

**WEST BENGAL STATE ELECTRICITY  
DISTRIBUTION COMPANY LIMITED**



***WBSEDCL***

**APPENDIX – A2**

**COPIES OF THE COST AUDIT REPORTS OF WBSEDCL FOR  
THE YEAR 2018-19, 2019-20, 2020-21 & 2021-22**

**MULTI YEAR TARIFF PETITION FOR THE YEAR 2023-24, 2024-25  
& 2025-26**

**Submitted to the**

**HON'BLE WEST BENGAL ELECTRICITY  
REGULATORY COMMISSION**

# A.J.S & ASSOCIATES

COST ACCOUNTANTS

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COST AUDIT REPORT FOR THE YEAR  
ENDED 31.03.2019

WEST BENGAL STATE ELECTRICITY  
DISTRIBUTION COMPANY LTD.

BIDYUT BHAVAN, BLOCK-DJ, SECTOR-II,  
BIDHANNAGAR, KOLKATA-700091

Head Office: 55B, S.P. Mukherjee Road  
1st Floor, Near Hazra Xing  
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Form CRA-3
[Pursuant to rule 6(4) of the Companies (Cost Records and Audit) Rules, 2014]
<b>FORM OF THE COST AUDIT REPORT</b>
We, M/s A.J.S & Associates, Cost Accountants having been appointed as Cost Auditor under Section 148 of the Companies Act, 2013 (18 of 2013) of M/S West Bengal State Electricity Distribution Limited having its registered office at Vidyut Bhawan, Bidhannagar, Block - DJ, Sector-II, Kolkata - 700091, have audited the Cost Records maintained under section 148 of the said Act, in compliance with the cost auditing standards, in respect of the Electricity Services for the year 2018-19 maintained by the company and report, in addition to our observations and suggestions in paragraph 2.
i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of this audit.
ii) In our opinion, proper cost records, as per rules 5 of the Companies (Cost Records and Audit) Rules, 2014 have been maintained by the company in respect of service(s) under reference.
iii) In our opinion, proper returns adequate for the purpose of the Cost Audit have been received from the branches visited by us.
(iv) In our opinion and to the best of our Information, the said books and records give the information required by the Companies Act, 2013, in the manner so required.
v) In our opinion, Company has adequate system of internal audit of cost records which to our opinion is commensurate to its nature and size of its business.
vi) In our opinion, information, statements in the annexure to this cost audit report gives a true and fair view of the cost of production of rendering of service(s), cost of sales, margin and other information relating to service(s) under reference.
(vii) Detailed unit wise and service-wise cost statements and schedules thereto in respect of the service under reference of the company duly audited and certified by us are kept in the company.
2. Observations and suggestions, if any, of the Cost Auditor, relevant to the cost audit.
(a) The Company has adequate cost accounting system for determination of true and fair cost of production, cost of sales, margin of the product under reference produced during the year under audit. The inventory valuations of the company are in conformity with the generally accepted accounting principle in India as mentioned in the audited profit & loss account and balance sheet.
(b) The Company has adequate budgetary control system.
(c) The Company has internal audit of the Cost Records as maintained under Cost Audit Record Rules 2014.
(d) Generation of electricity from TCF has reduced by 34.78% appx. and that of Mini Micro by 3.72% during FY 2018-19.
(e) Cost of Generation (INR/KWH) of TCF, MiniMicro and PPSP is higher in comparison to P.Y.
(f) Realization is low at Berhampore Zone and Midnapore Zone where loss per unit sold is in the range of Rs 1.57 and Rs 0.83, which results into a total of Rs 1008.48 Crore loss from these Two zones only.
(g) Finance Cost per unit sold amounts to Rs .46 which is high.



(h) We observed no such matters which is clearly wrong in principle or apparently unjustifiable.

Suggestions:

(i) Special attention may be given on Midnapur Zone and Berhampore Zone to improve timely billing and Collection

(ii) It has been seen that for Midnapore and Berhampore Zone the nature of loss at these zones is inherent one, hence the entire process flow may be incentivised for achieving operational efficiency.

(iii) Operational efficiency for distribution system to be managed adequately to reduce the ATC loss.

For A.J.S. & ASSOCIATES

COST ACCOUNTANTS

  
T PARTNER

Date : 27/12/2019

Place : Kolkata

## M/S WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LTD.

## ANNEXURE TO THE COST AUDIT REPORT FOR THE YEAR 2018-19

## PART - A

## 1. GENERAL INFORMATION:-

1	Corporate identity number of foreign company registration number	U40109WB200756C113473
2	Name of the company:	WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED
3	Address of Registered office or principal place of business in India of company:	Vidyut Bhavan, Salt Lake City, Kolkata - 700091
4	Address of Corporate office of the company:	Vidyut Bhavan, Salt Lake City, Kolkata - 700091
5	E-mail address of the company:	wbsedclcompilation@gmail.com
6	Date of beginning of reporting Financial Year	4-1-2018
7	Date of ending of reporting Financial Year	3-31-2019
8	Date of beginning of previous Financial year	4-1-2017
9	Date of ending of previous Financial year	3-31-2018
10	Level of rounding used in cost statement	Lakhs
11	Whether Indian Accounting Standard are Applicable to the Company	Yes
12	Number of cost auditors for reporting period	One
13	Date of board meeting in which annexure to the cost audit report was approved	27.12.2019
14	Whether cost auditors report has been qualified or has any reservations or contains adverse remarks	NO
15	Consolidated qualification, reservations or adverse remarks of all cost auditors	NO
16	Consolidated observation or suggestion of all cost auditors	Attached
17	Whether the company has related party transaction for sale or purchase of goods or services.	NO
2. GENERAL DETAILS OF COST AUDITOR:-		
1	Whether cost auditor is lead auditor	NA
2	Category of cost auditor	Partnership Firm
3	Firms' registration number	000106
4	Name of cost auditor/cost auditor's firm	A.J.S & ASSOCIATES, COST ACCOUNTANTS
5	PAN of cost auditor or cost auditor's firm	AAJFAS512C
6	Address of cost auditor or cost auditor's firm	55 B, S.P. MUKHERJEE ROAD, 1ST FLOOR, KOLKATA-700026
7	Email id of cost auditor or cost auditor's firm	ajs_icwai2@dataone.in ; ajs150702@gmail.com
8	Membership number of the member signing the audit report.	M / 17592
9	Name of the member signing the audit report	CMA ASHOK KUMAR PRASAD , FCMA
10	Name(s) of the product(s) or service(s) with CETA heading	Distribution and Generation (Hydel Plant) of Electricity CETA - 2716
11	SRN number of Form CRA - 2	G91108209 Dt: 29.06.2018
12	a) Number of audit committee meeting (s) during the year for which Cost Auditor was invited	Nil
	b) Number of Audit Committee meetings attended by the Cost Auditor during the year	Nil
13	Date of signing cost audit report and annexure by cost auditor	27.12.2019
14	Place of signing cost audit report and annexure by cost auditor	Kolkata





### 3. Cost Accounting Policy:-

{1}	Briefly describe the cost accounting policy adopted by the Company and its adequacy or otherwise to determine correctly the cost of production/operation, cost of sales, sales realization and margin of the product/activity groups under reference separately for each product/activity group. The policy should cover, inter alia, the following areas:	The company maintains Cost Accounting Records on accrual basis. The company is engaged in Generation and Distribution of electricity. The Cost of sales consists of purchase of electricity, employee cost, repair and maintenance, depreciation, Overhead, interest and finance charges and Cost of Generation for generating stations.
a)	Identification of cost centres/cost objects and cost drivers.	All the Distribution Zones and Power generating stations have been identified as independent cost centres and all the expenses incurred are allocated to them on actual basis. There are 15 (fifteen) major cost centres which includes 5 Zones and DHQ for Distribution business, 4 Hydro Generating stations and Hydel Head Quarters for Hydel Generation business, 1 Pumped Storage Project & PSPD for Pumped Storage business, Solar Power Generation Department for Solar Generation Business and Corporate for entire business. Besides there are sub-Cost Centres at Divisional levels also.
b)	Accounting for material cost including packing materials, stores and spares etc., employee cost, utilities and other relevant cost components.	i) Electricity is purchased from different companies. Accounting for material cost including packing materials is not applicable. ii) For stores and spares adequate item-wise records are being maintained for both quantity and value. The valuation of issues is made on the basis of "Moving Weighted Average" method iii) Employees cost and other relevant cost is considered on accrual basis. iv) Utilities: Electricity was not provided free of cost to the employees.
c)	Accounting, allocation and absorption of overheads	Overheads have been accounted, allocated and absorbed, whenever possible on the actual basis otherwise on the basis of generally acceptable cost accounting principles. i) Employees cost, Repair & maintenance cost, administrative cost and depreciation which is directly identifiable is allocated to the cost centre directly and rest is charged to administrative overhead. ii) Finance cost: Capital loan component of finance cost is apportioned to the specific cost centres on the basis of net assets of the cost centre whereas working capital element has been apportioned on the basis of ratio of total cost of the respective cost centres. Project specific finance cost has been allocated to the concerned cost centres on Asset Value Basis.
d)	Accounting for Depreciation/Amortization	Depreciation has been charged as per Electricity Act, 2003 and not as per Companies Act, 2013. Fixed Assets constructed/procured out of contribution received from consumers/Assets Transferred from consumers/others are recognised in the accounts at its fair value and included in non-current liabilities as deferred income. Depreciation component on those assets is credited to profit & loss account throughout the expected life of those assets on a systematic basis.
e)	Accounting for by-products/joint-products, scraps, wastage etc.	As WBSEDCL is engaged in the business of Hydro and Pumped Storage Generation and Distribution of Electricity, there is no scope of any by-product/joint product, scraps, wastages etc. arising out of its generation and distribution of electricity activities.



f)	Basis for Inventory Valuation	At the time of issue, Inventory is valued at moving weighted average method for respective profit Centre. Closing inventory is valued at lower of cost and net realizable value.
g)	Methodology for valuation of Inter-Unit / Inter Company and Related Party transactions.	Inter Company and related party transactions are valued at cost price. However for this year no related party transaction exit.
h)	Treatment of abnormal and non-recurring costs including classification of other non-cost items.	Abnormal and Non-recurring Costs including other Non-Cost items are treated as items of reconciliation in the Cost Records.
i)	Other relevant cost accounting policy adopted by the Company	No sales has been booked in accounts for Generation plants as its generation is embedded with the distribution business of the company. Therefore all the costs of Hydel generation has been charged as expense in Abridged Cost Statement for the Company as a whole.
(2)	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.	As the company has adopted Ind AS, there has been change in cost accounting policies adopted by the company during the financial year as compared to previous year.
(3)	Observations of the Cost Auditor regarding adequacy or otherwise of the Budgetary Control System, if any, followed by the company.	The Company has adequate budgetary control system.



**4. PRODUCT/SERVICE DETAILS for the company as a whole**

Name of Product(s) /Services)	UOM	CETA heading (wherever applicable)	Whether Covered under Cost Audit Yes / No	Net Operational Revenue in INR Lakhs (net of taxes, duties etc.)	
				2018-19	2017-18
1. Sale of Electricity	Rs Lakhs	2716	Yes	2064205.00	1899525.00
<b>Gross Operational Revenue of Manufactured Product or Service</b>				2064205.00	1899525.00
<b>Less: Rebate to consumers and charges for Export</b>				0.00	0.00
<b>Total Net Operational Revenue of Manufactured Product or Service</b>				2064205.00	1899525.00
<b>Other Operating Incomes of Company</b>				0.00	0.00
<b>Total Operating Income of Company</b>				2064205.00	1899525.00
Exceptional and Extra Ordinary Income				123054.00	94220.00
Other Comprehensive Income if any				11294.00	9752.00
Total revenue including extra ordinary Income, if any				2198553.00	2003497.00
Turnover as per Excise /Service Tax /GST				0.00	0.00





**PART-C**

**1. QUANTITATIVE INFORMATION (for each service separately)**

Name of Service Code (if applicable)	ELECTRICITY		
Particulars	Unit	2018-19	2017-18
<b>1. Available Capacity</b>			
(a) Installed Capacity	MW	1127.37	1107.37
(b) Capacity enhanced during the year, if any	MW	20.00	20.00
(c) Total available capacity	MW	1127.37	1107.37
(i) Own Generation of Electricity (Net of Captive Consumption)	MU	1660.91	1437.09
(ii) Power Purchase from Outside	MU	39931.60	38443.89
(iii) Total Available Power (i+ii)	MU	41592.51	39880.97
<b>2. Actual Services Provided</b>	MU		
(a) Own Services	MU	30007.30	27828.40
(b) Captive Consumption	MU	57.75	52.00
(c) Outsourced Services	MU	11527.46	12000.58
(d) Total Services	MU	41592.51	39880.98
<b>3. Total Services provided as per Service Tax Records</b>	MU	30007.3	27828.4
<b>4. Capacity Utilization (in house)</b>	MU	0.00	0.00
<b>5. Other Adjustments</b>	MU		
a) Self or Captive Consumption	MU	(57.75)	(52.00)
b) Other Quantative Adjustments (normal + Intra )	MU	(11527.45)	(12000.59)
c). Total Other Adjustment	MU	(11585.20)	(12052.59)
<b>6. Total available Services for Sale [2(d)+5(c)]</b>	MU	30007.31	27828.39
<b>7. Actual Sales</b>			
(a) Services rendered - Domestic	MU	27678.12	25526.76
(b) Services rendered - Export	MU	2329.19	2301.63
(c) Total Services Rendered	MU	30007.31	27828.39



**2. ABRIDGED COST STATEMENT ( FOR EACH PRODUCT GROUP SEPARATELY )**

	Name of Service	<b>ELECTRICITY DISTRIBUTION</b>			
	Service Code (if applicable)	NOT APPLICABLE			
	Unit of Measurement (UOM)	MU			
		Service Provided	Captive Consumption	Other Adjustment	Service rendered
	Current Year	30065.05	57.75		30007.30
	Previous Year	27880.40	52.00		27828.40

