Sengupta)
Addl. Chief Engineer,
Regulatory Affairs Cell,
WBSETCL
Vidyut Bhavan, Kol-91

Form 1.24 : Benefits passed on to consumers

Rs. In Lakh

Ref.	Particulars	Previous Year				Base Year	Ensuing Year		
		Four	Three	Two	One		One	Two	Three
		Actuals				Estimated	Projected		
		2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
(1)	Share of savings arising out of swapping of Foreign Debt and Equity	NOT APPLICABLE							
(2)	Share of savings arising out of restructuring of capital Cost in terms of Debt Equity Ratio during the tariff period								
(3)	Sharing of excess profit over clear profit								
(4)	Sharing of Benefit from selling of Power to those other than licensee or any consumer								
(5)	Sharing of benefit from Carbon Trading								
(6)	Sharing of benefit from income arising to a generating company from supplying power to any peerson other than licensee								
(7)	Any other (Specify)								

(P. K. Sengupta)
Addl. Chief Engineer,
Regulatory Affairs Cell,
WBSEDCL

Datta, Ghosh, Bhattacharya & Associates
Cost Accountants

H.O. - 37, Gobindo Bose Lane, Kolkata - 700025
Phone : (91-33) 2486-6785 • Mobile : 98301-28536 / 61380
e-mail : pallab.bhattacharya@rediffmail.com

B.O. - 82, Naskarpara Road, Kolkata - 700041
e-mail : subhendudatta2007@rediffmail.com

COST AUDIT REPORT

We, Datta Ghosh Bhattacharya & Associates, Cost Accountants having been appointed as Cost Auditor under Section 233B of the Companies Act 1956 of West Bengal State Electricity Transmission Company Limited having its Registered Office at Vidyut Bhavan, Block – DJ, Sector – II, Bidhannagar, Kolkata – 700091.(hereunder referred to as the Company) have audited the Books of Account prescribed under clause (d) of sub section (1) of section 209 of the said Act, and other relevant records in respect of the 'Electricity' for the period 2012-13 maintained by the company and report, in addition to our observations and suggestions.

1. We have obtained all information and explanations which are to the best of our knowledge and belief were necessary for the purpose of this audit.
2. In our opinion, proper cost records as per Companies (Cost Audit Report) Rules 2011 have been maintained by the company so as to give a true & fair view of the cost of production / operation, cost of sales & margin, of the activity under reference.
3. In our opinion and to the best of our information the said books & records give the information required by the Companies Act 1956 in the manner so required.
4. Detailed activity wise cost statements and schedule thereto in respect of the activities under reference of the company duly audited and certified by us are kept in the company.
5. As required under the provisions of the Companies (Cost Audit Report) rules 2011we have furnished performance appraisal report to the company on the prescribed form.

Date 29.06.2013

Place: Kolkata

For DATTA GHOSH BHATTACHARYA &ASSOCIATES
COST ACCOUNTANTS
FRN - 000089

Subhendu Datta.

SUBHENDU DATTA
M/18434

Name of the Company :

WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

FINANCIAL YEAR 2012-13

A. **GENERAL INFORMATION:**

1	CIN or GLN of the company	
2	Name of the company	WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED
3	Registered office address	VIDYUT BHAWAN, SECTOR - II, BLOCK - DJ SALT LAKE CITY KOLKATA - 700091
4	Corporate office address	VIDYUT BHAWAN, SECTOR - II, BLOCK - DJ SALT LAKE CITY KOLKATA - 700091
5	E-mail address of the company	
6	Date of Start of Reporting Period	4/1/2012
7	Date of End of Reporting Period	3/31/2013
8	Date of Start of first previous year	4/1/2011
9	Date of End of first previous year	3/31/2012
10	Level of rounding of used in cost statements	Lakhs
11	Reporting currency of entity	INR
12	Number of Cost Auditor(s) for reporting period	1 (One)
13	Date of Board of Directors' meeting wherein the Annexure to the cost audit report were approved	
14	Whether cost auditors report has been qualified or has any reservarions or contains adverse remarks	NO
15	Consolidated qualifications, reservations or adverse remarks of all cost auditors	NOT APPLICABLE
16	Consolidated observations or suggestions of all cost auditors	NOT APPLICABLE
17	Whether company has related party transactions for sale or purchase of goods or services	YES
18	Board Resolution No Authorising the Report	
19	Date of Board Resolution	
20	Details of Signing Authority	
21	DIN in case of Director	
22	PAN & Membership no in case of CS	