Sl.no	PARTICULARS	2018-19		2017-18	
		Amount	Rate	Amount	Rate
		(INR Lakhs)	INR /kWh	(INR Lakhs)	INR /kWh
1	Purchase of Electricity	1807262.00	6.02	1617733.53	5.81
2	Utilities	0.00	0.00	0.00	0.00
3	Direct employee cost	66198.60	0.22	67811.87	0.24
4	Direct Expense	0.00	0.00	0.00	0.00
5	Other Consumable incl. stores and spares	0.00	0.00	0.00	0.00
6	Repair and maintenance	26135.99	0.09	29205.87	0.10
7	Quality control expenses	0.00	0.00	0.00	0.00
8	Research and development expenses	0.00	0.00	0.00	0.00
9	Technical know how fee/ royalty	0.00	0.00	0.00	0.00
10	Depreciation/ Amortization	38368.87	0.13	57390.17	0.21
11	Other Overheads	27722.42	0.09	20167.19	0.07
12	Industry Specific operating Expenses	0.00	0.00	0.00	0.00
13	Industry Specific operating Incomes	0.00	0.00	0.00	0.00
14	TOTAL (1 to 13)	1965687.88	6.55	1792308.63	6.43
15	Less: Credit For Recoveries	59219.99	0.20	59781.49	0.21
16	Cost of Services Provided (14 - 15)	1906467.89	6.35	1732527.14	6.22
17	Cost of Outsourced / Contractual services	53695.93	0.18	49690.87	0.18
18	Total service available (16+17)	1960163.82	6.53	1782218.01	6.40
19	Less: Self / captive consumption	0.00	0.00	0.00	0.00
20	Other Adjustments (if any)	0.00	0.00	0.00	0.00
21	Cost of Services Sold (18-19-20)	1960163.82	6.53	1782218.01	6.40
22	Administrative overheads	56743.05	0.19	55171.88	0.20
23	Selling and distribution overheads	0.00	0.00	0.00	0.00
24	Cost of Sales before interest (21+22+23)	2016906.87	6.72	1837389.89	6.60
25	Finance charges	138485.25	0.46	141281.83	0.51
26	Cost of Sales (24+25)	2155392.12	7.18	1978671.72	7.11
27	Net Sales Realization (Net of Taxes & Duties)	2064205.08	6.88	1896045.98	6.81
28	Margin as per Cost Accounts (27-26)	(91187.04)	(0.30)	(82625.74)	(0.30)
29	Net Movement in Regulatory Deferral account balance	123054.00	0.41	94220.00	0.34
30	Sales Including Net Movement in Regulatory Deferral account balance (27+29)	2187259.08	7.29	1990265.98	7.15
31	Margin including Movement in Regulatory Deferral account balance (30-26)	31866.96	0.11	11594.26	0.04



## PART D

## 3. Product Profitability statement (for audited products/services)

Without Net Movement in Regulatory Deferral account balance

Without Net Movement in Regulatory Deferral account balance

		2018-19					2017-18						
Sl.no.	Particulars	QTY. in MU 1	RATE (Sales value/MU) (INR) $2 = (3 / 10) / (1)$	Sales Value { INR Lakhs } 3	Cost of sales { INR Lakhs } 4	Margin { INR Lakhs } 5	Margin per unit (INR) $6 = [(5) / 10] / (1)$	QTY. in MU 1	RATE (Sales value/MU) (INR) 2	Sales Value { INR Lakhs } $3 = (3 / 10) / (1)$	Cost of sales { INR Lakhs } 4	Margin { INR Lakhs } 5	Margin per unit (INR) $6 = [(5) / 10] / (1)$
	1 Electricity Distribution	30007.31	6.88	2064205.08	2153392.12	(91187.04)	(0.30)	27828.40	6.81	1896045.98	1978671.72	(82625.74)	(0.30)
Total (Without Movement in Regulatory Deferral account balance)		30007.31	6.88	2064205.08	2153392.12	(91187.04)	(0.30)	27828.40	6.81	1896045.98	1978671.72	(82625.74)	(0.30)

With Net Movement in Regulatory Deferral account balance

Sl.no.	Particulars	2018-19					2017-18						
		QTY. in MU	RATE (Sales value/MU) (INR)	Sales Value (INR Lakhs)	Cost of sales (INR Lakhs)	Margin (INR Lakhs)	Margins per unit (INR)	QTY. in MU	RATE (Sales value/MU) (INR)	Sales Value (INR Lakhs)	Cost of sales (INR Lakhs)	Margin (INR Lakhs)	Margin per unit (INR)
1	Electricity Distribution	30,007.31	$12 = (3 / 10) / (1)$ 7.29	2,187,259.08	2,155,392.12	31,866.96	$5.6 = [(5) / 10] / (1)$ 0.11	27,828.40	7.15	1,990,265.98	1,978,671.72	11,594.26	$5.6 = [(5) / 10] / (1)$ 0.04
Total ( With Movement in Regulatory Deferral account balance)		30,007.31	7.29	2,187,259.08	2,155,392.12	31,866.96	0.11	27,828.40	7.15	1,990,265.98	1,978,671.72	11,594.26	0.04



**(2) Profit Reconciliation (for the company as a whole)**

(INR Lakhs)

Sl. No.	Particulars	2018-19	2017-18
1	Profit or loss as per Cost Accounting Records		
	(A) Profit for the Audited Product Group	-91187.04	-82625.74
	(B) Profit for unaudited Product Group		0.00
2	Profit or loss as per Cost Accounting Records	-91187.04	-82625.74
3	Add: Incomes not considered in cost -		
(a)	Other income		
(b)	Other Operating Income	0.00	0.00
(c)	Other Comprehensive Income	11294.00	9752.00
(d)			
	<b>Total</b>	<b>-79893.04</b>	<b>-72873.74</b>
	Less: Expenses Not considered in cost (Finance charges)	6174.00	13002.00
	Non cost item [Provision as per note 38(D)]	2524.00	2622.00
	Less: Arrear Dues of Power Purchase cost from different sources	18160.00	0.00
	Less : Arrear Dues of Transmission Charges	10064.00	0.00
	Add: Insurance Claim Settlelement	531.73	0.00
	<b>TOTAL</b>	<b>-116283.31</b>	<b>-88497.74</b>
4	Difference in valuation of stock between Financial accounts & cost accounts.	0.00	0.00
5	Income realisable from regulatory mechanism	123054.00	94220.00
6	Profit as per Financial Accounts (before Tax)	6770.69	5722.26



3. Value Addition and Distribution of Earnings			
Sl. No	Particulars	Fig. in INR Lakhs	
		2018-19	2017-18
	Value Additions :		
1	Revenue from Operations (Excluding Electricity Duty)	2,064,205.00	1,899,525.00
2	Less: Taxes and Other duties (Rebate allowed to consumer)	-	-
3	Net Revenue from Operations	2,064,205.00	1,899,525.00
4	Add: Export Incentives		
5	Add/Less : Adjustment in Stocks	-	-
6	Less: Cost of bought out inputs	2,064,205.00	1,899,525.00
(a)	Cost of Power Purchase	1,807,262.00	1,617,733.53
(b)	process of Materials/ Chemicals		-
(c)	Consumption of Stores & Spares		-
(d)	Utilities (e.g. Power & Fuel)		-
(e)	Cost of bought out inputs	1,807,262.00	1,617,733.53
(f)	Others expenses	107,554.34	99,063.93
	Total Cost of Bought Out Inputs	1,914,816.34	1,716,797.46
7	Value Added	149,388.66	182,727.54
8	Add: Income from any other sources	-	-
9 i)	Exceptional and Extra Ordinary Income	123,054.00	94,220.00
ii)	Other Comprehensive Income , if any	11,294.00	9,752.00
10	Earning available for distribution	283,736.66	286,699.54
	Distribution of Earnings to :		
1	Employees as salaries & Wages, Retirement benefits, Etc	66,198.60	67,811.87
2	Company as retained funds: Depreciation	38,368.87	57,390.17
3	Company as retained funds ( Net cash accruals)	4,793.00	4,085.26
4	Government as taxes (Specify)	1,978.00	1,637.00
5	Others, if any	172,398.19	155,775.24
	TOTAL	283,736.66	286,699.54



**4. FINANCIAL POSITION AND RATIO ANALYSIS (for the Company as a whole)**

Fig. in INR Lakhs

Sl.	Particulars	Units	2018-19	2017-18
<b>A.</b>	<b>Financial Position</b>			
1	Paid-up Capital	INR Lakh	231,686.00	229,624.00
2	Reserves & Surplus	INR Lakh	27,444.00	18,028.00
3	Loans (Secured & unsecured)	INR Lakh	521,631.00	582,481.00
4	(a) Gross Fixed Assets (Property Plant & Equipment)	INR Lakh	2,485,025.00	2,198,040.00
	(b) Net Fixed Assets (Property Plant & Equipment)	INR Lakh	2,146,817.00	1,949,801.00
5	(a) Total Current Assets	INR Lakh	881,990.00	922,736.00
	(b) Less: Current Liabilities & Provisions	INR Lakh	1,860,285.00	1,822,054.00
	(c) Net Current Assets	INR Lakh	(978295.00)	(880736.00)
6	Capital Employed	INR Lakh	1,168,522.00	1,069,065.00
7	Net Worth	INR Lakh	231,180.00	221,370.00
<b>B.</b>	<b>Financial Performance</b>			
1	Value Added	INR Lakh	149,388.66	182,727.54
2	Net Revenue from operation of the company	INR Lakh	2,064,205	1,899,525.00
3	Profit Before Tax (PBT) (Total Comprehensive Income Before Tax )	INR Lakh	6,770.69	5,722.26
<b>C.</b>	<b>Profitability Ratios</b>			
1	PBT to Capital Employed (B5/A6)	%	0.58	0.54
2	PBT to Net Worth (B5/A7)	%	2.93	2.58
3	PBT to Value Added (B5/B4)	%	0.58	0.54
4	PBT to Net Revenue form operation	%	0.33	0.30
<b>D.</b>	<b>Other Financial Ratios</b>			
1	Debt-Equity Ratio	%	2.26	2.63
2	Current Assets to Current Liabilities	%	0.47	0.51
3	Value Added to Net Revenue from operation	%	0.07	0.10
<b>E.</b>	<b>Other Working Capital Ratios</b>			
1	Raw Materials Stock to Consumption	Months	-	-
2	Stores & Spares to Consumption	Months	-	-
3	Finished Goods Stock to Cost of Sales	Months	-	-





D. 6 Reconciliation of Indirect Taxes (for the company as whole)						
Sl. No.	Particulars	Taxable Value/ Assessable Value	Excise Duty/VAT CST, Cess	Goods & Services Tax		
		Rs.	Rs.	CGST	SGST/ IGST	Cess and Others
				Rs.	Rs.	Rs.
1	Duties/Taxes Payable					
	Excise Duty					
1	Domestic	-	-	-	-	-
2	Export	-	-	-	-	-
3	Stock Transfer (Net)	-	-	-	-	-
4	Other, if any	-	-	-	-	-
5	Total Excise Duty (1 to 4)	-	-	-	-	-
6	VAT, CST, Cess etc.	49,962.00	495.00	-	-	-
7	Other State Taxes, if any	75,707.00	199.00	-	-	-
	Goods & Services Tax					
8	Outward Taxable Supplies (other than zero rated, Nil Rated and Exempted)	5,917.98	-	529.10	529.10	7.14
9	Outward Taxable Supplies (zero rated)	-	-	-	-	-
10	Inward Supplies (Liable to reverse Charge)	2,185.19	-	116.24	116.24	0.10
11	Other Outward Supplies (Nil Rated, Exempted)	2,152,831.02	-	-	-	-
12	Non-GST Outward Supplies	-	-	-	-	-
13	Total (8 to 12)	2,160,934.19	-	645.34	645.34	7.24
14	Total Duties/Taxes Payable (5+6+7+13)	2,286,603.19	694.00	645.34	645.34	7.24
	Duties/Taxes paid (By utilisation of Input Tax Credit and payment through Cash Ledger, as the case may be)					
	Input Tax Credit Utilised					
15	CGST/CENVAT	-	-	-	-	-
16	SGST/UTGST/VAT	-	-	-	-	-
17	IGST	-	-	-	-	-
18	Cess	-	-	-	-	-
19	Transitional Credit	-	-	-	-	-
20	Other, if any, specify	-	-	-	-	-
21	Total Input Tax Credit Utilised (15 to 20)	-	-	-	-	-
22	Payment through Cash Ledger	-	694.00	645.34	645.34	7.24
23	Total Duties/Taxes Paid (21+22)	-	694.00	645.34	645.34	7.24
	Difference between Taxes Paid and Payable (14- 23)					
24	Interest/Penalty/Fines Paid	-	-	-	-	-

Aparna Biswas  
 APARNA BISWAS  
 Company Secretary  
 W.B. State Electricity Dist. Co. Ltd.

  
 K. K. Ghosh  
 FA & CFO  
 WBSEDCL



**WEST BENGAL STATE ELECTRICITY  
DISTRIBUTION COMPANY LIMITED  
VIDYUT BHAWAN  
KOLKATA 700 091**

# **Cost Audit Report 2019-2020**



***WBSEDCL***

**DGM & ASSOCIATES  
COST ACCOUNTANTS  
64, B.B.GANGULY STREET,  
KOLKATA 700 012**

**FORM CRA- 3**  
(Pursuant to rule 6(4) of the Companies (Cost Records and Audit) rules, 2014)  
**FORM OF THE COST AUDIT REPORT**

We DGM AND ASSOCIATES having been appointed as Cost Auditors under Section 148(3) of the Companies Act, 2013 (18 of 2013) of **West Bengal State Electricity Distribution Company Limited** having its registered office at Vidhut Bhavan, Block DJ, Sector II, Bidhannagar, Kolkata -700091, West Bengal, have audited the Cost Records maintained under Section 148 of the said Act, in compliance with the cost auditing standards, in respect of the "Electricity Generation and Distribution" for the year ended 31st March 2020 maintained by the company and report, in addition to our observations in para 2.

1 (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of this audit.

(ii) In our opinion, proper cost records, as per Rule 5 of the Companies (Cost Records and Audit) Amendment Rules, 2014 have been maintained by the company in respect of the service under reference.

(iii) In our opinion proper returns adequate for the purpose of the Cost Audit been received from the respective branches.

(iv) In our opinion and to the best of our information, the said books and records give the information required by the Companies Act, 2013, in the manner so required.

(v) In our opinion, the company has adequate system of internal audit of cost records which to our opinion is commensurate to its nature and size of its business.

(vi) In our opinion, information, statements in the annexure to this cost audit report gives a true and fair view of the cost of service, cost of sales, margin and other information relating to service under reference.

(vii) Details unit-wise and service wise cost statements and schedules thereto in respect of the service under reference are maintained by the company.

2 Observations and suggestions, if any, of the Cost Auditor, relevant to the cost audit.

- a) The Company has made profit in the current financial year.
- b) Accounting system should be correlated with Standard Costing. Variances should be analysed at the month end and corrective action should be taken for favourable/adverse Variances. Standard Costing can also be reviewed with the Budget to achieve the target.

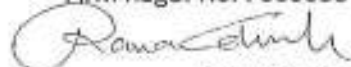
Kolkata, 12<sup>th</sup>, November, 2020.