Name of the Company :

WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

FINANCIAL YEAR 2012-13

Cost Audit Report (Form II)

1	Details of cost auditor	DATTA GHOSH BHATTACHARYA & ASSOCIATES
2	Whether cost auditor is lead auditor	YES
3	Category of cost auditor	FIRM
4	Firm's registration number	89
5	Name of cost auditor or cost auditors firm	DATTA GHOSH BHATTACHARYA & ASSOCIATES
6	Permanent account number of cost auditor or cost auditors firm	AAEFD6992Q
7	Address of cost auditor or cost auditors firm	37, GOBINDO BOSE LANE KOLKATA - 700025
8	Email id of cost auditor or cost auditors firm	pallab.bhattacharya@rediffmail.com
9	Membership number of member signing report & Category of the Member e.g. Associate / Fellow	18434 - FELLOW
10	Name of member signing report	SUBHENDU DATTA
11	Cost audit order date	5/2/2011
12	Cost audit order number	52/26/CAB/2010
13	Name of product or industry	ELECTRICITY
14	SRN number of Form 23C	S08739997
15	SRN number of Form 23D	S14085971
16	Number of audit committee meeting attended by cost auditor during year	
17	Date of signing cost audit report and annexure by cost auditor	
18	Place of signing cost audit report and annexure by cost auditor	KOLKATA
19	**Disclosure of cost auditors qualifications or adverse remarks in cost auditors report**	
i	Disclosure relating to availability of information and explanation for purpose of cost audit	Refer Audit Report in MS word
ii	Disclosure relating to maintenance of cost records as per applicable cost accounting records rules	Refer Audit Report in MS word
iii	Disclosure relating to availability of cost records of branches not visited	Refer Audit Report in MS word
iv	Disclosure regarding availability of information as per Companies Act 1956	Refer Audit Report in MS word
v	Disclosure regarding conformity of books and records with Cost Accounting Standards and GACAP	Refer Audit Report in MS word
vi	Disclosure relating to adequacy of internal audit of cost records	Refer Audit Report in MS word
vii	Disclosure relating to availability of audited and certified cost statements and schedules for each unit and each product or activity	Refer Audit Report in MS word
viii	Disclosure relating to submission of performance appraisal report	Refer Audit Report in MS word
ix	Cost auditors observations or suggestions	Refer Audit Report in MS word



Name of the Company :

WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

FINANCIAL YEAR 2012-13

B. COST ACCOUNTING POLICY (Para 2 of Annexure to Cost Audit Report)

1	Cost Accounting Policy	Refer Audit Report in MS word
2	Identification of cost centres/cost objects and cost drivers.	Refer Audit Report in MS word
3	Accounting for material cost including packing materials, stores and spares etc., employee cost, utilities and other relevant cost components.	Refer Audit Report in MS word
4	Accounting, allocation and absorption of overheads	Refer Audit Report in MS word
5	Accounting for Depreciation/Amortization	Refer Audit Report in MS word
6	Accounting for by-products/joint-products, scarps, wastage etc.	Refer Audit Report in MS word
7	Basis for Inventory Valuation	Refer Audit Report in MS word
8	Methodology for valuation of Inter-Unit/Inter Company and Related Party transactions.	Refer Audit Report in MS word
9	Treatment of abnormal and non-recurring costs including classification of other non-cost items.	Refer Audit Report in MS word
10	Other relevant cost accounting policy adopted by the Company	Refer Audit Report in MS word
11	Briefly specify the changes, if any, made in the cost accounting policy for the product/activity group(s) under audit during the current financial year as compared to the previous financial year.	Refer Audit Report in MS word
12	Observations of the Cost Auditor regarding adequacy or otherwise of the Budgetary Control System, if any, followed by the company.	Refer Audit Report in MS word



Name of the Company:

WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

FINANCIAL YEAR 2012-13

Product Group Details (For the company as a whole)

	Product Group Name	Product Group Code	CETA Chapter Heading	Covered In Cost Audit (Yes or No)	Previous Year Figures Reported (Yes/No)	Net Operational Revenue	
						Current Year	Previous Year
						Rs.	Rs.
1	Transmission or Distribution of Electricity			YES	YES	101028.31	72411.37
2							
3							
4							
5							
6							
7 (etc.)							
Total						**101028.31**	**72411.37**
Other Incomes						1605.69	2775.83
Total Income as per Audited Annual Report						**102634**	**75187.2**

Note : Previous Figs as been rearranged & regrouped whereever necessary.