UDIN Number: 2009356A1DRIU8XTLY



For DGM & Associates  
Cost Accountants

Firm Regd. No. : 000038



**Rana Ghosh**

(Partner)

M. No. : 09356



WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LTD.		
ANNEXURE TO THE COST AUDIT REPORT FOR THE FINANCIAL YEAR: 2019-20		
PART - A		
1. GENERAL INFORMATION:		
1	Corporate identity number of foreign company registration number	U40109WB2007SGC113473
2	Name of the company:	WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED
3	Address of Registered office or principal place of business in India of company:	Vidyut Bhavan, Block DJ Sector II, Bidhannagar, Kolkata - 700091, W.B.
4	Address of Corporate office of the company:	Vidyut Bhavan, Block DJ Sector II, Bidhannagar, Kolkata - 700091, W.B.
5	E-mail address of the company:	<a href="mailto:wbsedclcompilation@gmail.com">wbsedclcompilation@gmail.com</a>
6	Date of beginning of reporting Financial Year	01.04.2019
7	Date of ending of reporting Financial Year	31.03.2020
8	Date of beginning of previous Financial year	01.04.2018
9	Date of ending of previous Financial year	31.03.2019
10	Level of rounding used in cost statement	Lakhs
11	Reporting Currency of Entity	INR
12	Whether Indian Accounting Standard are Applicable to the Company	Yes
13	Number of cost auditors for reporting period	One
14	Date of Board of directors meeting in which annexure to the cost audit report was approved.	12.11.2020
15	Whether cost auditor's report has been qualified or has any reservations or contains adverse remarks	No Such Qualification
16	Consolidated qualification, reservations or adverse remarks of all cost auditors	No Such Qualification
17	Consolidated observation or suggestion of all cost auditors	Observation and Suggestions have been stated in point no (2) in Form of Cost Audit report.
18	Whether the company has related party transaction for sale or purchase of goods or	NO
2. GENERAL DETAILS OF COST AUDITOR:		
1	Whether cost auditor is lead auditor	YES
2	Category of cost auditor	Partnership Firm
3	Firms' registration number	000036
4	Name of cost auditor/cost auditor's firm	DGM & ASSOCIATES
5	PAN of cost auditor or cost auditor's firm	AACFD2448R
6	Address of cost auditor or cost auditor's firm	64, B.B.Ganguly Street, (2 nd Floor), Kolkata-700012
7	Email id of cost auditor or cost auditor's firm	<a href="mailto:ranaghoshb@yahoo.co.in">ranaghoshb@yahoo.co.in</a>
8	Membership number of the member signing the audit report	09356
9	Name of the member signing the audit report	Mr. RANA GHOSH
10	Name(s) of the product(s) or service(s) with CETA heading	Distribution and Generation (Hydel Plant) of Electricity CETA - 2716
11	SRN number of Form CRA - 2	H91410545
12	a) Number of audit committee meeting (s) during the year for which Cost Auditor was invited	Nil
13	b) Number of Audit Committee meetings attended by the Cost Auditor during the year	Nil
14	Date of signing cost audit report and annexure by cost auditor	12.11.2020
15	Place of signing cost audit report and annexure by cost auditor	Kolkata



## 2. COST ACCOUNTANCY POLICY

### 1. Cost Accountancy policy

#### (a) DISCLOSURE REGARDING IDENTIFICATION OF COST CENTRES, COST OBJECTS AND COST DRIVERS

Cost Centers consists of :

- (A) All Distribution Zones and Power Generating Stations have been identified as independent Cost Centres and all the expenses incurred are allocated to them on actual basis. There are 15 (fifteen) Major cost centres which include 5 Zones and DHQ for Distribution business, 4 Hydro Generating Stations for Hydel Generating business and One Purulia Pumped Storage business.
- (B) Administrative – Corporate Office
- (D) Selling – Meter Reading, Billing and Cash Collection.

The Cost Driver for the Cost Object of Distribution is computed on the basis of Amount/KWH

#### (b) DISCLOSURE OF ACCOUNTING OF COST INCLUDING PACKING MATERIAL , STORES SPARES , EMPLOYEE COST, UTILITIES AND OTHER RELEVANT COST COMPONENTS

Electricity is purchased from different companies is termed as material for the company. For stores and spares adequate records are maintained.

#### (c) DISCLOSURE REGARDING ACCOUNTING, ALLOCATION AND ABSORPTION OF OVERHEADS

Accounting, allocation and absorption has been made as per Cost Accounting Standards. Expenses which are directly identified to respective cost centers are allocated and booked directly. Expenses which are common in nature are apportioned on suitable basis.

#### (d) DISCLOSURE REGARDING ACCOUNTING FOR DEPRECIATION OR AMORTIZATION

Depreciation has been charged as per Electricity Act, 2003. Fixed Assets constructed/procured out of contribution received from consumers/Assets Transferred from consumers/others are recognized in the accounts at the fair value and included in non-current liabilities as deferred income.

#### (e) DISCLOSURE REGARDING ACCOUNTING FOR BY PRODUCTS, JOINT PRODUCTS AND SCRAPS AND WASTAGE

By Products and Joint Products does not arise.  
Scrap and wastages are identified by the designated committee and disposed off at regular interval.

#### (f) DISCLOSURE REGARDING BASIS OF INVENTORY VALUATION

At the time of issue Inventory is valued on the basis of Moving Weighted Average Cost. Closing stock is valued at lower of cost and net realizable value.

#### (g) DISCLOSURE REGARDING INTER UNIT OR INTERCOMPANY AND RELATED PARTY TRANSACTION

There is no Inter Unit and Related Party Transaction in the current financial year.

#### (h) DISCLOSURE REGARDING TREATMENT OF ABNORMAL AND NON-RECURRING COSTS INCLUDING CLASSIFICATION OF NON COST ITEMS



Abnormal and Non recurring expenses are considered in Reconciliation

(i) DISCLOSURE REGARDING OTHER RELEVANT COST ACCOUNTANCY POLICY:

No sales has been booked in accounts for Generation plants as the generation is embedded with the Distribution business of the company. Therefore, all the expenses of Hydel Generation has been booked as expenses in Abridged Cost Statement for the Company as a whole.

2. Disclosure regarding changes in cost accountancy policy during reporting period :

There is no change in Cost Accountancy Policy as the company following the same system as was in the Previous year.

3. Disclosure regarding adequacy of budgetary control system:

Yearly Budget is made and is reviewed when required.

Kolkata, 12<sup>th</sup> November, 2020.



*For DGM & Associates  
Cost Accountants  
Firm Regd. No. : 000038  
Rana Ghosh  
(Partner)  
M. No. : 09356*



4. PRODUCT/SERVICE DETAILS for the company as a whole.					
Name of Product(s) /Services)	UOM	CETA heading (wherever applicable)	Whether Covered under Cost Audit Yes / No	Net Operational Revenue in INR Lakhs (net of taxes, duties etc.)	
				2019-20	2018-19
1. Sale of Electricity	Rs Lakhs	2,716	Yes	Rs Lakhs	Rs Lakhs
Total (Net of rebate) Operational Revenue of Manufactured Product or Service.				22,59,417	20,58,764
(b) Other Operating Incomes of Company				55,834	-
(c) Total Operating Income of Company [a+b]				23,15,251	20,58,764
(d) Other Incomes of Company				1,02,233	-
(e) Total Revenue (net) as per financial Accounts (c+d)				24,17,484	20,58,764
(f) Exceptional and Extra Ordinary Income				2,37,842	1,23,054
(g) Other Comprehensive Income, if any				(50,424)	11,294
h) Total Revenue including Exceptional, Extra Ordinary Income and Other Comprehensive income, if any [e+f+g]				26,04,902	21,93,112
(i) Turnover as per Excise /Service Tax /GST Records				-	-



Name of The Company: West Bengal State Electricity Distribution Company Limited			
PART-C			
For Service Sector			
C1. QUANTITATIVE INFORMATION (for each service separately)			
Name of Service	ELECTRICITY		
Service Code (if applicable)			
Particulars	Unit	2019-20	2018-19
<b>1. Available Capacity</b>			
(a) Installed Capacity at the beginning of the year	MW	1,127.37	1,107.37
(b) Capacity enhanced during the year , if any	MW	20.00	20.00
(c) Total available capacity	MW	1,147.37	1,127.37
<b>2. Actual Services Provided</b>	MU		
(a) Own Services	MU	31,180.77	28,042.71
(b) Services under contractual arrangements	MU	-	-
(c) Outsourced Services etc.	MU	2,045.85	1,964.59
(d) Total Services	MU	33,226.62	30,007.30
<b>3. Total Services provided as per Service Tax/GST Records</b>	MU	33,226.62	30,007.30
<b>4. Capacity Utilization (in house %)</b>	MU	-	-
<b>5. Other Adjustments:</b>	MU	-	-
(a) Self or Captive Consumption	MU	-	-
(b) Other Quantitative Adjustments, if any	MU	-	-
(c) Total Other Adjustment	MU	-	-
<b>6.Total available Services for Sale [2(d)+5(c)]</b>	MU	33,226.62	30,007.30
<b>7. Actual Sales</b>			
(a) Services rendered - Domestic	MU	31,180.77	28,042.71
(b) Services rendered - Export.	MU	2,045.85	1,964.59
(c) Total Services Rendered	MU	33,226.62	30,007.30

-:6:-

-:WBSEDCL :-



<b>2. ABRIDGED COST STATEMENT ( FOR EACH PRODUCT GROUP SEPARATELY )</b>					
Name of Service:		ELECTRICITY DISTRIBUTION			
Service Code (if applicable):		NOT APPLICABLE			
Unit of Measurement (UOM):		MU			
		Service Provided	Captive Consumption	Other Adjustment	Service rendered
Current Year : 2019-20		33,297.62	71.00	-	33,226.62
Previous Year: 2018-19		30,065.05	57.75	-	30,007.30
Sl.no	PARTICULARS	2019-20		2018-19	
		Amount	Rate	Amount	Rate
		(INR Lakhs)	(INR /kwh)	(INR Lakhs)	(INR /kwh)
1	Purchase of Electricity	19,23,552.75	5.79	18,01,821.00	6.00
2	Utilities	-	-	-	-
3	Direct Employee cost	72,785.24	0.22	66,198.60	0.22
4	Direct Expense	-	-	-	-
5	Other Consumable incl. stores and spares	-	-	-	-
6	Repair and maintenance	37,581.07	0.11	26,135.99	0.09
7	Quality control expenses	-	-	-	-
8	Research and development expenses	-	-	-	-
9	Technical know how fee/ royalty	-	-	-	-
10	Depreciation/ Amortization	40,440.26	0.12	38,368.87	0.13
11	Other Overheads	29,178.62	0.09	27,722.42	0.09
12	Industry Specific operating Expenses	-	-	-	-
13	Industry Specific operating Incomes	-	-	-	-
14	Total : (1 to 13)	21,03,537.95	6.33	19,60,246.88	6.52
15	Less: Credit For Recoveries	74,052.44	0.22	59,219.99	0.20
16	Cost of Services Provided: (14 - 15)	20,29,485.50	6.11	19,01,026.89	6.33
17	Cost of Outsourced / Contractual services	57,178.90	0.17	53,695.93	0.16
18	Total Service available: (16+ 17)	20,86,664.40	6.28	19,54,722.82	6.51
19	Less: Self / captive consumption	-	-	-	-
20	Other Adjustments (if any)	-	-	-	-
21	Cost of Services Sold: (18-19-20)	20,86,664.40	6.28	19,54,722.82	6.51
22	Administrative overheads	1,02,585.43	0.31	56,743.05	0.19
23	Selling and distribution overheads	-	-	-	-
24	Cost of Sales before interest: (21+ 22+ 23)	21,89,229.83	6.59	20,11,465.87	6.70
25	Finance charges	1,38,183.88	0.42	1,38,485.25	0.46
26	Cost of Sales: (24+ 25)	23,27,413.71	7.00	21,49,951.12	7.16
27	Net Sales Realization (Net of Taxes & Duties)	22,59,417.00	6.80	20,58,764.08	6.86
28	Margin as per Cost Accounts: (27-26)	(67,996.71)	(0.20)	(91,187.05)	(0.30)
29	Net Movement in Regulatory Deferral account balance	2,37,642.00	0.72	1,23,054.00	0.41
30	Sales including Net Movement in Regulatory Deferral account balance (27+ 29)	24,97,259.00	7.52	21,81,818.08	7.27
31	Margin including Movement in Regulatory Deferral account balance (30-26)	1,69,845.29	0.51	31,866.95	0.11



## 2A. Details of Materials Consumed

Previous Year			Particulars	UOM	Category	Current Year		
Quantity	Rate	Amount				Quantity	Rate	Amount
30007	60.05	1801821.00	POWER	MU	INDIGENOUS	33226.62	57.89	1923552.75
30007		1801821.00	Total Materials			33227		1923552.75

## 2B. Details of Utilities Consumed

Previous Year			Particulars	UOM	Category	Current Year		
Quantity	Rate	Amount				Quantity	Rate	Amount
0		0	Total Materials					0

## 2C. Details of Industry Specific Operating Expenses

Previous Year			Particulars	UOM	Category	Current Year		
Quantity	Rate	Amount				Quantity	Rate	Amount
0		0	Total Materials			0		0









(2) Profit Reconciliation (for the company as a whole)			
Sl. No.	Particulars	Amount	Amount
		(INR Lakhs)	(INR Lakhs)
		2019-20	2018-19
1	Profit or loss as per Cost Accounting Records :		
	(A) Profit for the Audited Product Group	(67,996.71)	(91,187.05)
	(B) Profit for unaudited Product Group	-	-
2	Profit or loss as per Cost Accounting Records	(67,996.71)	(91,187.05)
3	Add: Incomes not considered in Cost Sheet:		
(a)	Other Comprehensive Income	(50,424.00)	11,294.00
	<b>Total</b>	<b>(1,18,420.71)</b>	<b>(79,893.05)</b>
	Less: Expenses Not considered in Cost Sheet:		
		-	-
	Notional Int. On Govt Bond (Net off)	-	-
	Arrear Power purchase & Trans. Cost & other charges	1,07,572.13	28,224.00
	Finance Charges	3,174.00	6,174.00
	Non-Cost other item.	118.54	2,524.00
	Add: Insurance Claim Settlement	-	531.73
	<b>Total</b>	<b>(2,29,285.37)</b>	<b>(1,16,283.32)</b>
4	Difference in valuation of stock between Financial Accounts & Cost Accounts.	-	-
5	Income realisable from regulatory mechanism	2,37,842.00	1,23,054.00
6	Profit as per Financial Accounts (Before Tax)	8,557	6,771

AS PER OUR ATTACHED REPORT OF EVEN DATE

For DGM & Associates

Cost Accountants

Firm Regd. No. : 000038

*Rana Ghosh*

Rana Ghosh

(Partner)

M. No. : 09356

Kolkata, 12<sup>th</sup>, November, 2020.