Dutta, Ghosh, Bhattacharya & Associates
Kolkata
Cost Accountants

Name of the Company:

WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

FINANCIAL YEAR 2012-13

Quantitative Information (for each product group separately)

Name of the Product Group	Transmission or Distribution of Electricity	
Product Group Code		
Unit of Measurement	MU	
Particulars	**Current Year**	**Previous Year**
1. Available Capacity		
(a) Installed Capacity at the beginning of the year	37030.08	34750
(b) Capacity enhanced during the year	0	0
(c) Capacity available through leasing arrangements	0	0
(d) Capacity available through loan license / third parties	0	0
(e) Total available Capacity	37030.08	34750
2. Actual Production		
(a) Self-manufactured	35734.03	33499.09
(b) Under leasing arrangements	0	0
(c) On loan license / by third parties on job work	0	0
(d) Total Production	**35734.03**	**33499.09**
3. Production as per Excise Records	0	0
4. Capacity Utilization (in-house) (%)	96.50	96.40
5. Finished Goods Purchased		
(a) Domestic Purchase of Finished Goods		0
(b) Imports of Finished Goods		0
(c) Total Finished Goods Purchased	0	0
6. Stock & Other Adjustments		
(a) Change in Stock of Finished Goods		0
(b) Self / Captive Consumption		0
(c) Other Quantitative Adjustments		
(d) Total Adjustments	**0**	**0**
7. Total Available Quantity for Sale	**35734.03**	**33499.09**
8. Actual Sales		
(a) Domestic Sales of Manufactured Products	35734.03	33499.09
(b) Domestic Sales of Traded Products	0	0
(c) Export Sale of Manufactured Products	0	0
(d) Export Sale of Traded Products	0	0
(e) Total Quantity Sold	**35734.03**	**33499.09**
Note : Previous Figs as been rearranged & regrouped whereever necessary.		
Sales indicate MU received and transmitted.		



Name of the Company

WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

FINANCIAL YEAR 2012-13

Abridged Cost Statement (for each product group separately)

Name of Product or Activity Group						
Name of Product or Activity Group Code						
Unit of Measurement						
Year	Production	Finished Goods Purchased	Finished Stock Adjustment	Consumption Captive	Other Adjustments	Quantity Sold
Current Year	35734.03					35734.03
Previous Year	33499.09	0	0	0	0	33499.09

Previous Year			Current Year	
Amount	Cost/Unit	Particulars	Amount	Cost/Unit
Rs.	Rs.		Rs.	Rs.
		Materials Consumed		
		Process Materials/Chemicals		
		Utilities		
9442.47	0.28	Direct Employees Cost	10544.04	0.30
5698.19	0.17	Direct Expenses	8795.12	0.25
0		Consumable Stores & Spares	0	
2849.39	0.09	Repairs & Maintenance	3175.58	0.09
0		Quality Control Expenses	0	
0		Research & Development Expenses	0	
0		Technical know-how Fee / Royalty	0	
12512.9	0.37	Depreciation/Amortization	13699.58	0.38
		Other Production Overheads	0	
		Industry Specific Operating Expenses	0	
30502.95	0.91	**Total of Inputs and Conversion Cost**	**36214.32**	**1.01**
0		Increase/Decrease in Work-in-Progress	0	
0		Less: Credits for Recoveries	0	
0		Primary Packing Cost	0	
30502.95	0.91	**Cost of Production/Operations**	**36214.32**	1.01
0		Cost of Finished Goods Purchased	0	
30502.95	0.91	Total Cost of production and purchases	**36214.32**	1.01
0		Increase/Decrease in Stock of Finished Goods	0	
0		Less: Self/Captive Consumption	0	
0		Other Adjustments	0	
30502.95	**0.91**	Cost of Production or Operation of Goods or Services Sold	**36214.32**	1.01
5201.16	0.16	Administrative Overheads	5953.04	0.17
0		Secondary Packing Cost	0	
0		Selling & Distribution Overheads	0	
18021.93	0.54	Interest & Financing Charges	18833.89	0.53
53726.04	**1.60**	Total Cost of Sales as per Cost Accounts	**61001.25**	1.71
72411.37	2.16	Net Sales Realization	101028.31	2.83
18685.33	0.56	**Margin [Profit/(Loss)]**	**40027.06**	1.12

Note : Previous Figs as been rearranged & regrouped whereever necessary.



Name of the Company

WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

FINANCIAL YEAR 2012-13

Details of Materials Consumed

Previous Year			Particulars	UOM	Category (Ind/Imp/ Self Mfg)	Current Year		
Quantity	Rate	Amount				Quantity	Rate	Amount
			Material 1					
			Material 2					
			Material 3					
			Material 4					
			Material 5					
			Material 6					
			Material 7					
			Material 8					
			Material 9					
			Material 10					
		0	Total Materials					0

Details of Utilities Consumed

Previous Year			Particulars	UOM	Current Year		
Quantity	Rate	Amount			Quantity	Rate	Amount
			Utility 1				
			Utility 2				
			Utility 3				
			Utility 4				
			Utility 5				
			Utility 6				
			Utility 7				
			Utility 8				
			Utility 9				
			Utility 10				
		0	Total Utilities				0

Details of Industry Specific Operating Expenses

Previous Year	Particulars	Current Year
Amount		Amount
	Industry specific 1	
	Industry specific 2	
	Industry specific 3	
	Industry specific 4	
	Industry specific 5	
	Industry specific 6	
	Industry specific 7	
	Industry specific 8	
	Industry specific 9	
	Industry specific 10	
0	Total Industry Specific Operating	0

Dutta Ghosh Bhattacharya & Associates
Kolkata
Cost Accountants

Name of Company:

WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

FINANCIAL YEAR 2012-13

Ratio of Operating Expenses to Cost of Sales (for each product group separately)

Name of Product or Activity Group		Transmission or Distribution of Electricity	Transmission or Distribution of Electricity
Name of Product or Activity Group Code			
Unit of Measurement			
No.		Current Year	Previous Year
1	Materials (incl. Process Materials) Cost		0
2	Utilities Cost		0
3	Direct Employees Cost	17.28	17.58
4	Direct Expenses	14.42	10.61
5	Consumable Stores & Spares	0	0
6	Repairs & Maintenance Cost	5.30	5.3
7	Depreciation / Amortization Cost	22.46	23.29
8	Industry Specific Operating Expenses	0	0
9	Packing Cost	0	0
10	Other Expenses	0	0
11	Stock Adjustments	0	0
12	Production Overheads	0	0
13	Finished Goods Purchased	0	0
14	Administrative Overheads	9.76	9.68
15	Selling & Distribution Overheads	0	0
16	Interest & Financing Charges	30.87	33.54
17	**Total**	**100**	**100**
Note : Previous Figs as been rearranged & regrouped whereever necessary.			



Name of Company

WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

FINANCIAL YEAR 2012-13

Profit Reconciliation (for the company as a whole)

Particulars	Current Year	Previous Year
	Rs.	Rs.
Profit for the Audited Product Groups	40027.06	18685.33
Profit for the Un-Audited Product Groups		
Add: Incomes not considered in Cost	1605.69	2775.83
Less: Expenses not considered	8330.43	4293.89
Total	33302.32	17167.27
Add, Overvaluation of closing stock in financial accounts	0	0
Add, Undervaluation of opening stock in financial accounts	0	0
Less, Undervaluation of closing stock in financial accounts	0	0
Less, Overvaluation of opening stock in financial accounts	0	0
Profit as per Financial Accounts	33302.32	17167.27

Details of Incomes not considered in Cost

Particulars	Current Year	Previous Year
	Rs.	Rs.
1. Other Income	1605.69	2775.83
2		
3		
4. (etc.)		
Total	1605.69	2775.83

Details of Expenses not considered in Cost		
Particulars	**Current Year**	**Previous Year**
	Rs.	Rs.
1. Provision for Taxation	8330.43	4293.89
2		
3		
4. (etc.)		
Total	8330.43	4293.89

Note : Previous Figs as been rearranged & regrouped whereever necessary.