UDIN Number: 2009356A1DRIUBXTLY



FOR & ON BEHALF OF THE BOARD

WBSEDCL

*K.K. Ghosh*

K.K. GHOSH

CHIEF FINANCIAL OFFICER

FOR & ON BEHALF OF THE BOARD

WBSEDCL

*Aparna Biswas*

APARNA BISWAS

COMPANY SECRETARY

MEMBERSHIP NO.FB88B6

3. Value Addition and Distribution of Earnings			
Sl. No	Particulars	Amount	Amount
		(INR Lakhs)	(INR Lakhs)
		2019-20	2018-19
	<b>Value Additions :</b>	Rs Lakhs	Rs Lakhs
1	Revenue from Operations (Excluding Electricity Duty)	23,15,251.00	20,58,764.08
2	Less: Taxes and Other duties	-	-
3	Net Revenue from Operations	23,15,251.00	20,58,764.08
4	Add: Export Incentives	-	-
5	Add/Less : Adjustment in Stocks	-	-
		23,15,251.00	20,58,764.08
6	Less: Cost of bought out inputs		
(a)	Cost of Power Purchase	19,23,552.75	18,01,821.00
(b)	process of Materials/ Chemicals	-	-
(c)	Consumption of Stores & Spares	-	-
(d)	Utilities (e.g. Power & Fuel)	-	-
(e)	Cost of bought out inputs	19,23,552.75	18,01,821.00
(f)	Others expenses	1,23,938.60	1,07,554.34
	<b>Total Cost of Bought Out Inputs</b>	<b>20,47,491.35</b>	<b>19,09,375.34</b>
7	<b>Value Added :</b>	<b>2,67,759.66</b>	<b>1,49,388.73</b>
8	Add: Income from any other sources	1,02,233.00	-
9	i) Exceptional and Extra Ordinary Income	2,37,842.00	1,23,054.00
	ii) Other Comprehensive Income , if any	(50,424.00)	11,294.00
10	<b>Earning available for distribution</b>	<b>5,57,410.66</b>	<b>2,83,736.73</b>
	<b>Distribution of Earnings to :</b>		
1	Employees as salaries & Wages, Retirement benefits, etc	1,65,908.00	66,198.60
2	Shareholders as Dividend	-	-
3	Company as Retained Funds.	46,752.89	43,161.55
4	Government as taxes (Specify)	2,244.00	1,978.00
5	Exceptional and Extra Ordinary Expenses. if any	-	-
6	Others, if any	3,42,505.77	1,72,398.59
	<b>TOTAL</b>	<b>5,57,410.66</b>	<b>2,83,736.73</b>



4. FINANCIAL POSITION AND RATIO ANALYSIS (for the Company as a whole)				
Sl.	Particulars	Units	Amount	Amount
			(INR Lakhs)	(INR Lakhs)
			2019-20	2018-19
<b>A.</b>	<b>Financial Position</b>			
1	Paid-up Capital	INR Lakh	2,36,589.00	2,31,686.00
2	Reserves & Surplus	INR Lakh	30,280.00	27,444.00
3	Loans (Secured & unsecured)	INR Lakh	6,52,548.00	5,21,631.00
4	(a) Gross Fixed Assets (Property Plant & Equipment)	INR Lakh	26,62,367.00	24,85,025.00
	(b) Net Fixed Assets (Property Plant & Equipment)	INR Lakh	22,29,202.00	21,46,817.00
5	(a) Total Current Assets	INR Lakh	9,87,803.00	8,81,990.00
	(b) Less: Current Liabilities & Provisions	INR Lakh	21,80,036.00	18,60,285.00
	(c) Net Current Assets	INR Lakh	(11,92,233.00)	(9,78,295.00)
6	Capital Employed	INR Lakh	10,08,465.00	11,68,522.00
7	Net Worth	INR Lakh	2,36,932.00	2,31,180.00
<b>B.</b>	<b>Financial Performance</b>			
1	Value Added	INR Lakh	2,67,759.66	1,49,388.73
2	Net Revenue from operation of the company	INR Lakh	23,15,251.00	20,58,764.08
3	Profit Before Tax (PBT) (Total Comprehensive Income Before Tax)	INR Lakh	8,557.00	6,771.00
<b>C.</b>	<b>Profitability Ratios</b>			
1	PBT to Capital Employed (B3/A6)	%	0.85	0.58
2	PBT to Net Worth (B3/A7)	%	3.61	2.93
3	PBT to Value Added (B3/B1)	%	3.20	4.53
4	PBT to Net Revenue from operation (B3/B2)	%	0.37	0.33
<b>D.</b>	<b>Other Financial Ratios</b>			
1	Debt-Equity Ratio (A3/A7)	%	2.75	2.26
2	Current Assets to Current Liabilities (5(a)/5(b))	%	0.45	0.47
3	Value Added to Net Revenue from operation (B1/B2)	%	0.12	0.07



5. RELATED PARTY TRANSACTIONS (Company as a whole)								
INR Lakhs								
SL. no.	Name and CIN of the Related Party	Name of the Product / Service	Nature of Transaction (Sale, Purchase etc.)	Quantity	Transfer Price	Amount	Normal Price	Basis adopted to determine the Normal Price
1								
2								
3								
4				Nil				
5								
6								
7								
8								
9								
10								
11								



**D. 6 : Reconciliation of Indirect Taxes (for the company as whole)**

Sl. No.	Particulars	Taxable Value/ Assessable Value	Excise Duty/VAT, CST, Cess etc./ Other State Taxes, if any	Goods & Services Tax			
				CGST	SGST/ UTGST	IGST	Cess and Others
		(INR Lakhs)	(INR Lakhs)	(INR Lakhs)	(INR Lakhs)	(INR Lakhs)	(INR Lakhs)
	Duties/Taxes Payable :						
	Excise Duty :						
1	Domestic	-	-	-	-	-	-
2	Export	-	-	-	-	-	-
3	Stock Transfer (Net)	-	-	-	-	-	-
4	Other, if any	-	-	-	-	-	-
5	Total Excise Duty (1 to 4)	-	-	-	-	-	-
6	VAT, CST, Cess etc.	1,12,536	1,194	-	-	-	-
7	Other State Taxes, if any	56,920	256	-	-	-	-
	Goods & Services Tax :						
8	Outward Taxable Supplies (other than zero rated, Nil Rated and Exempted)	5,488	-	446	446	95	-
9	Outward Taxable Supplies (zero rated)	-	-	-	-	-	-
10	Inward Supplies (Liable to reverse Charge)	4,168	-	242	242	-	-
11	Other Outward Supplies (Nil Rated, Exempted)	23,76,703	-	-	-	-	-
12	Non-GST Outward Supplies	-	-	-	-	-	-
13	Total (8 to 12)	23,86,359	-	688	688	95	-
14	Total Duties/Taxes Payable (5+6+7+13)	25,57,815	1,450	688	688	95	-
	Duties/Taxes paid (By utilisation of Input Tax Credit and payment through Cash Ledger, as the case may be)						
	Input Tax Credit Utilised :						
15	CGST/ICENVAT	-	-	-	-	-	-
16	SGST/UTGST/VAT	-	-	-	-	-	-
17	IGST	-	-	-	-	-	-
18	Cess	-	-	-	-	-	-
19	Transitional Credit	-	-	-	-	-	-
20	Other, if any, specify	-	-	-	-	-	-
21	Total Input Tax Credit Utilised (15 to 20)	-	-	-	-	-	-
22	Payment through Cash Ledger	-	1,450	688	688	95	-
23	Total Duties/Taxes Paid (21+22)	-	1,450	688	688	95	-
	Difference between Taxes Paid and Payable (14-23)		-	-	-	-	-
24	Interest/Penalty/Fines Paid	-	-	-	-	-	-

AS PER OUR ATTACHED REPORT OF EVEN DATE

For DGM & Associates

Cost Accountants

Firm Regd. No. : 000038

*Rang Ghosh*

Rang Ghosh

(Partner)

M. No. : 093356

Kolkata, 12<sup>th</sup> November, 2020

UDIN Number: 2009356A1DRJUXT



FOR & ON BEHALF OF THE BOARD  
WBSEDCI

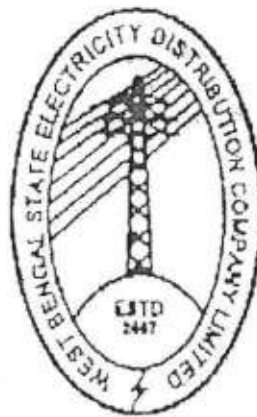
*K.R. Ghosh*  
K.R. GHOSH  
CHIEF FINANCIAL OFFICER

FOR & ON BEHALF OF THE BOARD  
WBSEDCI

*Aparna Biswas*  
APARNA BISWAS  
COMPANY SECRETARY  
MEMBERSHIP NO. F8886

**WEST BENGAL STATE ELECTRICITY  
DISTRIBUTION COMPANY LIMITED**

**Cost Audit Report  
2020-2021**



***WBSEDCL***

**Vidyut Bhawan  
Bidhannagar  
Kolkata 700 091**



**FORM CRA- 3**

(Pursuant to rule 6(4) of the Companies (Cost Records and Audit) rules, 2014)

**FORM OF THE COST AUDIT REPORT**

We DGM AND ASSOCIATES having been appointed as Cost Auditors under Section 148(3) of the Companies Act, 2013 (18 of 2013) of West Bengal State Electricity Distribution Company Limited having its registered office at Vidyut Bhavan, Block DJ, Sector II, Bidhannagar, Kolkata -700091, West Bengal, have audited the Cost Records maintained under Section 148 of the said Act, in compliance with the cost auditing standards, in respect of the "Electricity Generation and Distribution" for the year ended 31st March 2021 maintained by the company and report, in addition to our observations in para 2.

1 (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of this audit.

(ii) In our opinion, proper cost records, as per Rule 5 of the Companies (Cost Records and Audit) Amendment Rules, 2014 have been maintained by the company in respect of the service under reference.

(iii) In our opinion proper returns adequate for the purpose of the Cost Audit been received from the respective branches.

(iv) In our opinion and to the best of our information, the said books and records give the information required by the Companies Act, 2013, in the manner so required.

(v) In our opinion, the company has adequate system of internal audit of cost records which to our opinion is commensurate to its nature and size of its business.

(vi) In our opinion, information, statements in the annexure to this cost audit report gives a true and fair view of the cost of service, cost of sales, margin and other information relating to service under reference.

(vii) Details unit-wise and service wise cost statements and schedules thereto in respect of the service under reference are maintained by the company.

2. Observations and suggestions, if any, of the Cost Auditor, relevant to the cost audit.

a) In Current Financial Year Sales(in MU) of the Company has decreased by 967.78 MU.

b) In Current Financial Year Distribution Loss is 7864.404 MU and such Distribution Loss is 20.89%.

*For DGM & Associates*  
Cost Accountants  
Firm Regd. No. : 000038

*Rana Ghosh*

*Rana Ghosh*  
(Partner)

M. No. : 09356

Kolkata, 15<sup>th</sup>, September, 2021.  
UDIN Number: 2109356A1UHQ0EDE81



WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LTD.		
ANNEXURE TO THE COST AUDIT REPORT FOR THE FINANCIAL YEAR: 2020-21		
PART - A		
<b>1. GENERAL INFORMATION:</b>		
1	Corporate Identity Number (CIN)	U40109WB2007SGC113473
2	Name of the company:	WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED
3	Address of Registered office or principal place of business in India of company:	Vidyut Bhavan, Block DJ, Sector II, Bidhannagar, Kolkata - 700091, W.B.
4	Address of Corporate office of the company:	Vidyut Bhavan, Block DJ, Sector II, Bidhannagar, Kolkata - 700091, W.B.
5	E-mail address of the company:	wbseddlcompilation@gmail.com
6	Date of beginning of reporting Financial Year	01.04.2020
7	Date of ending of reporting Financial Year	31.03.2021
8	Date of beginning of previous Financial year	01.04.2019
9	Date of ending of previous Financial year	31.03.2020
10	Level of rounding used in cost statement	Lakhs
11	Reporting Currency of Entity	INR
12	Whether Indian Accounting Standard are Applicable to the Company	Yes
13	Number of cost auditors for reporting period	One
14	Date of Board of directors meeting in which annexure to the cost audit report was approved.	15.09.2021
15	Whether cost auditor's report has been qualified or has any reservations or contains adverse remarks.	No Such Qualification
16	Consolidated qualification, reservations or adverse remarks of all cost auditors	No Such Qualification
17	Consolidated observation or suggestion of all cost auditors	Observation and Suggestions have been stated in point no (2) in Form of Cost Audit report.
18	Whether the company has related party transaction for sale or purchase of goods or services.	NO
<b>2. GENERAL DETAILS OF COST AUDITOR:</b>		
1	Whether cost auditor is lead auditor	YES
2	Category of cost auditor	Partnership Firm
3	Firms' registration number	000038
4	Name of cost auditor/cost auditor's firm	DGM & ASSOCIATES
5	PAN of cost auditor or cost auditor's firm	AACFD2448R
6	Address of cost auditor or cost auditor's firm	64, B.B.Ganguly Street, (2 nd Floor), Kolkata-700012
7	Email id of cost auditor or cost auditor's firm	ranaghoshb@yahoo.co.in
8	Membership number of the member signing the audit report	09356
9	Name of the member signing the audit report	Mr. RANA GHOSH
10	Name(s) of the product(s) or service(s) with CETA heading	Distribution and Generation (Hydel Plant) of Electricity CETA - 2716
11	SRN number of Form CRA - 2	R65624009
12	a) Number of audit committee meeting (s) during the year for which Cost Auditor was invited	2 nos
13	b) Number of Audit Committee meetings attended by the Cost Auditor during the year	2 nos
14	Date of signing cost audit report and annexure by cost auditor	15.09.2021
15	Place of signing cost audit report and annexure by cost auditor	Kolkata



## 2. COST ACCOUNTANCY POLICY

### 1. Cost Accountancy policy

#### (a) DISCLOSURE REGARDING IDENTIFICATION OF COST CENTRES, COST OBJECTS AND COST DRIVERS

Cost Centers consists of :

- (A) All Distribution Zones and Power Generating Stations have been identified as independent Cost Centres and all the expenses incurred are allocated to them on actual basis. There are 15 (fifteen) Major cost centres which include 5 Zones and DHQ for Distribution business, 4 Hydro Generating Stations for Hydel Generating business, One Purulia Pumped Storage business and Solar Power Generation units.
- (B) Administrative – Corporate Office
- (D) Selling – Meter Reading, Billing and Cash Collection.

The Cost Driver for the Cost Object of Distribution is computed on the basis of Amount/KWH

#### (b) DISCLOSURE OF ACCOUNTING OF COST INCLUDING PACKING MATERIAL, STORES SPARES, EMPLOYEE COST, UTILITIES AND OTHER RELEVANT COST COMPONENTS

Electricity is purchased from different companies is termed as material for the company. For stores and spares adequate records are maintained.

#### (c) DISCLOSURE REGARDING ACCOUNTING, ALLOCATION AND ABSORPTION OF OVERHEADS

Accounting, allocation and absorption has been made as per Cost Accounting Standards. Expenses which are directly identified to respective cost centers are allocated and booked directly. Expenses which are common in nature are apportioned on suitable basis.

#### (d) DISCLOSURE REGARDING ACCOUNTING FOR DEPRECIATION OR AMORTIZATION

Depreciation has been charged as per Electricity Act, 2003. Fixed Assets constructed/procured out of contribution received from consumers/Assets Transferred from consumers/others are recognized in the accounts at the fair value and included in non-current liabilities as deferred income.

#### (e) DISCLOSURE REGARDING ACCOUNTING FOR BY PRODUCTS, JOINT PRODUCTS AND SCRAPS AND WASTAGE

By Products and Joint Products does not arise. Scrap and wastages are identified by the designated committee and disposed off at regular interval.

#### (f) DISCLOSURE REGARDING BASIS OF INVENTORY VALUATION

At the time of issue Inventory is valued on the basis of Moving Weighted Average Cost. Closing stock is valued at lower of cost and net realizable value.

#### (g) DISCLOSURE REGARDING INTER UNIT OR INTERCOMPANY AND RELATED PARTY TRANSACTION

There is no Inter Unit and Related Party Transaction in the current financial year.



(h) DISCLOSURE REGARDING TREATMENT OF ABNORMAL AND NON-RECURRING COSTS INCLUDING CLASSIFICATION OF NON COST ITEMS

Abnormal and Non recurring expenses are considered in Reconciliation

(i) DISCLOSURE REGARDING OTHER RELEVANT COST ACCOUNTANCY POLICY:

No sales has been booked in accounts for Generation plants as the generation is embedded with the Distribution business of the company. Therefore, all the expenses of Hydel Generation has been booked as expenses in Abridged Cost Statement for the Company as a whole.

2. Disclosure regarding changes in cost accountancy policy during reporting period :

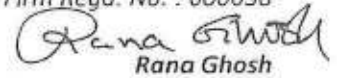
There is no change in Cost Accountancy Policy as the company following the same system as was in the Previous year.

3. Disclosure regarding adequacy of budgetary control system:

Yearly Budget is made and is reviewed when required.

Kolkata, 15<sup>th</sup> September, 2021.

For DGM & Associates  
Cost Accountants  
Firm Regd. No. : 000038

  
Rana Ghosh

(Partner)

M. No. : 09356



4. PRODUCT/SERVICE DETAILS for the company as a whole.					
Name of Product(s) /Services)	UOM	CETA heading (wherever applicable)	Whether Covered under Cost Audit Yes / No	Net Operational Revenue in INR Lakhs (net of taxes, duties etc.)	
				2020-21	2019-20
1. Sale of Electricity	Rs Lakhs	2,716	Yes	Rs Lakhs	Rs Lakhs
Total (Net of rebate) Operational Revenue of Manufactured Product or Service.				21,52,065	22,59,417
(b) Other Operating Incomes of Company				54,924	55,834
(c) Total Operating Income of Company [a+b]				22,06,989	23,15,251
(d) Other Incomes of Company				82,925	1,02,233
(e) Total Revenue (net) as per financial Accounts [c+d]				22,89,914	24,17,484
(f) Exceptional and Extra Ordinary Income				4,06,143	2,37,842
(g) Other Comprehensive Income, if any				26,029	(50,424)
h) Total Revenue including Exceptional, Extra Ordinary Income and Other Comprehensive income, if any [e+f+g]				27,22,086	26,04,902
(i) Turnover as per Excise /Service Tax /GST Records					



Name of The Company: West Bengal State Electricity Distribution Company Limited			
<b>PART-C</b>			
For Service Sector			
<b>C1. QUANTITATIVE INFORMATION (for each service separately)</b>			
Name of Service	ELECTRICITY		
Service Code (if applicable)			
<b>Particulars</b>	<b>Unit</b>	<b>2020-21</b>	<b>2019-20</b>
<b>1. Available Capacity</b>			
(a) Installed Capacity at the beginning of the year	MW	1,147.37	1,127.37
(b) Capacity enhanced during the year , if any	MW	28.55	20.00
(c) Total available capacity	MW	1,175.92	1,147.37
<b>2. Actual Services Provided</b>	MU		
(a) Own Services	MU	29,616.64	31,180.77
(b) Services under contractual arrangements	MU	-	-
(c) Outsourced Services etc.	MU	2,642.20	2,045.85
(d) Total Services	MU	32,258.84	33,226.62
<b>3. Total Services provided as per Service Tax/GST Records</b>	MU	32,258.84	33,226.62
<b>4. Capacity Utilization (in house %)</b>	MU	-	-
<b>5. Other Adjustments:</b>	MU	-	-
(a) Self or Captive Consumption	MU	-	-
(b) Other Quantitative Adjustments, if any	MU	-	-
(c) Total Other Adjustment	MU	-	-
<b>6.Total available Services for Sale [2(d)+5(c)]</b>	MU	32,258.84	33,226.62
<b>7. Actual Sales</b>			
(a) Services rendered - Domestic	MU	29,616.64	31,180.77
(b) Services rendered - Export.	MU	2,642.20	2,045.85
(c) Total Services Rendered	MU	32,258.84	33,226.62





2. ABRIDGED COST STATEMENT ( FOR EACH PRODUCT GROUP SEPARATELY )					
Name of Service:		ELECTRICITY DISTRIBUTION			
Service Code (if applicable):		NOT APPLICABLE			
Unit of Measurement (UOM):		MU			
		Service Provided	Captive Consumption	Other Adjustment	Service rendered
Current Year : 2020-21		32,330.84	72.00	-	32,258.84
Previous Year: 2019-20		33,297.62	71.00	-	33,226.62
Sl.no	PARTICULARS	2020-21		2019-20	
		Amount	Rate	Amount	Rate
		(INR Lakhs)	(INR /kwh)	(INR Lakhs)	(INR /kwh)
1	Purchase of Electricity	19,62,752.00	6.15	19,23,552.75	5.79
2	Utilities	-	-	-	-
3	Direct Employee cost	66,464.79	0.27	72,785.24	0.22
4	Direct Expense	-	-	-	-
5	Other Consumable incl. stores and spares	-	-	-	-
6	Repair and maintenance	39,108.04	0.12	37,581.07	0.11
7	Quality control expenses	-	-	-	-
8	Research and development expenses	-	-	-	-
9	Technical know how fee/ royalty	-	-	-	-
10	Depreciation/ Amortization	35,091.05	0.11	40,440.26	0.12
11	Other Overheads	32,764.56	0.10	29,178.62	0.09
12	Industry Specific operating Expenses	-	-	-	-
13	Industry Specific operating incomes	-	-	-	-
14	Total : (1 to 13)	21,76,180.44	6.75	21,03,537.94	6.32
15	Less: Credit For Recoveries	56,531.51	0.18	74,052.44	0.22
16	Cost of Services Provided: (14 - 15)	21,19,648.93	6.57	20,29,485.50	6.10
17	Cost of Outsourced / Contractual services	61,955.61	0.19	57,178.90	0.17
18	Total Service available: (16+17)	21,81,604.53	6.76	20,86,664.40	6.28
19	Less: Self / captive consumption	-	-	-	-
20	Other Adjustments (if any)	-	-	-	-
21	Cost of Services Sold: (18-19-20)	21,81,604.53	6.76	20,86,664.40	6.28
22	Administrative overheads	98,083.68	0.31	1,02,565.42	0.31
23	Selling and distribution overheads	-	-	-	-
24	Cost of Sales before interest: (21+22+23)	22,80,268.21	7.07	21,89,229.83	6.59
25	Finance charges	1,51,934.46	0.47	1,38,183.88	0.42
26	Cost of Sales: (24+25)	24,32,202.67	7.54	23,27,413.71	7.00
27	Net Sales Realization (Net of Taxes & Duties)	21,52,064.54	6.67	22,59,417.00	6.80
28	Margin as per Cost Accounts: (27-26)	(2,80,138.14)	(0.87)	(67,996.71)	(0.20)
29	Net Movement in Regulatory Deferral account balance	4,06,143.00	1.26	2,37,842.00	0.72
30	Sales Including Net Movement in Regulatory Deferral account balance (27+29)	25,58,207.54	7.93	24,97,259.00	7.52
31	Margin including Movement in Regulatory Deferral account balance (30-26)	1,26,004.86	0.39	1,69,845.29	0.51



2A.Details of Materials Consumed								
2019-20			Particulars	UOM	Category	2020-21		
Quantity (MU)	Rate	Amount				Quantity (MU)	Rate	Amount
33226.62	5.79	1923552.75	POWER	MU	INDIGENOUS	32258.84	6.15	1982752.00
33226.62		1923552.75	Total Materials			32258.84		1982752.00

2B.Details of Utilities Consumed								
2019-20			Particulars	UOM	Category	2020-21		
Quantity (MU)	Rate	Amount				Quantity (MU)	Rate	Amount
0.00		0.00	Total Materials			0.00		0.00

2C.Details of Industry Specific Operating Expenses.								
2019-20			Particulars	UOM	Category	2020-21		
Quantity	Rate	Amount				Quantity	Rate	Amount
0.00		0.00	Total Materials			0.00		0.00



**Cost Audit Report**  
**Financial Year: 2020-21**

PART D1. Product Profitability statement (for audited products/services) Without Net Movement in Regulatory Deferral account balance													
Without Net Movement in Regulatory Deferral Account Balance :													
Sl.no.	Particulars	2020-21						2019-20					
		QTY. (in MU)	RATE (Sales value/MU) (INR)	Sales Value ( INR Lakhs )	Cost of sales ( INR Lakhs )	Margin ( INR Lakhs )	Margin per unit (INR)	QTY. (in MU)	RATE (Sales value/MU) (INR)	Sales Value ( INR Lakhs )	Cost of sales ( INR Lakhs )	Margin ( INR Lakhs )	Margin per unit (INR)
		1	2 = ( 3 / 10 ) / (1)	3	4	5	6 = ((5) /10) / (1)	1	2 = ( 3 / 10 ) / (1)	3	4	5	6 = ((5) /10)/(1)
1	Electricity Distribution	32258.84	6.67	2152064.54	2432202.67	(280138.14)	(0.87)	33226.62	6.80	2259417.00	2327413.71	(67996.71)	(0.20)
Total (Without Movement in Regulatory Deferral Account Balance)		32258.84	6.67	2152064.54	2432202.67	(280138.14)	(0.87)	33226.62	6.80	2259417.00	2327413.71	(67996.71)	(0.20)



**Cost Audit Report**  
**Financial Year: 2020-21**

With Net Movement in Regulatory Deferral Account Balance:													
Sl.no.	Particulars	2020-21						2019-20					
		QTY (in MU)	RATE (Sales value/MU) (INR)	Sales Value (INR Lakhs)	Cost of sales (INR Lakhs)	Margin (INR Lakhs)	Margin per unit (INR)	QTY (in MU)	RATE (Sales value/MU) (INR)	Sales Value (INR Lakhs)	Cost of sales (INR Lakhs)	Margin (INR Lakhs)	Margin per unit (INR)
		1	2 = (3 / 10) / (1)	3	4	5	6 = [(5) / 10] / (1)	1	2 = (3 / 10) / (1)	3	4	5	6 = [(5) / 10] / (1)
1	Electricity Distribution	32,258.84	7.93	25,58,207.54	24,32,202.67	1,26,004.86	0.39	33,226.62	7.52	24,97,259.00	23,27,413.71	1,69,845.29	0.51
Total (With Movement in Regulatory Deferral Account Balance)		32,258.84	7.93	25,58,207.54	24,32,202.67	1,26,004.86	0.39	33,226.62	7.52	24,97,259.00	23,27,413.71	1,69,845.29	0.51



(2) Profit Reconciliation (for the company as a whole)			
Sl. No.	Particulars	Amount	Amount
		(INR Lakhs)	(INR Lakhs)
		2020-21	2019-20
1	Profit or loss as per Cost Accounting Records :		
	(A) Profit for the Audited Product Group	(2,80,138.14)	(67,996.71)
	(B) Profit for unaudited Product Group	-	-
2	Profit or loss as per Cost Accounting Records	(2,80,138.14)	(67,996.71)
3	Add: Incomes not considered in Cost Sheet:		
(a)	Other Comprehensive Income	26,029.00	(50,424.00)
	Total	(2,54,109.14)	(1,18,420.71)
4	Less: Expenses Not considered in Cost Sheet:		
(a)	Notional Int. On Govt Bond (Net off)	-	-
(b)	Arrear Power purchase & Trans. Cost & other charges	1,41,908	1,07,572
(c)	Finance Charges	3,221	3,174
(d)	Non-Cost other item (CSR)	117	119
	Total	(3,99,355.80)	(2,29,285.37)
5	Difference in valuation of stock between Financial Accounts & Cost Accounts	-	-
6	Income Realisable from Regulatory Mechanism	4,06,143	2,37,842
7	Other Provision Written back (PDL)	222	-
8	Profit as per Financial Accounts (Before Tax)	7,009	8,557

AS PER OUR ATTACHED REPORT OF EVEN DATE

For DGM & Associates

Cost Accountants

Firm Regd. No. : 000038

*Rana Ghosh*

Rana Ghosh

(Partner)

M.No. : 09356

Kolkata, 15th, September, 2021.