Help Para 7



Name of Company

WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

FINANCIAL YEAR 2012-13

Value Addition and Distribution of Earnings (for the company as a whole)

Sl. No.	Particulars	Current Year Rs.	Previous Year Rs.
	Value Addition:		
1	Gross Revenue from Operations	101028.31	72411.37
2	Less: Excise and Other Duties	0	0
3	Net Revenue from Operations	101028.31	72411.37
4	Add: Export Incentives		
5	Add/Less: Adjustment in Finished Stocks		
6	Less: Cost of bought out inputs		
	(a) Cost of Materials Consumed		
	(b) Process Materials / Chemicals		
	(c) Consumption of Stores & Spares		
	(d) Utilities (e.g. power & fuel)		
	(e) Cost of Other Bought-Out Inputs	34028.3	29236.16
	Total Cost of bought out inputs	34028.3	29236.16
7	Value Added	67000.01	43175.21
8	Other Incomes of Company	1605.69	2775.83
9	**Earnings available for distribution**	68605.7	45951.04
	Distribution of Earnings to:		
1	Employees etc. as salaries & wages, retirement benefits,	13273.37	11976.98
2	Shareholders as dividend	0	0
3	Funds retained by Company	47001.9	29680.17
4	Government as taxes	8330.43	4293.89
5	Other Distributions of Earnings	0	0
	Total distribution of earnings	68605.7	45951.04
Note : Previous Figs as been rearranged & regrouped whereever necessary.			



Name of the Company

WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

FINANCIAL YEAR 2012-13

Financial Position and Ratio Analysis (for the company as a whole)

Sl No.	Particulars	Units	Current Year	Previous Year
A.	**Financial Position**			
1	Share Capital	Rs. Lakhs	110552	110552
2	Reserves & Surplus	Rs. Lakhs	96308.74	63006.42
3	Long Term Borrowings	Rs. Lakhs	213449.06	224794.18
4	(a) Gross Tangible Assets	Rs. Lakhs	510695.33	465892.68
	(b) Net Tangible Assets	Rs. Lakhs	357246.31	326193.86
5	(a) Current Assets excluding Current Investments	Rs. Lakhs	57294.57	41604.05
	(b) Less: Current Liabilities excluding Short Term Borrowings	Rs. Lakhs	47067.18	42220.86
	(c) Net Current Assets	Rs. Lakhs	10227.39	-616.81
6	Capital Employed	Rs. Lakhs	367473.7	325577.05
7	Net Worth	Rs. Lakhs	206860.74	173558.42
B.	**Financial Performance**			
1	Cost of Production	Rs. Lakhs	36214.32	30502.95
2	Cost of Sales	Rs. Lakhs	61001.25	53726.04
3	Net Revenue from Operations of Company	Rs. Lakhs	101028.31	72411.37
4	Value Added	Rs. Lakhs	67000.01	43175.21
5	Profit before Tax (PBT)	Rs. Lakhs	41632.1	21461.16
C.	**Profitability Ratios**			
1	PBT to Capital Employed (B5/A6)	%	11.33	6.59
2	PBT to Net Worth (B5/A7)	%	20.13	12.37
3	PBT to Net revenue from Operations (B5/B3)	%	41.21	29.64
4	PBT to Value Added (B5/B4)	%	62.14	49.71
D.	**Other Financial Ratios**			
1	Debt-Equity Ratio		1.09	1.36
2	Current Assets to Current Liabilities		0.85	1.09
3	Valued Added to Net Revenue from Operations		0.66	0.60
E.	**Working Capital Ratios**			
1	Net Working Capital to Cost of Sales excl. depreciation	Months	0.22	-0.01
2	Raw Materials Stock to Consumption	Months	0.00	0.00
3	Stores & Spares to Consumption	Months	0.00	0.00
4	Work-in-Progress Stock to Cost of Production	Months	0.00	0.00
5	Finished Goods Stock to Cost of Sales	Months	0.00	0.00
Note : Previous Figs as been rearranged & regrouped whereever necessary.				