UDIN Number: 2109356A1UHQ0EDE81



For & On Behalf of the Board, WBSEDCL

*K.K. Ghosh*

K.K. Ghosh

Chief Financial Officer

*Aparna Biswas*

APARNA BISWAS

Company Secretary

M.No. : F8886

**FINANCIAL ADVISOR**  
**WBSEDCL**

**APARNA BISWAS**  
Company Secretary  
W.B. State Electricity Dist. Co. Ltd.

3. Value Addition and Distribution of Earnings			
Sl. No	Particulars	Amount	Amount
		(INR Lakhs)	(INR Lakhs)
		2020-21	2019-20
	<b>Value Additions :</b>	Rs Lakhs	Rs Lakhs
1	Revenue from Operations (Excluding Electricity Duty)	22,06,988.54	23,15,251.00
2	Less: Taxes and Other duties	-	-
3	Net Revenue from Operations	22,06,988.54	23,15,251.00
4	Add: Export Incentives	-	-
5	Add/Less : Adjustment in Stocks	-	-
		22,06,988.54	23,15,251.00
6	Less: Cost of bought out inputs		
(a)	Cost of Power Purchase	19,82,752.00	19,23,552.75
(b)	process of Materials/ Chemicals	-	-
(c)	Consumption of Stores & Spares	-	-
(d)	Utilities (e.g. Power & Fuel)	-	-
(e)	Cost of bought out inputs	19,82,752.00	19,23,552.75
(f)	Others expenses	1,33,828.20	1,23,938.60
	<b>Total Cost of Bought Out Inputs</b>	<b>21,16,580.20</b>	<b>20,47,491.35</b>
7	<b>Value Added :</b>	<b>90,408.34</b>	<b>2,67,759.66</b>
8	Add: Income from any other sources	82,925.00	1,02,233.00
9	i) Exceptional and Extra Ordinary Income	4,06,143.00	2,37,842.00
	ii) Other Comprehensive Income ; if any	26,029.00	(50,424.00)
10	<b>Earning available for distribution</b>	<b>6,05,505.34</b>	<b>5,57,410.66</b>
	<b>Distribution of Earnings to :</b>		
1	Employees as salaries & Wages, Retirement benefits, etc	1,74,789.00	1,65,908.00
2	Shareholders as Dividend	-	-
3	Company as Retained Funds.	39,896.25	46,752.89
4	Government as taxes (Specify)	2,204.00	2,244.00
5	Exceptional and Extra Ordinary Expenses. if any	-	-
6	Others, If any	3,88,616.09	3,42,505.77
	<b>TOTAL</b>	<b>6,05,505.34</b>	<b>5,57,410.66</b>





4. FINANCIAL POSITION AND RATIO ANALYSIS (for the Company as a whole)				
Sl.	Particulars	Units	Amount	Amount
			(INR Lakhs)	(INR Lakhs)
			2020-21	2019-20
A.	Financial Position			
1	Paid-up Capital	INR Lakh	2,36,589.00	2,36,589.00
2	Reserves & Surplus	INR Lakh	35,085.00	30,280.00
3	Loans (Secured & unsecured)	INR Lakh	12,40,584.00	11,74,314.00
4	(a) Gross Fixed Assets (Property Plant & Equipment)	INR Lakh	31,04,728.00	26,62,367.00
	(b) Net Fixed Assets (Property Plant & Equipment)	INR Lakh	25,66,502.00	22,29,202.00
5	(a) Total Current Assets	INR Lakh	7,10,329.00	7,77,272.00
	(b) Less: Current Liabilities & Provisions	INR Lakh	25,50,420.00	21,79,914.00
	(c) Net Current Assets	INR Lakh	(18,40,091.00)	(14,02,642.00)
6	Capital Employed	INR Lakh	7,76,485.50	9,03,260.50
7	Net Worth	INR Lakh	2,40,018.00	2,36,932.00
B.	Financial Performance			
1	Value Added	INR Lakh	90,408.34	2,67,759.66
2	Net Revenue from operation of the company	INR Lakh	22,06,988.54	23,15,251.00
3	Profit Before Tax (PBT) (Total Comprehensive Income Before Tax )	INR Lakh	7,009	8,557
C.	Profitability Ratios			
1	PBT to Capital Employed (B3/A6)	%	0.90	0.95
2	PBT to Net Worth (B3/A7)	%	2.92	3.61
3	PBT to Value Added (B3/B1)	%	7.75	3.20
4	PBT to Net Revenue from operation (B3/B2)	%	0.32	0.37
D.	Other Financial Ratios			
1	Debt-Equity Ratio (A3/A7)	%	5.17	4.96
2	Current Assets to Current Liabilities (5(a)/5(b))	%	0.28	0.36
3	Value Added to Net Revenue from operation (B1/B2)	%	0.04	0.12



5. RELATED PARTY TRANSACTIONS (Company as a whole)								
INR Lakhs								
SL. no.	Name and CIN of the Related Party	Name of the Product / Service	Nature of Transaction (Sale, Purchase etc.)	Quantity	Transfer Price	Amount	Normal Price	Basis adopted to determine the Normal Price
1								
2								
3								
4				Nil				
5								
6								
7								
8								
9								
10								
11								



D. 6 : Reconciliation of Indirect Taxes (for the company as whole)							
Sl. No.	Particulars	Taxable Value/ Assessable Value	Excise Duty/VAT, CST, Cess etc./ Other State Taxes, if	Goods & Services Tax			
		(INR Lakhs)	(INR Lakhs)	CGST (INR Lakhs)	SGST/ UTGST (INR Lakhs)	IGST (INR Lakhs)	Cess and Others (INR Lakhs)
	Duties/Taxes Payable :						
	Excise Duty :						
1	Domestic	-	-	-	-	-	-
2	Export	-	-	-	-	-	-
3	Stock Transfer (Net)	-	-	-	-	-	-
4	Other, if any	-	-	-	-	-	-
5	Total Excise Duty (1 to 4)	-	-	-	-	-	-
6	VAT, CST, Cess etc.	1,51,835	1,519	-	-	-	-
7	Other State Taxes, if any	51,537	1,469	-	-	-	-
	Goods & Services Tax :						
8	Outward Taxable Supplies (other than zero rated, Nil Rated and Exempted)	8,142	-	727	727	12	-
9	Outward Taxable Supplies (zero rated)	-	-	-	-	-	-
10	Inward Supplies (Liable to reverse Charge)	4,563	-	271	271	11	-
11	Other Outward Supplies (Nil Rated, Exempted)	22,74,994	-	-	-	-	-
12	Non-GST Outward Supplies	-	-	-	-	-	-
13	Total (8 to 12)	22,67,699	-	998	998	23	-
14	Total Duties/Taxes Payable (5+6+7+13)	25,01,471	2,988	998	998	23	-
	Duties/Taxes paid (By utilisation of Input Tax Credit and payment through Cash Ledger, as the case may be)						
	Input Tax Credit Utilised :						
15	CGST/CENVAT	-	-	-	-	-	-
16	SGST/UTGST/VAT	-	-	-	-	-	-
17	IGST	-	-	-	-	-	-
18	Cess	-	-	-	-	-	-
19	Transitional Credit	-	-	-	-	-	-
20	Other, if any, specify	-	-	-	-	-	-
21	Total Input Tax Credit Utilised (15 to 20)	-	-	-	-	-	-
22	Payment through Cash Ledger	-	2,988	998	998	23	-
23	Total Duties/Taxes Paid (21+22)	-	2,988	998	998	23	-
	Difference between Taxes Paid and Payable (14-23)						
24	Interest/Penalty/Fines Paid	-	-	-	-	-	-

AS PER OUR ATTACHED REPORT OF  
EVEN DATE

For DGM & Associates  
Cost Accountants

Firm Regd. No. : 000038

*Rana Ghosh*

Rana Ghosh  
(Partner)

M.No. : 09356

Kolkata, 15<sup>th</sup> September, 2021

UDIN Number:

2109356A1UHQDEB1

For & On Behalf of the Board, W.B. SEDCL

*K.K. Ghosh*

K.K. Ghosh  
Chief Financial Officer

*Aparna Biswas*

APARNA BISWAS  
Company Secretary

M.No. : F8886

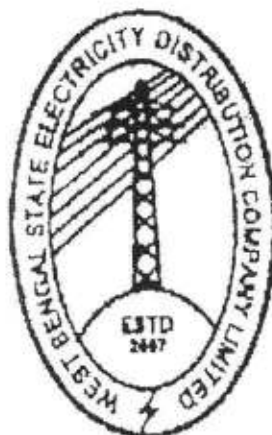
**FINANCIAL ADVISOR**  
**W.B. SEDCL**

**APARNA BISWAS**  
**Company Secretary**  
**W.B. State Electricity Dist. Co. Ltd.**



**WEST BENGAL STATE ELECTRICITY  
DISTRIBUTION COMPANY LIMITED**

**Cost Audit Report  
2021-2022**



***WBSEDCL***

**Vidyut Bhawan  
Bidhannagar  
Kolkata 700 091**

**DGM & ASSOCIATES**  
COST ACCOUNTANTS



64, B. B. Ganguly Street  
(2nd Floor), Kolkata-700 012  
Phone : (O) 2212-0972, 2219-4592  
(M): 9830271301  
E-mail : ranaghoshb@yahoo.co.in

### FORM CRA- 3

(Pursuant to rule 6(4) of the Companies (Cost Records and Audit) rules, 2014)

#### FORM OF THE COST AUDIT REPORT

We DGM AND ASSOCIATES having been appointed as Cost Auditors under Section 148(3) of the Companies Act, 2013 (18 of 2013) of **West Bengal State Electricity Distribution Company Limited** having its registered office at Vidyut Bhavan, Block DJ, Sector II, Bidhannagar. Kolkata -700091, West Bengal, have audited the Cost Records maintained under Section 148 of the said Act, in compliance with the cost auditing standards, in respect of the **"Electricity Generation and Distribution"** for the year ended 31<sup>st</sup> March, 2022 maintained by the company and report, in addition to our observations in para 2.

1 (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of this audit.

(ii) In our opinion, proper cost records, as per Rule 5 of the Companies (Cost Records and Audit) Amendment Rules, 2014 have been maintained by the company in respect of the service under reference.

(iii) In our opinion proper returns adequate for the purpose of the Cost Audit been received from the respective branches.

(iv) In our opinion and to the best of our information, the said books and records give the information required by the Companies Act, 2013, in the manner so required.

(v) In our opinion, the company has adequate system of Internal Audit of cost records which to our opinion is commensurate to its nature and size of its business.

(vi) In our opinion, information, statements in the annexure to this cost audit report gives a true and fair view of the cost of service, cost of sales, margin and other information relating to service under reference.

(vii) Details unit-wise and service wise cost statements and schedules thereto in respect of the service under reference are maintained by the company.

2. Observations and suggestions, if any, of the Cost Auditor, relevant to the cost audit.

a) Review of Cost Records need to be conducted at regular intervals to help in controlling Costs, and preparation of a comparison statement.

b) From FY:2021-22, the Company has put in place adequate ERP driven Budgetary Control System to monitor each elements of Cost Centrally from HQ.

c) Company has achieved a positive Overall Margin i.e Rs 0.17/Kwh in current FY-2021-22 compare to its Loss of Rs 0.87/Kwh in FY-2020-21 (as per as per Cost Statement).

DGM & ASSOCIATES  
*Rana Ghosh*  
Partner

**DGM & ASSOCIATES**  
COST ACCOUNTANTS



64, B. B. Ganguly Street  
(2nd Floor), Kolkata-700 012  
Phone : (O) 2212-0972, 2219-4592  
(M): 9830271301  
E-mail : ranaghoshb@yahoo.co.in

- d) Substantial Regulatory Assets accumulation appears to be an area of concern for the company for which concrete resolution plan is required.
- e) There are some loss prone areas where the distribution loss parameters are very much unhealthy. Company needs to identify such pockets and take necessary action for identification of area of delinquency & realization of Revenue thereon.
- f) Operational efficiency for distribution system had been managed adequately to reduce AT&C loss at 16.65% in FY-2021-22 from 21.35% in FY-2020-21.

*For DGM & Associates*  
*Cost Accountants*  
*Firm Regd. No. : 000038*

*Rana Ghosh*  
*(Partner)*

M. No. : 09356

Kolkata, 13<sup>th</sup>, July, 2022.

UDIN Number: 2209356A1TFGRDV6A4

DGM & ASSOCIATES

Partner



*Cost Audit Report*  
*Financial Year: 2021-22*

WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LTD.		
ANNEXURE TO THE COST AUDIT REPORT FOR THE FINANCIAL YEAR: 2021-22		
PART - A		
1. GENERAL INFORMATION:		
1	Corporate Identity Number (CIN)	U40109WB2007SGC113473
2	Name of the company:	WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED
3	Address of Registered office or principal place of business in India of company:	Vidyut Bhavan, Block DJ, Sector II, Bidhannagar, Kolkata - 700091, W.B.
4	Address of Corporate office of the company:	Vidyut Bhavan, Block DJ, Sector II, Bidhannagar, Kolkata - 700091, W.B.
5	E-mail address of the company:	<a href="mailto:corporatecompilation@wbseidcl.in">corporatecompilation@wbseidcl.in</a>
6	Date of beginning of reporting Financial Year	01.04.2021
7	Date of ending of reporting Financial Year	31.03.2022
8	Date of beginning of previous Financial year	01.04.2020
9	Date of ending of previous Financial year	31.03.2021
10	Level of rounding used in cost statement	Lakhs
11	Reporting Currency of Entity	INR
12	Whether Indian Accounting Standard are Applicable to the Company	Yes
13	Number of cost auditors for reporting period	One
14	Date of Board of directors meeting in which annexure to the cost audit report was approved.	13.07.2022
15	Whether cost auditor's report has been qualified or has any reservations or contains adverse remarks	No Such Qualification
16	Consolidated qualification, reservations or adverse remarks of all cost auditors	No Such Qualification
17	Consolidated observation or suggestion of all cost auditors	Observation and Suggestions have been stated in point no (2) in Form of Cost Audit Report.
18	Whether the company has related party transaction for sale or purchase of goods or services.	NO
2. GENERAL DETAILS OF COST AUDITOR:		
1	Whether cost auditor is lead auditor	YES
2	Category of cost auditor	Partnership Firm
3	Firms' registration number	000038
4	Name of cost auditor/cost auditor's firm	DGM & ASSOCIATES
5	PAN of cost auditor or cost auditor's firm	AACFD2448R
6	Address of cost auditor or cost auditor's firm	64, B.B. Ganguly Street, (2 nd Floor), Kolkata-700012
7	Email id of cost auditor or cost auditor's firm	<a href="mailto:ranaghoshb@yahoo.co.in">ranaghoshb@yahoo.co.in</a>
8	Membership number of the member signing the audit report	09356
9	Name of the member signing the audit report	Mr. RANA GHOSH
10	Name(s) of the product(s) or service(s) with CETA heading	Distribution and Generation (Hydel Plant) of Electricity CETA - 2716
11	SRN number of Form CRA - 2	T22428734
12	a) Number of audit committee meeting (s) during the year for which Cost Auditor was invited	1 no
13	b) Number of Audit Committee meetings attended by the Cost Auditor during the year	1 no
14	Date of signing cost audit report and annexure by cost auditor	13.07.2022
15	Place of signing cost audit report and annexure by cost auditor	Kolkata



## 2. COST ACCOUNTANCY POLICY

### 1. Cost Accountancy policy

#### (a) DISCLOSURE REGARDING IDENTIFICATION OF COST CENTRES, COST OBJECTS AND COST DRIVERS

Cost Centers consists of :

- (A) All Distribution Zones and Power Generating Stations have been identified as independent Cost Centres and all the expenses incurred are allocated to them on actual basis. There are 15 (fifteen) Major cost centres which include 5 Zones and DHQ for Distribution business, 4 Hydro Generating Stations for Hydel Generating business, One Purulia Pumped Storage business and Solar Power Generation units.
- (B) Administrative – Corporate Office

The Cost Driver for the Cost Object of Distribution is computed on the basis of Amount/KWH

#### (b) DISCLOSURE OF ACCOUNTING OF COST INCLUDING PACKING MATERIAL, STORES SPARES, EMPLOYEE COST, UTILITIES AND OTHER RELEVANT COST COMPONENTS

Electricity is purchased from different companies is termed as material for the company. For stores and spares adequate records are maintained.

#### (c) DISCLOSURE REGARDING ACCOUNTING, ALLOCATION AND ABSORPTION OF OVERHEADS

Accounting, allocation and absorption has been made as per Cost Accounting Standards. Expenses which are directly identified to respective cost centers are allocated and booked directly. Expenses which are common in nature are apportioned on suitable basis.

#### (d) DISCLOSURE REGARDING ACCOUNTING FOR DEPRECIATION OR AMORTIZATION

Depreciation has been charged as per Electricity Act, 2003. Fixed Assets constructed/procured out of contribution received from consumers/Assets Transferred from consumers/others are recognized in the accounts at the fair value and included in non-current liabilities as deferred income.

#### (e) DISCLOSURE REGARDING ACCOUNTING FOR BY PRODUCTS, JOINT PRODUCTS AND SCRAPS AND WASTAGE

By Products and Joint Products does not arise. Scrap and wastages are identified by the designated committee and disposed off at regular interval.

#### (f) DISCLOSURE REGARDING BASIS OF INVENTORY VALUATION

At the time of issue Inventory is valued on the basis of Moving Weighted Average Cost. Closing stock is valued at lower of cost and net realizable value.

#### (g) DISCLOSURE REGARDING INTER UNIT OR INTERCOMPANY AND RELATED PARTY TRANSACTION

There is no Inter Unit and Related Party Transaction in the current financial year.



*Cost Audit Report*  
*Financial Year: 2021-22*

(h) DISCLOSURE REGARDING TREATMENT OF ABNORMAL AND NON-RECURRING COSTS INCLUDING CLASSIFICATION OF NON COST ITEMS

Abnormal and Non recurring expenses are considered in Reconciliation

(i) DISCLOSURE REGARDING OTHER RELEVANT COST ACCOUNTANCY POLICY:

No sales has been booked in accounts for Generation plants as the generation is embedded with the Distribution business of the company. Therefore, all the expenses of Hydel Generation has been booked as expenses in Abridged Cost Statement for the Company as a whole.

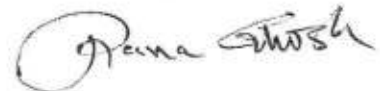
2. Disclosure regarding changes in cost accountancy policy during reporting period :

There is no change in Cost Accountancy Policy as the company following the same system as was in the previous year.

3. Disclosure regarding adequacy of budgetary control system:

Yearly Budget is made and is reviewed when required.

*For DGM & Associates*  
*Cost Accountants*  
*Firm Regd. No. : 000038*



**Rana Ghosh**  
 (Partner)  
 M. No. : 09356

Koikata, 13<sup>th</sup> July, 2022.



*Cost Audit Report*  
*Financial Year: 2021-22*

4. PRODUCT/SERVICE DETAILS for the company as a whole.					
Name of Product(s) /Services)	UOM	CETA heading (wherever applicable)	Whether Covered under Cost Audit Yes / No	Net Operational Revenue in INR Lakhs (net of taxes, duties etc.)	
				2021-22	2020-21
1. Sale of Electricity	Rs Lakhs	2,716	Yes	(Rs Lakhs)	(Rs Lakhs)
(a) Total (Net of rebate) Operational Revenue of Manufactured Product or Service.				26,19,210	21,52,065
(b) Other Operating Incomes of Company				68,052	54,924
(c) Total Operating Income of Company [a+b]				26,87,262	22,06,989
(d) Other Incomes of Company				1,12,772	82,925
(e) Total Revenue (net) as per financial Accounts [c+d]				28,00,034	22,89,914
(f) Exceptional and Extra Ordinary Income				(1,25,040)	4,06,143
(g) Other Comprehensive Income, if any				29,799	26,029
h) Total Revenue including Exceptional, Extra Ordinary Income and Other Comprehensive income, if any [e+f+g]				27,04,793	27,22,086
(i) Turnover as per Excise /Service Tax /GST Records				-	-



*Cost Audit Report*  
*Financial Year: 2021-22*

Name of The Company: West Bengal State Electricity Distribution Company Limited			
<b>PART-C</b>			
For Service Sector			
<b>C1. QUANTITATIVE INFORMATION (for each service separately)</b>			
Name of Service	ELECTRICITY		
Service Code (if applicable)	NOT APPLICABLE		
<b>Particulars</b>	<b>Unit</b>	<b>2021-22</b>	<b>2020-21</b>
<b>1. Available Capacity</b>			
(a) Installed Capacity at the beginning of the year	MW	1,175.92	1,147.37
(b) Capacity enhanced during the year , if any	MW	(10.00)	28.55
(c) Total available capacity	MW	1,165.92	1,175.92
<b>2. Actual Services Provided</b>	MU		
(a) Own Services	MU	33,301.20	29,616.64
(b) Services under contractual arrangements	MU	-	-
(c) Outsourced Services etc.	MU	7,426.68	2,642.20
(d) Total Services	MU	40,727.87	32,258.84
<b>3. Total Services provided as per Service Tax/GST Records</b>	MU	<b>40,727.87</b>	<b>32,258.84</b>
<b>4. Capacity Utilization (in house %)</b>	MU	-	-
<b>5. Other Adjustments:</b>	MU	-	-
(a) Self or Captive Consumption	MU	-	-
(b) Other Quantitative Adjustments, if any	MU	-	-
(c) Total Other Adjustment	MU	-	-
<b>6. Total available Services for Sale [2(d)+5(c)]</b>	MU	<b>40,727.87</b>	<b>32,258.84</b>
<b>7. Actual Sales</b>			
(a) Services rendered - Domestic	MU	33,301.20	29,616.64
(b) Services rendered - Export.	MU	7,426.68	2,642.20
(c) Total Services Rendered	MU	40,727.87	32,258.84



*Cost Audit Report*  
*Financial Year: 2021-22*

2. ABRIDGED COST STATEMENT ( FOR EACH PRODUCT GROUP SEPARATELY )					
Name of Service:		ELECTRICITY DISTRIBUTION			
Service Code (if applicable):		NOT APPLICABLE			
Unit of Measurement (UOM):		MU			
		Service Provided	Captive Consumption	Other Adjustment	Service rendered
Current Year : 2021-22		40,800.87	73.00	-	40,727.87
Previous Year: 2020-21		32,330.84	72.00	-	32,258.84
Sl.no	PARTICULARS	2021-22		2020-21	
		Amount	Rate	Amount	Rate
		(INR Lakhs)	(INR /kwh)	(INR Lakhs)	(INR /kwh)
1	Purchase of Electricity	20,88,993.77	5.13	19,82,752.00	6.15
2	Utilities	-	-	-	-
3	Direct Employee cost	88,528.84	0.22	88,464.79	0.27
4	Direct Expense	-	-	-	-
5	Other Consumable incl. stores and spares	-	-	-	-
6	Repair and maintenance	50,167.28	0.12	39,108.04	0.12
7	Quality control expenses	-	-	-	-
8	Research and development expenses	-	-	-	-
9	Technical know how fee/ royalty	-	-	-	-
10	Depreciation/ Amortization	34,217.21	0.08	35,091.05	0.11
11	Other Overheads	46,984.54	0.12	32,764.56	0.10
12	Industry Specific operating Expenses	-	-	-	-
13	Industry Specific operating incomes	-	-	-	-
14	Total : (1 to 13)	23,08,891.64	5.67	21,76,180.44	6.74
15	Less: Credit For Recoveries	70,468.42	0.17	56,531.51	0.18
16	Cost of Services Provided: (14 - 15)	22,38,423.21	5.50	21,19,648.93	6.56
17	Cost of Outsourced / Contractual services	63,271.29	0.16	61,955.61	0.19
18	Total Service available: (16+17)	23,01,694.50	5.65	21,81,604.53	6.76
19	Less: Self / captive consumption	-	-	-	-
20	Other Adjustments (if any)	-	-	-	-
21	Cost of Services Sold: (18-19-20)	23,01,694.50	5.65	21,81,604.53	6.76
22	Administrative overheads	78,575.67	0.19	98,663.68	0.31
23	Selling and distribution overheads	-	-	-	-
24	Cost of Sales before interest: (21+22+23)	23,80,270.17	5.84	22,80,268.21	7.07
25	Finance charges	1,68,647.52	0.41	1,51,934.46	0.47
26	Cost of Sales: (24+25)	25,48,917.69	6.26	24,32,202.67	7.54
27	Net Sales Realization (Net of Taxes & Duties)	26,19,210.09	6.43	21,52,064.54	6.67
28	Margin as per Cost Accounts: (27-26)	70,292.40	0.17	(2,80,138.14)	(0.87)
29	Net Movement in Regulatory Deferral account balance	(1,25,040.00)	(0.31)	4,06,143.00	1.26
30	Sales Including Net Movement in Regulatory Deferral account balance (27+29)	24,94,170.09	6.12	25,58,207.54	7.93
31	Margin including Movement in Regulatory Deferral account balance (30-26)	(54,747.60)	(0.13)	1,26,004.86	0.39





*Cost Audit Report*  
*Financial Year: 2021-22*

2A.Details of Materials Consumed								
2020-21			Particulars	UOM	Category	2021-22		
Quantity (MU)	Rate	Amount				Quantity (MU)	Rate	Amount
32258.84	6.15	1982752.00	POWER	MU	INDIGENOUS	40727.87	5.13	2088993.77
32258.84		1982752.00	Total Materials			40727.87		2088993.77

2B.Details of Utilities Consumed								
2020-21			Particulars	UOM	Category	2021-22		
Quantity (MU)	Rate	Amount				Quantity (MU)	Rate	Amount
0.00		0.00	Total Materials			0.00		0.00

2C.Details of Industry Specific Operating Expenses.								
2020-21			Particulars	UOM	Category	2021-22		
Quantity	Rate	Amount				Quantity	Rate	Amount
0.00		0.00	Total Materials			0.00		0.00



## PART D

1. Product Profitability Statement (for audited products/services)

Without Net Movement in Regulatory Deferral Account Balance :

Sl.no.	Particulars	2021-22						2020-21					
		QTY.(in MU)	RATE (Sales value/MU) (INR)	Sales Value ( INR Lakhs )	Cost of sales ( INR Lakhs )	Margin ( INR Lakhs )	Margin per unit (INR)	QTY.(in MU)	RATE (Sales value/MU) (INR)	Sales Value ( INR Lakhs )	Cost of sales ( INR Lakhs )	Margin ( INR Lakhs )	Margin per unit (INR)
		1	2 = ( 3 / 10 ) / (1)	3	4	5	6 = [(5) /10] / (1)	1	2 = ( 3 / 10 ) / (1)	3	4	5	6 = [(5) /10] / (1)
1	Electricity Distribution	40727.87	6.43	2619210.09	2548917.69	70292.40	0.17	32258.84	6.67	2152064.54	2432202.67	(280138.14)	(0.87)
Total (Without Movement in Regulatory Deferral Account Balance)		40727.87	6.43	2619210.09	2548917.69	70292.40	0.17	32258.84	6.67	2152064.54	2432202.67	(280138.14)	(0.87)

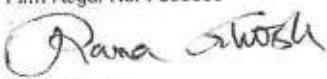

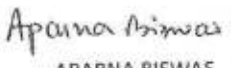


*Cost Audit Report*  
*Financial Year: 2021-22*

With Net Movement in Regulatory Deferral Account Balance:													
Sl.no.	Particulars	2021-22						2020-21					
		QTY (in MU)	RATE (Sales value/MU) (INR)	Sales Value (INR Lakhs)	Cost of sales (INR Lakhs)	Margin (INR Lakhs)	Margin per unit (INR)	QTY (in MU)	RATE (Sales value/MU) (INR)	Sales Value (INR Lakhs)	Cost of sales (INR Lakhs)	Margin (INR Lakhs)	Margin per unit (INR)
		1	$2 = (3 / 10) / (1)$	3	4	5	$6 = ((5) / 10) / (1)$	1	$2 = (3 / 10) / (1)$	3	4	5	$6 = ((5) / 10) / (1)$
1	Electricity Distribution	40,727.87	6.12	24,94,170.09	25,48,917.69	(54,747.60)	(0.13)	32,258.84	7.93	25,58,207.54	24,32,202.67	1,26,004.86	0.39
Total (With Movement in Regulatory Deferral Account Balance)		40,727.87	6.12	24,94,170.09	25,48,917.69	(54,747.60)	(0.13)	32,258.84	7.93	25,58,207.54	24,32,202.67	1,26,004.86	0.39



**Cost Audit Report**  
**Financial Year: 2021-22**

(2) Profit Reconciliation (for the company as a whole)			
Sl. No.	Particulars	2021-22	2020-21
		Amount	Amount
		(INR Lakhs)	(INR Lakhs)
1	Profit or loss as per Cost Accounting Records :		
	(A) Profit for the Audited Product Group	70,292	(2,80,138)
	(B) Profit for unaudited Product Group	-	-
2	Profit or loss as per Cost Accounting Records	70,292	(2,80,138)
3	Add: Incomes not considered in Cost Sheet:		
(a)	Other Comprehensive Income	29,799	26,029
	<b>Sub_Total (A)</b>	<b>1,00,091</b>	<b>(2,54,109)</b>
4	Less: Expenses not considered in Cost Sheet:		
(a)	Notional Int. On Govt Bond (Net off)	-	-
(b)	Arrear Power purchase & Trans. Cost & other charges	(79,346)	1,41,908
(c)	Finance Charges	1,945	3,221
(d)	Non-Cost item - CSR	199	117
(e)	Other Non-Cost Items (Net)	5,124	-
(f)	Provision for Arrear DA considered separately	46,763	-
	<b>Sub_Total (B)</b>	<b>(25,315)</b>	<b>1,45,247</b>
	<b>Total C=(A+B)</b>	<b>1,25,407</b>	<b>(3,99,356)</b>
5	Difference in valuation of stock between Financial Accounts & Cost Accounts.	-	-
6	Income Realisable from Regulatory Mechanism	(1,25,040)	4,06,143
7	Other Provision Written back-considered separately	8,895	222
8	<b>Profit as per Financial Accounts (Before Tax .i.e PBT)</b> <b>[C+5+6+7]</b>	<b>9,262</b>	<b>7,009</b>
<p><b>AS PER OUR ATTACHED REPORT OF EVEN DATE</b></p> <p>For DGM &amp; Associates</p> <p>Cost Accountants Firm Regd. No. : 000038</p> <p> <b>Rana Ghosh</b> (Partner) M.No. : 09356 Kolkata, 13th, July, 2022. UDIN Number: 2209356A1TFGRDV6A4</p> <p align="right">For &amp; On Behalf of the Board, WBSEDCL</p> <p align="right"> <b>K.R. Ghosh</b> Chief Financial Officer</p> <p align="right"> <b>APARNA BISWAS</b> Company Secretary M.No. : F8886</p>			