Name of the Company
WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED
FINANCIAL YEAR 2012-13

Para 10: Related Party Transactions (For the Company as a whole)

Sr. No.	Product/ Service Code	Product/ Service Description	Name of Related Party	Type of Related Party	Identification of related party	Nature of Transaction	Aggregate Quantity	Average Transfer Price	Aggregate Amount of Transaction	Average Normal Price	Difference Between Average Transfer Price & Average Normal Price	Basis Adopted to determine the Normal Price
							(A)	(B)	(A*B)	C	(B-C)	
1	Product 8-digit CETA Code or Service as per NIC Code Service Code 99691120	Transmission of Electricity	WBSEDCL	Separately for (i) Indian Company	CIN if Indian Company / PAN if IndianFirm / U40109WB2007SGC113473	Services Rendered	35734.02 MU	2.61	93398.31	2.61	0	Other Methood As per guidelines of West Bengal Electricity Regulatory Commission



Name of the Company

WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

FINANCIAL YEAR 2012-13

Reconciliation of Indirect Taxes

	Particulars	Assessable Value	Excise Duty	Service Tax	Others & Cess	VAT / CST
		Rs. Lakhs	Rs.	Rs.	Rs.	Rs.
	Duties/Taxes Payable					
	Excise Duty					
1	Domestic	0	0		0	
2	Export	0	0		0	
3	Stock Transfers (Net)	0	0		0	
4	Others	0	0		0	
5	Total Excise Duty (1 to 4)	0	0		0	
6	Service Tax	101791104		11530850		
7	VAT / CST					374800
8	Other State Taxes if any					10392504
9	**Total(5 to 8)Duties / Taxes Payable**					
	Duties/Taxes Paid					
10	Cenvat / VAT Credit Utilised - Inputs		0			
11	Cenvat /VAT Goods Credit Utilised - Capital Goods		0			
12	Cenvat / VAT Services Credit Utilised - Input Services		0	0	0	
13	Cenvat / VAT Credit Utilised - Others		0	0	0	
14	Total (10 to 13)		0	0	0	
15	Paid through PLA/Cash		0	11530850	0	10767304
16	Total Duties/Taxes Paid (14 +15)		0	11530850	0	10767304
17	Duties/Taxes Recovered		0			
18	Difference between Duties/Taxes Paid and Recovered		0			
19	Interest/Penalty/Fines Paid		0	185237		

Note: Shaded cells will not have any figures.



WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LTD

COST AUDIT REPORT FOR THE FINANCIAL YEAR 2012-2013

1. DISCLOSURE RELATING TO AVAILABILITY OF INFORMATION AND EXPLANATION FOR THE PURPOSE OF AUDIT.

We obtained all information & explanation necessary for the purpose of audit.

2. DISCLOSURE RELATING TO MAINTENANCE OF COST RECORDS AS APPLICABLE COST ACCOUNTING RECORD RULE.

Maintenance of Cost records needs to be further strengthened.

3. DISCLOSURE RELATING TO AVAILABILITY OF COST RECORDS OF BRANCHES NOT VISITED.

It is suggested to maintain Cost Records Area Office wise.

4. DISCLOSURE REGARDING AVAILABILITY OF INFORMATION AS PER COMPANIES ACT 1956

Information is available as per Companies Act 1956.

5. DISCLOSUE REGARDING CONFORMITY OF BOOKS AND RECORDS WITH COST ACCOUNTING STANDARD AND GACAP.

Applicable Cost Accounting Standards are required to be followed.

6. DISCLOSURE RELTING TO ADEQUECY OF INTERNAL AUDIT OF COST RECORDS.

There was no system of Internal Audit of Cost Records in this company.

7. DISCLOSURE RELATING TO AVILABILITY OF AUDITED AND CERTIFIED COST STATEMENTS AND SCHEDULES OF EACH UNIT AND EACH PRODUCT OR ACTIVITY.



We obtained activity wise cost statement at H.Q.

8. DISCLOSURE RELATING TO SUBMISSION OF PERFORMANCE APPRAISAL REPORT.

Performance appraisal report is submitted along with Cost Audit Report.

9. COST AUDITORS OBSERVATION AND SUGGESTIONS.

Area wise Cost Statement is required to be prepared periodically. It is obvious that company should have a separate Costing department to look over the matter.