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3. Value Addition and Distribution of Earnings			
Sl. No	Particulars	2021-22	2020-21
		Amount	Amount
		(INR Lakhs)	(INR Lakhs)
	<b>Value Additions :</b>		
1	Revenue from Operations	26,87,262.09	22,06,988.54
2	Less: Taxes and Other duties	-	-
3	Net Revenue from Operations	26,87,262.09	22,06,988.54
4	Add: Export Incentives	-	-
5	Add/Less : Adjustment in Stocks	-	-
	<b>(A) Total : (3+4+5)</b>	<b>26,87,262.09</b>	<b>22,06,988.54</b>
6	Less: Cost of bought out inputs		
(a)	Cost of Power Purchase	20,88,993.77	19,82,752.00
(b)	Process of Materials/ Chemicals	-	-
(c)	Consumption of Stores & Spares	-	-
(d)	Utilities (e.g. Power & Fuel)	-	-
(e)	Cost of bought out inputs	20,88,993.77	19,82,752.00
(f)	Others expenses	1,60,423.11	1,33,828.20
	<b>(B) Total Cost of Bought Out Inputs (e+f)</b>	<b>22,49,416.88</b>	<b>21,16,580.20</b>
7	<b>Value Added : (A-B)</b>	<b>4,37,845.21</b>	<b>90,408.34</b>
8	Add: Income from any other sources	1,12,772.00	82,925.00
9	i) Exceptional and Extra Ordinary Income (Net Movement in Reg. Deferral A/c bal.	(1,25,040.00)	4,06,143.00
	ii) Other Comprehensive Income , if any	29,799.00	26,029.00
10	<b>Earning available for distribution [ 7+8+9(i)+9(ii) ]</b>	<b>4,55,376.21</b>	<b>6,05,505.34</b>
11	<b>Distribution of Earnings to :</b>		
(i)	Employees as Salaries & Wages, Retirement benefits, etc	1,99,829.00	1,74,789.00
(ii)	Shareholders as Dividend	-	-
(iii)	Company as Retained Funds.	41,054.42	39,896.25
(iv)	Government as Taxes (Specify)	2,425.00	2,204.00
(v)	Exceptional and Extra Ordinary Expenses. if any	-	-
(vi)	Finance charges, Admin OH (net) etc.	2,12,067.79	3,88,616.09
	<b>TOTAL [ 11(i) to 11(vi) ]</b>	<b>4,55,376.21</b>	<b>6,05,505.34</b>



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D4. Financial Position and Ratio Analysis (for the company as a whole)				
Sl.	Particulars	Units	2021-22	2020-21
			Amount	Amount
<b>A.</b>	<b>Financial Position :</b>		(INR Lakhs)	(INR Lakhs)
1	Share Capital (Paid-up)	INR Lakh	2,48,089.00	2,36,589.00
2	Reserves & Surplus	INR Lakh	41,922.00	35,085.00
3	Long Term Borrowings (Secured & unsecured)	INR Lakh	16,45,212.00	12,40,584.00
4	(a) Gross Fixed Assets (Property Plant & Equipment)	INR Lakh	33,04,674.00	31,04,728.00
	(b) Net Fixed Assets (Property Plant & Equipment)	INR Lakh	26,47,340.00	25,66,502.00
5	(a) Current Assets	INR Lakh	10,11,853.00	7,10,329.00
	(b) Less: Current Liabilities & Provisions	INR Lakh	23,61,554.00	25,50,420.00
	(c) Net Current Assets	INR Lakh	(13,49,701.00)	(18,40,091.00)
6	Capital Employed	INR Lakh	10,12,025.00	7,76,485.50
7	Net Worth	INR Lakh	2,56,421.00	2,40,018.00
<b>B.</b>	<b>Financial Performance :</b>			
1	Value Added	INR Lakh	4,37,845.21	90,408.34
2	Net Revenue from Operation of the Company	INR Lakh	26,87,262.09	22,06,988.54
3	Profit Before Tax (PBT) (Total Comprehensive Income Before Tax )	INR Lakh	9,262	7,009
<b>C.</b>	<b>Profitability Ratios</b>			
1	PBT to Capital Employed (B3/A6))	%	0.92	0.90
2	PBT to Net Worth (B3/A7)	%	3.61	2.92
3	PBT to Value Added (B3/B1)	%	2.12	7.75
4	PBT to Net Revenue from Operation (B3/B2)	%	0.34	0.32
<b>D.</b>	<b>Other Financial Ratios :</b>			
1	Debt-Equity Ratio (A3/A7)		6.42	5.17
2	Current Assets to Current Liabilities & Provision (5(a)/5(b))		0.43	0.28
3	Value Added to Net Revenue from Operation (B1/B2)	%	16.29	4.10
<b>E.</b>	<b>Working Capital Ratios :</b>			
1	Raw Materials Stock to Consumption	Months	-	-
2	Stores & Spares to Consumption	Months	-	-





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5. RELATED PARTY TRANSACTIONS (Company as a whole)								
INR Lakhs								
SL. no.	Name and CIN of the Related Party	Name of the Product / Service	Nature of Transaction (Sale, Purchase etc.)	Quantity	Transfer Price	Amount	Normal Price	Basis adopted to determine the Normal Price
1								
2								
3								
4				Nil				
5								
6								
7								
8								
9								
10								
11								



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D. 6 : Reconciliation of Indirect Taxes (for the company as whole)							
Sl No.	Particulars	Taxable Value/ Assessable Value	Cess etc./ Other State Taxes, if any	Goods & Services Tax			
		(INR Lakhs)	(INR Lakhs)	CGST	SGST/ UTGST	IGST	Cess and Others
	Duties/Taxes Payable :						
	Excise Duty :						
1	Domestic	-	-	-	-	-	-
2	Export	-	-	-	-	-	-
3	Stock Transfer (Net)	-	-	-	-	-	-
4	Other, if any	-	-	-	-	-	-
5	Total Excise Duty ( 1 to 4)	-	-	-	-	-	-
6	Cess (Labour Cess)	-	-	-	-	-	-
7	Other State Taxes, (Professional Tax)	68,577	236	-	-	-	-
	Goods & Services Tax :						
8	Outward Taxable Supplies (other than zero rated, Nil Rated and Exempted)	10,176	-	894	894	43	-
9	Outward Taxable Supplies (zero rated)	-	-	-	-	-	-
10	Inward Supplies (Liable to reverse Charge)	5,693	-	319	319	10	-
11	Other Outward Supplies (Nil Rated, Exempted)	25,68,533	-	-	-	-	-
12	Non-GST Outward Supplies	-	-	-	-	-	-
13	Total (8 to 12)	25,84,401	-	1,213	1,213	52	-
14	Total Duties/Taxes Payable (5+6+7+13)	26,52,978	236	1,213	1,213	52	-
	Duties/Taxes paid (By utilisation of Input Tax Credit and payment through Cash Ledger, as the case may be)						
	Input Tax Credit Utilised :						
15	CGST/CENVAT	-	-	-	-	-	-
16	SGST/UTGST/VAT	-	-	-	-	-	-
17	IGST	-	-	-	-	-	-
18	Cess	-	-	-	-	-	-
19	Transitional Credit	-	-	-	-	-	-
20	Other, if any, specify	-	-	-	-	-	-
21	Total Input Tax Credit Utilised (15 to 20)	-	-	-	-	-	-
22	Payment through Cash Ledger	-	236	1,213	1,213	52	-
23	Total Duties/Taxes Paid (21+22)	-	236	1,213	1,213	52	-
	Difference between Taxes Paid and Payable (14-23)		-	-	-	-	-
24	Interest/Penalty/Fines Paid	-	-	-	-	-	-

AS PER OUR ATTACHED REPORT OF  
EVEN DATE

For DGM & Associates

Cost Accountants

Firm Regd. No. : 000038

*Rana Ghosh*

Rana Ghosh

(Partner)

M.No. : 09356

Kolkata, 13<sup>th</sup>, July, 2022.

UIN Number: 2209356A1TFGRDVEA4

For & On Behalf of the Board, WBSEDCL

*K. Ghosh*

K. Ghosh

Chief Financial Officer

*Aparna Biswas*

APARNA BISWAS

Company Secretary

M.No : FB866



**: Write-up on Trust Liability :**

WBSEDCL had submitted its APR petition(s) since from FY-2007-08 to FY-2020-21 and the Commission had issued its APR orders up to FY-2019-20 against APR petitions filed by WBSEDCL till FY-2020-21. Further Tariff Order for FY-2020-21 and FY-2021-22 had been issued on 28.03.2022 and 28.07.2022 respectively.

Since FY 2007-08 to 2021-22 , the Commission has admitted a cumulative amount of Rs 8413.99 crore under the head of Terminal Benefits (excluding the fund admitted under the head Interest of Pension Trust Bond) against which the commission has withheld accumulated amounts of Rs 2556.60 crore through its different APR order(s) up to FY-2019-20. Year wise break up of such withheld amounts are given below:

Sl No	APR Order in respect of Financial Year	Amount Withheld on account of Terminal Benefits (Rs in Crore)
1	2013-14	486.00
2	2014-15	1024.39
3	2015-16	625.19
4	2016-17	212.22
5	2017-18	208.80
<b>Total</b>		<b>2556.60</b>

Accordingly WBERC has actually allowed Rs. 5857.39 (i.e. 8413.99-2556.60) crore in different APR/Tariff orders since 2007-08 to 2021-22 against which WBSEDCL had actually disbursed Rs 6810.43 crore on account of Terminal Benefit (excluding payment for Interest of Pension Trust Bond) till the end of FY-2021-22.

As a result of above, it appears that there is no shortfall in payment on account of Terminal Benefit rather WBSEDCL has paid Rs 953.04 (i.e. 6810.43-5857.39) crore out of cumulative withheld amount of Rs 2556.60 crore on account of Terminal Benefits .

Further, it is to be noted that Govt. Grant sanctioned in 2016-17 amounting to Rs. 2647.09 crore against Regulatory Receivable with a direction to repay the entire State Govt loan. WBSEDCL repaid the entire State Govt. Loan during 2016-17 &

2017-18. Benefit for such loan repayment was already passed in APR application of the respective years. WBERC in Tariff order of 2016-17 & in APR 2014-15 adjusted entire Govt. Grant Rs. 2647.09 crore against Regulatory Assets. Thus release of Regulatory Assets does not bring any fund towards release of the terminal liability embedded in Regulatory Assets.

In addition to above, Hon'ble WBERC has reduce the Regulatory Assets of Rs 1763.83 crore to Rs 1644.04 crore for FY-2008-09 and in view of above a fresh a Regulatory Assets of Rs 1644.04 crore was created in the order dated 26.07.2010 in case no : APR-10/09-10 for FY-2008-09. Thus, Rs 119.79 crore book adjustments was made in the APR order of 2008-09 by disallowing expenditure incurred in other head though WBSIEDCL has actually incurred such expense on account of Terminal Benefits of employees.

***Thus, WBERC may consider release of Rs 1072.83 (953.04+119.79) crore equivalent to excess payment as stated above including book adjustment made of Rs 119.79 out of withheld amount of Rs 2556.60 crore .***

***In addition to Rs 1072.83 crore, adjusted amount of entire Govt. Grant of Rs. 2647.09 crore against Regulatory Assets had reduce the Tariff shock but does not bring any fund towards release of the terminal liability embedded in Regulatory Assets.***

Thus the same also may be considered at the time of release of withheld amount in favour of WBSIEDCL.

Statement of amount allowed under terminal benefit head in APR / Tariff orders vis-à-vis amount deposited in terminal benefit fund during each financial years																
Year	Type of Order	Amount allowed in ARR (in Rs Lakhs)				Amount Paid to funds and meeting non-funded liabilities (in Rs Lakhs)						Shortfall (excess) in deposition by WBSEDCL to fund (in Rs Lakhs)				
		Terminal Benefit Head	Release of Regulatory Asset of ROPA	Interest on Bond	Total	Pension	Gratuity	CPF	Non funded	Interest on Bond	Total	Pension	Gratuity	CPF	Non funded	Interest on Bond
(a)	(b)	(c)	(d)	(e)	f=(a+b+c)	(g)	(h)	(i)	(j)	(k)	l=g+h+i+j+k	(m)	(n)	(o)	(p)	(q)
2007-08	APR	12195	0	13005	25200	4710	731	510	6244	13005	25200	0	0	0	0	0
2008-09	APR	9185	11979	13005	34169	5081	1040	615	5447	13005	25188	8981	0	0	0	0
2009-10	APR	36585	18800	13005	68390	12946	1055	643	9090	13005	36739	31651	0	0	0	0
2010-11	APR	35521	18886	13005	67412	7000	3635	829	5445	13005	29914	37498	0	0	0	0
2011-12	APR	40890	45500	13005	99395	6037	6183	1011	8275	13005	34511	64884	0	0	0	0
2012-13	APR	42860	1800	13005	57665	6250	9680	1223	14070	13005	44228	13437	0	0	0	0
2013-14	APR	64445	6500	13005	83950	12453	9905	1634	10014	13005	47011	36939	0	0	0	0
2014-15	APR	43012	2554	13005	58571	22100	10980	2220	7712	13005	56017	2554	0	0	0	0
2015-16	APR	45206	36000	13005	94211	27760	12375	2512	6026	13005	61678	32533	0	0	0	0
2016-17	APR	56669	33150	13005	112824	33068	8045	2816	10903	13005	67837	44987	0	0	0	0
2017-18	APR	35995	0	10404	46399	31632	8511	2794	3221	11806	57964	(10163)	0	0	0	(1402)
2018-19	APR	29231	0	10020	39251	45910	9336	3083	4398	10020	72747	(33496)	0	0	0	0
2019-20	APR	102147	0	9971	112118	56675	6836	3371	12197	9971	89050	23068	0	0	0	0
2020-21	TARIFF	50225	0	5202	55427	79621	9315	4537	3779	9971	107222	(47026)	0	0	0	(4769)
2021-22	TARIFF	52064	0	2601	54665	81561	7739	4788	3469	9971	107528	(45493)	0	0	0	(7370)
Total		666230	175169	168248	1009647	432804	105366	32586	110288	181789	862832	160355	0	0	0	(13541)
Note: * Non-funded Terminal benefit like leave salary						Please note that { (f) - (l) } shall be equal to { (m) + (n) + (o) + (p) + (q) }										
Year	Total (Investment) amount in Rs Lakhs			Income from Investment of Fund in Rs Lakhs			Rate of Return on Investment in %									
	Pension	Gratuity	CPF	Pension	Gratuity	CPF	Pension	Gratuity	CPF							
2007-08			114301			9759			8.54							
2008-09	265677	28665	123174	20652	2040	10700	7.77	7.12	8.69							
2009-10	268777	25674	133720	22223	2231	11422	8.27	8.69	8.54							
2010-11	270287	23474	145521	24128	3073	12512	8.93	13.09	8.60							
2011-12	270654	20975	158171	23719	1423	13619	8.76	6.79	8.61							
2012-13	271321	20975	171638	24051	2017	14912	8.86	9.62	8.69							
2013-14	268305	20446	186229	23616	1983	15933	8.80	9.70	8.56							
2014-15	267512	20190	201766	23335	1880	17285	8.72	9.31	8.57							
2015-16	250063	20320	222224	22708	1839	18541	9.08	9.05	8.34							
2016-17	246343	19413	240952	21767	1797	20028	8.84	9.26	8.31							
2017-18	243048	19402	269039	22004	1785	21252	9.05	9.20	7.90							
2018-19	253830	21541	295222	21722	1856	22580	8.56	8.62	7.65							
2019-20	271800	24543	318190	22637	2001	25096	8.33	8.15	7.89							
2020-21	292743	27330	355396	24003	2058	25502	8.20	7.53	7.18							
2021-22	327433	31189	393915	23587	2186	27175	7.20	7.01	6.90							
Total	3767793	324136	3329457	320151	28170	266314	8.50	8.69	8.00							