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WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED

PERFORMANCE APPRAISAL REPORT

2012-13

Figs Rs. in lakhs

Sl no	Items	2012-13	2011-12	Remarks
1	Capacity Utilization Analysis	Capacity Utilised 96.50%	Capacity Utilised 96.40%	Increases in capacity Utilisation
2	Productivity / Efficiency Analysis	Transmission Loss – 3.5%	Transmission Loss – 3.6%	Loss percentage minimum.
3	Key-Costs & Contribution Analysis (Note – 1)	Key Cost Rs.- 32533.47, lakh Contribution per unit – Rs 2.73	Key Cost Rs. – 30534.831 akh Contribution per unit – Rs. 2.032	Increases in the key cost (due to increase in depreciation) and Increase in contribution per unit due to Increase in turnover.
4	Product/Services Profitability Analysis	Profit before Tax is Rs 41632.75 lakh	Profit before Tax is Rs. 21461.16 lakh	Profit Increases due to increase in Turnover.
5	Manpower Analysis	No of Manpower is 2738 nos and Manpower cost is Rs. 13273.37 lakhs.	No of Manpower is 2755 nos and Manpower Cost is Rs 11976.98 lakhs	Though the numbers of manpower decreses marginally but due to increase of dearness and other allowances cost of manpower has increased.



Note – 1 :

Depreciation and Interest Charges are taken as Key Cost of the Company.
Only 'Repairs & Maintenance' cost are taken as Variable Cost of the company.

	2012-13	2011-12
Key Cost		
Depreciation	13699.58	12512.90
Interest charges	18833.89	18021.93
	32533.47	30534.83
Contribution		
Turnover	101028.31	72411.37
Less: Variable Cost		
Repair & maintenance	3175.58	2849.39
Total (A)	97852.73	69561.98
Qty of Power Transmitted (MU) (B)	35734.29	34232.00
Contribution per unit (A / B)	2.73	2.032



COST ACCOUNTING POLICY

As the company does not sell and purchase electricity, the cost of power means cost of transmission of electricity, which mainly consists of Direct Employee Cost, Direct Expense, Depreciation, Administration overheads and Finance Cost

Income consists of Transmission charges, Scheduling and SLDC charges and short term open access charges.

IDENTIFICATION OF COST CENTER

The company consists of only one cost center, which takes care of all activities. The company is having only one activity, which is transmission of electricity.

ACCOUNTING FOR MATERIAL COST INCL STORES & SPARES, EMPLOYEE COST, UTILITIES, AND OTHER RELEVANT COST COMPONENTS.

As the company is not producing any power, cost of Material, Utilities and stores does not arise. All stores and consumables purchase has been used for repairs & maintenance or capitalized in due course.
Employee Cost has been segregated between direct and indirect. Indirect employee cost is included in Administrative overhead.

ACCOUNTING FOR ALLOCATION AND ABSORPTION OF OVERHEADS

Administrative overhead includes indirect employee cost and other related and expenses. As per West Bengal Electricity Regularity Commission guidelines rate per unit of transmission of electricity has been determined. Hence Selling & Distribution cost could not separately ascertained.

DEPRECIATION / AMORTISATION

Depreciation / Amortisation have been taken as per guidelines of .West Bengal State Electricity Regulatory Commission.

ACCOUNTING FOR BY PRODUCTS/JOINT PRODUCTS, SCRAPS, WASTAGES ETC.

Accounting for By – Products / Joint- Products, Scraps, Wastages etc are not applicable here. Scraps as identified by the designated scrap committee are disposed off at regular interval.

BASIS OF INVENTORY VALUATION

Inventories are valued at Cost.



METHODOLOGY FOR INTER UNIT/ INTER COMPANY AND RELATED PARTY TRANSACTION

The Company receives transmission charges from West Bengal State Electricity Distribution Company Ltd (WBSEDCL) .This amount is fixed as per Tariff order of Hon'ble West Bengal Electricity Regulatory Commission.

TREATMENT OF ABNORMAL AND NON RECURRING COST INCLUDING CLASSIFICATION OF NON COST ITEMS

We have not observed any non recurring or abnormal cost in this year. Other Income of Rs.1605.69 lakh has been treated as non cost item.

OTHER RELEVANT COST ACCOUNTING POLICY ADOPTED BY THE COMPANY

No such items adopted here.

BRIEFLY SPECIFY CHANGES, IF ANY, MADE IN THE COST ACCOUNTING POLICY FOR THE PRODUCT/ ACTIVITY GROUP(S) UNDER AUDIT DURING CURRENT FINANCIAL YEAR AS COMPARED TO PREVIOUS FINANCIAL YEAR.

We have not observed any such changes.

OBSERVATIONS OF THE COST AUDITOR REGARDING ADEQUACY OR OTHERWISE OF THE BUDGETARY CONTROL SYSTEM IF ANY FOLLOWED BY THE COMPANY.

We observed adequate budgetary control system in vogue in the company.

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